

McMaster University

MINUTES OF THE BOARD OF GOVERNORS

April 16, 2020 at 9:00 a.m.

via Videoconference (Zoom)

PRESENT: Mr. B. Merkel (Chair), Ms L. Allan, Ms J. Allen, Ms L. Brown, Mr. J. Coles, Ms. S. Cruickshanks, Dr. J. Daniel, Mr. D. Feather, Mr. M. Ferencich, Dr. D. Farrar, Dr. C. Filipe, Dr. A. Holloway, Mr. D. Horwood, Mr. D. Huctwith, Ms R. Jamieson, Dr. R. Kleiman, Ms S. McLarty, Mr. R. Narro Perez, Dr. A. Niec, Mr. K. Nye, Dr. L. Parker, Ms J. Rowe, Ms F. Samji, Dr. S. Searls Giroux, Mr. N Skelding, Dr. D. Sloboda, Ms C. Stefankiewicz, Mr. T. Valeri, Dr. R. Walker, Ms E. Way, Mr. D. Williamson, Ms A. Thyret-Kidd (University Secretary), Ms M. Zheng (Associate University Secretary), Mr. T. Paul (Governance Coordinator)

OBSERVERS: Mr. R. Couldrey, Ms E. Davies, Ms A. Farquhar, Ms D. Henne, Ms A. Lawson, Dr. K. Mossman, Dr. P. O’Byrne, Dr. A. Sills, Ms T. Smith, Ms M. Williams

INVITED: Ms A. Drew-Hassling, Director, Student Support and Case Management Office
Ms R. Edwards, Advisor, Professionalism, Faculty of Health Sciences
Ms M. Garaffa, Associate Director, Talent, Equity and Development
Ms D. Martin, Assistant Vice-President and Chief Facilities Officer
Ms W. McKenna, Assistant Vice-President and Chief Human Resources Officer
Ms M. Pooran, Director of Employee and Labour Relations
Dr. A. al Shaibah, Associate Vice-President (Equity and Inclusion)
Dr. G. Wright, Professor, Department of Biochemistry and Biomedical Sciences, Scientific Director, Michael G. DeGrootte Institute for Infectious Disease Research & David Braley Centre for Antibiotic Discovery

REGRETS RECEIVED: Mr. S. Donnelly, Mr. P. Douglas, Mr. A. Jhaveri, Ms J. Pike, Dr. E. Szathmáry

A. OPEN SESSION

1. REMARKS FROM THE CHAIR

Mr. Merkel welcomed members to the April Board meeting.

2. NOTICE OF MEETING – April 7, 2020

The Notice of Meeting was circulated on April 7, 2020.

3. APPROVAL OF THE AGENDA – OPEN SESSION

Mr. Merkel noted that no requests had been received to move any items from the Consent to the Regular agenda of the Open Session.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the Open Session agenda for the meeting of April 16, 2020, and that items 4-8 be approved or received for information by Consent.

The Motion was *Carried*.

CONSENT

4. MINUTES OF THE PREVIOUS MEETING – March 5, 2020 (OPEN SESSION)

Motion:

that the Board of Governors approve the Open Session minutes of the meeting held on March 5, 2020 as circulated

Approved by Consent

5. BUSINESS ARISING

6. REPORTS RECEIVED FOR INFORMATION

a. Report from Health, Safety and Risk Management

The material was for information.

7. REPORT FROM SENATE

a. SPS B1 – Procedures for the Assessment of Teaching

Motion:

that the Board of Governors approve the amendments to the Policy SPS B1 – Procedures for the Assessment of Teaching, as circulated.

Approved by Consent

b. SPS B2 – Teaching Portfolios

Motion:

that the Board of Governors approve the amendments to the Policy SPS B2 –

Teaching Portfolios, as circulated.

Approved by Consent

c. SPS C1 – Research Leave Policy – Tenured and CAWAR

Motion:

that the Board of Governors approve the amendments to the Policy SPS C1 – Research Leave Policy– Tenured and CAWAR Faculty, as circulated.

Approved by Consent

d. SPS C2 – Research Leave Policy – Permanent Faculty

Motion:

that the Board of Governors approve the amendments to the Policy SPS C2 – Research Leave Policy– Permanent Faculty, as circulated.

Approved by Consent

8. COMMITTEE REPORTS

a. Committee on University Advancement

i. Annual Report from University Advancement

The material was for information.

b. Remunerations Committee

i. Ratification of Tentative Agreement – IUOE Local 772 (Operating Engineers)

Motion:

that the Board of Governors approve the tentative agreement between McMaster University and IUOE Local 772 (Operating Engineers) for a 4-year term effective April 16, 2020, and expiring April 30, 2024, with terms outlined in the circulated report.

Approved by Consent

REGULAR

9. BUSINESS ARISING

There was no business arising from the minutes of the meeting held on March 5, 2020.

10. COMMUNICATIONS

There were no communications for the meeting of April 16, 2020.

11. PRESIDENT'S REPORT TO THE BOARD

Dr. Farrar provided an overview of McMaster's activities since the last Board meeting. Members heard that on March 13, 2020 the University's Crisis Management Group made the decision to end in-person classes and move to a virtual classroom environment for the rest of the term. Most of the University's students left soon afterwards and most faculty and staff are now working remotely. The majority of research labs have been shut down, the library is operating on an entirely online basis, and in-person convocation ceremonies for Spring 2020 have been cancelled, with arrangements being made for a virtual celebration, and an expanded Fall convocation. The University continues to operate a number of essential services, including essential research activities and the production of ventilators. Dr. Farrar noted that while initial contingency planning efforts have positioned the University well, the senior leadership continues to engage in contingency planning for a range of scenarios, including the delivery of programs in the Fall.

Dr. Farrar informed members that in the meantime, and alongside the scenario planning work, the University is focusing on opportunities, ranging from potential research funding and infrastructure, to enhancements to the virtual learning environment, to possible capital/stimulus funding. The University is being positioned to take advantage of any available funding or partnership opportunities, including the creation of McMaster's own COVID-19 Emergency Fund. The fund will have two streams: one focused on student support and one on research, and further details will be announced shortly.

A member inquired about whether additional measures will be implemented to address student-related financial issues. Dr. Farrar noted that the government has assured the University additional student financial support is forthcoming. The University is continuing to build reserves and look at ways to increase student support.

The President thanked Ms Andrea Farquhar, Assistant Vice-President (Communications & Public Affairs), and the Communications team for their work in relaying the decisions being made over the last few weeks. The Communications team will continue to focus on keeping the entire community updated on developments and everyone is encouraged to keep visiting the COVID-19 website which is being regularly updated and enhanced.

The Board received an update regarding SMA3. Dr. Farrar explained that given the dramatically changed circumstances institutions find themselves in, and the inability to predict enrolment numbers or research funding for the 2020/21 academic year, the University's senior leadership has been working through COU to defer the signing and introduction of the SMA3 agreement. Members heard that although McMaster's document was basically finalized, the Ministry has agreed to defer introducing the new agreement and allow SMA2 to continue for the time being. The University will continue

to push for changes to the metrics in SMA3 once there is a better sense of where things land after COVID-19 and the overall impact on the institution. In response to a question, it was noted that the University is currently advocating the province for additional relief.

A question was asked regarding implications on graduate student research. Dr. Farrar explained that in conjunction with Dr. Mossman, the senior leadership team has engaged in scenario planning to support all individuals and areas conducting research at McMaster. Dr. Mossman has been in communication with the federal government to address issues related to research funding and how to re-establish field and campus research.

Dr. Farrar thanked members of the Board for their support and engagement during the COVID-19 crisis.

12. PANDEMIC ADJUSTED FINANCIAL PLAN

Ms Henne provided an overview of the circulated material, including an explanation of the background and key assumptions used.

Members heard that the Ministry's decision to defer the implementation of SMA3 to May 2021 and to continue with SMA2 for the interim has provided the University with more certainty on what revenue will be. There will be a possible economic stimulus or Tri-Agency funding for costs related to capital/deferred maintenance and research wind-down. It was noted that there is a risk of an Ontario Credit Rating downgrade due to stimulus spending and increased budget deficits post-pandemic which may lower the McMaster rating to AA-, affecting future debt costs. Presently, the consolidated budget assumes a reduction to the 2021 operating grants. There is some risk of grant reductions beyond 2021 when the government rebalances post-pandemic.

With regard to enrolment planning, it was explained that the University is planning to increase offers of admissions and waive offers based on student success potential and related conditions. Spring/Summer term courses will be offered via virtual classrooms and Fall term courses may involve similar virtual classrooms. It is projected that international participation will be reduced to ~80% of original forecast across all levels for Fall/Winter terms.

A brief discussion ensued regarding domestic enrolment. In response to questions and comments, members heard that the University will introduce a month waiver of late fees and interest, including the removal of any registration blocks for students owing fees. It was noted that there are plans to introduce student payment plans beginning in the Fall term. It is expected that tuition revenue will be reduced by \$32 million due to an approximate ~20% reduction in international participation and domestic revenues held flat.

Concerning the University's research activities, members heard that Dr. Mossman has been working closely with the Associate Deans (Research) across the University to assess the continuation of essential research on campus. Planning related to deploying safe closures of non-essential research is being conducted. Members heard that research funds will be deferred until there are expenditures. Additional funding strategies are being explored for a number of scenarios including the ineligibility of research costs.

In discussing variable costs, it was explained that the University is dealing with vendor/work refusals as well as price increase concerns. There have been a number of additional costs related to increases in VPN licenses and the adoption of Zoom, Microsoft Teams, pedagogy tools, and other virtual resources. Temporary and casual staff have been paid for hours worked beginning April 5, 2020. The University is working with Unions on leave provisions in addition to monitoring legislation.

Ms Henne informed the Board that the 2020 loss was predominantly investment market-driven while the 2021 loss is linked to reduced enrolment. The University's reserves are strong which will allow for continued activities through operational adjustments. The University's liquidity remains strong, with a \$75 million committed line of credit available (zero drawn to date). It was noted that the deferral of capital plans will be considered on a case by case basis. Members heard that the University's learnings from the 2008-2009 financial crisis have served well for University financial resiliency through this pandemic crisis

13. PRESENTATION TO THE BOARD

Dr. G. Wright, Professor, Department of Biochemistry and Biomedical Sciences, Scientific Director, Michael G. DeGroote Institute for Infectious Disease Research & David Braley Centre for Antibiotic Discovery, delivered a presentation on infectious disease research at McMaster.

14. REPORT FOR INFORMATION

a. Equity and Inclusion Office Annual Report

Dr. al Shaibah provided an overview of the Equity and Inclusion Office Annual Report, noting that the report covers the 2018-2019 academic year. Members heard that this is the second year using the same tools and metrics which has allowed for the inclusion of year-over-year comparative data. A member inquired about whether workforce data would be released. Dr. al Shaibah explained that the employment equity report is in its final stages and features data collected from the University's census.

A member observed that complaints in the Faculty of Health Sciences (FHS) were higher than other areas of the University. Dr. al Shaibah explained that this was

due to the high population in the FHS. It was noted that complaints in the FHS represent a smaller proportion in comparison to the previous year.

15. REPORT FROM SENATE

Dr. Farrar provided an overview of the report from Senate.

a. SPS A1 – Recruitment and Selection of Faculty Members

At its meeting on April 8, 2020, Senate approved the proposed revisions to SPS A1 – Recruitment and Selection of Faculty Members.

A suggestion was made that the University take advantage of tools that remove bias in recruitment processes. Dr. al Shaibah took note of the mentioned tools and noted they would be investigated.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the amendments to the Policy SPS A1 – Recruitment and Selection of Faculty Members, as circulated, effective July 1, 2020.

The Motion was *Carried*.

b. Canadian Centre for Electron Microscopy (CCEM)

At the same meeting, Senate approved the establishment of the Canadian Centre for Electron Microscopy (CCEM). The proposal was also reviewed and approved by the University Planning Committee on March 18, 2020.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the establishment of the Canadian Centre for Electron Microscopy (CCEM).

The Motion was *Carried*.

16. COMMITTEE REPORTS

a. Executive and Governance Committee

Mr. Merkel provided an overview of the report from the Executive and Governance Committee. It was noted that the following proposed amendments to the Board By-Laws require two meetings of the Board, one to provide notice of motion, and a second to vote. The approved items will be brought back to the Board for final

approval at its June 4, 2020 meeting.

i. Terms of Reference – Human Resources Committee

At its April 8, 2020 meeting, the Executive and Governance Committee reviewed and approved proposed revisions to the Terms of Reference for the Human Resources Committee within the Board of Governors By-laws. Details of the proposed revisions are contained within Attachment I of the circulated report.

A member inquired about the rationale for the removal of the Human Resources Advisory Panel (HRAP). Mr. Merkel explained that the removal of the Panel is part of the proposed changes to the President's performance evaluation process. In previous years, the work of the Panel has been mandatory, which has normally included a rigorous consultation process leading to the generation of a final report. Students and other constituency groups may be consulted on an as-needed basis under the new "knowledgeable others" category.

There were no further comments or questions.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve in principle, the attached revisions to The Human Resources Committee Terms of Reference within the Board of Governors By-Laws, as circulated.

The Motion was *Carried*.

ii. Terms of Reference – Executive and Governance Committee

At the same meeting, the Executive and Governance Committee reviewed and approved proposed revisions to the Terms of Reference for the Executive and Governance Committee within the Board of Governors By-laws. Details of the proposed revisions are contained within Attachment II of the circulated report.

It was observed that the Investment Pool and Pension Trust Committees normally report to the Board via the Planning and Resources Committee. Mr. Merkel noted that it was important to have alignment across all Committees in order to guide the work of the Board.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve in principle, the attached revisions to the Executive and Governance Committee Terms of Reference within the Board of Governors By-Laws, as circulated.

The Motion was *Carried*.

iii. Revisions to Board By-Laws – Executive of Instruments

At the same meeting, the Executive and Governance Committee reviewed and approved proposed revisions to Appendix E - Resolution Respecting the Execution of Instruments By McMaster University within the Board of Governors By-Laws. Details of the proposed revisions are contained within Attachment III of the circulated report. The revisions aim to match the thresholds for approvals in Section E to previous sections of this document.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve in principle, the attached revisions to Appendix E - Resolution Respecting the Execution of Instruments By McMaster University within the Board of Governors By-Laws, as circulated.

The Motion was *Carried*.

iv. Request for Observer Status

At the same meeting, the Executive and Governance Committee reviewed and approved proposed revisions to the list of official observers within the Board of Governors By-Laws. Details of the proposed revisions are contained within Attachment IV of the circulated report.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve in principle, the attached revision to By-Law 12. (1) within the Board of Governors By-Laws, as circulated.

The Motion was *Carried*.

b. Planning and Resources Committee

Mr. Nye provided an overview of the report from the Planning and Resources Committee.

i. Capital Plan 2020/2021

At its April 2, 2020 meeting, the Planning and Resources Committee approved, for recommendation to the Board of Governors, the 2020/2021 Capital Plan. Details of the 2020/2021 Capital Plan are contained within Attachment I of the circulated report.

Ms Martin explained that the Capital Plan is presented annually for approval. Members heard that there may be significant adjustments to the list of projects and related timelines as the University navigates the COVID-19 pandemic.

A member inquired about whether the University has a design and architectural plan to ensure consistency of the look and feel across campus. Ms Martin explained that while there is no specific design plan, there is an existing document that includes the University's areas of focus. Dr. Farrar noted that he would take the comment to the President-Vice-Presidents (PVP) Group for further discussion.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the 2020/2021 Capital Plan, as circulated.

The Motion was *Carried*.

17. OTHER BUSINESS

There was no other business for the Open Session portion of the meeting.