



Secretariat

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The following report arises from the Nominating, Governance and Ethics Committee meeting of April 14, 2016. It is presented to the Board of Governors for its consideration.

I. FOR APPROVAL BY THE BOARD OF GOVERNORS

1. Resignation of Member-at-Large and Appointment of Successor [NG15-15]

At its meeting of February 11, 2016, the Board of Governors, on the recommendation of the Nominating, Governance and Ethics (NGE) Committee, approved the appointment of Ms. Maryse Bertrand as a Member-at-Large, for a five-year term starting July 1st, 2017 or earlier should a vacancy arise.

In light of his position at the Prime Minister's Office, Gerald Butts resigned from the Board of Governors. It is proposed that the NGE Committee recommend to the Board of Governors to change the start date of Maryse Bertrand's appointment to May 1, 2016. The proposed term of office for Ms. Maryse Bertrand is May 1, 2106 to June 30, 2021

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approve that Ms. Maryse Bertrand's five-year term of office as Member-at-Large of the Board of Governors begin May 1st, 2016 until June 30, 2021.

2. Board Appointments to Advisory Committees [NG15-16]

The NGE Committee considered a request to appoint representatives of the Board to three Advisory Committees. The Committee recommends the following appointments to the Board of Governors:

2.1 With respect to the Advisory Committee for the Selection of the Vice-Principal, Research and Innovation:

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approve the appointments of Mr. Claude Généreux, Mr. Ram Panda, Mrs. Kappy Flanders and Ms. Kathy Fazel as representatives of the Board of Governors on the Advisory Committee for the Selection of the Vice-Principal (Research and Innovation), and the appointments of Mr. Samuel Minzberg and Ms. Lili de Grandpré as alternate members, and subject the candidates' willingness to serve.

2.2 With respect to the Advisory Committee for the Selection of the Vice-Principal, Administration and Finance:

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approve the appointments of Mr. Peter Coughlin, Mr. Mike Boychuk, Mr. Stuart (Kip) Cobbett and Ms. Cynthia Price as representatives of the Board of Governors on the Advisory Committee for the Selection of the Vice-Principal, Administration and Finance, and the appointments of Mr. Adrien Pouliot and Ms. Martine Turcotte as alternate members, and subject the candidates' willingness to serve.

2.3 With respect to the Advisory Committee for the Selection of the Dean of Students:

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approve the appointment of Mrs. Sally McDougall as a representative of the Board of Governors on the Advisory Committee for the Selection of the Dean of Students and the appointment of Mrs. Kappy Flanders as an alternate member.

3. Appointments to Board Standing Committees [NG15-17]

The Nominating, Governance and Ethics Committee reviewed the status of appointments on all Board standing Committees. Based on its review, the NGE Committee is recommending the following appointments and reappointments:

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approve the following:

- *The appointment of Governor Victor Chisholm as a member of the Building and Property Committee for a term commencing immediately and ending December 31, 2017;*
- *The appointment of Governor Cynthia Price as Chair of the Human Resources Committee for a term commencing July 1, 2016 and ending December 31, 2016;*
- *The appointment of Ms. Anik Lanthier (profile below) as a member of the general public on the Investment Committee for a term commencing immediately and ending December 31, 2018.*

ANIK LANTHIER - Senior Vice President, Public Equities and Absolute Return

Ms. Lanthier joined PSP Investments in May 2006 as Director, External Manager Search and Monitoring, Public Market Investments. She was named Senior Vice President, Public Equities and Absolute Return in July 2015. Prior to joining PSP Investments, Ms. Lanthier spent seven years at Hydro-Québec Pension Fund where she held several portfolio management positions with increasing responsibilities. From 1997 to 1999, she was a

financial analyst at the Bank of Canada. She holds a Master of Science in Finance from Laval University and CFA designation.

4. Appointments to Health-Care Bodies [NG15-19]

The NGE Committee considered the need to appoint a successor to Dr. H. Arnold Steinberg on the MNI and Hospital Advisory Board of Directors. The Committee agreed to recommend to the Board the appointment of Mr. Irving Ludmer.

Profile: Irving Ludmer

Past president of Cleman, Ludmer, Steinberg. Mr. Ludmer was also the President of Steinberg's Inc., Quebec's third largest employer. Mr. Ludmer is a leading benefactor of the arts in Montreal and has unique relationships in the political, business and union worlds. He graduated from McGill University in 1957 with a degree in Engineering Physics.

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee approve the appointment of Mr. Irving Ludmer as a member nominated by McGill University to the MNI and Hospital Advisory Board of Directors for a three-year term starting immediately and ending December 31, 2019.

5. Revisions to Terms of Reference of Board Standing Committees [NG15-21]

The model of the current terms of reference of all Board Committees were adopted in 2007, following the review of the Board of Governors, which began in 2004. Each Committee's terms of reference state that they will be reviewed every three years by the Committee in question, with recommendations to be forwarded to the Nominating and Governance Committee who will then review and make recommendations to the Board.

The general objectives of the current review of the Board Committees' terms of reference include standardizing the language and implementing updates that reflect current practices.

Some substantial changes to the Committees' terms of reference include:

- Further standardizing the description of the Committees' composition;
- Providing for the option to recommend the appointment of a Vice-Chair of the Committee to the Nominating, Governance and Ethics Committee;
- Incorporating language to further clarify the duties and responsibilities of Board Committees, and rearranging sections of certain terms of reference in order to accurately reflect functions delegated to Committees by the Board of Governors;
- Changing the requirement for the review of the terms of reference to take place at least once every five years instead of at least once every three years.

Following an initial review of the terms of reference done by the NGE Committee in November 2015, the following Committees have reviewed their terms of reference, and submitted revisions to the NGE Committee. The NGE Committee has approved the proposed revisions, and is recommending that they be approved by the Board of Governors:

- Building and Property Committee
- Executive Committee
- Finance Committee
- Human Resources Committee
- Investment Committee
- Nominating, Governance and Ethics Committee

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee approve the revised terms of reference of the following Board Committees:

- *Building and Property*
- *Executive Committee*
- *Finance Committee*
- *Human Resources Committee*
- *Investment Committee*
- *Nominating, Governance and Ethics Committee*

Appendix A contains the terms of reference with suggested changes identified. Appendix B provides a clean version of the terms of reference with changes incorporated.

II. FOR THE INFORMATION OF THE BOARD OF GOVERNORS

1. Review of Board and Committee Evaluation (2015-16) [NG15-22]

The NGE Committee reviewed the 2015-16 survey, which will be distributed to Board and Committee members for completion on May 2, 2016.

Board and Committee members will be asked to complete the survey online before the May 16 Board meeting, at which time a report on the completion rate will be provided to the Board. The Committee emphasized the importance for all Board and Committee members to complete this annual requirement.

2. Proposed Board Rules of Order and Procedure [NG15-20]

The Committee conducted a preliminary review of proposed Rules of Order and Procedure, which are intended to guide the proceedings and general conduct of the meetings of the Board of Governors and its Committees, as appropriate. The Committee agreed to further review the proposed Rules of Order and Procedure at its next meeting in May and submit a recommendation for approval to the Board of Governors.

3. Appointments to Internal and External Non-Board Bodies

[NG15-18]

Further to two requests the University received to recommend nominees to external non-Board bodies, the Committee considered proposed nominations and approved the following:

- the nomination of Mr. Stuart Cobbett, Mr. John D'Agata, Ms. Cristiane Tinmouth, Ms. Sophie Leblanc, Ms. Lynne Gervais and Ms. Edyta Rogowska for membership on the McGill University Foundation Board of Directors for a term to be determined by the Minister of Education.
- the nomination of Professor Tabitha Sparks (Faculty of Arts) to serve as member on the Advisory Board on English Education for a three-year term to be determined by the Minister of Education.

4. 2016-17 NGE Committee Meeting Dates

[NG15-23]

The Committee received the NGE Committee Meeting Dates for 2016-17.

**END REPORT
APRIL 2016**



McGill University
Board of Governors – Building and Property Committee

Terms of Reference

Enacting Provisions

The Building and Property Committee (“Committee”) is established under the authority of, and is accountable to, the Board of Governors (the “Board”) of McGill University (the “University”). ~~It –and–~~ shall function as stipulated in these terms of reference and the *Regulations of the Committees of the Board of Governors of McGill University* (the “Regulations”). In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

1. Composition

- a. ~~Other than ex-officio members,~~ Appointments to the Committee are approved by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.

The Committee shall consist of six to nine voting members, exclusive of *ex officio* members, selected, as indicated below, from among the following categories of membership:

~~as follows:~~

i. Board members and Governors Emeriti:

- three from among:
 - At-large members ~~of the Board;~~
 - Alumni Association members ~~of the Board;~~
 - Governors *Emeriti*;
- one from the Academic Staff or Senate members ~~of the Board;~~
- one of the Administrative and Support Staff members ~~of the Board;~~
- ~~one student representative (member or observer); of the Board.;~~

ii. Members of the General Public:

- At least one and up to three additional members of the general public with expertise in construction, property administration, planning, real estate or related field.

- b. The Chair of the Board and the Principal shall serve as *ex officio* voting members of the Committee.

- c. The Chair of the Committee shall be appointed by the Board from among the Committee members and normally on the recommendation of the Nominating, Governance and Ethics Committee.

- d. The Committee may recommend the appointment of a Vice-Chair of the Committee, who shall be appointed by the Board on the recommendation of the Nominating, Governance and Ethics Committee.

e. The Vice-Principal, ~~(Administration and Finance,)~~ shall serve as the Senior Steward to the Committee. ~~Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward may invite University staff to serve as Associate Steward or as resource persons for particular items of business before the Committee at a meeting.~~

f. The Secretary-General or ~~her/his~~ delegate shall serve as Secretary and governance advisor to the Committee.

g. The Provost and Vice-Principal, Academic, and the Associate Vice-Principal, ~~(Macdonald Campus,)~~ shall serve as special advisors to the Committee.

h. Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward or Secretary may invite University staff to serve as resource persons for particular items of business before the Committee at a meeting.

2. Mandate of the Committee

The Committee, subject to the ~~Regulations Relating to the Approval of Contracts and Signing Authority~~ Policy on Contracts and Signing Authority (“~~Signing Authority Regulations~~”), assists and advises the Board ~~of Governors with immoveable property matters in general and in~~ fulfilling its governance responsibilities with respect to:

2.1 policies, planning, development ~~and~~ stewardship and financial sustainability for lands, facilities, infrastructure and related property matters;

2.2 construction and renovation projects including related supplies, equipment, technology and services;

2.3 acquisition and disposition of immovable property;

2.4 leases, permits, regulatory requirements and servitudes;

The Committee may consider any other building and property matter referred to it by the Board, the Principal or the Vice-Principal, ~~(Administration and Finance).~~

Without limiting the generality of the foregoing, the Committee shall:

2.1 Policies, planning, development and stewardship and financial sustainability for lands, facilities, infrastructure and related property matters

2.1.1 Functions delegated by the Board of Governors

a. periodically invite university units or committees to report on issues regarding campus planning, development and stewardship;

b. review, at least annually, the planned construction and renovation projects, and the projected capital budget and other sources of funding, as well as projected expenditures and ongoing operating costs;

c. ensure that sources of financing for property acquisition, construction or renovation projects are clearly identified and assured and that the costs of maintenance and

operations are taken into consideration before any property acquisition or project, or any amendment thereto, is approved by the Committee or recommended to the Board.

2.1.2 Functions subject to the authority of the Board of Governors

a. review and recommend to the Board principles, policies, guidelines and master plans relating to building and property matters;

2.2 Construction and Renovation Projects

2.2.1 Functions delegated by the Board of Governors

a. initiate planning and design work related to proposed construction and renovation projects in order to ensure that the most accurate budget estimates are presented to the Committee for consideration and, authorize the Vice-Principal, Administration and Finance, to expend funds in support of project development with such expenditures to be reported to the Committee and included in the overall project budget presented to the Committee for approval in accordance with the Committee's authority established in the Policy on Contracts and Signing Authority;

ab. review and approve construction and renovation projects within the Committee's authority established in the ~~Signing Authority Regulations~~Policy on Contracts and Signing Authority;

cb. review and approve any amendments to a construction or renovation project ~~within the Committee's authority established in the Signing Authority Regulations~~: which has been previously approved by the Committee; or,

where the aggregate value of the amended ~~contract project is such as to requires~~ Committee approval within the Committee's authority established in accordance with the by Signing Authority Regulationsthe Policy on Contracts and Signing Authority;

de. at least twice per year, receive reports regarding the financial and construction status of major construction and renovation projects;

2.2.2 Functions subject to the authority of the Board of Governors

a. recommend to the Board construction and renovation projects of a value beyond the Committee's authority established in ~~the the Policy on Contracts and Signing Authority;Signing Authority Regulations;~~

b. recommend to the Board any amendments to a construction or renovation project of a value beyond the Committee's authority established in the ~~Signing Authority Regulations olicy on Contracts and Signing Authority,~~ which has been previously approved by the Committee; or,

• where the aggregate value of the amended ~~contractproject is such as to requires~~ Committee consideration and Board approval, ~~in accordance with the Signing Authority Regulations;~~

2.3 Acquisition and Disposition of Property

2.3.1 Functions delegated by the Board of Governors

a. review and approve acquisition of immovable property within the Committee's authority established in the Policy on Contracts and Signing Authority ~~Signing Authority Regulations~~, subject to reporting all such acquisition to the Board, which may, upon review, resolve to overturn or vary any such decision;

b. receive a report at least annually from the Vice-Principal, (Administration and Finance) regarding the acquisition of all immovable property undertaken pursuant to his/her authority and the Principal's under the Policy on Contracts and Signing Authority ~~Signing Authority Regulations~~;

~~c. review and approve, as necessary, leases of immovable property which are outside of the authority delegated to University management;~~

~~d. receive a report at least annually from the Vice-Principal (Administration and Finance) regarding the lease of immovable property as lessor or lessee undertaken within the authority delegated to University management;~~

~~e. review, approve or make recommendations to the Board, as appropriate, other property-related matters including but not limited to permits, regulatory requirements, servitudes, and other forms of encumbrances on immovable property;~~

2.3.1 Functions subject to the authority of the Board of Governors

a. review and recommend to the Board acquisition of immovable property of a value beyond the Committee's authority established in the Policy on Contracts and Signing Authority; ~~Regulations~~;

b. review and recommend to the Board the acceptance of donations of immovable property to the University of a value beyond the Committee's authority established by the Policy on Contracts and Signing Authority;

c. review and recommend to the Board proposals for the disposition of immovable property;

~~d. review and recommend to the Board leases of immovable property of a value beyond the Committee's authority established in the Signing Authority Regulations;~~

2.4. Leases, Permits, Regulatory Requirements and Servitudes

2.4.1 Functions delegated by the Board of Governors

a. review and approve leases of immovable property which are outside of the authority delegated to University management but within the Committee's authority as established by the Policy on Contracts and Signing Authority;

b. receive a report at least annually from the Vice-Principal, Administration and Finance, regarding the lease of immovable property as lessor or lessee undertaken within the authority delegated to University management;

c. review and approve permits, regulatory requirements, servitudes, and other forms of encumbrances on immovable property within the Committee's authority as established by the Policy on Contracts and Signing Authority;

2.4.2 Functions subject to the authority of the Board of Governors

a. review and recommend to the Board leases of immovable property of a value beyond the Committee's authority as established in the Policy on Contracts and Signing Authority;

b. review and recommend to the Board permits, regulatory requirements, servitudes, and other forms of encumbrances on immovable property of a value beyond the Committee's authority established by the Policy on Contracts and Signing Authority;

~~2.4 Other Building and Property Matters (functions delegated by the Board of Governors)~~

~~a. receive a report at least annually from the Vice Principal (Administration and Finance) on any other building and property decisions pursuant to his/her authority, and the Principal's, under the Signing Authority Regulations;~~

3. General Provisions

a. The Committee shall meet at least four times during the year. The Committee shall have a calendar of business, maintained by the Secretary-General or ~~her/his~~ delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.

b. The Committee shall receive a report at least annually from the Vice-Principal, Administration and Finance, on any building and property decisions pursuant to his/her authority and the Principal's, under the Policy on Contracts and Signing Authority;

c. The Committee shall report to the Board on a regular basis, and within a reasonable time following a Committee meeting.

d. The Committee shall review its terms of reference at least once every ~~five~~ ~~three~~ years and recommend any changes to the Board's Nominating, Governance and Ethics Committee.

Last revised:

Board of Governors: December 13, 2012

McGill University
Board of Governors - Executive Committee

Terms of Reference

Enacting pProvisions

The Executive Committee (“Committee”) is established under the authority of the Board of Governors in accordance with the Statutes of McGill University (the “Statutes”), and is established under the authority of and is accountable to the Board of Governors (the “Board”) of McGill University (the “University”). ~~It and~~ shall function as stipulated in the Statutes, these terms of reference and the *Regulations of the Committees of the Board of Governors of McGill University* (the “Regulations”). In case of a conflict between these terms of reference and the Statutes, the Statutes shall have precedence. In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

~~In addition to these terms of reference, the Committee is governed by the Statutes of McGill University (the “Statutes”). In case of a conflict between these terms of reference and the Statutes, the Statutes shall have precedence.~~

1. Composition

- a. Other than the appointments of the Chair of the Board, the Vice-Chair of the Board and the Principal, Appointments to the Committee are approved by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- b. Consistent with the relevant provisions of the *Statutes*, the Committee shall consist of ten voting members and one student who shall have voice and no vote, all members of the Board, selected, as indicated below, from the following categories of Board membership: chosen as follows:
 - four from the At-Large and Alumni Association members;
 - two from the Academic Staff and Senate members;
 - one Administrative and Support Staff member;
 - one Student Representative (member or observer with voice but no vote);
 - the Chair of the Board;
 - the Vice-Chair of the Board;
 - the Principal;
 - ~~one student member (voice but no vote).~~
- c. The Chair of the Board shall be the Chair of the Committee, and the Vice-Chair of the Board shall be the Vice-Chair of the Committee.

- d. The Principal also shall serve as the Senior Steward to the Committee.
- e. The Secretary-General or delegate shall serve as Secretary and governance advisor to the Committee.
- f. Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward or Secretary may invite University staff to serve as resource persons for particular items of business, ~~before the Committee at any meeting.~~

2. Mandate of the Committee

- a. ~~As stipulated by and in accordance with the Statutes, In accordance with the Statutes,~~ the Committee shall have the authority to exercise all the powers held by the Board between regular meetings of the Board, except that it shall not have the power to:
 - amend, modify, or repeal any or all of the *Statutes*;
 - elect a Chancellor;
 - appoint a Principal;
 - dismiss a member of the teaching staff or a senior administrative officer.

b. Without limiting the generality of the foregoing, the Committee may:

- ~~b.~~ grant final approval to the University's operating budget or financial statements only in extraordinary circumstances.
- ~~e.~~ consider and approve the appointment of a member-at-large of the Board only in extraordinary circumstances.
- ~~d.~~ consider academic staff human resources matters upon referral by the Human Resources Committee, the Principal or the Provost;
- e. consider any other matter referred to ~~it by~~ the Board ~~by~~ a Board committee, the Principal, the Provost and Vice-Principal, Academic, ~~or~~ any Vice-Principal, the Secretary-General, or a body external to the University.
- approve on behalf of the Board the annual borrowing resolution requested by Financement-Quebec or other equivalent government body.

3. General ~~P~~rovisions

- a. The Committee shall meet regularly, typically during the months that the Board does not meet, or between regular meetings of the Board of Governors, as needed. The Committee shall have a calendar of business, maintained by the Secretary-General or ~~her/his~~ delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.

- b. In accordance with the relevant provisions of the *Statutes*, the Committee shall submit to each regular meeting of the Board a report on all matters with which it has dealt since the previous regular meeting of the Board.

- c. The Committee shall review its terms of reference at least once every ~~five~~^{three} years and recommend any changes to the Board's Nominating, Governance and Ethics Committee.

Last revised:

Board of Governors: September 27, 2012

Previous amendments:

Executive Committee: September 24, 2007

McGill University
Board of Governors – Finance Committee

Terms of Reference

Enacting Provisions

The Finance Committee (“Committee”) is established under the authority of, and is accountable to, the Board of Governors (the “Board”) of McGill University (the “University”); ~~and It~~ shall function as stipulated in these terms of reference and the *Regulations of the Committees of the Board of Governors of McGill University* (the “Regulations”). In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

1. Composition

- a. ~~Other than the ex-officio members,~~ Appointments to the Committee are approved by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- b. The Committee shall consist of the following members, selected, as indicated below, from among the following membership categories:-
 - i. three to six voting members, exclusive of *ex officio* members, selected from among the following:
 - members of the general public;
 - At-large members of the Board (at least one);
 - ~~and~~ Alumni Association members of the Board; and
 - Governors *Emeriti*;
 - ii. three non-voting members selected, as indicated below, from among the following Board membership categories: composed of the following Board members:
 - one Administrative and Support Staff member;
 - one from among Academic Staff and/or Senate members; and
 - one student representative ~~Student~~ (member or observer).
- c. A majority of the members of the Committee must be financially ~~competent~~ literate and independent of the University.
- d. The Chair of the Board and the Principal shall serve as *ex officio* members of the Committee.
- e. The Chair of the Committee shall be appointed by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- e.f. The Committee may recommend the appointment of a Vice-Chair of the Committee, who shall be appointed by the Board on the recommendation of the Nominating, Governance and Ethics Committee.

~~f.g.~~ The Vice-Principal (Administration and Finance) shall serve as the Senior Steward to the Committee.

~~g.h.~~ The Secretary-General or ~~her/his~~ delegate shall serve as Secretary and governance advisor to the Committee.

~~h.i.~~ The Provost shall serve as special advisor to the Committee.

~~i.j.~~ Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward ~~or Secretary~~ may invite University staff to serve as resource persons for particular items of business, ~~before the Committee at a meeting.~~

2. Mandate of the Committee

The Committee assists the Board in fulfilling its governance responsibilities with respect to:

- a) financial planning and long-term stability and sustainability of finances;
- b) financial policy and funding strategies;
- c) allocation of available resources, approval of annual budgets and monitoring of budget implementation;
- d) borrowing and other commitments and obligations having financial implications; and
- e) overall financial status and well-being.

The Committee may consider other matters referred to it by the Board, the Principal, the Provost, the Vice-Principal, Administration and Finance or the Secretary-General.

Without limiting the generality of the foregoing, the Committee ~~shall review, analyze, evaluate, report and where applicable, approve or make recommendations to the Board with respect to:~~ shall:

2.1 Functions delegated by the Board of Governors

- a. review the periodic reports on the implementation of the annual budget plan and any variances from budget in the University's revenue and expenditure;
- b. consider the extent and methods of external borrowing for both operating and capital needs ~~and granting~~ approval to such borrowings for amounts up to a maximum of \$ TBD;
- c. in extraordinary circumstances only, granting final approval to the University's operating budget;
- d. receive and review annual reports on the University's Pension Plan, with particular attention to funding arrangements and actual or potential liabilities which have a financial impact on the University;

2.2. Functions subject to the authority of the Board of Governors

- a. review and recommend the annual budget plan (operating and capital) together with the budget report and allocation of available resources from all sources;

- ~~b. review and develop multi-year~~ budget plans and projections ~~for future years~~, including ~~potential policies related to~~ tuition, residence, ancillary, and other fees, taking into account the requirements of the University's academic, strategic, and development plans, current and future government commitments, the student tuition framework, and the funding models of peer institutional comparators.
- ~~b.c. develop and recommend~~ financial policy affecting the long-term stability and sustainability of the finances of the University;
- ~~e.d. consider~~ the level of government funding (both operating and capital), and propose strategies for addressing deficiencies in funding;
- ~~d.e. consider~~ the levels of funding from sources other than the government, and related ~~planning~~ and strategies;
- ~~e.f. develop~~ plans to deal with the funding of any deficit;
- ~~f.g. consider projected prepaid and projected~~ capital expenditures, and plans for the funding thereof;
- ~~g. the terms and conditions of internally financed capital projects, and the ongoing current status of such projects;~~
- ~~h. consider and recommend~~ the use and investment of the current balances, if any, of operating and restricted funds;
- ~~i. —~~
- ~~j-h. take into account~~ the levels and status of amounts owed to and by the University, as well as outstanding and anticipated commitments and obligations that have financial implications, and recommend to the Board the extent and methods of external borrowing for both operating and capital needs for amounts in excess of \$ TBD;
- ~~potential liabilities related to outstanding litigation and other claims;~~
- ~~k.i. annually review with the University's General Counsel or outside counsel, litigation or other legal matters that may have a material impact on the finances or well-being of the University;~~
- ~~l. receive and review annual reports on the University's Pension Plan, with particular attention to funding arrangements and actual or potential liabilities which have a financial impact on the University;~~
- ~~m. the annual updating of the multiyear resource allocations taking into account the requirements of the University's academic, strategic, and development plans, current and future government commitments, the student tuition framework, and the funding models of peer institutional comparators.~~

3. Final provisions

- a. The Committee shall meet at least three times during the year. The Committee shall have a calendar of business, maintained by the Secretary-General or ~~her/his~~ delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.
- b. The Committee shall report to the Board on a regular basis, and within a reasonable time following a Committee meeting.
- c. The Committee shall review its terms of reference at least once every ~~five~~three years and recommend any changes to the Board's Nominating, Governance and Ethics Committee.

Last Revised:

Revised – Approved by the Board of Governors on September 27, 2011

Previous Amendments:

Final - Approved by the Executive Committee on September 24, 2007

Revised – Approved by the Executive Committee on March 17, 2008

Revised – Approved by the Executive Committee on January 25, 2010

McGill University
Board of Governors – Human Resources Committee

Terms of Reference

Enacting Provisions

The Human Resources Committee (the “Committee”) is established under the authority of, and is accountable to, the Board of Governors (the “Board”) of McGill University (the “University”). ~~It and~~ shall function as stipulated in these terms of reference and in the *Regulations of the Committees of the Board of Governors of McGill University* (the “Regulations”). In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

Notwithstanding the provisions set out below, the Committee does not have the authority to appoint, reappoint, or dismiss any employee of the University.

1. Composition

a. ~~Other than the ex-officio members,~~ Appointments to the Committee are approved by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.

b.

i. The Committee shall consist of five to eight members, exclusive of *ex officio* members, selected, as indicated below, from among the following membership categories:

- At least three from At-Large members of the Board, Alumni Association members of the Board and Governors Emeriti, one of whom must be an At-large member of the Board;
- ~~Alumni Association members of the Board;~~
- ~~Governors Emeriti;~~
- At least one Up to three members of the general public ~~(optional)~~.

ii. University students, employees, and individuals holding a personal service contract with the University, except for the Principal, are not eligible for appointment to the Committee.

c. The Chair of the Board and the Principal shall serve as *ex officio* members of the Committee.

d. The Chair of the Committee shall be appointed by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.

e. The Committee may recommend the appointment of a Vice-Chair of the Committee, who shall be appointed by the Board on the recommendation of the Nominating, Governance and Ethics Committee.

ef. The Vice-Principal, (Administration and Finance) shall serve as the Senior Steward to the Committee. Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward may invite University staff to serve as Associate Steward or as resource persons for particular items of business before the Committee at a meeting.

~~g.f.~~ The Secretary-General or ~~her/his~~ delegate shall serve as Secretary and as governance advisor to the Committee.

~~gh.~~ For human resources matters identified by the Senior Steward or the Secretary, the Provost and Vice-Principal, Academic, shall serve as special advisor to the Committee, and shall attend meetings for particular items ~~before the Committee~~.

i. Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward or Secretary may invite University staff to serve as resource persons for particular items of business before the Committee.

2. Mandate

The Committee assists the Board in fulfilling its governance responsibilities with respect to human resources matters for University employees.

The Committee may consider other matters delegated to it by the Board, the Principal, the Vice-Principal ~~(Administration and Finance)~~ or the Provost and Vice-Principal, Academic. The Committee may also refer human resources matters relating to the academic staff to the Executive Committee, as needed.

Without limiting the generality of the foregoing, the Committee shall:

2.12 Functions delegated by the Board of Governors

a. review and approve the annual salary policy for academic staff, taking into account: recommendations from the Provost and Vice-Principal, Academic, the Committee on Academic Staff Compensation (CASC) as may be applicable, University budget projections and trends at other Universities and relevant sectors, and ~~in consultation with the~~ input from the Executive Committee of the Board of Governors, as appropriate;

b. review and approve the annual salary policy for staff in the Management and Executive categories (non-unionized), taking into account recommendations from the Vice-Principal, Administration and Finance, University budget projections, trends at other universities and relevant sectors;

c. review and approve mandates for the negotiation of collective agreements with certified bargaining units; and ~~for discussions with the non-unionized staff associations~~;

d. annually review and approve the employee benefit plan coverage and benefit rate renewal, taking into account with reference to current market trends, ~~taking into account~~ recommendations from the Vice-Principal, Administration and Finance, and the Staff Benefits Advisory Committee (SBAC), as may be applicable;

e. authorize the framework for expenditures of such sums as may be required for the payment of gratuities, retirement allowances, pensions, life insurance or other insurance (including health insurance) for the benefit of employees, when not so determined by approved policies, group plans, or collective agreements;

f. regarding matters of executive compensation:

i. ~~monitor trends for the compensation of senior administrators with reference to other universities and relevant sectors, and review and approve the frameworks and policies for the remuneration, compensation, retirement and superannuation of the Principal and Vice-Chancellor, Provost and Vice-Principal, Academic, Deputy Provost, associate-provosts, vice-principals, associate and assistant vice-principals, deans and other members of the senior administration;~~

ii. ~~review and approve the employment contract and any modifications thereto of the Principal and Vice-Chancellor;~~

~~monitor trends for the compensation of the Principal and Vice-Chancellor with reference to other universities and relevant sectors, and review and approve the frameworks and policies for his/her remuneration, compensation, retirement and superannuation;~~

iii. receive and review the Chair of the Board's annual ~~performance~~ review on the performance of the Principal and Vice-Chancellor, and annually review and approve the Principal's remuneration ~~at in~~ an in camera session of the Committee, during which the Principal shall absent him or herself from the deliberations and decision;

~~monitor trends for the compensation of senior administrators with reference to other universities and relevant sectors, and review and approve the frameworks and policies for the remuneration, compensation, retirement and superannuation of the Provost, Deputy Provost, associate provosts, vice principals, associate and assistant vice principals, deans and other members of the senior administration.~~

iv. approve significant anomalies in the terms and conditions of appointment, compensation and significant benefits of officers reporting directly to the Principal, such as mortgage subsidies and bridging loans, or as may be recommended by the Principal;

~~meet without the presence of individuals being considered for senior administrative appointments, except for the Principal in the case of individuals reporting directly to the Principal. The Chair of the Committee shall report the outcome of discussions relating to executive remuneration to the Principal and the Vice Principal (Administration and Finance) for action.~~

g. periodically review senior administration succession plans;

h. review and approve plans for recruitment and changes in overall staffing levels of the University;

i. provide general oversight of policies and processes that ensure the University's compliance with occupational and environmental health and safety legislation, relevant regulations, standards and codes of practice;

j. receive and review the annual report on health and safety matters, and any periodic reports that may be referred to it.

2.21 Functions subject to the authority of the Board of Governors

a. review and recommend to the Board material policies governing the University's human resources, and any amendments thereto;

b. receive and consider reports and recommendations from the Pension Administration Committee and make recommendations to the Board with respect to the design of the McGill University Pension Plan (MUPP) and such other pension matters within the authority of the Board;

3. General provisions

a. The Committee shall meet at least three times during the year. The Committee shall have a calendar of business, maintained by the Secretary-General or ~~her/his~~ delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.

b. The Committee shall report to the Board on a regular basis, and within a reasonable time following a Committee meeting.

c. The Committee shall review its terms of reference at least once every ~~five~~three years and recommend any changes to the Board's Nominating, Governance and Ethics Committee.

Last revised:

Board of Governors: October 8, 2015

Previous amendments:

Executive Committee: September 24, 2007

Board of Governors: December 7, 2009

Executive Committee January 25, 2010

Board of Governors: September 27, 2012

McGill University
Board of Governors – Investment Committee

Terms of Reference

Enacting provisions

The Investment Committee (“Committee”) is established under the authority of₁ and is accountable to₂ the Board of Governors (the “Board”) of McGill University (the “University”);₅ ~~It and~~ shall function as stipulated in these terms of reference and in the *Regulations of the Committees of the Board of Governors of McGill University* (the “Regulations”). In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

1. Composition

- a. ~~Other than ex-officio members,~~ Appointments to the Committee are approved by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- b.
 - i. The Committee shall consist of three to eight members, ~~exclusive of ex-officio members, selected~~ selected, as indicated below, from among the following membership categories:
 - Members of the general public (at least one);
 - At-Large members of the Board (at least one);
 - Alumni Association members of the Board;
 - Governors *Emeriti*.
 - ii. The Committee members are appointed on the basis of their expertise and interest in investment, business and economics.
 - iii. A majority of members of the Committee must have a significant degree of investment expertise.
- c. The Chair of the Board and the Principal shall serve as *ex officio* members of the Committee.
- ~~d.~~ The Chair of the Committee shall be appointed by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- ~~d.e.~~ The Committee may recommend the appointment of a Vice-Chair of the Committee, who shall be appointed by the Board on the recommendation of the Nominating, Governance and Ethics Committee.
- ~~e.f.~~ The Vice-Principal, ~~(Administration and Finance),~~ shall serve as the Senior Steward to the Committee.
- ~~f.g.~~ The Vice-Principal, ~~(University Advancement),~~ shall serve as special advisor to the Committee.
- ~~g.h.~~ The Secretary-General or her/his delegate shall serve as Secretary and governance advisor to the Committee.

h.i. Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward or Secretary may invite University staff to serve as resource persons for particular items of business, ~~before the Committee at a meeting.~~

2. Mandate of the Committee

The Committee, subject to the *Regulations Relating to the Approval of Contracts and Signing Authority*, assists the Board in fulfilling its governance responsibilities with respect to the University's investments.

The Committee has a Subcommittee composed of the Chair of the Committee, a member of the Investment Committee, selected by the Committee, the Senior Steward of the Committee, and the Chief Investment Officer (resource person). The Subcommittee's terms of reference are attached.

Investments include all funds (whether endowed or non-endowed, externally or internally restricted) invested in accordance with University policy or as may be designated for Investment Committee oversight from time to time, exclusive of University pension plan funds.

Endowed funds are primarily invested through the McGill Investment Pool ("MIP") and are composed of: (i) bequests and donations received by the University, for the most part externally restricted, and generally to be held in perpetuity (ii) those assets of entities affiliated to McGill which have been invested in the MIP as an investment vehicle (iii) such other assets as may be designated by the Board to be endowed or invested.

The Committee may consider other matters delegated to it by the Board, the Principal or the Vice-Principal, ~~(Administration and Finance).~~

Without limiting the generality of the foregoing, the Committee shall:

2.1 Functions delegated by the Board of Governors

- a. approve the appointment and termination of investment managers and advisors;
- b. review and approve investment manager mandates;
- c. approve the appointment and termination of the University's investment custodians and other providers of investment related services, or delegate such approval as appropriate;
- d. review, on a quarterly basis, all matters related to the investment of the MIP and other investments;

~~e. approve the Statement of Investment Beliefs and any modifications thereto, and review it at least annually.~~

f. review, at least annually, the Statement of Investment Policy, and monitor compliance with this policy;

g. review, at least annually, the performance of each fund manager and providers of investment-related services;

h. implement investment matters as provided for in the Statement of Investment Policy, including but not limited to currency hedging and portfolio rebalancing;

hi. monitor, as required, staff's compliance with guidelines and processes for the selection of investment managers, including compliance with the University's conflict of interest policies;

i-j. approve the management fee on the MIP and any modifications thereto;

2.2 Functions subject to the authority of the Board of Governors

a. recommend to the Board the approval of all investment policies, including the Statement of Investment Policy, and any modifications thereto;

b. recommend the approval of the annual distribution rate for the income from the University's endowment;

~~c. recommend to the Board the establishment of additional policies related to investments and modifications thereto;~~

3. General provisions

a. The Committee shall meet at least four times during the year. The Committee shall have a calendar of business, maintained by the Secretary-General or ~~her/his~~ delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.

b. The Committee shall report to the Board on a regular basis, and within a reasonable time following each Committee meeting.

c. The Committee shall review its terms of reference at least once every ~~five~~^{three} years and recommend any changes to the Board's Nominating, Governance and Ethics Committee.

Last revised:

Executive Committee: November 27, 2012

Previous amendments:

Executive Committee: September 24, 2007

Executive Committee: January 25, 2010

Board of Governors: September 27, 2012

McGill University
Board of Governors – Nominating, Governance and Ethics Committee

Terms of Reference

Enacting provisions

The Nominating, Governance and Ethics Committee (“Committee”) is established under the authority of the Board of Governors in accordance with the *Statutes of McGill University* (the “*Statutes*”), ~~established under the authority of~~ and is accountable to the Board of Governors (the “Board”) of McGill University (the “University”); ~~It and~~ shall function as stipulated in the *Statutes*, these terms of reference and the Regulations of the Committees of the Board of Governors of McGill University (the “Regulations”). In case of a conflict between these terms of reference and the *Statutes*, the *Statutes* shall have precedence.

In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

~~In addition to these terms of reference, the Committee is governed by the *Statutes of McGill University* (the “*Statutes*”). In case of a conflict between these terms of reference and the *Statutes*, the *Statutes* shall have precedence.~~

1. Composition

a. ~~Other than the Chair of the Board, the Chancellor and the Principal, A~~appointments to the Committee are approved by the Board, normally on the recommendation of the Committee.

b. ~~In accordance with the relevant provisions of the *Statutes*, T~~the Committee shall consist of ~~the Chair of the Board, the Chancellor, the Principal and seven six~~ governors, members, exclusive of *ex officio* members, selected, as indicated below, from the following Board membership categories:
~~follows:~~

- ~~three~~four from:
 - At-Large members ~~of the Board~~(at least two);
 - Alumni Association members
 - Governors *Emeriti*;
 - ~~Alumni Association members of the Board;~~
~~Governors *Emeriti*;~~
- one from the Academic Staff and Senate members ~~of the Board~~;
- one ~~of the~~ Administrative and Support Staff members ~~of the Board~~;
- one student representative of the Board (member or observer) ~~of the Board~~.

c. ~~The Chancellor, the Chair of the Board and the Principal shall serve as *ex officio* members of the Committee.~~

- c. The Chair of the Committee shall be appointed by the Board, normally on the recommendation of this Committee.
- d. The Committee may recommend to the Board of Governors the appointment of a Vice-Chair of the Committee.
- e. The Principal shall serve as the Senior Steward to the Committee.
- f. The Secretary-General or ~~her/his~~ delegate shall serve as Secretary and governance advisor to the Committee.

2. Mandate of the Committee

As stipulated by and in accordance with the Statutes, The Committee assists the Board in fulfilling its governance responsibilities with respect to:

- a. nominations of At-Large members to the Board and governors *emeriti*/honorary governors;
- b. nominations of members of Board Committees;
- c. nominations of McGill representatives to non-Board committees and bodies both inside and outside the University;
- d. establishment and discontinuance of Board standing and ad-hoc committees and their respective terms of reference;
- e. good governance practices including rules of order and procedures and matters of ethics as they relate to governance; and
- f. the evaluation of governance functions and activities of the Board.

The Committee shall also consider other matters delegated to the Committee by the Board or referred to it by the Principal or the Secretary-General.

Without limiting the generality of the foregoing, the Committee shall:

2.1 ~~Nominating~~ Functions

2.1.1 Nominating Functions delegated by the Board of Governors

- a. establish a recruitment and succession planning subcommittee consisting of the Chair of the Nominating, Governance and Ethics Committee, the Chair of the Board, the Principal, one member of the Nominating, Governance and Ethics Committee, and the Secretary-General, as Secretary to the Subcommittee, responsible for making recommendations to the Nominating, Governance and Ethics Committee with respect to the following functions:

i. developing and amending guidelines for the appointment of At-large members of the Board, including skill sets, criteria and attributes to be used in identifying prospective candidates;

ii. developing and implementing a systematic process for seeking nominations of At-large members;

b. on behalf of the Board, submit nominations to non-Board bodies and committees concerning appointments which are requested of McGill University or the Board and determined by external bodies;

c. on behalf of the Board, review potential appointments to Faculty Advisory Boards and provide feedback and advice to the Dean and the Principal, as appropriate;

~~a. establish and amend guidelines for the appointment of At large Board members, including requisite skills and attributes of good governance to be used in recruiting members. From the pool of the candidates who possess the requisite skills, bear in mind, when making recommendations for appointments, the importance of reflecting the diversity of the community in Board membership, and seek a gender and age balance, as well as representation from culturally diverse groups;~~

~~b. ensure the development and implementation of a systematic process for seeking nominations for At Large members of the Board;~~

~~c. ensure that Board orientation sessions for new members as well as ongoing governance training and development activities for all Board members are provided;~~

~~d. evaluate the performance of members of the Board and its standing committees using evaluation tools approved by the Committee;~~

~~e. on behalf of the Board, approve the appointments of McGill representatives to internal and external non-Board bodies and committees, including health care, as appropriate, with the exception of Board representatives on Senate;~~

~~f. on behalf of the Board, approve appointments to Faculty Advisory Boards taking into account recommendations from the Dean and the Principal;~~

~~g. provide recommendations to the administration regarding the promotion of awareness of Board activities to members of the University community;~~

2.1.2 Nominating Functions subject to the authority of the Board of Governors

a. recommend to the Board appointments of At-large members of the Board, taking into account the importance of reflecting the diversity of the community in Board membership, and seeking a gender and age balance, as well as representation from culturally diverse groups;

b. recommend to the Board appointments to the rank of governor emeritus/emerita or honorary governor;

c. recommend to the Board appointments of members to standing committees of the Board;

d. recommend to the Board appointments to:

i) internal, non-Board bodies, including Board appointments to Senate;

ii) external, non-Board bodies, including Board appointments to hospital and other health care bodies;

e. recommend to the Board appointments of the chair and vice-chair, as appropriate, of Board committees, with the exception of the Executive Committee;

f. recommend to the Board appointments of Board representatives to statutory and non-statutory advisory committees;

2.2 Governance Functions

2.2.1 Governance Functions delegated by the Board of Governors

a. establish and review, as required, the *Electoral Procedures of the Board of Governors* for the election of the representatives of the administrative and support staff and academic staff to the Board;

b. provide for Board orientation sessions for new Board and Committee members as well as ongoing governance training and development activities for all Board and Committee members;

c. annually administer and evaluate the performance of the Board and its standing committees, including the performance of Board and Board Committee members using evaluation tools approved by the Committee;

2.2.21 Governance Functions subject to the authority of the Board of Governors

a. ~~as provided for in article 15.2 of the Statutes~~, review and recommend to the Board proposed amendments to the *Statutes*;

b. review and recommend to the Board the creation or abolition of standing and ad hoc Board committees and their terms of reference;

c. ~~as provided for in article 1.4.2 of the Statutes,~~ review each standing committee's terms of reference at least every ~~five~~three years, and recommend revisions thereto to the Board;

d. review and recommend revisions to the terms of reference of ad hoc committees of the Board as required;

e. review the *Regulations of the Committees of the Board of Governors of McGill University* and recommend revisions thereto to the Board, as needed;

2.3 Ethics Functions

2.3.1 Ethics Functions delegated by the Board of Governors

a. monitor and report on the compliance with the Board of Governors' *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* ("Code of Ethics");

2.3.2 Ethics Functions subject to the authority of the Board of Governors

a. review the Code of Ethics at least every ~~five~~three years and recommend revisions to the Board of Governors as needed.

2.4 Evaluation of Governance Functions (functions delegated by the Board of Governors)

~~a. regularly administer surveys of Board members and Board Committee members;~~

~~b. periodically evaluate overall Board performance and functioning;~~

a. periodically review the Board's governance structure, taking into account that all Board members should be members of at least one committee, that committee membership and chairs should be rotated regularly, that Board members from the internal constituencies of the University should be included where appropriate, and that committee membership should be balanced;

3. General provisions

a. The Committee shall meet at least four times during the year. The Committee shall have a calendar of business, maintained by the Secretary-General or ~~her/his~~ delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.

b. The Committee shall report to the Board on a regular basis, and within a reasonable time following a Committee meeting.

c. The Committee shall review its terms of reference at least once every five ~~three~~-years and recommend any changes to the Board of Governors.

Last Revised:

Revised – Approved by the Board of Governors on September 27, 2011

Previous Amendments:

Final - Approved by the Executive Committee on September 24, 2007

McGill University
Board of Governors – Building and Property Committee

Terms of Reference

Enacting Provisions

The Building and Property Committee (“Committee”) is established under the authority of, and is accountable to, the Board of Governors (the “Board”) of McGill University (the “University”). It shall function as stipulated in these terms of reference and the *Regulations of the Committees of the Board of Governors of McGill University* (the “Regulations”). In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

1. Composition

- a. Other than ex-officio members, appointments to the Committee are approved by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.

The Committee shall consist of six to nine voting members, exclusive of *ex officio* members, selected, as indicated below, from among the following categories of membership:

- i. Board members and Governors Emeriti:
 - three from among:
 - At-large members;
 - Alumni Association members;
 - Governors *Emeriti*;
 - one from the Academic Staff or Senate members;
 - one of the Administrative and Support Staff members;
 - one student representative (member or observer);.
- ii. Members of the General Public:
 - At least one and up to three additional members of the general public with expertise in construction, property administration, planning, real estate or related field.
- b. The Chair of the Board and the Principal shall serve as *ex officio* voting members of the Committee.
- c. The Chair of the Committee shall be appointed by the Board from among the Committee members and normally on the recommendation of the Nominating, Governance and Ethics Committee.
- d. The Committee may recommend the appointment of a Vice-Chair of the Committee, who shall be appointed by the Board on the recommendation of the Nominating, Governance and Ethics Committee.
- e. The Vice-Principal, Administration and Finance, shall serve as the Senior Steward to the Committee.

- f. The Secretary-General or delegate shall serve as Secretary and governance advisor to the Committee.
- g. The Provost and Vice-Principal, Academic, and the Associate Vice-Principal, Macdonald Campus, shall serve as special advisors to the Committee.
- h. Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward or Secretary may invite University staff to serve as resource persons for particular items of business before the Committee at a meeting.

2. Mandate of the Committee

The Committee, subject to the Policy on Contracts and Signing Authority, assists and advises the Board in fulfilling its governance responsibilities with respect to:

- 2.1 policies, planning, development stewardship and financial sustainability for lands, facilities, infrastructure and related property matters.
- 2.2 construction and renovation projects including related supplies, equipment, technology and services;
- 2.3 acquisition and disposition of immovable property;
- 2.4 leases, permits, regulatory requirements and servitudes;

The Committee may consider any other building and property matter referred to it by the Board, the Principal or the Vice-Principal, Administration and Finance.

Without limiting the generality of the foregoing, the Committee shall:

2.1 Policies, planning, development stewardship and financial sustainability for lands, facilities, infrastructure and related property matters

2.1.1 Functions delegated by the Board of Governors

- a. periodically invite university units or committees to report on issues regarding campus planning, development and stewardship;
- b. review, at least annually, the planned construction and renovation projects, and the projected capital budget and other sources of funding, as well as projected expenditures and ongoing operating costs;
- c. ensure that sources of financing for property acquisition, construction or renovation projects are clearly identified and assured and that the costs of maintenance and operations are taken into consideration before any property acquisition or project, or any amendment thereto, is approved by the Committee or recommended to the Board.

2.1.2 Functions subject to the authority of the Board of Governors

- a. review and recommend to the Board principles, policies, guidelines and master plans relating to building and property matters;

2.2 Construction and Renovation Projects

2.2.1 Functions delegated by the Board of Governors

- a. initiate planning and design work related to proposed construction and renovation projects in order to ensure that the most accurate budget estimates are presented to the Committee for consideration and, authorize the Vice-Principal, Administration and Finance, to expend funds in support of project development with such expenditures to be reported to the Committee and included in the overall project budget presented to the Committee for approval in accordance with the Committee's authority established in the Policy on Contracts and Signing Authority;
- b. review and approve construction and renovation projects within the Committee's authority established in the Policy on Contracts and Signing Authority;
- c. review and approve any amendments to a construction or renovation project which has been previously approved by the Committee; or,

 where the aggregate value of the amended project is such as to require Committee approval within the Committee's authority established by the Policy on Contracts and Signing Authority;
- d. at least twice per year, receive reports regarding the financial and construction status of major construction and renovation projects;

2.2.2 Functions subject to the authority of the Board of Governors

- a. recommend to the Board construction and renovation projects of a value beyond the Committee's authority established in the Policy on Contracts and Signing Authority;;
- b. recommend to the Board any amendments to a construction or renovation project of a value beyond the Committee's authority established in the Policy on Contracts and Signing Authority, which has been previously approved by the Committee; or, where the aggregate value of the amended project is such as to require Committee consideration and Board approval.

2.3 Acquisition and Disposition of Property

2.3.1 Functions delegated by the Board of Governors

- a. review and approve acquisition of immovable property within the Committee's authority established in the Policy on Contracts and Signing Authority, subject to reporting all such acquisition to the Board, which may, upon review, resolve to overturn or vary any such decision;
- b. receive a report at least annually from the Vice-Principal, Administration and Finance regarding the acquisition of all immovable property undertaken pursuant to his/her authority and the Principal's under the Policy on Contracts and Signing Authority;

2.3.1 Functions subject to the authority of the Board of Governors

- a. review and recommend to the Board acquisition of immovable property of a value beyond the Committee's authority established in the Policy on Contracts and Signing Authority;
- b. review and recommend to the Board the acceptance of donations of immovable property to the University of a value beyond the Committee's authority established by the Policy on Contracts and Signing Authority;
- c. review and recommend to the Board proposals for the disposition of immovable property;

2.4. Leases, Permits, Regulatory Requirements and Servitudes

2.4.1 Functions delegated by the Board of Governors

- a. review and approve leases of immovable property which are outside of the authority delegated to University management but within the Committee's authority as established by the Policy on Contracts and Signing Authority;
- b. receive a report at least annually from the Vice-Principal, Administration and Finance, regarding the lease of immovable property as lessor or lessee undertaken within the authority delegated to University management;
- c. review and approve permits, regulatory requirements, servitudes, and other forms of encumbrances on immovable property within the Committee's authority as established by the Policy on Contracts and Signing Authority;

2.4.2 Functions subject to the authority of the Board of Governors

- a. review and recommend to the Board leases of immovable property of a value beyond the Committee's authority as established in the Policy on Contracts and Signing Authority;
- b. review and recommend to the Board permits, regulatory requirements, servitudes, and other forms of encumbrances on immovable property of a value beyond the Committee's authority established by the Policy on Contracts and Signing Authority;

3. General Provisions

- a. The Committee shall meet at least four times during the year. The Committee shall have a calendar of business, maintained by the Secretary-General or delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.

- b. The Committee shall receive a report at least annually from the Vice-Principal, Administration and Finance, on any building and property decisions pursuant to his/her authority and the Principal's, under the Policy on Contracts and Signing Authority;
- c. The Committee shall report to the Board on a regular basis, and within a reasonable time following a Committee meeting.
- d. The Committee shall review its terms of reference at least once every five years and recommend any changes to the Board's Nominating, Governance and Ethics Committee.

Last revised:

Board of Governors: April 21, 2016

Previous Amendments:

Board of Governors: December 13, 2012

McGill University
Board of Governors - Executive Committee

Terms of Reference

Enacting Provisions

The Executive Committee (“Committee”) is established under the authority of the Board of Governors in accordance with the *Statutes of McGill University* (the “*Statutes*”), and is accountable to the Board of Governors (the “Board”) of McGill University (the “University”). It shall function as stipulated in the *Statutes*, these terms of reference and the *Regulations of the Committees of the Board of Governors of McGill University* (the “*Regulations*”). In case of a conflict between these terms of reference and the *Statutes*, the *Statutes* shall have precedence. In accordance with the *Regulations*, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

1. Composition

- a. Other than the appointments of the Chair of the Board, the Vice-Chair of the Board and the Principal, appointments to the Committee are approved by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- b. Consistent with the relevant provisions of the *Statutes*, the Committee shall consist of ten voting members and one student who shall have voice and no vote, all members of the Board, selected, as indicated below, from the following categories of Board membership:
 - four from the At-Large and Alumni Association members;
 - two from the Academic Staff and Senate members;
 - one Administrative and Support Staff member;
 - one Student Representative (member or observer with voice but no vote);
 - the Chair of the Board;
 - the Vice-Chair of the Board;
 - the Principal.
- c. The Chair of the Board shall be the Chair of the Committee, and the Vice-Chair of the Board shall be the Vice-Chair of the Committee.
- d. The Principal also shall serve as the Senior Steward to the Committee.
- e. The Secretary-General or delegate shall serve as Secretary and governance advisor to the Committee.
- f. Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward or Secretary may invite University staff to serve as resource persons for particular items of business.

2. Mandate of the Committee

- a. As stipulated by and in accordance with the *Statutes*, the Committee shall have the authority to exercise all the powers held by the Board between regular meetings of the Board, except that it shall not have the power to:
 - amend, modify, or repeal any or all of the *Statutes*;
 - elect a Chancellor;
 - appoint a Principal;
 - dismiss a member of the teaching staff or a senior administrative officer.

- b. **Without limiting the generality of the foregoing, the Committee may:**
 - grant final approval to the University's operating budget or financial statements only in extraordinary circumstances.
 - consider and approve the appointment of a member-at-large of the Board only in extraordinary circumstances.
 - consider academic staff human resources matters upon referral by the Human Resources Committee, the Principal or the Provost;
 - consider any other matter referred to the Board by a Board committee, the Principal, the Provost and Vice-Principal, Academic, any Vice-Principal, the Secretary-General, or a body external to the University.
 - approve on behalf of the Board the annual borrowing resolution requested by Financement-Quebec or other equivalent government body.

3. General Provisions

- a. The Committee shall meet regularly, typically during the months that the Board does not meet, or between regular meetings of the Board of Governors, as needed. The Committee shall have a calendar of business, maintained by the Secretary-General or delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.

- b. In accordance with the relevant provisions of the *Statutes*, the Committee shall submit to each regular meeting of the Board a report on all matters with which it has dealt since the previous regular meeting of the Board.

- c. The Committee shall review its terms of reference at least once every five years and recommend any changes to the Board's Nominating, Governance and Ethics Committee.

Last revised:

Board of Governors: April 21, 2016

Previous amendments:

Board of Governors: September 27, 2012

Executive Committee: September 24, 2007

McGill University
Board of Governors – Finance Committee

Terms of Reference

Enacting Provisions

The Finance Committee (“Committee”) is established under the authority of, and is accountable to, the Board of Governors (the “Board”) of McGill University (the “University”). It shall function as stipulated in these terms of reference and the *Regulations of the Committees of the Board of Governors of McGill University* (the “Regulations”). In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

1. Composition

- a. Other than the ex-officio members, appointments to the Committee are approved by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- b. The Committee shall consist of the following members, selected, as indicated below, from among the following membership categories:
 - i. three to six voting members, exclusive of *ex officio* members, selected from among the following
 - members of the general public;
 - At-large members of the Board (at least one);
 - Alumni Association members of the Board; and
 - Governors *Emeriti*;
 - ii. three non-voting members selected, as indicated below, from among the following Board membership categories:
 - one Administrative and Support Staff member;
 - one from among Academic Staff and Senate members; and
 - one student representative (member or observer).
- c. A majority of the members of the Committee must be financially literate and independent of the University.
- d. The Chair of the Board and the Principal shall serve as *ex officio* members of the Committee.
- e. The Chair of the Committee shall be appointed by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- f. The Committee may recommend the appointment of a Vice-Chair of the Committee, who shall be appointed by the Board on the recommendation of the Nominating, Governance and Ethics Committee.

- g. The Vice-Principal (Administration and Finance) shall serve as the Senior Steward to the Committee.
- h. The Secretary-General or delegate shall serve as Secretary and governance advisor to the Committee.
- i. The Provost shall serve as special advisor to the Committee.
- j. Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward or Secretary may invite University staff to serve as resource persons for particular items of business..

2. Mandate of the Committee

The Committee assists the Board in fulfilling its governance responsibilities with respect to:

- a) financial planning and long-term stability and sustainability of finances;
- b) financial policy and funding strategies;
- c) allocation of available resources, approval of annual budgets and monitoring of budget implementation;
- d) borrowing and other commitments and obligations having financial implications; and
- e) overall financial status and well-being.

The Committee may consider other matters referred to it by the Board, the Principal, the Provost, the Vice-Principal, Administration and Finance or the Secretary-General.

Without limiting the generality of the foregoing, the Committee shall:

2.1 Functions delegated by the Board of Governors

- a. review the periodic reports on the implementation of the annual budget plan and any variances from budget in the University's revenue and expenditure;
- b. consider the extent and methods of external borrowing for both operating and capital needs and grant approval to such borrowings for amounts up to a maximum of \$ TBD;
- c. in extraordinary circumstances only, grant final approval to the University's operating budget;
- d. receive and review annual reports on the University's Pension Plan, with particular attention to funding arrangements and actual or potential liabilities which have a financial impact on the University;

2.2. Functions subject to the authority of the Board of Governors

- a. review and recommend the annual budget plan (operating and capital) together with the budget report and allocation of available resources from all sources;

- b. review and develop multi-year budget plans and projections, including potential tuition, residence, ancillary, and other fees, taking into account the requirements of the University's academic, strategic, and development plans, current and future government commitments, the student tuition framework, and the funding models of peer institutional comparators.
- c. develop and recommend financial policy affecting the long-term stability and sustainability of the finances of the University;
- d. consider the level of government funding (both operating and capital), and propose strategies for addressing deficiencies in funding;
- e. consider the levels of funding from sources other than the government, and related plans and strategies;
- f. develop plans to deal with the funding of any deficit;
- g. consider projected capital expenditures and plans for the funding thereof;
- h. consider and recommend the use and investment of the current balances, if any, of operating and restricted funds;
- i. take into account the levels and status of amounts owed to and by the University, as well as outstanding and anticipated commitments and obligations that have financial implications, and recommend to the Board the extent and methods of external borrowing for both operating and capital needs for amounts in excess of \$ TBD;
- j. annually review with the University's General Counsel or outside counsel, litigation or other legal matters that may have a material impact on the finances or well-being of the University;

3. Final provisions

- a. The Committee shall meet at least three times during the year. The Committee shall have a calendar of business, maintained by the Secretary-General or delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.
- b. The Committee shall report to the Board on a regular basis, and within a reasonable time following a Committee meeting.
- c. The Committee shall review its terms of reference at least once every five years and recommend any changes to the Board's Nominating, Governance and Ethics Committee.

Last Revised:

Revised- Approved by the Board of Governors on April 21, 2016

Previous Amendments:

Revised – Approved by the Board of Governors on September 27, 2011

Final - Approved by the Executive Committee on September 24, 2007

Revised – Approved by the Executive Committee on March 17, 2008

Revised – Approved by the Executive Committee on January 25, 2010

McGill University
Board of Governors – Human Resources Committee

Terms of Reference

Enacting Provisions

The Human Resources Committee (the “Committee”) is established under the authority of, and is accountable to, the Board of Governors (the “Board”) of McGill University (the “University”). It shall function as stipulated in these terms of reference and in the *Regulations of the Committees of the Board of Governors of McGill University* (the “Regulations”). In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

Notwithstanding the provisions set out below, the Committee does not have the authority to appoint, reappoint, or dismiss any employee of the University.

1. Composition

- a. Other than the *ex-officio* members, appointments to the Committee are approved by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- b.
 - i. The Committee shall consist of five to eight members, exclusive of *ex officio* members, selected, as indicated below, from among the following membership categories
 - At least three from At-large members of the Board, Alumni Association members of the Board and Governors Emeriti, one of whom must be an At-large member of the Board;
 - At least one member of the general public
 - ii. University students, employees, and individuals holding a personal service contract with the University, except for the Principal, are not eligible for appointment to the Committee.
- c. The Chair of the Board and the Principal shall serve as *ex officio* members of the Committee.
- d. The Chair of the Committee shall be appointed by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- e. The Committee may recommend the appointment of a Vice-Chair of the Committee, who shall be appointed by the Board on the recommendation of the Nominating, Governance and Ethics Committee.
- f. The Vice-Principal, Administration and Finance shall serve as the Senior Steward to the Committee.
- g. The Secretary-General or delegate shall serve as Secretary and as governance advisor to the Committee.
- h. For human resources matters identified by the Senior Steward or the Secretary, the Provost and Vice-Principal, Academic, shall serve as special advisor to the Committee, and shall attend meetings for particular items.

i. Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward or Secretary may invite University staff to serve as resource persons for particular items of business before the Committee.

2. Mandate

The Committee assists the Board in fulfilling its governance responsibilities with respect to human resources matters for University employees.

The Committee may consider other matters delegated to it by the Board, the Principal, the Vice-Principal Administration and Finance or the Provost and Vice-Principal, Academic. The Committee may also refer human resources matters relating to the academic staff to the Executive Committee, as needed.

Without limiting the generality of the foregoing, the Committee shall:

2.1 Functions delegated by the Board of Governors

a. review and approve the annual salary policy for academic staff, taking into account: recommendations from the Provost and Vice-Principal, Academic, the Committee on Academic Staff Compensation (CASC) as may be applicable, University budget projections and trends at other Universities and relevant sectors, and input from the Executive Committee of the Board of Governors, as appropriate;

b. review and approve the annual salary policy for staff in the Management and Executive categories (non-unionized), taking into account recommendations from the Vice-Principal, Administration and Finance, University budget projections, trends at other universities and relevant sectors;

c. review and approve mandates for the negotiation of collective agreements with certified bargaining units;

d. annually review and approve the employee benefit plan coverage and benefit rate renewal, taking into account current market trends, recommendations from the Vice-Principal, Administration and Finance, and the Staff Benefits Advisory Committee (SBAC), as may be applicable;

e. authorize the framework for expenditures of such sums as may be required for the payment of gratuities, retirement allowances, pensions, life insurance or other insurance (including health insurance) for the benefit of employees, when not so determined by approved policies, group plans, or collective agreements;

f. regarding matters of executive compensation:

i. monitor trends for the compensation of senior administrators with reference to other universities and relevant sectors, and review and approve the frameworks and policies for the remuneration, compensation, retirement and superannuation of the Principal and Vice-Chancellor, Provost and Vice-Principal, Academic, Deputy Provost, associate-provosts, vice-principals, associate and assistant vice-principals, deans and other members of the senior administration;

- ii. review and approve the employment contract and any modifications thereto of the Principal and Vice-Chancellor;
 - iii. receive and review the Chair of the Board's annual review on the performance of the Principal and Vice-Chancellor, and annually review and approve the Principal's remuneration at an in camera session of the Committee, during which the Principal shall absent him or herself from the deliberations and decision;
 - iv. approve significant anomalies in the terms and conditions of appointment, compensation and significant benefits of officers reporting directly to the Principal, such as mortgage subsidies and bridging loans, or as may be recommended by the Principal;
- g. periodically review senior administration succession plans;
- h. review and approve plans for recruitment and changes in overall staffing levels of the University;
- i. provide general oversight of policies and processes that ensure the University's compliance with occupational and environmental health and safety legislation, relevant regulations, standards and codes of practice;
- j. receive and review the annual report on health and safety matters, and any periodic reports that may be referred to it.

2.2 Functions subject to the authority of the Board of Governors

- a. review and recommend to the Board material policies governing the University's human resources, and any amendments thereto;
- b. receive and consider reports and recommendations from the Pension Administration Committee and make recommendations to the Board with respect to the design of the McGill University Pension Plan (MUPP) and such other pension matters within the authority of the Board;

3. General provisions

- a. The Committee shall meet at least three times during the year. The Committee shall have a calendar of business, maintained by the Secretary-General or delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.
- b. The Committee shall report to the Board on a regular basis, and within a reasonable time following a Committee meeting.
- c. The Committee shall review its terms of reference at least once every five years and recommend any changes to the Board's Nominating, Governance and Ethics Committee.

Last revised:

Board of Governors: April 21, 2016

Previous amendments:

Board of Governors: October 8, 2015

Executive Committee: September 24, 2007
Board of Governors: December 7, 2009
Executive Committee January 25, 2010
Board of Governors: September 27, 2012

McGill University
Board of Governors – Investment Committee

Terms of Reference

Enacting provisions

The Investment Committee (“Committee”) is established under the authority of, and is accountable to, the Board of Governors (the “Board”) of McGill University (the “University”). It shall function as stipulated in these terms of reference and in the *Regulations of the Committees of the Board of Governors of McGill University* (the “Regulations”). In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

1. Composition

- a. Other than *ex-officio* members, appointments to the Committee are approved by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- b.
 - i. The Committee shall consist of three to eight members, selected, as indicated below, from among the following membership categories:
 - Members of the general public (at least one);
 - At-Large members of the Board (at least one);
 - Alumni Association members of the Board;
 - Governors *Emeriti*.
 - ii. The Committee members are appointed on the basis of their expertise and interest in investment, business and economics.
 - iii. A majority of members of the Committee must have a significant degree of investment expertise.
- c. The Chair of the Board and the Principal shall serve as *ex officio* members of the Committee.
- d. The Chair of the Committee shall be appointed by the Board, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- e. The Committee may recommend the appointment of a Vice-Chair of the Committee, who shall be appointed by the Board on the recommendation of the Nominating, Governance and Ethics Committee.
- f. The Vice-Principal, Administration and Finance, shall serve as the Senior Steward to the Committee.
- g. The Vice-Principal, University Advancement, shall serve as special advisor to the Committee.
- h. The Secretary-General or delegate shall serve as Secretary and governance advisor to the Committee.

- i. Where necessary or appropriate to facilitate and support the business of the Committee, the Senior Steward or Secretary may invite University staff to serve as resource persons for particular items of business..

2. Mandate of the Committee

The Committee, subject to the *Regulations Relating to the Approval of Contracts and Signing Authority*, assists the Board in fulfilling its governance responsibilities with respect to the University's investments.

The Committee has a Subcommittee composed of the Chair of the Committee, a member of the Investment Committee, selected by the Committee, the Senior Steward of the Committee, and the Chief Investment Officer (resource person). The Subcommittee's terms of reference are attached.

Investments include all funds (whether endowed or non-endowed, externally or internally restricted) invested in accordance with University policy or as may be designated for Investment Committee oversight from time to time, exclusive of University pension plan funds.

Endowed funds are primarily invested through the McGill Investment Pool ("MIP") and are composed of: (i) bequests and donations received by the University, for the most part externally restricted, and generally to be held in perpetuity (ii) those assets of entities affiliated to McGill which have been invested in the MIP as an investment vehicle (iii) such other assets as may be designated by the Board to be endowed or invested.

The Committee may consider other matters delegated to it by the Board, the Principal or the Vice-Principal, Administration and Finance.

Without limiting the generality of the foregoing, the Committee shall:

2.1 Functions delegated by the Board of Governors

- a. approve the appointment and termination of investment managers and advisors;
- b. review and approve investment manager mandates;
- c. approve the appointment and termination of the University's investment custodians and other providers of investment related services, or delegate such approval as appropriate;
- d. review, on a quarterly basis, all matters related to the investment of the MIP and other investments;

- f. review, at least annually, the Statement of Investment Policy, and monitor compliance with this policy;
- g. review, at least annually, the performance of each fund manager and providers of investment-related services;
- h. implement investment matters as provided for in the Statement of Investment Policy, including but not limited to currency hedging and portfolio rebalancing;
- i. monitor, as required, staff's compliance with guidelines and processes for the selection of investment managers, including compliance with the University's conflict of interest policies;
- j. approve the management fee on the MIP and any modifications thereto;

2.2 Functions subject to the authority of the Board of Governors

- a. recommend to the Board the approval of all investment policies, including the Statement of Investment Policy, and any modifications thereto;
- b. recommend the approval of the annual distribution rate for the income from the University's endowment;

3. General provisions

- a. The Committee shall meet at least four times during the year. The Committee shall have a calendar of business, maintained by the Secretary-General or delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.
- b. The Committee shall report to the Board on a regular basis, and within a reasonable time following each Committee meeting.
- c. The Committee shall review its terms of reference at least once every five years and recommend any changes to the Board's Nominating, Governance and Ethics Committee.

Last revised:

Board of Governors: April 21, 2016

Previous amendments:

Executive Committee: November 27, 2012

Executive Committee: September 24, 2007

Executive Committee: January 25, 2010

Board of Governors: September 27, 2012

McGill University
Board of Governors – Investment Committee
Terms of Reference of the Investment Subcommittee

Enacting Provisions

In accordance with section 39 of the *Regulations of the Committees of the Board of Governors of McGill University* (the “Regulations”), the Investment Committee (“Committee”) may establish a Subcommittee of the Investment Committee (“Subcommittee”).

1. Composition

- a. The Subcommittee shall be composed as follows:
- the Chair of the Committee;
 - a member of the Investment Committee, selected by the Committee;
 - the Senior Steward of the Committee; and
 - the Chief Investment Officer (resource person).

2. Mandate of the Committee

The Subcommittee shall operate within the parameters established by the Statement of Investment Policy.

The Subcommittee shall have the authority to act on behalf of the Investment Committee between regular meetings of the Committee.

- 2.1 Without limiting the generality of the foregoing, the Subcommittee may:
- a. meet on the call of the Chair;
 - b. consider and take action on any matter or Investment Committee decision as authorized by the Committee;
 - c. initiate, on behalf of the Investment Committee, decisions and/or actions as may, in the opinion of the Subcommittee, be necessary to ensure compliance with the *Statement of Investment Policy*.
 - d. initiate, on behalf of the Investment Committee, adjustments to the ongoing management of endowment assets as may, in the opinion of the Subcommittee, be required on an urgent basis to enhance investment performance or to protect the endowment assets, subject to maintaining overall Investment Committee policy direction, and provided that normally such adjustments will not exceed 2% of the value of the MIP assets; (such adjustments may include revisions to the mandate of an external fund manager, and minor changes in bond duration, quality mix, asset class rebalancing and sub-asset class transfer)
 - e. request a special meeting or electronic vote of the Investment Committee to deal with any matter.
- 2.2 The Subcommittee shall report to each regular meeting of Investment Committee on all matters with which it has dealt since the previous regular meeting of the Investment Committee.

McGill University
Board of Governors – Nominating, Governance and Ethics Committee

Terms of Reference

Enacting provisions

The Nominating, Governance and Ethics Committee (“Committee”) is established under the authority of the Board of Governors in accordance with the *Statutes of McGill University* (the “*Statutes*”), and is accountable to, the Board of Governors (the “Board”) of McGill University (the “University”). It shall function as stipulated in the *Statutes*, these terms of reference and the Regulations of the Committees of the Board of Governors of McGill University (the “Regulations”). In case of a conflict between these terms of reference and the *Statutes*, the *Statutes* shall have precedence.

In accordance with the Regulations, meetings of Board Committees shall be held in closed session unless the Committee resolves to carry out a meeting or part of a meeting in open session.

1. Composition

- a. Other than the Chair of the Board, the Chancellor and the Principal, appointments to the Committee are approved by the Board, normally on the recommendation of the Committee.
- b. In accordance with the relevant provisions of the Statutes, the Committee shall consist of the Chair of the Board, the Chancellor, the Principal and seven governors, selected, as indicated below, from the following Board membership categories:
 - four from:
 - At-Large members (at least two);
 - Alumni Association members
 - Governors *Emeriti*;
 - one from the Academic Staff and Senate members;
 - one Administrative and Support Staff members;
 - one student representative of the Board (member or observer).
- c. The Chair of the Committee shall be appointed by the Board, normally on the recommendation of this Committee.
- d. The Committee may recommend to the Board of Governors the appointment of a Vice-Chair of the Committee.
- e. The Principal shall serve as the Senior Steward to the Committee.

f. The Secretary-General or delegate shall serve as Secretary and governance advisor to the Committee.

2. Mandate of the Committee

As stipulated by and in accordance with the *Statutes*, the Committee assists the Board in fulfilling its governance responsibilities with respect to:

- a. nominations of At-Large members to the Board and governors *emeriti*/honorary governors;
- b. nominations of members of Board Committees;
- c. nominations of McGill representatives to non-Board committees and bodies both inside and outside the University;
- d. establishment and discontinuance of Board standing and ad-hoc committees and their respective terms of reference;
- e. good governance practices including rules of order and procedures and matters of ethics as they relate to governance; and
- f. the evaluation of governance functions and activities of the Board.

The Committee shall also consider other matters delegated to the Committee by the Board or referred to it by the Principal or the Secretary-General.

Without limiting the generality of the foregoing, the Committee shall:

2.1 Nominating Functions

2.1.1 Nominating Functions delegated by the Board of Governors

a. establish a recruitment and succession planning subcommittee consisting of the Chair of the Nominating, Governance and Ethics Committee, the Chair of the Board, the Principal, one member of the Nominating, Governance and Ethics Committee, and the Secretary-General, as Secretary to the Subcommittee, responsible for making recommendations to the Nominating, Governance and Ethics Committee with respect to the following functions:

- i. developing and amending guidelines for the appointment of At-large members of the Board, including skill sets, criteria and attributes to be used in identifying prospective candidates;
- ii. developing and implementing a systematic process for seeking nominations of At-large members;

b. on behalf of the Board, submit nominations to non-Board bodies and committees concerning appointments which are requested of McGill University or the Board and determined by external bodies;

c. on behalf of the Board, review potential appointments to Faculty Advisory Boards and provide feedback and advice to the Dean and the Principal, as appropriate;

2.1.2 Nominating Functions subject to the authority of the Board of Governors

a. recommend to the Board appointments of At-large members of the Board, taking into account the importance of reflecting the diversity of the community in Board membership, and seeking a gender and age balance, as well as representation from culturally diverse groups;

b. recommend to the Board appointments to the rank of governor emeritus/emerita or honorary governor;

c. recommend to the Board appointments of members to standing committees of the Board;

d. recommend to the Board appointments to:

i) internal, non-Board bodies, including Board appointments to Senate;

ii) external, non-Board bodies, including Board appointments to hospital and other health care bodies;

e. recommend to the Board appointments of the chair and vice-chair, as appropriate, of Board committees, with the exception of the Executive Committee;

f. recommend to the Board appointments of Board representatives to statutory and non-statutory advisory committees;

2.2 Governance Functions

2.2.1 Governance Functions delegated by the Board of Governors

a. establish and review, as required, the *Electoral Procedures of the Board of Governors* for the election of the representatives of the administrative and support staff and academic staff to the Board;

b. provide for Board orientation sessions for new Board and Committee members as well as ongoing governance training and development activities for all Board and Committee members;

c. annually administer and evaluate the performance of the Board and its standing committees, including the performance of Board and Board Committee members using evaluation tools approved by the Committee;

2.2.2 Governance Functions subject to the authority of the Board of Governors

a. review and recommend to the Board proposed amendments to the *Statutes*;

b. review and recommend to the Board the creation or abolition of standing and ad hoc Board committees and their terms of reference;

c. review each standing committee's terms of reference at least every five years, and recommend revisions thereto to the Board;

d. review and recommend revisions to the terms of reference of ad hoc committees of the Board as required;

e. review the *Regulations of the Committees of the Board of Governors of McGill University* and recommend revisions thereto to the Board, as needed;

2.3 Ethics Functions

2.3.1 Ethics Functions delegated by the Board of Governors

a. monitor and report on the compliance with the Board of Governors' *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* ("Code of Ethics");

2.3.2 Ethics Functions subject to the authority of the Board of Governors

a. review the Code of Ethics at least every five years and recommend revisions to the Board of Governors as needed.

2.4 Evaluation of Governance Functions (functions delegated by the Board of Governors)

a. periodically review the Board's governance structure, taking into account that all Board members should be members of at least one committee, that committee membership and chairs should be rotated regularly, that Board members from the internal constituencies of the University should be included where appropriate, and that committee membership should be balanced.

3. General provisions

- a. The Committee shall meet at least four times during the year. The Committee shall have a calendar of business, maintained by the Secretary-General or delegate, for the purpose of ensuring that each meeting agenda addresses responsibilities as outlined in these terms of reference.
- b. The Committee shall report to the Board on a regular basis, and within a reasonable time following a Committee meeting.
- c. The Committee shall review its terms of reference at least once every five years and recommend any changes to the Board of Governors.

Last Revised:

Revised- Approved by the Board of Governors on April 21, 2016

Previous Amendments:

Revised – Approved by the Board of Governors on September 27, 2011

Final - Approved by the Executive Committee on September 24, 2007