

**Minutes of Open Session**

Thursday, October 4, 2018 18-19 BR:01

Minutes of a meeting of the Board of Governors held on Thursday, October 4, 2018 at 4:00 p.m. in room 301 of the James Administration Building, 845 Sherbrooke Street West, Montreal.

Present:

Amon, Daniel (<i>Observer</i>)	Hobday, Tina	Zakrzewski, Helena
Babinski, Bob	Lotayef, Ehab	Zorychta, Edith
Barney, Darin	Mansdoerfer, Richard (Tre)	
Bertrand, Maryse (<i>by phone</i>)	Matuszewski, Pierre	<i>Resource Persons</i>
Boychuk, Michael	Murphy, Sean (<i>Observer</i>)	Beauchamp, Yves
Critchley, Ronald (<i>by phone</i>)	Nystrom, Derek	Manfredi, Christopher
Desnoyers, Alan (<i>by phone</i>)	Panda, Ram (<i>Chair</i>)	Weinstein, Marc
Fortier, Suzanne	Price Verreault, Cynthia (<i>by phone</i>)	Rogowska, Edyta (<i>Secretary-General</i>)
Généreux, Claude (<i>by phone</i>)	Sakhia, Samira	Dobie, Kevin (<i>Associate Director</i>)
Halperin, Stephen	Turcotte, Martine (<i>by phone</i>)	
Harpp, David (<i>by phone</i>)		

Guests: Ms. Cristiane Tinmouth, Associate Vice-Principal (Financial Services)

Regrets: Peter Coughlin, Michael A. Meighen, Samuel Minzberg, Maarika Paul.

7. Chair's Remarks

Governor Ram Panda, Chair of the Board of Governors (Chair), welcomed members to the first regular meeting of the Board of Governors for the 2018 – 2019 governance year.

On behalf of the Board of Governors, the Chair offered condolences to the family of Ms. Susan Aberman, who passed away on September 15, 2018. The Board approved a motion of condolence to the family of Ms. Aberman. Ms. Aberman served, with great dedication, as Chief of Staff to the Principal and Vice-Chancellor from 2008 to 2017.

The Chair welcomed and introduced new Governors: Mr. Bob Babinski, representative of the McGill Alumni Association, Ms. Samira Sakhia, member-at-large, and Mr. Ehab Lotayef, Administrative and Support Staff Representative on the Board of Governors. He also welcomed (in absentia) member-at-large Ms. Maarika Paul, The Chair introduced and welcomed Dr. Helena Zakrzewski, Secretary-General of the Postgraduate Students' Society (PGSS), and Mr. Richard (Tre) Mansdoerfer, President of the Students' Society of McGill University (SSMU), as student members. He then greeted Mr. Daniel Amon, Vice-President (Student Affairs) of the Macdonald Campus Students' Society (MCSS), and Mr. Sean Murphy, President, McGill Association of Continuing Education Students (MACES) as student observers.

The Chair thanked members for their participation in the Board of Governors Orientation Session, which had been held on September 17, 2018. He indicated that feedback received was generally positive and would help in planning future orientation sessions. He reminded members that the Community Session scheduled to take place immediately following the Board meeting would not be held, as no questions were being considered. The Chair then

offered congratulations to Governor Tina Hobday who had been recognized and listed in the prestigious publication *The Best Lawyers in Canada 2019* in recognition of her expertise in the areas of Employee Benefits Law and Corporate Governance. [applause]

The Chair, on behalf of the Board of Governors, then congratulated the Principal of McGill University, Professor Suzanne Fortier, along with 16 other McGillians, who were named to the Order of Canada on June 29, 2018. Professor Fortier, who is also a member of the Faculty of Science, was recognized for “her rich contributions to scientific advancements and innovation in Canada, and for her governance in academia.”

8. Consent Items

On a motion duly proposed and seconded, the Board of Governors approved the following as consent items:

- *Agenda and Minutes (Open Session) of April 26, 2018*
- *Annual Borrowing Resolution from Financement-Québec* [GD18-05]

The following items were presented for information:

- Report of the Building and Property Committee [GD18-06]
- Notice of Joint Board of Governors and Senate Meeting [GD18-07]
- Board of Governance Reference Book [GD18-08]

9. Business Arising from Open Session Minutes

There was none.

10. Principal’s Remarks

Professor Suzanne Fortier, Principal and Vice-Chancellor, spoke about orientation week activities and thanked student leaders and all those involved for their efforts in the organization of a safe and enjoyable week of events.

The Principal discussed enrolment numbers, noting that although enrolment figures were not yet final, it was projected that the University’s total credit enrolment would increase by approximately 1% this fall. Furthermore, the proportion of International students (US & Other) continued to increase, standing at 31.1% (up from 29.4% last year).

She then mentioned that the situation involving postgraduate medical education trainees from the Kingdom of Saudi Arabia had been resolved for the time being. On August 28, 2018 the Saudi Arabian Cultural Bureau announced that Saudi postgraduate medical education trainees (fellows and residents) currently in Canada were permitted to stay in the country, and trainees who had gone back to Saudi Arabia would be permitted to return.

The Principal then spoke about the Times Higher Education (THE) World University Rankings, where McGill ranked 44th in the world (down 2 spots from last year). Among Canadian universities, McGill ranked 3rd, behind the University of Toronto (21) and the University of British Columbia (37). McGill was the top ranked Quebec university.

Regarding government relations, Professor Fortier congratulated Premier-elect Francois Legault and the *Coalition Avenir Québec* for their win in the Quebec general election held on October 1, 2018, and stated that she looked forward to working with the new government to move McGill's priorities forward.

External relations initiatives described by the Principal included the September 18-20, 2018 World Economic Forum – Annual Meeting of the New Champions which she co-chaired, in Tianjin, China. The theme of this annual meeting (also known as the “summer Davos”) was *Innovative Societies and the Fourth Industrial Revolution*. The Principal was accompanied by 12 McGillians including researchers, alumni, the Vice-Principal (Research and Innovation), and the Associate Provost (International). Professor Fortier also served as a panelist at an event in London, England, organized by McGill's Max Bell School of Public Policy where she was joined on the panel by Stephen Toope (Vice-Chancellor of the University of Cambridge) and Daniel Costello (Ambassador of Canada to the European Union), for a discussion about pressing social and economic issues, and the role that universities can play in helping navigate complex global challenges.

Professor Fortier then discussed community relations, providing an update on the Principal's Task Force on Respect and Inclusion in Campus Life. She indicated that she and the senior administration have been reflecting over the summer on the report's recommendations and are preparing a plan of action. Next, the Principal mentioned that McGill would again be holding a campaign in support of Centraide of Greater Montreal. Professor Dilson Rassier was returning as co-chair of the 2018 campaign, joined by the Secretary-General. The Secretary-General spoke about the McGill's association with Centraide, the reach of their work, and encouraged members of the Board to participate in the campaign.

The Principal concluded her remarks with examples of external recognition of members of the community, including a landmark \$5-million gift from Bob Wares (BSc'79, DSc'12) to support research programs, fellowships, innovative research, lecture series and outreach efforts in McGill's Faculty of Science, and a \$3.5-million gift from long-time Athletics benefactors Sheryl Kerr (BCom'67) and David Kerr (BSc'65) to create the Kerr Family Women in Sport program. She noted that the Royal Society of Canada (RSC) announced the induction of five new McGill Fellows and six new members of the College of New Scholars, Artists and Scientists. In addition, the RSC granted Professor Tomislav Friščić (Department of Chemistry) The Rutherford Memorial medal which recognizes an exceptional researcher in the fields of chemistry or physics. The RSC also named Professor Iwao Hirose (Department of Philosophy and the McGill School of Environment), the recipient of The 2018 Kitty Newman Memorial Award which recognizes an outstanding emerging Canadian scholar in the field of philosophy. Dr. Madhukar Pai, Director of McGill's International Tuberculosis Centre, and Director of McGill Global Health

Programs, was invited to participate in an historic international gathering called the UN High Level Meeting on TB (UN HLMTB) in New York on September 26.

11. Board Committee Reports: Part II [GD18-04]

11.1 Audit Committee

The Vice-Principal (Administration and Finance) presented the Report of the Audit Committee arising from the Committee's meeting of September 24, 2018.

11.1.1 Financial Report to the Board of Governors 2017-2018, Audited Financial Statements

Vice-Principal Beauchamp indicated that the Audit Committee reviewed the 2017 – 2018 Financial Report and an analysis of the financial statements.

Governor Lotayef requested clarification with respect to figures included on p. 31 of the 2017 – 2018 Financial Report to the Board regarding the number of management staff employed by the University. The Associate Vice-Principal (Financial Services) confirmed that the figures in the Report reflected all management (M-level) staff. He also requested a more detailed breakdown of salary expenses for Administrative and Support staff. This request was referred to the Associate Vice-Principal (Financial Services).

Governor Nystrom also noted a slowdown in the hiring of tenure-track academic staff indicated on p. 26 of the Report. Professor Manfredi stated that hiring of tenure-track academic staff was outpacing retirement of tenured staff and the University had reached the maximum rate of hiring of tenure-track academic staff.

Members reviewed and subsequently approved the Financial Report and the audited financial statements.

On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Audit Committee approved the 2017-2018 Financial Report to the Board of Governors including the external auditor's report and Audited Financial Statements of The Royal Institution for the Advancement of Learning/McGill University for the year ended April 30, 2018.

11.1.2 Appointment of External Auditors for Fiscal Year 2019

The Vice-Principal (Administration and Finance) stated that at its meeting on October 5, 2017, the Board reappointed Deloitte as McGill's auditors for the fiscal year ending in April 30, 2018. This was done following a public call for tenders in April 2017 for external audit services. Deloitte's proposal was ranked first, being the lowest conforming bidder, for a total price of \$815,000 (not including taxes) over the contract's full potential term of 60 months, subject to annual approval by the Board of Governors.

On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Audit Committee, approved the appointment of Deloitte as external auditors of the University for the fiscal year ending April 30, 2019.

11.2 Nominating, Governance and Ethics Committee

[GD18-09]

On behalf of the Chair of the Nominating, Governance and Ethics Committee, the Chair of the Board presented the Nominating, Governance and Ethics Committee's report arising from the Committee's meeting of September 18, 2018.

11.2.1 Transition to Information Technology Committee

The Chair of the Board presented this item to the Board, stating that at its meeting of June 14, 2016, the Executive Committee, in considering a number of Information Technology (IT) related infrastructure projects, noted that the Board Committee structure would benefit from having additional governance oversight for IT projects, prior to their submission to the Executive Committee or the Board of Governors.

The Chair stated that in light of the University's IT deferred maintenance needs, and the University's plans to significantly invest in IT infrastructure in the future, the Executive Committee of the Board of Governors requested that the establishment of a governance structure (a subcommittee of a Board Committee) be considered by the NGE Committee in order ensure an adequate level of governance oversight. He noted that in recognition of the growing need for governance oversight of IT-related projects and policies, it was proposed that the Subcommittee model change to a full standing Committee model. As a standing Committee of the Board, the IT Committee would have functions and responsibilities delegated by the Board and those subject to the Board's authority. The Chair noted that the IT Committee would report directly to the Board of Governors.

On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approved:

- *the discontinuance of the IT Subcommittee and its respective terms of reference and;*
- *the establishment of the IT Committee as a standing committee of the Board of Governors and the IT Committee Terms of Reference.*

11.2.2 Appointments to Board Standing Committees

On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approved:

- *The reappointment of Professor David Harpp as a member of the Building and Property Committee for a three-year term effective immediately and ending June 30, 2021.*
- *The reappointment of Professor David Harpp as a member of the Executive Committee for a three-year term effective immediately and ending June 30, 2021.*
- *The reappointment of Mr. Sam Minzberg as a member of the Executive Committee commencing July 1, 2019 and ending June 30, 2021, to coincide with his end of term on the Board.*
- *The appointment of Ms. Samira Sakhia as a member of the Finance Committee for a three-year term effective immediately and ending June 30, 2021.*
- *The appointment of Mr. Claude Généreux as Vice-Chair of the Human Resources Committee effective immediately and ending on June 30, 2020, to coincide with his the end of his term on the Board.*
- *The reappointment of Mr. Joel Raby as member and Chair of the Investment Committee commencing July 1, 2019 and ending June 30, 2021.*
- *The appointment of Mr. Sam Minzberg as Vice-Chair of the Investment Committee, effective immediately and ending June 30, 2021, to coincide with the end of his term on the Board.*
- *The reappointment of Mr. Sam Minzberg as Chair and member of the Nominating, Governance and Ethics Committee commencing July 1, 2019 and ending June 30, 2021, to coincide with the end of his term on the Board.*

11.2.3 Internal and External Non-Board Bodies

On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approved:

- *The appointment of Dr. Martha Crago as a member designated by the Board of Governors on the Board of Directors of the Quartier de l’Innovation as a successor to Principal Fortier for a term commencing October 1, 2018 to September 30, 2020.*
- *The appointment of Ms. Cynthia Price Verreault as a member of the Board of Governors on the Advisory Committee for the Principal’s Awards for Administrative and Support Staff with a term beginning January 1, 2019 and ending December 31, 2020.*

11.2.4 Healthcare Bodies

On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approved the following:

- *The appointment of Ms. Stephanie Rossy, as a representative of the Board of Governors to the Montreal Neurological Institute Advisory Board for a two-year term beginning immediately and ending December 31, 2020.*
- *The reappointment of Dr. Pierre Ernst as a member of the Transplant-Quebec Board of Directors for a term beginning October 1, and ending September 30, 2020.*

11.3 Executive Committee

[GD18-10]

The Chair presented the Report of the Executive Committee for information. The Report summarized approvals made by the Executive Committee in the name of the Board at the Committee's June 14 and August 28, 2018 meetings.

With regard to the RVH Project, the Vice-Principal (Administration and Finance), Professor Yves Beauchamp provided an update. He informed members that on June 22, 2018, the Government of Quebec agreed to invest \$37 million to allow the University to continue its plans for this project. The University and the Government of Quebec were working together to come to terms on a funding agreement for the use of this contribution. Regarding the R2R project, Professor Beauchamp informed the Board that work on this project had been slowed down for the summer to allow for restructuring. It was anticipated that a revised project will be presented for consideration to the IT Committee in the fall of 2018.

12. Report from Senate

[GD18-11]

The Principal presented the Report to the Board from Senate, arising from the meeting of Senate held on September 12, 2018.

The Principal reported that Senate received a motion on divestment from fossil fuel industry for its consideration. Professor Fortier provided members with a summary of events, stating that prior to discussing the motion, Senate debated the suitability of expressing an opinion on this matter. She reported that during the debate, Senators noted that investment policies and practices fall under the purview of the Board of Governors and that that the Board has already thoroughly reviewed and addressed this matter.

The Principal reported that Senate, based on its discussion, approved a motion, with an amendment, which is now presented to the Board as follows:

On a motion duly proposed and seconded, it was resolved that Senate inform the Board of Governors, through the Principal, that it favours, in principle, a move to divest the endowment from all companies whose primary business is the extraction, distribution, and/or sale of fossil fuels; and from all mutual funds that invest in such companies.

It was noted that Senate, in approving this motion, favours and encourages the idea of respectful dialogue on the topic.

Noting the quality, passion, and respectful nature of the debate that took place at Senate, Governor Lotayef requested that this matter be debated by the Board. The Chair stated that to follow due process, CAMSR was the proper venue to study the issue prior to it being referred to the Board. Governor Barney highlighted the quality of debate at Senate, and the important contributions made by the student community on the issue. He suggested that pursuant to section 6.3.9 of the *University Statutes*, a Conference Committee may be a more appropriate forum to discuss this issue. The Secretary-General clarified that striking a Conference Committee would be out of order, as this measure was to be used only in the case of a disagreement concerning a recommendation that Senate would make to the Board on matters within Senate's purview. Acknowledging that there were technical elements of the Statutes that did not apply to this case, Governor Barney suggested that establishing a Conference Committee would provide a path forward for addressing the issue. Following discussion, members agreed to refer this matter to CAMSR for further study.

13. Other Business

There was none.

The meeting was adjourned at 6:13 p.m.

END

SUMMARY OF MATTERS CONSIDERED IN CLOSED SESSION OF THE BOARD OF GOVERNORS HELD ON OCTOBER 4, 2018

1. Report on New Appointments, Promotions and Tenure

The Board of Governors approved recommendations concerning new academic appointments and recommendations concerning promotions.

2. Report of the Investment Committee (Part I)

The Board of Governors approved, on the recommendation of the Investment Committee, modifications to the Statement of Investment Policy (SIP), and changes to the asset mix of the McGill Investment Pool (MIP).

3. Report of the Nominating, Governance and Ethics Committee

The Board of Governors approved, on the recommendation of the Nominating, Governance and Ethics (NGE) Committee, the appointment of Maryse Bertrand as Vice-Chair of the Board of Governors, for a three-year term commencing immediately and ending June 30, 2021.