

June 10, 2021

Ms Saher Fazilat

Dear Saher:

On authorization of the Board of Governors of McMaster University, and pursuant to a recommendation of the Senate of the University, I am pleased to offer you the appointment of Vice-President (Operations and Finance). Once you sign and return this letter it will become a binding contract ("Agreement") between you and the University. For clarity, the terms of this Agreement will be reviewed in the event that Compensation Restraint Laws (defined below) are substantially amended.

1. **Position.**

- a. If you accept this offer of employment, you will be appointed as Vice-President (Operations and Finance) ("Appointment"). During the term of this Appointment, you will faithfully, effectively and satisfactorily perform all of the duties and acts that are usual or necessary in carrying out the responsibilities of the Vice-President (Operations and Finance), including those which may be required by the *McMaster University Act, 1976* and those described in the attached Schedule "A" hereto, which is incorporated into, and forms part of, this Agreement.
- b. Subject to the approval of the Human Resources Committee of the Board of Governors, the duties and responsibilities as defined in the attached Schedule "A" may be amended from time to time by the University as it deems necessary.
- c. Each contract year, you will develop and implement annual performance objectives in addition to the normally expected duties of the position. These annual performance objectives will form the basis of your annual salary review referenced in paragraph 3. Annual performance objectives shall be subject to review by, and agreement of, the President.

2. **Effective date.** The Appointment will begin effective July 21, 2021 ("Start Date") and will continue indefinitely subject to Article 10.

3. **Compensation.**

- a. Remuneration Review. Your compensation is subject to compensation restraint legislation, including Part IV.1 of the *Broader Public Sector Accountability Act*,

2010, SO 2010, c 25 and the *Broader Public Sector Executive Compensation Act, 2014*, SO 2014, c 13, Sch 1, and related regulations, as amended from time to time (collectively, "Compensation Restraint Laws"). Your compensation may be reviewed during the term of your Appointment, subject to the approval of the Board of Governors and to the extent permitted under Compensation Restraint Laws. In the event that Compensation Restraint Laws are substantially amended during the Appointment, the terms of this Agreement will be reviewed and mutually acceptable adjustments, compliant with amended Compensation Restraint Laws, may be negotiated at that time

- b. Salary. You will receive an Annual Base Salary of \$300,000 (less all applicable tax withholdings and other statutory deductions based on 26.0892 payroll deposits per year), prorated for partial years, if any. This salary shall continue during your annual vacation leave and is inclusive of your vacation pay entitlements under the *Employment Standards Act, 2000*, as amended from time to time ("ESA").
- c. Performance/Variable Pay. In addition to your Salary, you will be eligible to participate in the Performance/Variable Pay Plan ("P/VP Plan"). The specific terms of your P/VP Plan will be communicated to you by the President on an annual basis. It is understood that the P/VP Plan payment will be an annual payment up to the greater of:
 - i. 10% of your annual salary, or
 - ii. the amount permitted under Compensation Restraint Laws.

The University reserves the right to amend the P/VP Plan from time to time.

4. **Benefits & Retirement Plans.**

- a. Health & Welfare Benefits. You will be entitled to participate in the University's health and welfare benefits, including extended health and dental benefits, long term disability coverage, life insurance, and tuition assistance/bursary benefits, the details of which are summarized in the accompanying document titled, "Benefit Plan Summary for the Position of Vice-President (Operations and Finance)". Any payments, rights or entitlements under the Benefit Plans will be governed by the terms of the formal plan documents or policies establishing the benefit in issue. The University reserves the right to amend the terms and conditions of the Benefits Plans from time to time in its sole discretion.
- b. Group Registered Retirement Savings Plan (RRSP). You will be entitled to participate in the University's Group RRSP, the terms of which are summarized in the accompanying Highlights of the McMaster University Group Registered Retirement Savings Plan (RRSP). The University reserves the right to amend the terms and conditions of the Group RRSP from time to time in its sole discretion.
- c. Supplemental Defined Contribution Plan. If and when it becomes permissible under Compensation Restraint Laws, you will be entitled to participate in the

McMaster University Defined Contribution Supplemental Retirement Plan for Specified Employees (“Supplemental Plan”). The University reserves the right to amend, modify or terminate the Supplemental Plan, in whole or in part, in its sole discretion.

- d. Post-Retirement Benefit Plan. You shall not be eligible for participation in the University’s post-retirement Benefit Plans, including extended health and dental plans.
- e. Vehicle Allowance. In order to conduct your duties on behalf of the University, you will be provided with a bi-weekly vehicle allowance, which amounts to \$9,600 per year. You will not be entitled to reimbursement for any expenses related to the use of your vehicle for University business purposes within the area covered by the City of Hamilton and the City of Burlington. Reimbursement for travel outside this specified area will be compensated at the University’s current per kilometer rate, in accordance with University policies and procedures, which may be amended from time to time.
- f. Professional Designations. The University shall pay the annual fees required for the maintenance of your professional designation associated with the Appointment, as approved by the President.
- g. Technology. You may use University property, such as a laptop or mobile phone, in the course of your duties, but all such property will remain the property of the University during and after the term of your Appointment.

5. Leaves, Vacations & Holidays.

- a. Annual Vacation Leave. You are entitled to an annual paid vacation leave of six weeks in accordance with the University’s policies and practices, inclusive of your vacation entitlements under the ESA.
- b. Public Holidays. You are entitled to all specified holidays generally observed by University faculty and staff, inclusive of your public holiday entitlements under the ESA.
- c. Other Statutory Leaves. You are entitled to other unpaid statutory leaves of absence to the extent required under the ESA.

6. Expenses.

- a. You will be reimbursed, in accordance with the University’s policies, for reasonable and necessary expenses incurred in connection with the fulfillment of your role as Vice-President (Operations and Finance). These expenses are subject to final approval of the President.
- b. If you have any questions about whether the expenses you will incur will be approved by the President, you will seek the approval of the President before you incur such expenses. If you fail to seek such approval, and the President

determines that your expense(s) did not fall within the scope of the University's policies or this Agreement, the President will not approve, and you will not receive reimbursement for such expenses.

- c. Reimbursement for your travel expenses for trips that are in excess of one week outside of Canada is subject to prior written approval by the President. You will provide the President with reasonable notice of such proposed expenses.
 - d. Only airline travel that is outside of North America may be business class. If you seek an exception to this use of business class travel, you must obtain the prior written approval of the President.
 - e. There are certain occasions, including long distance business-related trips and business-related social activities, where you are permitted to utilize taxis or limousines in lieu of driving.
7. **Gifts.** If you receive a gift valued at \$500 or more and if the gift was given to you in your capacity as a representative of McMaster University, including any gift given while you were traveling on University business or receiving visitors to the University, you are required to disclose to the President the nature of the gift, its approximate commercial value, the circumstances under which the gift was given to you, and whether the gift was received by you as a representative of McMaster or in your individual capacity. Any such unapproved gifts that are received by you as a representative of McMaster University shall be disposed of in a manner agreed to in writing by the President.
8. **Service Contracts.** You agree to submit any existing or proposed employment or service contract, including renewals and amendments, involving the University and your partner or family members, to the President for review and approval, amendment or rejection.
9. **Source Deductions.** Your remuneration and taxable benefits under this Agreement shall be subject to statutory deductions, withholdings and remittances for income tax, the Canada Pension Plan, and employment insurance.
10. **Termination of Employment.**
- a. Resignation. You may, at any time, at your discretion and without providing any reasons for doing so, terminate your Appointment as Vice-President (Operations and Finance) by giving the President of the University a minimum of six months' written notice of your intention to do so. At any time following the University's receipt of written notice provided by you, and prior to the effective date of termination as specified therein, the University may, at its sole discretion, elect to terminate the Appointment without notice, in which case you will be provided with the pay and benefits that you would have received had you continued working for the duration of the resignation notice period, unless the University elects to terminate your employment earlier in accordance with paragraph 10(b) below.
 - b. Termination Without Cause. At any time and without providing any reason for doing so, the University may terminate your appointment as Vice-President

(Operations and Finance) without cause by providing you with written notice, or pay in lieu of notice, or a combination thereof, in the following amount:

- i) if you have less than or equal to 6 months' completed service, 6 months, inclusive of your termination notice under the ESA; or
- ii) if you have more than 6 months' completed service:
 - o 12 months, less the number of weeks of statutory severance pay to which you are entitled under the ESA (if any), inclusive of your termination notice under the ESA, plus
 - o 1 month for each completed year of service, calculated from July 1, 2021, to a maximum amount of 6 months.

In addition to the above, you will be provided with statutory severance pay, to the extent required under the ESA.

- c. Termination for Cause. Notwithstanding paragraph 2 above, the University may terminate your Appointment as Vice-President (Operations and Finance) at any time for "cause", without notice or pay and benefits in lieu, except to the extent required under the ESA. "Cause" includes anything that would constitute just cause for summary dismissal at common law. The failure by the University to rely on this provision in any given instance or instances shall not constitute a precedent or be deemed a waiver.
- d. Deemed Termination. The parties agree that, should you become disabled such that you are incapable of performing the duties of Vice-President (Operations and Finance) for one year, this Agreement shall become contractually frustrated and will be deemed to have terminated. You acknowledge and agree that, given the nature of your appointment as Vice-President (Operations and Finance), accommodating a disability leave for more than one year would amount to undue hardship for the purposes of the Ontario *Human Rights Code*, R.S.O. 1990, c. H. 19. You acknowledge and agree that, in such circumstances, you will be entitled to the continuation of pay and benefits for a period of 12 months from the date the Appointment is deemed terminated, inclusive of your ESA entitlements, and shall have no further entitlement at common law, by contract, or otherwise.
- e. Provisions Applicable to Any Termination.
 - i. Where applicable, "pay in lieu of notice" will be calculated using the Base Annual Salary of the Vice-President (Operations and Finance) only, except to the extent that further amounts must be included in "pay" to comply with the ESA.
 - ii. In any termination under paragraph 10, regardless of the reason, the University will continue benefits and ESA entitlements (e.g. vehicle allowance, vacation accrual, payment for professional designations, and

retirement savings plan contributions), only for as long as is minimally required under the ESA.

- iii. Except as specifically described in this Agreement, you will have no claim against the University, its affiliates, or any of its or their officers, directors or employees, for damages arising out of the termination of your employment, whether arising pursuant to the ESA, by other statute, contract, common law or otherwise.
- iv. All equipment, documents, property or any other materials of any kind, including confidential information, created or obtained by you in the course of your employment, shall be surrendered promptly to the University, in good condition, upon the termination of your employment.
- v. The rights and obligations in this Agreement which, by their nature survive the termination of your employment, shall continue in full force and effect notwithstanding the termination of your employment by either party.
- e. University Policies. In conjunction with this Agreement, the terms and conditions of this Appointment are also subject to University Policies, Directives, and Procedures, as applicable, found online at <https://hr.mcmaster.ca/resources/employment-related-policies-directives-procedures/> and the links therein.
- f. Health and Safety. You are expected to complete and keep current the necessary health and safety training in accordance with the University's Safety Training and Orientation Program, found online at https://hr.mcmaster.ca/employees/health_safety_well-being/our-safety/health-and-safety-training/.

11. Miscellaneous.

- a. Legal Advice. You acknowledge and agree that you have obtained independent legal advice in connection with the execution of this Agreement, or have freely chosen not to seek such advice. Further, you acknowledge and agree that you have executed this Agreement voluntarily and with full knowledge of, and in agreement with, all of its terms and provisions.
- b. Notices. All official notices sent under this Agreement shall be in writing and served by email, facsimile or overnight courier to the addresses shown below. Either party may change its address by written notice to the other party.

University:

President and Vice-Chancellor
McMaster University
Office of the President
1280 Main Street West
Hamilton, ON L8S 4L8

Vice-President (Operations and Finance)

McMaster University
Office of the Vice-President (Operations and Finance)
1280 Main Street West
Hamilton, ON L8S 4L8

- c. Entire Agreement. If you accept this offer of employment, and it is approved by the University's Board of Governors and Senate, then it will constitute the entire agreement between you and the University, and all other agreements, whether written or oral, express or implied, which may have existed between you and the University are hereby superseded and replaced.
- d. Privacy & Access to Information. You acknowledge and agree that the University is subject to the provisions of the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, C. F. 31, and that the details of this Agreement may be made public to all of the University's stakeholders and members of the general public. Furthermore, you consent to the University's collection, use, and disclosure of personal information about you, your spouse or partner, dependents or beneficiaries, to the extent that this is reasonably required to administer the employment relationship. You understand and acknowledge that you do not have a reasonable expectation of privacy in your use of the University's communications and electronic systems.
- e. Jurisdiction. This Agreement shall be interpreted in accordance with the laws of the Province of Ontario and Canada, as applicable, as they exist on the date on which this Agreement has been executed by both parties.
- f. Severability. If any provisions of this Agreement become, or are deemed to be, invalid, illegal or unenforceable, such provision shall be deemed amended to conform to applicable law so as to be valid and enforceable or, if it cannot be amended without materially altering the intention of the parties, it shall be stricken and the remainder of the Agreement shall remain in full force and effect.
- g. No Waiver. No failure on the part of either party to exercise, and no delay in exercising, any right, remedy, or power under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, remedy or power preclude any other or further exercise of any other right, remedy, or power under this Agreement. No waiver shall be valid unless it is in writing and signed by the party to be bound thereby.
- h. Counterparts. This Agreement shall be executed by the parties on the dates, and at the places specified below, and may be exchanged in counterparts, electronically or otherwise.

* * *

I am delighted that you have chosen to join McMaster and I am looking forward to working with you very much.

Please indicate your acceptance of this Agreement by signing below and returning this letter to me as soon as possible.

If you have any questions regarding any of these terms please do not hesitate to contact me.

Yours Sincerely,



David Farrar
President and Vice-Chancellor
McMaster University

cc: University Secretary
Human Resources

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ACCEPTANCE

I have had sufficient time to review this Agreement, and hereby accept the Appointment in accordance with the terms and conditions set out above. Receipt of a copy of this letter is hereby acknowledged.

SAHER FAZILAT

June 10, 2021

DATE

SCHEDULE "A"

Vice-President (Operations and Finance) **Position Description and Terms of Reference**

Purpose

As a member of the leadership team reporting directly to the President and Vice-Chancellor, and through the President to the Board of Governors, and working closely with the other Vice-Presidents to support the academic, teaching and research mission of the University, the Vice-President (Operations and Finance) is the chief administrative officer, accountable for the planning, development and application of the University's resources.

As a vitally important member of the senior management team, the Vice- President (Operations and Finance) will ensure the financial, physical, human resources, information technology, ancillary, and administrative support services of the University are effectively utilized, protected and developed to support the academy. The Vice-President (Operations and Finance) will work in partnership and creatively with the Provost with regard to financial management and budget allocation matters, as well as with other members of the senior management team, employees, and student groups to address the challenges and opportunities facing McMaster University.

Reporting Relationships

Reports to the President and Vice-Chancellor and through him/her to the Board of Governors. Directly reporting to the Vice-President are the Assistant Vice President (Administration) and Chief Financial Officer; Assistant Vice-President and Chief Human Resources Officer; Assistant Vice-President and Chief Facilities Officer; Assistant Vice-President and Chief Technology Officer (joint report); Chief Internal Auditor and University Counsel. The Director Housing & Conference Services is a joint direct report. The Vice-President collaborates with the other Vice-Presidents, and primarily the Provost, in overseeing the operations of the University in support of the academic, teaching and research mission of the University.

Specific Accountabilities

1. As chief administrative officer, oversees the development, approval and execution of the investment, physical facilities, infrastructure, human resources, information technology and administrative plans, policies and strategies to meet the changing needs of the University, and to support effectively the academic mission of the institution.
2. In conjunction with the President and other executive officers, sets, and/or recommends the administrative goals, policies, systems and procedures of the University and exercises influence across the University to ensure appropriate implementation thereof and support operational excellence.
3. Works collegially and collaboratively with faculty within a bicameral governance model that includes a Board of Governors and a Senate. Provides information, advice and recommendations to the Board of Governors as ex-officio member of Board committees and as an observer to the Board.

4. Provides effective leadership to and is accountable for the operations of the administrative activities of the University that report to the position, including financial management and administration, investment management, human resources, physical facilities and infrastructure, information technology, security and legal services and internal audit and risk management. Similarly, provides leadership and oversight to reporting ancillary services, including hospitality services; housing and conference services; media production services; campus store; and parking.
5. Responsible for the investment strategy of the University and in conjunction with the AVP and Chief Financial Officer executes approved plans. Responsible to maintain/improve the University's financial position, its debt profile, the stewardship of its financial assets and the development of plans to address emerging issues.
6. Works in close collaboration with the President and Provost to recommend the distribution of resources (financial, human and facilities) to the Budget Committee.
7. Oversees the investment policies and management of the working capital portfolio, endowment and trust portfolios, and the pension trust assets and plan.
8. Develops and guides the formulation of Human Resources strategy in conjunction with the AVP and Chief Human Resources Officer. Oversees the development of policies and plans in the area of employment, labour and employee relations, health and safety, pensions, employee benefits, salary administration and staff development, and is responsible for salary and benefits negotiations and settlements for all salaried and/or unionized employees.
9. Champions inclusive excellence through developing and promoting policies and practices in support of equity, diversity, inclusion and accessibility.
10. In conjunction with the Provost, oversees and guides the execution of the IT Strategy and the effective functioning of the IT governance processes, including IT and cyber security.
11. In collaboration with the President, Provost and AVP and Chief Facilities Officer, develops and guides the formulation of long-range plans for the construction, maintenance and operation of the University's physical facilities and infrastructure, and the financial resources required, including overseeing the development and review of the University's capital plan and campus plan.
12. Leads and develops the University's real estate acquisition and development strategy, including sourcing opportunities, structuring proposals, negotiating with developers, landowners and planning authorities, overseeing and advising on the necessary financing and leasing arrangements, leading the discussions with planning, real estate, finance and legal professionals, structuring and leading P3 projects entered into by the University, and overseeing all design, construction, development, planning and associated financing activity.
13. Demonstrates a commitment to sustainability and environmental stewardship by advancing environmental and energy management strategies and initiatives. Works to promote sustainable practices and ensures that University policies are consistent with the vision of sustainability.

14. Supports and advances the University's research commercialization strategy, working in close collaboration with the Vice-President (Research), including working to secure the physical and financial infrastructure needed to support such initiatives, and overseeing the development, design, financing and construction of all such projects.
15. Develops and guides the implementation and maintenance of financial and other controls that are necessary to protect the University's assets and ensure good order, and that the administrative systems of the University are effective. Oversees and guides the Internal Audit and Risk Management activities of the University.
16. Oversees and guides the Enterprise Wide Risk Management (EWRM) program of the University, ensuring that risks and opportunities are reviewed regularly by the President and Vice-Presidents, and that detailed risk mitigation strategies are in place.
17. Develops and guides the formulation of activities to ensure that the University is in compliance with statutory and regulatory requirements. Acts as primary contact with the University's legal advisors for non-academic matters, oversees the work of the Office of Legal Services, including the coordination and management of external legal counsel, and the legal fees incurred by the University.
18. Negotiates and oversees negotiations on behalf of McMaster University internally (e.g. in respect of the activities of the 68 affiliated organizations), externally (e.g. with the City of Hamilton with regard to planning and development issues and with government ministries).
19. Through an appointed role to the board of MIP and its Audit, Finance and Risk Committee, ensures that the financial administration, governance and development activities of McMaster Innovation Park (MIP) are responsible from the perspective of the University and do not adversely affect the reputation of the University. Lends expertise in the formulation of financial strategies by MIP and, more broadly, in the evolution of the University's governance relationship with MIP.
20. Develops and guides the formulation of policies and procedures to ensure the security of the University and its community, and the health and safety of faculty, staff and students in all areas of risk including radiation safety, environmental health and workplace safety.
21. Supports achievement of the University's objectives through the maintenance of external relationships with federal agencies, provincial ministries and agencies, municipal governments and the private sector, through the preparation of briefs, correspondence and direct interaction.
22. Appoints and develops key administrative staff in areas reporting to the incumbent, ensuring that appropriate succession planning is in place.
23. Along with the senior management team, is cognizant of the role of the University within its broader communities, builds and develops relationships, advances the University's community engagement endeavours within the City of Hamilton and beyond, and represents the University in discussions with colleagues and officials at the municipal, provincial, and federal level.

24. Along with his/her senior team, creates the vision for, develops the plan for and implements an appropriate culture of responsibility and accountability within departments reporting to him/her.
25. Acts as facilitator or decision-maker in many areas of University administration and operations as required.



October 20, 2023

PRIVATE & CONFIDENTIAL

Saher Fazilat
Vice-President (Operations and Finance)

Dear Saher:

At the request of, and following approval by, the Human Resources Committee of the Board of Governors, I am pleased to confirm certain changes to your terms and conditions of employment.

Following completion of a formal job evaluation, and in recognition of the expanded nature of the duties and responsibilities now attaching to the role of Vice-President (Operations and Finance) as a result of organizational development over time, an adjustment will be made to your annual base salary, as noted below.

1. Duties & Responsibilities. Areas of expanded responsibility and oversight include:

- Alternative Revenue Generation, including the development and implementation of a real estate acquisition strategy to create an additional source of revenue for the University.
- Sustainability and Environmental Stewardship, including advancing environmental, energy management, and waste management strategies,
- Leadership of Equity, Diversity, and Inclusion initiatives, including setting an appropriate tone, establishing the vision and values, and ensuring concrete advances are made across the Operations and Finance Division.
- Compliance and Reporting, including responding effectively to the requirements of the Strategic Mandate Agreement, as well as the expanded compliance requirements implemented by the province in a number of areas.
- Risk and Crisis Management, including managing complex and contentious issues within the McMaster community.
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2. **Salary.** In recognition of your undertaking these expanded duties and responsibilities, your annual base salary will be increased retroactively to \$345,000, less statutory deductions, effective January 1, 2023, and to \$351,000 less statutory deductions, effective November 1, 2023. This represents a one-time salary adjustment and you will continue to be ineligible for annual base adjustments until such time as the current compensation restraint legislation is amended and a further review of compensation arrangements by the Human Resources Committee of the Board is permitted or required.

The terms set out in this letter will amend the employment agreement between you and the University that became effective on July 21, 2021. With the exception of the adjustment to duties and updated salary noted in this letter, all other terms and conditions of your employment remain unchanged. If you have any questions regarding these adjustments, please do not hesitate to contact me. I have also asked Wanda McKenna to follow-up with you to provide any further information you might require.

Saher, thank you for your exceptional work and service. Your leadership and dedication to the University are greatly appreciated.

Sincerely,

A handwritten signature in dark ink, appearing to read 'DFR', followed by a long horizontal flourish.

David Farrar
President and Vice-Chancellor
McMaster University

cc: University Secretary
Human Resources