

**Minutes of Open Session**

Thursday, April 25, 2019 18-19 CR:04

Minutes of a meeting of the Board of Governors held on Thursday April 25, 2019 at 4:00 p.m. in room 301 of the James Administration Building, 845 Sherbrooke Street West, Montreal.

**Present:**Amon Daniel (*Observer*)

Babinski, Bob

Bertrand, Maryse

Critchley, Ronald

Fortier, Suzanne

Halperin, Stephen (*by phone*)

Harpp, David

Hobday, Tina

Lotayef, Ehab

Mansdoerfer, Richard (Tre)

Matuszewski, Pierre

Meighen, Michael A.

Panda, Ram (*Chair*)

Price-Verreault, Cynthia

Sakhia, Samira

Turcotte, Martine

Zakrzewski, Helena

Zorychta, Edith

*Resource Persons:*

Arseneault, Louis

Beauchamp, Yves

Manfredi, Christopher

Rogowska, Edyta (*Secretary-General*)Dobie, Kevin (*Associate Director*)

**Regrets:** Michael Boychuk, Peter Coughlin, Alan Desnoyers, Claude Généreux, Samuel Minzberg, Sean Murphy, (Observer), Maarika Paul.

*Guests:* Professor Brenda Ravenscroft, Dean, Schulich School of Music

**6. Chair's Remarks**

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

**7. Consent Items**

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

- *Minutes (Open Session) of February 14, 2019.*

*The following items were received by the Board, as consent items, for information:*

- Report from Senate [GD18-43]
- Report of the Joint Executive – Senate Steering Committees [GD18-44]

**8. Business Arising from Open Session Minutes**

There was none.

**9. Principal's Remarks (Continued)**

Professor Suzanne Fortier, Principal and Vice-Chancellor, began her remarks by discussing her recent decision concerning the Redmen name, stating that effective April 12, 2019, McGill University's men's varsity teams ceased to be called the Redmen. She mentioned that she had received many messages of support since the decision was announced, as well as some messages expressing disagreement. The Principal highlighted the respectful nature of dialogue throughout the process and stated that Professor Fabrice Labeau, Interim Deputy Provost (Student Life & Learning) was mandated to establish a steering committee to lead a consultative process for choosing a new name for McGill's men's varsity teams.

The Principal then discussed recent developments with the Government of Quebec's funding for university infrastructure linked to international student enrolment. She stated that thanks to advocacy efforts by some members of the Quebec university community, there would be no reduction to the envelopes for deferred maintenance. She added that this includes deferred maintenance of patrimonial buildings, which is a great benefit to McGill given the deferred maintenance needs of our many properties with heritage value. She then noted that federal general elections were scheduled for October, 2019, and that outreach and advocacy efforts were underway to ensure that post-secondary education was a priority in the electoral context.

Professor Fortier then briefly discussed her participation in the spring conference of the American Association of Universities (AAU) where participants discussed severe reputational damage to many American institutions in light of recent governance and admissions scandals (the Varsity Blues affair). She expressed her satisfaction that Canadian universities in general, and McGill in particular, enjoyed sound governance and transparent, fair admissions processes.

The Principal then mentioned the recent discovery by a global team of scientists, of a black hole at the heart of a distant galaxy, and the contributions of McGill physicist Daryl Haggard, professor in the Department of Physics, to this paradigm-shifting initiative. Professor Fortier then highlighted an honour McGill received recognizing the University's ongoing support of Canadian Forces Reservists, the Employer Support Award of Excellence from the Canadian Forces Liaison Council. She then mentioned a presentation she gave to the CORIM (Montreal Council on Foreign Relations) in late March titled *The Role of Universities in a World Undergoing Profound Change*. In this context, she discussed how universities are addressing emerging global challenges such as cyber security, and new technologies such as Artificial Intelligence and 5G network applications.

She then highlighted external recognition of members of the University community. The Principal saluted the work of Professors Tomislav Friščić and Jean-Philip Lumb of the Department of Chemistry who were honoured by the Canadian Society for Chemistry receiving, respectively, the 2019 Award for Research Excellence in Materials Chemistry and the 2019 Keith Fagnou Award. Next, she mentioned Dr. Dick Menzies, Director of the Respiratory Epidemiology Unit at McGill, who was named recipient of the 2019 CIHR-ICRH/CTS Distinguished Lecturer Award in Respiratory Sciences for his significant contributions to the advancement of science in Canada and internationally.

Following her remarks, Governor Ehab Lotayef highlighted the contributions of students at the Board-Student Forum, which was held on February 28, 2019. He added that attendance from Board members was low at the event, and that this may have been due to the fact that the Board retreat was held earlier that same day. He suggested that future Board-Student forums could be scheduled at another time to encourage greater participation. The Chair agreed to take this into consideration for future events of this nature.

**10. Presentation: Schulich School of Music** [GD18-46]

The Chair welcomed Professor Brenda Ravenscroft, Dean, Schulich School of Music (School), to deliver a presentation on the School. Professor Ravenscroft provided an overview of activities, initiatives and developments within the School, including data on enrolment, rankings and comparative statistics about the Faculty. In response to a question regarding factors that attract students to the School, the Dean mentioned reputational factors related to McGill, and also highlighted the high value prospective students place on faculty members slated to teach courses. The Dean stated that given the nature of music performance, this was unique to the School. She also described the School's efforts to reach a greater degree of gender equity among students, and highlighted the School's multidisciplinary approach to teaching and research, stating that this allowed graduates to find professional opportunities beyond the realm of music if they desired.

The Chair convened a short recess at 5:02 p.m. The meeting resumed at 5:15 pm.

**11. Board Committee Reports**

**11.1 Finance Committee** [GD18-47]

Governor Pierre Matuszewski, Chair of the Finance Committee, presented the Report of the Finance Committee, arising from the Committee's meeting of April 16, 2019.

**11.1.1 Proposed McGill University Budget 2019-20**

Governor Matuszewski called on Professor Christopher Manfredi, Provost and Vice-Principal (Academic) to present the proposed McGill University Budget 2019 – 2020. Professor Manfredi stated that initial forecasts projected a deficit of \$15.4 million for Fiscal Year 2019. Thanks to higher than forecast revenues due to revisions to the Government of Quebec's funding formula, higher than anticipated enrolment (particularly in deregulated programs), and robust spending control, the actual deficit for Fiscal Year 2019 would close at \$0.6 million. The Provost and Vice-Principal (Academic) added that the University made an early payment of \$11.5 million towards the bond sinking fund, which was made possible due to McGill's current strong financial position. Professor Manfredi also highlighted the benefits for McGill from revisions to the Capital Fund of the *Ministère de*

*l'Éducation et de l'Enseignement supérieur*, and stated that intensive infrastructure work in support of the University's academic mission would continue at heavy volume and pace.

Governor Lotayef inquired if the University was looking at further cost savings resulting from lower cost-of-living salary increases and other staff compensation factors. The Provost and Vice-Principal (Academic) responded that the University had reinvested heavily in administrative and support staff and would honour its commitments with respect to salary and compensation. Following up on this conversation, the Chair enquired about any productivity and efficiency improvements that were on the University's planning horizon. Professor Manfredi responded that internal audits had been beneficial for several units, and the eventual implementation of the Recruitment to Retirement (R2R) platform was also expected to have a positive impact on productivity and efficiency in Human Resources processes.

*On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Finance Committee, approved the proposed 2019-2020 McGill University Budget.*

### **11.1.2 Maximum Borrowing Resolution for Fiscal Year 2020**

Governor Matuszewski informed members that typically, the annual short-term borrowing limit authorized by the *Ministère de l'Éducation et de l'Enseignement supérieur* (MEES) is \$300 million. He explained that exceptionally, a long-term note in the amount of \$172 million is scheduled to mature on May 29, 2019, which requires a higher limit for the remainder of the current year, and all of the upcoming year, as the University will be unable to repay the note within our \$300 million short-term borrowing limit. Governor Matuszewski stated that the MEES had already approved this measure and, in-line with standard practice, the government would reimburse the University for any financing charges we absorbed. He added that as the University is uncertain about when and how much it will receive to reimburse the note, it requires a short-term borrowing limit of up to \$400 million, from June 1, 2019 to May 31, 2020. The Chair of the Committee reiterated that financing charges would be absorbed by the Government, making this is net-zero cost proposition.

*On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Finance Committee, approved an increase to the maximum borrowing limit, from up to \$300 million to up to \$380 million, for the period from May 1, 2019 to May 31, 2019.*

*The Board of Governors also approved a maximum borrowing limit of up to \$400 million, for the period from June 1, 2019, to May 31, 2020.*

*The Board of Governors also authorized the Vice-Principal (Administration and Finance) or the Associate Vice-Principal, Financial Services or the Chief*

*Investment Officer and Treasurer to sign contracts, documents, or any instruments pertaining to these borrowings.*

## **11.2 Building and Property Committee**

[GD18-48]

Vice-Principal Beauchamp presented the Report of the Building and Property Committee, arising from the Committee's meeting of April 11, 2019, on behalf of Peter Coughlin, Chair of the Building and Property Committee.

### **11.2.1 Extension for Disposition of Property at Macdonald Campus: Brittain Hall**

Professor Beauchamp reminded Governors that in October 2018, the Executive Committee of the Board approved to extend the deadline for the sale of Brittain Hall to John Abbott College by an additional 6 months (to April 26, 2019). He added that this extension was needed to accommodate delays attributed to the Quebec general elections held on October 1, 2018. The Vice-Principal then stated that an additional 6 month delay was requested at this time as John Abbott College had not yet received governmental authorization for their planned project at the Brittain Hall site, and the extended timeframe would allow for the transaction to be completed.

*On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Building and Property Committee, approved to extend by 6 months, to October 26, 2019, the timeframe for the sale of Brittain Hall and the land on which it stands to John Abbott College.*

### **11.2.2 Leacock Terrace Infrastructure & Amphitheatre**

Vice-Principal Beauchamp then presented the Leacock Terrace Infrastructure and Amphitheatre renovation project for approval, specifying that the scope of work includes structural repairs to concrete slabs, curtain wall replacement, as well as major upgrades to the mechanical system and landscaping. He then explained the project costing and funding, specifying that the Building and Property Committee had already approved funding in the amount of \$2,194,800 for the completion of the design of this project. He stated that based on tender results, funding requested was \$14,346,611 and would be funded primarily through the Deferred Maintenance fund, with additional funds coming from the bond.

*On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Building and Property Committee, approved the Leacock Terrace Infrastructure and Amphitheatre (Project 15-056), at a cost of \$14,346,611, bringing the total budget for this project to \$17,403,511.*

*The Board of Governors also authorized the Vice-Principal (Administration and Finance) or the Associate Vice-Principal, Facilities Management and Ancillary Services, to sign contracts pertaining to this project on behalf of The Royal Institution for the Advancement of Learning/McGill University, provided that the total amount of the contracts does not exceed the total budget amount, and that the contracts are reviewed by Legal Services.*

### **11.2.3 Stewart Biology Redevelopment: Phase I West Wing**

Professor Beauchamp presented the Stewart Biology Redevelopment: Phase I West Wing project, reminding members that in July 2018, tenders received for Lot 3 of the project were 35% over the estimated construction price. He stated that as a result, and based on consultation with the Committee, the tender for Lot 3 was cancelled in favour of redefining the work in at least two (2) smaller work packages. The Vice-Principal stated that the scope of work for Lot 3 included base building elements, such as major repairs to the exterior envelope, window replacement, enhanced fireproofing and replacement of the electrical and mechanical systems. Describing cost and funding, Professor Beauchamp stated that based on tender results, funding in the amount of \$59,257,101 was requested, to be funded in part by the Post-Secondary Institutions Strategic Investment Fund (“SIF”), as well as by the operating fund and bond proceeds.

*On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Building and Property Committee, approved Lot 3 of 4 of the Redevelopment of the West Wing of the Stewart Biology Building (Project 14- 125) at a cost of \$59,257,101, bringing the total project budget to \$126,164,496.*

*The Board of Governors also authorized the Vice-Principal (Administration and Finance) or the Associate Vice-Principal (Facilities Management and Ancillary Services) to sign contracts pertaining to this project on behalf of The Royal Institution for the Advancement of Learning / McGill University, provided that the total amount of the contracts does not exceed the total budget amount, and that the contracts are reviewed by Legal Services.*

### **11.3 Committee to Advise on Matters of Social Responsibility [GD18-49]**

Governor Cynthia Price Verreault, Chair of the Committee to Advise on Matters of Social Responsibility (CAMSR), presented the report arising from the Committee’s meeting of April 17, 2019. She stated that as part of its due diligence, the Committee undertook a supplemental process to address whether members of CAMSR were in real or perceived conflict of interest within the meaning of the Code of Ethics in relation to the Senate resolution. She stated that following this process, all Committee members confirmed that they do not hold or have held within the last three years, a position that would allow them

to derive a direct financial benefit (10% or greater of their net worth) from companies whose primary business is the extraction, distribution or sale of fossil fuels.

Governor Price Verreault then commented that the Committee heard from Mr. Marc Weinstein, Vice-Principal (University Advancement), who provided an overview of trends in relation to socially responsible investing from the perspective of the donor community, and from General Counsel Me Line Thibault, who described the legal framework regarding gifts. The Committee Chair then stated that Professor Nigel Roulet delivered a presentation on the findings of two recently issued reports on climate change, The Special Report on Global Warming of 1.5 °C, issued by the Intergovernmental Panel on Climate Change (IPCC) on Oct 8, 2018; and Canada's Changing Climate Report (CCCR), released by Environment and Climate Change Canada on April 1, 2019. Governor Price-Verreault then stated that CAMSR was scheduled to discuss and analyze practices in socially responsible investment at other universities and organizations, however due to time constraints, this topic was deferred to the next meeting, to be held on May 16, 2019.

#### **11.4 Executive Committee (Part II)**

[GD18-50]

##### **11.4.1 Report of the Nominating, Governance, and Ethics Committee**

Governor Edith Zorychta, member of the Nominating, Governance, and Ethics (NGE) Committee, presented the report arising from its meeting of March 18, 2019, on behalf of Committee Chair Samuel Minzberg. She stated that at this meeting, the Committee considered a request from Committee member, and student representative on the Board of Governors, Helena Zakrzewski, to discuss the possible addition of a student observer (with voice, no vote) to each Committee of the Board. In considering the request, the Committee members highlighted a number of points, namely the many opportunities that exist beyond Committee meetings for students to engage with Governors and Committee members. Professor Zorychta also stated that student representation at the Board level at McGill is generally consistent with our peer institutions.

Governor Zakrzewski then informed the Chair that the Post-Graduate Student Society (PGSS) and the Student's Society of McGill University (SSMU) would present a report to the NGE Committee on student representation on the boards of large universities in Canada. In a discussion that followed, it was noted that Committee members were generally experts in their respective fields and provided the Board with sound advice, and that the current model provided balanced opportunities for Governors to engage with Committees. Members also stated that creating larger Committees could become administratively cumbersome and difficult to manage. The Chair also highlighted that the vast majority of Committee reports were presented in the Open Session of Board meetings, and if there were questions on items covered in any report, they could be addressed during the meeting. Members suggested to clarify the role of Committees and the relationship between Committees and the Board. It was suggested that enhanced elements

addressing this should be added in the orientation program provided to Board members.

**12. Annual Report on Research and Innovation** [GD18-51]

Professor Martha Crago, Vice-Principal (Research and Innovation), presented the annual Report on Research and Innovation, which provided an overview of the University's recent research successes, opportunities, and challenges. She stated that McGill is among the top research intensive universities in Canada as measured by 3-year average amounts of sponsored research funding per faculty member, a standard benchmark performance indicator. Professor Crago indicated that this data was subject to different inclusions and exclusions of faculty members, or large scale clinical trials which could impact the data, however, McGill adhered to the highest standards in reporting accuracy. She also highlighted that McGill is in a small group of Canadian universities whose Tri-Agency funding per faculty member is near or above \$100,000. In response to a question regarding the stability and predictability of government research funding, the Vice-Principal stated that most funding agreements were long-term contracts which were firmly established. The Principal also commented that recent public opinion research indicates that university research is largely perceived as being highly beneficial to our society.

**13. Annual Report on Safe Disclosure** [GD18-45]

Ms. Edyta Rogowska, Secretary-General, presented the Annual Report on Safe Disclosure (whistleblowing). She stated that for the reporting period from January 1, 2018 through December 31, 2018, five (5) confidential disclosures were filed with the Secretary-General in accordance with the Policy on Safe Disclosure (Policy). The Secretary-General indicated that of these 5 disclosures, there were no reports investigated, and no findings of improper activity. In response to questions raised concerning the absence of investigations, the Secretary-General indicated that the Policy was limited in scope, and that there were often other mechanisms in place to address allegations of wrongdoing. It was suggested to include brief explanatory notes in future reports to provide some insight on the disclosures and actions taken. The Secretary-General responded in the affirmative, noting that the level of detail that would be provided would take into account the need to preserve the confidentiality requirements of the Policy.

**14. Other Business**

There was none.

The meeting was adjourned at 6:23 p.m.

**END**

**SUMMARY OF MATTERS CONSIDERED IN CLOSED SESSION OF THE BOARD OF GOVERNORS HELD ON APRIL 25, 2019**

**1. Report on Promotions and Tenure**

The Board of Governors approved seven recommendations concerning promotions and the grant on tenure.

**2. Report of the Executive Committee**

The Board received the Report of the Executive Committee's meeting of March 28, 2019, which described the Committee's consideration and approval of property matters stemming from an agreement entered into between the University and McCall MacBain Scholarships at McGill.