

McMaster University

MINUTES OF THE BOARD OF GOVERNORS

October 24, 2019 at 8:30 a.m.

Council Room, Gilmour Hall

PRESENT: Mr. B. Merkel (Chair), Ms L. Allan, Ms J. Allen, Mr. J. Coles, Ms. S. Cruickshanks, Dr. J. Daniel, Dr. D. Farrar, Mr. M. Ferencich, Dr. C. Filipe, Dr. A. Holloway, Mr. D. Horwood, Dr. R. Kleiman, Ms S. McLarty, Mr. R. Narro Perez, Dr. A. Niec, Dr. L. Parker, Ms J. Rowe, Ms F. Samji, Mr. N Skelding, Ms C. Stefankiewicz, Dr. E. Szathmáry, Dr. R. Walker, Mr. D. Williamson, Ms E. Way, 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 D. Henne, Dr. B. Levy, Dr. A. Sills, Ms M. Williams

INVITED: Ms A. Farquhar, Assistant Vice-President (Communications and Public Affairs)
Dr. R. Gannon, Assistant Professors, School of Nursing
Ms D. Martin, Assistant Vice-President and Chief Facilities Officer
Ms K. McGlynn, Senior Manager, Accounting and Financial Reporting
Ms W. McKenna, Assistant Vice-President and Chief Human Resources Officer
Ms L. Morine, Associate Director, Health, Safety and Risk Management
Dr. P. Raina, Professor, Department of Health Research Methods, Evidence and Impact and Scientific Director, McMaster Institute for Research
Mr. N. Todd, President, CUPE Local 3906

REGRETS RECEIVED: Ms L. Brown, Mr. S. Donnelly, Mr. P. Douglas, Mr. D. Feather, Mr. D. Huctwith, Ms R. Jamieson, Mr. A. Jhaveri, Dr. K. Mossman, Mr. K. Nye, Dr. P. O’Byrne, Ms J. Pike, Mr. N. Dr. S. Searls Giroux, Dr. D. Sloboda, Mr. T. Valeri

A. OPEN SESSION

1. REMARKS FROM THE CHAIR

Mr. Merkel welcomed members to the meeting and introduced new members and observers to the Board.

2. NOTICE OF MEETING – October 15, 2019

The Notice of Meeting was circulated on October 15, 2019.

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 October 24, 2019, and that items 4-7 be approved or received for information by Consent.

The Motion was *Carried*.

CONSENT

4. MINUTES OF THE PREVIOUS MEETING – June 6, 2019 (OPEN SESSION)

Motion:

that the Board of Governors approve the Open Session minutes of the meeting held on June 6, 2019 as circulated.

Approved by Consent

5. BUSINESS ARISING

6. REPORT FROM SENATE

a. Title Change – Continuing Health Sciences Education (CHSE) Program

Motion:

that the Board of Governors approve the title change of the head of the Continuing Health Sciences Education (CHSE) Program to Associate Dean, effective July 1, 2019.

Approved by Consent

b. Request from the Committee to Recommend a President

The material was for information.

7. COMMITTEE REPORTS

a. Executive and Governance Committee

i. Actions Taken on Behalf of the Board

The material was for information.

b. Remunerations Committee

i. Ratification of Tentative Agreement – UNIFOR Local 5555, Unit 4 (Special Constables)

Motion:

that the Board of Governors approve the tentative agreement between McMaster University and UNIFOR, Local 5555, Unit 4 (Special Constables) for a 4-year term effective October 2, 2019, and expiring September 30, 2023, with terms outlined in the circulated report.

Approved by Consent

c. Planning and Resources Committee

i. Statement of Investment Policies and Objects

Motion:

that the Board of Governors approve the revised Investment Pool Statement of Investment Policies and Procedures (“SIP&O”), as contained in the attached.

Approved by Consent

ii. Statement of Investment Policy and Procedures – Hourly Plan

Motion:

that the Board of Governors approve the revised Hourly Pension Plan Statement of Investment Policies and Procedures (“SIP&P”), as contained in the attached.

Approved by Consent

iii. Statement of Investment Policies and Procedures – Salaried Pension Plan

Motion:

that the Board of Governors approve the revised Salaried Pension Plan Statement of Investment Policies and Procedures (“SIP&P”), as contained in the attached.

Approved by Consent

iv. Pension Plan Text Amendment

Motion:

that the Board of Governors approve Amendment #2 to the Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College 2000, as contained in the attached.

Approved by Consent

REGULAR

8. BUSINESS ARISING

There was no business arising from the minutes of the meeting held on June 6, 2019.

9. COMMUNICATIONS

a. Letter from CUPE Local 3906

Mr. Merkel invited Mr. Todd, President, CUPE Local 3906 to address members of Board regarding the circulated communication and Mr. Todd read the letter from CUPE Local 3906.

10. PRESIDENT'S REPORT TO THE BOARD

Dr. Farrar discussed the circulated report with the Board, highlighting the areas of focus outlined at the recent Board of Governors Retreat. The Board was reminded of the transitional nature of the upcoming academic year and Dr. Farrar spoke to the importance of advancing the University's mission in key areas while ensuring that the University is well prepared for the new President and Vice-Chancellor. It was noted that the senior team is collectively focused on: Funding for Research (BWRI); Research Commercialization and Entrepreneurship; developing a cohesive and thoughtful international strategy and approach, which encompasses enrolment planning, partnerships and exchanges, and research collaborations; and addressing issues identified by the recent HR Review.

Members heard that the University is beginning negotiations with the provincial government regarding the third Strategic Mandate Agreement (SMA 3). The University will be meeting with the Ministry at the end of the month to obtain clarity with regard to the provided key performance metrics and the impact to the institution's funding allocation. The Faculty Deans, Senate, Board and broader University community will be kept apprised of any developments in this area.

Dr. Farrar discussed the recent Council of Ontario Universities (COU) summit, explaining that the COU is aiming to become more effective as an advocacy body for the

sector. The University's government relations and public affairs team continues to work closely with the Ministry to build direct connections where possible and gain a better understanding of the government's priorities and approach. It was noted that the Ministry has recently been renamed the Ministry of Colleges and Universities (MCU). The training portfolio will be moved to the newly renamed Ministry of Labour, Training and Skills Development. It is unclear how this change will impact McMaster but COU views it as a positive step that will allow our Ministry to focus more directly on Colleges and Universities.

The Board was given an update on world university rankings, including the recently published Time Higher Education World University Rankings in which McMaster moved up to 72nd in the world. McMaster has retained its rank as fourth among Canadian institutions. The Maclean's rankings rank McMaster fourth in Canada behind UofT, UBC and McGill. Amongst Medical/Doctoral universities, McMaster was ranked first in student services, second in total research dollars and third in library acquisitions. Members were updated on the University's work related to understanding the factors and data driving the rankings.

Members heard that University recently hosted the annual conference of the Magna Charta Observatory (MCO). Dr. Farrar reminded the Board that McMaster signed onto the Magna Charta Universitatum, a document that lays out fundamental values underpinning universities, in 2013. This was the first time the MCO conference had been held in North America which was a great opportunity to build connections and raise the global profile and reputation of the University. Delegates from more than 30 different countries attended the conference, which took as its theme *University Freedoms and Responsibilities: Responding to the Challenges of the Future*. McMaster received very positive feedback and is currently investigating potential connections and partnerships for the University. A brief discussion ensued regarding the University's processes and strategy related to international engagement and recruitment.

11. COMMITTEE REPORTS

a. Audit and Risk Committee

i. Annual Financial Report 2018-2019

Ms Henne gave the Board a presentation on the comparison of actual results and the annual financial report, including the audited financial statements for the year end April 30, 2019. Ms McGlynn provided supplementary information regarding the financial analysis and results.

Ms Allen informed members that the Annual Financial Report was reviewed and approved by the Audit and Risk Committee on October 10, 2019. It was also reviewed by the Planning and Resources Committee on September 26, 2019. It was noted that the Annual Financial Report 2018-

2019 consists of detailed Financial Analysis and the Audited Financial Statements for the year ended April 30, 2019, together with supplemental information relating to the Operating Fund and Operating Budget.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the Annual Financial Report 2018-2019, which includes the Audited Financial Statements for the year ended April 30, 2019.

The Motion was *Carried*.

ii. Appointment of External Auditor

It was explained that the Audit Committee met on October 10, 2019 and reviewed and approved the re-appointment of KPMG LLP Chartered Accountants as the auditors for McMaster University for the 2019-2020 fiscal year.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the re-appointment of KPMG LLP Chartered Accountants as the auditors for McMaster University for the 2019- 2020 fiscal year.

The Motion was *Carried*.

b. Executive and Governance Committee

i. Revisions to Board By-Laws

Dr. Szathmáry informed the Board that on October 22, 2019, the Executive and Governance Committee reviewed and approved, for recommendation to the Board of Governors, a request to add the position of Assistant Vice-President (Communications and Public Affairs) to the list of observers outlined in By-Law 12. (1). Details of the rationale for the request are contained in the attached report.

Dr. Farrar provided members with an overview of the rationale for the recommendation to grant observer status to the Assistant Vice-President (Communications and Public Affairs). Members heard that the position plays an important role in managing the communication of decisions made by the University and the Board, providing advice and overseeing the management of issues and relationships, and supporting the University's positive external profile and broader communications. It was noted that the current Assistant Vice-President (Communications and Public Affairs) is often asked to stay for closed session items to support the Board's decision making.

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*.

Dr. Szathmáry noted that at the same meeting of the Executive and Governance Committee, the Committee reviewed and approved, for recommendation to the Board of Governors, updates to Appendix E - Resolution Respecting the Execution of Instruments. The proposed revision aims to remedy an oversight which left the Vice-President (Administration) off the list of approvers within charts A.3 and A.4.

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, as circulated.

The Motion was *Carried*.

Mr. Merkel reminded the Board that amendments to the By-Laws require two meetings of the Board, one to provide notice of motion, and a second to vote. The proposed revisions will be reviewed for approval at the next meeting of the Board of Governors.

ii. Board Evaluation – Results and Recommendation

Mr. Merkel noted that the item would be discussed during Agenda Item 22. Other Business.

c. Remunerations Committee

i. Total Compensation Plan Redesign Recommendations for The Management Group (TMG)

Dr. Szathmáry explained that on October 15, 2019, the Remunerations Committee reviewed and approved the proposed total compensation plan redesign recommendations for The Management Group (TMG). The recommendations contain a number of policy and related documents that were developed in response to recommendations from the initiative to review and redesign the total compensation program for TMG. Details of the proposed recommendations are contained in Attachment I of the circulated report.

Ms McKenna provided members with an overview of the circulated recommendations,

including the background and historical context of The Management Group. Members heard that a TMG Total Compensation Redesign Sub-Committee was established to review the current compensation program and propose recommendations to better meet the needs of TMG members and the University. The 30 proposed recommendations and circulated policy documents are the third and final phase of the implementation.

Members asked questions and discussed the proposed performance excellence program. In response to a question, Ms McKenna explained that the program is intended to be a one-time, lump sum payment for successful nominees within TMG bands F through M. A brief discussion ensued regarding the proposed assessment criteria. In response to a question, members heard that the performance excellence program pool is approximately \$50,000.

IT WAS DULY MOVED AND SECONDED,

that the Board of Governors approve the total compensation plan redesign recommendations for The Management Group (TMG), as contained in the circulated report.

The Motion was *Carried*.

12. REPORTS RECEIVED FOR INFORMATION

a. Report from Health, Safety and Risk Management

Ms Morine provided an overview of the report from Health, Safety and Risk Management for the period from May 10, 2019 – September 20, 2019. In response to questions, members received an update regarding the University's processes and strategy related to employee safety.

Members asked questions and discussed the McMaster's Tobacco and Smoke Free University Policy. In response to a question, it was explained that a one-year evaluation was recently undertaken to understand the impact of the Policy. Members heard that the Policy appears to be effective, though there are certain pockets of campus that are slower to adopt the University's approach. A member observed that visitors of the University tend to be uninformed that McMaster is a smoke free campus. Organizational Development is undertaking additional information campaigns to further educate the McMaster and broader community.

13. PRESENTATION TO THE BOARD OF GOVERNORS

Dr. Parminder Raina, Professor, Department of Health Research Methods, Evidence and Impact and Scientific Director, McMaster Institute for Research and Dr. Rebecca Gannon, Assistant Professor, School of Nursing delivered a presentation on the

McMaster Institute for Research on Aging (MIRA).

14. OTHER BUSINESS

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