McGill

AN OVERVIEW OF GOVERNANCE PRACTICES AT MCGILL UNIVERSITY

March 2021

INTRODUCTION - BOARD OF GOVERNORS AND SENATE

The composition and responsibilities of McGill's governing bodies are established by the Statutes of McGill University. The Board of Governors is the highest governing body of the University with a fiduciary responsibility for maintaining and safeguarding the University's assets. The Board has final authority over the conduct of all academic, business, and financial affairs of the University. It is also the trustee of all University property and is responsible for its maintenance. The Board conducts its business within a consultative structure that is reflected in the representative nature of the Board's composition and that of its Committees. To fulfill its decision-making function, the Board draws on the skill sets and knowledge of its members, and makes decisions with a view to serving the best long-term interests of the University. The Board is supported by ten standing committees, some of which have sub-committees.

The Senate is tasked with general control and supervision over the academic matters of the University. It is responsible for the development of academic curriculum, establishing and granting all degrees, diplomas, and certificates and for making recommendations to the Board with respect to any project involving the academic policy of the University. The Senate is supported by nine standing committees. The framework set out in the Statutes explains Senate's role in relation to the Board of Governors and establishes Senate's ability to submit recommendations to the Board with respect to certain matters. The Board of Governors and Senate are responsible for establishing rules and regulations governing their own meetings, practices, and procedures.

The Senate and the Board of Governors hold annual joint meetings to discuss matters they consider relevant to the University's mission. Both bodies carry out their respective governance functions in a collegial governance framework that supports the mission and principles of the University.

MISSION

The mission of McGill University is the advancement of learning and the creation and dissemination of knowledge, by offering the best possible education, by carrying out research and scholarly activities judged to be excellent by the highest international standards, and by providing service to society.

PRINCIPLES

In fulfilling its mission, McGill University embraces the principles of academic freedom, integrity, responsibility, equity, and inclusiveness.

1. MCGILL AND GOOD GOVERNANCE – 1960S GOVERNANCE REFORM

The University has a legacy of attention to good governance. A full-scale review of governance was carried out in the late 1960s, prompted internally by the University's reflection on its governing structures and encouraged by the 1966 Duff Berdahl Commission on University Government in Canada. The Commission studied Canadian university governing structures across Canada and made recommendations for governance best practices[1]. The Commission visited McGill as its first stop in 1965, just in advance of McGill's own internally initiated reflection on nature of its Senate and Board functions and membership, published as the report of the Joint Governors – Senate Committee on University Government at McGill University (in 1967). The result of this internal reflection was ultimately the creation of a version of the University's Statutes closest to the model under which we function today. The reforms to the Statutes expanded the University Senate, clarified its role, and introduced student and staff members to both the Senate and the Board. Amendments to the structure and functions of both bodies continued in the intervening years to 2003 but such amendments were minor and essentially maintained the structures as approved in the early 1970s.

2. MCGILL AND GOOD GOVERNANCE – BOARD REVIEW 2003

The review of the Board of Governors initiated in 2003 reflected renewed interest in organizational accountability and transparency. Discussions with members of the Board of Governors in 2003 revealed concerns about the Board's procedures and practices, its capacity to engage its members effectively, and its ability to attract and retain the highest caliber individuals to serve as members. While differences were expressed regarding the optimal size of the Board, ranging from 10 to 30 members, general agreement emerged on the desirability of reducing the number of members while simultaneously introducing other mechanisms to improve Board effectiveness. In the spring of 2003, a working group composed of the Chair, the Principal, and the Secretary-General undertook consultations and a review of best practices and developed recommendations related to the size and composition of the Board, the role of governors emeriti, agenda setting, the location of meetings, and committee sizes and terms of reference. The key results of the review included:

- Reduction of the Board size from 74 members (45 voting, 22 Emeriti, 1 SSMU President and Resource Persons) to 27 (25 voting members and 2 Observers), with term appointments for 27 Emeriti ending December 31 2009; since 2009, the Board eliminated term appointments for Governors Emeriti. Governors Emeriti currently serve indefinite terms;
- Revised University Statutes reflecting approved recommendations;
- Revised roster of Board Committees including documented and benchmarked terms of reference;
- Revised regulations governing Board committees;

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[1] *University Government in Canada. Report of a Commission sponsored by the Canadian Association of University Teachers and the Association of Universities and Colleges of Canada*. Sir James Duff and Professor Robert O. Berdahl, published by the University of Toronto Press, 1966.

- Revised committee structures (Audit, Building and Property, Executive, Finance, Human Resources, Investment, Nominating and Governance[2], Committee to Advise on Matters of Social Responsibility); dissolution of the Academic Salary Policy Committee, the Non-Academic Salary Policy Committee, the Ad-Hoc Committee on Human Resources and the Committee on the Regulations Concerning Complaints of Sexual Harassment;
- A Board manual or "handbook" for Board members;
- Revised version of the Regulations Relating to the Approval of Contracts and Signing Authority [3]
- A series of measures were implemented to facilitate/promote discussion at meetings (meetings held in a hollow square or roundtable structure[4]; consent agenda adopted, use of nameplates and fewer but more substantive matters on the agenda)

3. BOARD REVIEW: REFINEMENTS (2006-2011)

A second phase of review begun in 2006 and focused on the functioning of committees under the new structure, the implementation an annual survey related to the effectiveness and performance, and the development of a recruitment and succession planning model for Board membership. This second included the following elements reflecting good governance best practices:

- Establishment of Code of Ethics and Conduct for Members of the Board of Governors of McGill University and Trustees of the Royal Institution for the Advancement of Learning
- Establishment of the practice of an annual Board of Governors/Committee evaluation
- Establishment of orientation sessions for new governors
- Creation of a Board recruitment/competencies statement
- Calendars of Business for each of the Board Committees (planning and accountability document showing items coming forward over the course of a year, and reflecting the committee terms of reference)
- Establishment of a Calendar of Business for the Board of Governors and Senate
- Revised Committee and Board regulations including use of in camera session for committees
- Establishment of new Board of Governors Electoral Procedures[5] (2010) for use for elections to the Board of Governors of Administrative and Support Staff and of Academic Staff.

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[2] In 2011, the Board approved the addition of "Ethics" to the Nominating and Governance Committee's name. The Committee is now called Nominating, Governance and Ethics Committee.

[3] The Regulations, which are now referred to as the "Policy on the Approval of Contracts and Designation of Signing Authority" were reviewed in 2018 and 2021 under the direction of the Audit Committee.

[4] The Board now has a permanent location for Board and Committee meetings. A suite of new meeting rooms (James Admin Building 301, 302, 303) were established in 2011.

[5] The Procedures has been subsequently reviewed by the NGE Committee at its meeting of March 17, 2021.

4.   GOVERNANCE DEVELOPMENTS (2011-PRESENT)

The Board of Governors continues to implement regular reviews of its key functions. The focus of these reviews is on maintaining good governance practices and further developing sound decision-making. In the last several years, a number of governance practices have been implemented to further enhance the overall performance and effectiveness of the Board and its Committees. Key ones include:

- A review of Board Committees' terms of reference was completed in 2016 and 2017. The reviews focused further clarifying and standardizing Committee mandates based on best practices. A additional review was carried out of the Audit and Risk Committee's terms of reference and the Investment Committee's terms of reference in 2020.

- The implementation of an electronic distribution of documents in support of the University's environmental objectives and the creation of online secure portal for Board and Committee materials were realized in 2011 and 2018 respectively.

- Guidelines for presentations of items by the administration at Board meetings and for the use of consent agendas were developed in 2014 in an effort to enhance meeting focus and effectiveness.

- The Chair of the Board and the Principal initiated, in 2013, the practice of sharing messages with the community regarding the activities and decisions of the Board. In an effort to enhance transparency, in the recent years, the majority of Board items have been placed in the open session portion of the agenda. Below is a breakdown of items considered by the Board in closed vs. open session.

BOG MEETINGS / OPEN VS. CLOSED ITEMS

YEAR	% of items in Open session	% of items in Closed session
2012-2013	50.61%	49.39%
2013-2014	73.24%	26.76%
2014-2015	73.91%	26.09%
2015-2016	80.00%	20.00%
2016-2017	73.33%	26.67%
2017-2018	74.07%	25.93%
2018-2019	74.65%	25.35%
2019-2020	75.00%	25.00%

- A review of the Declaration and Disclosure of Conflict of Interest Form was carried out to provide for clearer disclosure or reporting concerning conflicts of interests by Board and Committee members (May 2016, April 2017).

- The Board of Governors Rules of Order and Procedure, which were established by the Board in 2016 (and reviewed by the NGE Committee in 2018) were implemented to guide the proceedings, debate and voting of the meetings of the Board of Governors and its committees. The Rules of Order explain common rules and procedures for deliberation and debate, and aim to increase meeting efficiency and effectiveness.

- The Board has established in 2017 the practice of holding community sessions, which allow members of the broader McGill community an opportunity to submit questions to the Board on matters within its mandate. In addition, the Secretariat has created a dedicated Board email address which serves as a point of contact for any member of the community who wishes to communicate with the Chair of the Board.
  Please see: https://www.mcgill.ca/boardofgovernors/community-sessions

- In its endeavor to recommend appointments of members-at-large that take into account the diversity of the larger community, the Recruitment and Succession Planning (RSP) Subcommittee of the Board's Nominating, Governance and Ethics Committee established in 2017 a process that provides members of the larger community the opportunity to submit nominations for member-at-large positions on the Board: https://www.mcgill.ca/boardofgovernors/committees-0/nominating/member-large-nominations

- The Board of Governors, on the recommendation of the NGE Committee, established, in 2017, a policy framework, comprised of a Policy and a Procedure for the Development and Review of Governing Documents. This framework established a coordinated and consistent process for the development, approval and review of all University policies and regulations: https://www.mcgill.ca/secretariat/policies-and-regulations/policy-framework

- In addition to the existing practice of Board and Board Emeriti retreats, the NGE Committee supported the establishment in 2017 of the practice of holding regular retreats of the Board Standing Committees, with a view to providing Board Committees further opportunities to discuss and review essential information concerning their mandates.

- In 2019, the RSP Subcommittee initiated work on a crisis management plan for key positions on the Board and reviewed a proposal which outlined scenarios and identified plans addressing unexpected vacancies in leadership positions at the Board level.

- The Board has established further structures to assist it in fulfilling governance responsibilities: Investment Subcommittee (2014) and BPC Advisory Subcommittee (2017).

- The Board has established two new Standing Committees to provide expertise and advise on information technology (IT) and sustainability: Information Technology Committee (established

in 2018[6]) and Committee on Sustainability (2020). There are currently ten standing committees of the Board.

5.   IMPACT OF COVID-19 ON GOVERNANCE ACTIVITIES AND FUTURE PLANS

Restricting the ability to meet in person, COVID-19 has provoked a change to the way in which governance activities are carried out by the Board and its Committees. While the pandemic did not prevent the Board or its Committee from meeting, it did require a change in the delivery of our meetings, which have moved to an online format. Conducting meetings in a virtual format has brought to surface a number of considerations, which we will need to further assess in order to maintain the quality experience of meetings, and the engagement of members so as to ensure the effective fulfillment of the governance mandate. As a first step, the Secretariat will survey Board and Committee members on their experiences of the last year's operations to determine, with the assistance of the NGE Committee, the delivery method of meetings in a post-pandemic context.

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[6] Prior to the establishment of an IT Committee, the Board had an IT Subcommittee under the purview of the BPC. The Subcommittee was established in 2016 and dissolved in 2018, with the establishment of the Board's IT Committee, as its ninth Standing Committee.