

Secretariat

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The following items arise from the Nominating, Governance, and Ethics (NGE) Committee meeting of April 10, 2017. They are presented to the Board of Governors for its consideration.

I. FOR APPROVAL BY THE BOARD OF GOVERNORS**1. Appointments to Decanal Advisory Committees [NG16-19]****1.1.1 Advisory Committee for the Possible Reappointment of the Dean of the Faculty of Engineering**

Pursuant to Article 3.4.2 of the *University Statutes*: “Before recommending an appointment or reappointment for the office of dean of a large faculty, the Principal shall have consulted an advisory committee of thirteen members, which shall consist of four members nominated by the faculty immediately concerned, four members not necessarily members of the faculty concerned, nor of Senate, appointed by Senate, **two members appointed by the Board of Governors**, and three student members.”

The NGE Committee recommends the following appointments of representatives of the Board to serve on the Advisory Committee:

*Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approve the appointments of **Mr. Filip Papich** (Chair of the Faculty of Engineering Advisory Board), and **Mr. Thierry Vandal** as representatives of the Board of Governors on the Advisory Committee for the possible Reappointment of the Dean of the Faculty of Engineering, and the appointment of **Mr. Ram Panda** as an alternate member.*

1.1.2 Advisory Committee for the Selection of a Dean of the Faculty of Dentistry

Pursuant to Article 3.4.2 of the *University Statutes*: “In the case of small faculties, the Principal shall have consulted an advisory committee of seven members, which shall consist of two members nominated by the faculty immediately concerned, two members, not necessarily members of the faculty concerned, nor of Senate, appointed by Senate, **one member appointed by the Board of Governors**, and two student members.”

The NGE Committee recommends the following appointments of representatives of the Board to serve on the Advisory Committee:

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approve the appointment of Ms. Maryse Bertrand as representative of the Board of Governors on the Advisory Committee for the selection of a Dean of the Faculty of Dentistry and the appointment of Ms. Kappy Flanders as an alternate member.

1.1.3 Advisory Committee for the Selection of a Dean of the School of Continuing Studies

Pursuant to Article 3.4.2 of the *University Statutes*: “In the case of small faculties, the Principal shall have consulted an advisory committee of seven members, which shall consist of two members nominated by the faculty immediately concerned, two members, not necessarily members of the faculty concerned, nor of Senate, appointed by Senate, **one member appointed by the Board of Governors**, and two student members.”

The NGE Committee recommends the following appointments of representatives of the Board to serve on the Advisory Committee:

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approve the appointments of Ms. Mary Larson (Chair of the Continuing Studies Faculty Advisory Board), as representative of the Board of Governors on the Advisory Committee for the selection of a Dean of the School of Continuing Studies and the appointment of Ms. Kathy Fazel as an alternate member.

3. Appointments to Board Standing Committees [NG16-20]

The NGE Committee reviewed the status of appointments on all Board Standing Committees. Based on its review and consultations carried out with Committee Chairs and Board Committee members, the NGE Committee recommends the appointments and reappointments noted below.

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

[With respect to the Building and Property Committee]:

- *The appointment of Mr. Stuart Cobbett as a member of the Building and Property Committee for a three- year term starting July 1, 2017 and ending June 30, 2020.*

[With respect to the Committee to Advise on Matters of Social Responsibility]:

- *The appointment of Ms. Cynthia Price Verreault as a member and Chair of the Committee to Advise of Matters of Social Responsibility for a three-year term starting July 1, 2017 and ending June 30, 2020.*

[With respect to the Executive Committee]:

- *The appointment of Ms. Cynthia Price Verreault as a member of the Executive Committee for a three-year term starting July 1, 2017 and ending June 30, 2020.*

[With respect to the Human Resources Committee]:

- *The appointment of Mr. Fred Headon [Member of the Human Resources Committee] as Chair of the Human Resources Committee for a three-year term starting July 1, 2017 and ending June 30, 2020.*
- *The reappointment of Ms. Cynthia Price Verreault as a member of the Human Resources for a three-year term starting July 1, 2017 and ending June 30, 2020.*

4. Appointments to Internal and External Non-Board Bodies [NG16-21]

The NGE Committee reviewed the status of appointments to a number of internal and external non-Board bodies. Based on its review, the NGE Committee recommends the following appointments and reappointments noted below.

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

- *The appointment of Ms. Tina Hobday as a Board representative on Senate for a two-year term beginning September 1, 2017 and ending December 31, 2018;*
- *The appointment of Mr. John D'Agata [Director of Pensions and Benefits], as a trustee on the McGill Long-Term Disability Plan (7257 and 7257-33) for a two and a half year beginning immediately and ending December 31, 2019;*
- *The reappointment of Ms. Cristiane Tinmouth [Associate Vice-Principal (Financial Services)], as a member designated jointly by the Principal and the Chair of the Board of Governors on the Pension Administration Committee for a three year-term beginning June 1, 2017 and ending May 31, 2020;*
- *The appointments of Ms. Angelique Manella [Associate Vice-Principal (Innovation and Partnerships)] and Ms. Marie Giguere [Governor Emerita] as representatives of McGill University on Aligo Inc. and MSBiV for two-year terms beginning June 1, 2017 and ending May 31, 2019;*
- *The appointment of Dr. Martha Crago [Vice-Principal (Research and Innovation)], as a representative of McGill University on Montréal InVivo for a two-year term beginning July 1, 2017 and ending June 30, 2019.*

5. Building and Property Committee (BPC) Terms of Reference [NG16-22]

The NGE Committee recommends proposed amendments to BPC's Terms of Reference in order to reflect oversight for IT-related matters and to provide for an opportunity to integrate the existence of two subcommittees under the purview of BPC. The proposed amendments were reviewed and approved by BPC at its March 15, 2017 meeting.

- a) The Information Technology (IT) Subcommittee Terms of Reference were approved by the Executive Committee at its December 13, 2016 meeting, following a recommendation by both the NGE Committee and BPC. It is now requested that the IT mandate be integrated within the Terms of Reference of BPC.
- b) A BPC Advisory Subcommittee and its Terms of Reference were approved by BPC at its March 15, 2017 meeting in accordance with Section 39 of the *Regulations of the Committees of the Board of Governors of McGill University*. In order to further support governance functions, BPC has established an Advisory Subcommittee to assist and advise on matters related to:
 - planning, development stewardship and financial sustainability for lands, facilities, infrastructure and related property matters;
 - construction and renovation projects;
 - proposals for the acquisition and disposition of property;
 - leases, permits, regulatory requirements and servitudes.

In summary, changes to the BPC Terms of Reference include:

- The inclusion of expertise in information technology as criteria for members of the general public appointed to the Building and Property Committee (section 1.ii)
- The addition of a Subcommittees' mandate (section 2.5) as follows:
 - The inclusion of the BPC Advisory Subcommittee Terms of Reference (section 2.5.1)
 - The inclusion of the IT Subcommittee Terms of Reference (section 2.5.2)

The amended Terms of Reference are attached as Appendix A.

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee and the Building and Property Committee, approve the amendments proposed to the Terms of Reference of the Building and Property Committee.

6. Code of Ethics and Conduct for Members of the Board of Governors [NG16-23]

In 2011, the Terms of Reference of the Nominating and Governance Committee were amended to add ethics as a function of the Committee, which then became the Nominating, Governance and Ethics Committee. However, this change was not reflected in the Code of Ethics and Conduct for members of the Board of Governors, which currently provides for

an Ad-Hoc Ethics Committee, separate from NGE's functions, when an allegation of conduct in breach of the Code is reported. In addition, the Code of Ethics does not provide for a review cycle.

The NGE Committee recommends amendments to the Code of Ethics and Conduct for Members of the Board of Governors to incorporate the ethics function of the Nominating, Governance and Ethics Committee mandate and to provide for a review cycle of the Code.

In summary, changes to the Code include:

- Amendments to Ethics mandate (section 9)
- Inclusion of a five-year review cycle in the Code (section 12)

The Code of Ethics and Conduct for Members of the Board of Governors with amendments highlighted is attached as Appendix B.

Be it resolved that the Board of Governors, on the recommendation of the Nominating, Governance and Ethics Committee, approve the amendments proposed to the 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.

II. FOR THE INFORMATION OF THE BOARD OF GOVERNORS

1. Consideration of Governance Request for NGE Committee [NG16-25]

The NGE Committee considered a governance request referred by the Board of Governors. At the December 1, 2016 Board of Governors meeting, a motion was submitted to the Board requesting that the NGE Committee examine Board of Governors best practices. The motion was based on a report published by the Students' Society of McGill University (SSMU). The Board agreed to refer the matter to the NGE Committee for consideration.

As part of its preliminary review of the request, the NGE Committee discussed the current composition of the Board, the nomination process of at-large members, the relationship between the Board and Senate, as well as the stewardship role and duty of Governors. The NGE Committee then considered the evolution of governance practices at McGill. A summary document is attached as Appendix C. Based on its review of the request, a response will be issued by the NGE Committee following its next meeting.

2. Review of Board and Committee Evaluation 2016 – 2017 [NG16-24]

The NGE Committee reviewed and approved the 2016 - 2017 Board of Governors and Committee Evaluation. The evaluation emphasizes the importance of evaluating the functioning of the Board of Governors and its Committees as a means of assessing the performance of the University's governance bodies. It provides an opportunity for comments and is accompanied by a matrix which asks members to identify their skills and attributes. The evaluation is composed of the following three parts:

- Part 1: Overall Performance and Effectiveness
- Part 2: Personal Contribution/Self-Assessment
- Part 3: Member Skills and Attributes

For the 2016 – 2017 governance year, information technology as well as social media have been incorporated as additional member skills and attributes within Part 3 of the evaluation.

The 2016 - 2017 Board of Governors and Committee Evaluation will be distributed for completion on May 1, 2017.

3. Report of the Recruitment and Succession Planning Subcommittee

The NGE Committee received a verbal report from the Recruitment and Succession Planning Subcommittee (RSP) arising from the Subcommittee's April 5, 2017 meeting. A recommendation is anticipated for the NGE Committee's May 2017 meeting.

4. Request Concerning the Terms of Alumni Representatives on the Board

The NGE Committee received a request to change the start and end dates of terms for McGill Alumni Association (MAA) representatives on the Board of Governors, currently from January 1st to December 31st, in order to coincide with the terms of members-at-large of the Board, currently from July 1st to June 30th. The NGE Committee discussed the request in the context of the terms for all categories of membership on the Board. A formal proposal requesting an amendment to the University Statutes is anticipated for the NGE Committee's May 2017 meeting.

END
April 2017



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, information technology 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;
- [2.5 information technology matters established within the IT Subcommittee Terms of Reference.](#)

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;

2.3.2 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;

2.5 Subcommittees

2.5.1 The Committee has established an Advisory Subcommittee to assist and advise the Committee in fulfilling its governance responsibilities with respect to building and property matters. The BPC Advisory Subcommittee's terms of reference are established as Appendix A.

2.5.2 The Committee has established a Subcommittee to assist and advise the Committee in fulfilling its governance responsibilities with respect to information technology (IT) needs, projects, plans and policies. The IT Subcommittee's terms of reference are established as Appendix B.

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:

Executive Committee: September 24, 2007

Executive Committee: March 17, 2008

Executive Committee: January 25, 2010

Board of Governors: December 13, 2012

*Advisory Subcommittee
of the Building and Property Committee
(BPC Advisory Subcommittee)
Terms of Reference*

Enacting Provisions

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

1. Composition

- A. The Subcommittee shall be composed as follows:
- the Chair of the Building and Property Committee;
 - up to three members of the Building and Property Committee, selected by the Building and Property Committee.
- B. The Subcommittee shall be supported by:
- the Senior Steward of the Building and Property Committee: Vice-Principal (Administration and Finance);
 - the Associate Vice-Principal (Facilities Management and Ancillary Services) as resource person;
 - the Secretary-General as Secretary to the Subcommittee.

2. Mandate of the Committee

The Subcommittee shall operate within the parameters established by the Terms of Reference of the Building and Property Committee and the Regulations Relating to the Approval of Contracts and Signing Authority. It shall advise the Building and Property Committee on building and property matters that require consideration by the Building and Property Committee.

Without limiting the generality of the foregoing, the Subcommittee shall advise the Building and Property Committee with respect to:

- planning, development stewardship and financial sustainability for lands, facilities, infrastructure and related property matters;
- construction and renovation projects;
- proposals for the acquisition and disposition of property;
- leases, permits, regulatory requirements and servitudes.

With the exception of matters related to information technology, the Subcommittee shall consider any other matter referred to it by the Chair of the Building and Property Committee or the Vice-Principal (Administration and Finance).

3. General Provisions

- The Subcommittee shall meet in between meetings of the Building and Property Committee.
- Where necessary or appropriate to facilitate the work of the Subcommittee, the Vice-Principal (Administration and Finance) may invite University staff for particular items.
- The Subcommittee shall report to the Building and Property Committee on matters considered by the Subcommittee since the previous meeting of the Building and Property Committee.

*McGill University
Board of Governors
Terms of Reference of the IT Subcommittee*

Enacting Provisions

The Information Technology (“IT”) Subcommittee (“Subcommittee”) 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 the Subcommittee, in line with meetings of Board Committees, shall be held in closed session unless the Subcommittee resolves to carry out a meeting or part of a meeting in open session.

1. Composition

- a) Appointments to the Subcommittee shall be approved by the Board of Governors, normally on the recommendation of the Nominating, Governance and Ethics Committee.
- b) The Subcommittee shall consist of six to seven members, selected as follows:
 - one at-large member of the Board of Governors
 - at least one and up to two members of the general public with expertise in IT project oversight and/or IT risk management
 - one member of the Building and Property Committee
 - one undergraduate or graduate student recommended by the student societies (PGSS, SSMU, MACES, MCSS)
 - one administrative and support staff recommended by the Principal
 - one academic staff member recommended by the Provost and Vice-Principal, Academic.
- c) Expertise and experience in IT, business administration and IT risk management will be relevant criteria for appointment to this Subcommittee;
- d) The Chair of the Subcommittee shall be appointed by the Board, normally 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 Subcommittee;
- f) The Secretary-General or delegate shall serve as Secretary and governance advisor to the Subcommittee.
- g) Where necessary or appropriate to facilitate and support the business of the Subcommittee, the Senior Steward or Secretary may invite University staff to serve as resource persons for particular items of business.

2. Mandate of the Subcommittee

The Subcommittee assists and advises the Building and Property Committee in fulfilling governance responsibilities with respect to IT needs, projects, plans and policies. Without limiting the generality of the foregoing, the Subcommittee shall:

- a) Review and recommend to the Building and Property Committee for approval or amendment thereto IT-related projects and technology architecture initiatives, including educational software platforms that require approval by the Building and Property Committee or the Board in accordance with the Policy on the Approval of Contracts and Designation of Signing Authority;
- b) Recommend to the Building and Property Committee that the Vice-Principal, Administration and Finance, be authorized to expend funds in support of IT project design and development with such expenditures to be reported to the Subcommittee and included in the overall project budget presented to the Subcommittee and Building and Property Committee;
- c) Ensure that sources of financing for IT-related projects are clearly identified and assured;
- d) Assess relevant areas of risk, which may include:
 - data security and IT controls systems
 - disaster and recovery planning
 - financial, reputational, compliance risks
 - sustainability considerations
 - project/system implementation risks
- e) Review, at least annually, the planned IT-related projects and the projected budget and other sources of funding, as well as projected expenditures;
- f) Receive, at least annually, a report on IT projects approved by the Vice-Principal, Administration and Finance on any IT-related decisions pursuant to his/her authority and the Principal's under the Policy on Approval of Contracts and Designation of Signing Authority, and approve the submission of the report to the Building and Property Committee;
- g) Review and recommend to the Building and Property Committee strategic plans, principles and policies relevant to IT planning and development;

- h) Periodically invite university units or committees to report on matters regarding IT planning, development and stewardship;
- i) Consider and recommend to the Building and Property Committee any matters identified by the Building and Property Committee, the Board, the Principal or the Vice-Principal, Administration and Finance that relate to IT planning and development.

3. General Provisions

The Subcommittee shall meet at least twice a year. The Subcommittee 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.

The Subcommittee shall report to the Building and Property Committee on a regular basis, and within a reasonable time following the Subcommittee meeting.

The Subcommittee shall review its terms of reference at least once every three years and recommend any changes to the Building and Property Committee. The Building and Property Committee shall recommend any changes to the Nominating, Governance and Ethics Committee.

Approved:

Executive Committee December 13, 2016

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

Preamble

The 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 (the “Code”) applies to all members of the Board of Governors of McGill University, the Trustees of the Royal Institution for the Advancement of Learning, and to all members of committees established by the Governors and Trustees, whether or not the members of such committees are Governors or Trustees (“Member” or “Members”).

The Code is a mechanism for managing conflicts of interest, whether real or perceived, and for providing guidance to Members in the performance of their functions in an independent and objective manner, serving the University’s best interests and the accomplishment of its mission. The Code also promotes public confidence in the University’s commitment to integrity, impartiality and transparency in governance.

1. General Duties and Obligations of the Members During Their Term in Office

During their term of office, the Members:

- 1.1 shall carry out their functions with integrity, independence, and good faith, and shall act in the best interests of the University;
- 1.2 shall act responsibly and fairly with the care, diligence, loyalty, and prudence of a reasonable individual;
- 1.3 shall carry out their functions in such a way as to maintain confidence in the University;
- 1.4 shall make every reasonable effort to avoid real or perceived conflicts of interest;
- 1.5 shall make a full disclosure of a real or perceived conflict of interest in writing as soon as they are aware of it and shall resolve it in the best interests of the University;
- 1.6 shall respect the confidentiality of information received in the performance of their duties as well as the confidentiality of the deliberations in which they participate.

2. Specific Duties of Members During Their Term of Office

Without limiting the generality of any of the foregoing, but subject to provision 2.5, the Members, during their term of office:

- 2.1 shall not assist any person or any organization in its dealings with the University when such intervention may result in real or perceived preferential treatment to that person or organization by the University;
- 2.2 shall not use, for their personal benefit or advantage, or for the benefit or advantage of any family member, or any other person or organization, any information acquired in the exercise of their office that is not otherwise generally available to the public;

- 2.3 shall not use, directly or indirectly, any facilities or services of the University, nor allow them to be used, for purposes other than expressly approved by the University; and
- 2.4 shall not use any information that is made known to them and that is not known to the general public to transact shares or other securities in corporations or other entities involved in transactions that are under consideration, have been approved, or have been rejected;
- 2.5 will not be precluded, as employees or students of the University and elected to the Board by due process in accordance with the *Statutes* of the University, from activities appropriately associated with their roles.

3. Duties and Obligations of Members After Leaving Office

After leaving office, the Members:

- 3.1 shall respect the confidentiality of information received in the performance of their duties, as well as the confidentiality of the deliberations in which they participated;
- 3.2 for a period of two years, shall not make use of any information obtained in their capacity as a Member that is not generally available to the public, in order to derive therefrom a benefit or advantage for themselves or that of any family member, or any other person or organization;
- 3.3 for a period of two years, shall not give advice nor act in the name of or on behalf of someone else in negotiations with or in regard to contracts with the University, except as outlined in provision 2.5.

4. Rules Governing Conflicts of Interest

The following shall apply when considering situations of real or perceived conflict of interest:

- 4.1 A Member shall be considered to have a real conflict of interest when he/she holds a personal interest, whether direct or indirect, that he/she is or should be aware of and that would, in the opinion of a reasonably informed and well-advised person, be sufficient to put into question the independence, impartiality, and objectiveness that the said Member is obliged to exercise in the performance of his/her duties.
- 4.2 A Member shall be considered to have a perceived conflict of interest when he/she would appear to have, in the opinion of a reasonably informed and well-advised person, a personal interest, whether direct or indirect, that would be sufficient to put into question the independence, impartiality, and objectiveness that the said Member is obliged to exercise in the performance of his/her duties.

5. Management of Conflicts of Interest

- 5.1 Members are expected to have primary responsibility in the identification and management of their own conflicts of interest.
- 5.2 In order to manage one's conflict, a Member must endeavor to identify what is, or could be, a real or perceived conflict of interest. The Secretary-General shall serve as a resource person to all Members in helping to identify conflicts of interest.

6. Examples of Conflict of Interest

The following, without limitation, are examples of conflict of interest:

- 6.1 when a Member, whether directly or indirectly, has a personal interest in the outcome of deliberations of the Board; in a contract or a proposed contract to be entered into by the University or a University-related body; or is likely to obtain a personal advantage as a result of a discretionary decision made by the University or a University-related body;
- 6.2 when a Member is a member of the senior management personnel of a corporation, institution, or body, whether public or private in nature, whose interests may be in competition with those of the University;
- 6.3 when a Member accepts gifts, gratuities, or favours from a firm or corporation engaged in or wishing to engage in transactions with the University, except in the case of customary gifts of a purely nominal value.

7. Annual Declaration and Disclosure of Conflict of Interest

- 7.1 The Secretary-General shall distribute and request the annual completion by Members of the Declaration and Disclosure of Conflict of Interest Form, Appendix "A" to the Code ("Declaration").
- 7.2 The Secretary-General shall advise any Members, upon his/her request, on any question pertaining to the application of the rules of the said Code.

8. Compliance

Where a situation of real or perceived conflict of interest arises, the Member shall follow the steps outlined below.

8.1 Disclosure of Conflict of Interest

8.1.1 Where a situation of real or perceived conflict of interest not declared in the Declaration arises, Members shall make a full written disclosure of the conflict to the Secretary-General as soon he/she is aware of it, or verbally to the Chair of the meeting where the conflict arises. The disclosure of a conflict of interest will be retained by the Secretary-General and communicated to the Board Chair and the Nominating and

Governance Committee. The disclosure and resolution of any conflict of interest will be recorded in the minutes of the body in question.

8.2 Withdrawal from Deliberations and Abstention from Voting

A Member shall resolve the conflict in the best interests of the University by abstaining from voting and, at the Member's discretion or at the request of the Chair, withdrawing from the Board's or Committee's deliberations for which the Member has a conflict of interest. In the event that a Member is uncertain whether a situation constitutes a real or perceived conflict of interest, the Member is expected to voluntarily recuse herself/himself until such determination is made.

8.3 Resignation as Member

Any Member may, of her/his own accord or at the suggestion of the Chair of the Board or the Chair of the Committee to which the Member belongs, resign her/his position as a Member if her/his role as a member of a body, firm, or organization doing business with the University serves as a real or perceived source of continuing conflict of interest in a substantial and ongoing way such as to impede her/his role as a Member.

9. Ethics Committee

Where an allegation of conduct in breach of this Code is reported (by a Member about her/himself or another Member) every effort will be made to resolve the matter informally in collaboration with the Secretary-General. If however there are reasonable grounds to believe that a Member has breached the standard of conduct as set out in this Code and no such informal resolution is possible, ~~the matter shall be referred to~~ an Ethics Committee ~~of the Nominating, Governance, and Ethics (NGE) Committee. Committee shall be struck as referred to below to. The Ethics Subcommittee will inquire into such allegations.~~ of the Nominating, Governance, and Ethics (NGE) Committee.

9.1 Composition and Mandate of the Ethics Committee

9.1.1 The Ethics Committee shall be composed ~~as follows:~~ of three (3) members, chosen by the ~~NGE-Nominating and Governance~~ Committee, ~~normally~~ in consultation with the Chair of the Board, the Chancellor and the Principal. ~~The NGE Committee shall appoint one of the three members to serve as Chair of the Ad-hoc Ethics Committee.~~ The Secretary-General shall serve as Secretary to the Ethics Committee.

9.1.2 The Ethics Committee shall meet on an ad-hoc basis to examine in strict confidentiality any case ~~that may be~~ referred to it, and formulate for the use of the ~~Nominating and Governance Committee~~ NGE Committee ~~and the Board~~ any recommendation that it may deem appropriate.

9.2 Procedure

9.2.1 The Secretary-General shall receive the allegation in writing signed by the person who has brought the situation to the attention of the NGE Committee of the Board, provide a copy to the person complained against and shall forward it to the to the Chair of the ~~Nominating and Governance~~ NGE Committee for purposes of forming the Ethics Committee. ~~In the event that the allegation concerns the Chair of the NGE Committee, the~~

~~matter shall be referred to the Chair of the Board of Governors, who shall cause therefor the matter to the Ethics Subcommittee to be formed.~~

9.2.2 The Ethics Committee shall allow the parties concerned to be heard and to state their case, in accordance with the rules of natural justice. The Ethics Committee may undertake any consultation that it may deem useful for the purpose of examining the issues referred to it, and may request the assistance, on an ad hoc basis, of any Resource Person or consultant whose expertise may, in the Committee's judgment, be required to carry out its mandate.

9.2.3 After hearing the parties, the Ethics Committee shall prepare a reasoned written report to the Chair ~~of the NGE Committee of the Board of Governors, copied to the Nominating and Governance NGE Committee, which~~ shall inform the parties concerned of the content of the report and shall act on the Committee's findings.

10. Sanctions

Should a Member be found to have failed to comply with the duties and obligations stipulated in the present Code, the Chair of the Board of Governors shall have the power to issue a warning, to suspend the said Member for a period of time, or, in serious cases, to ask the Member to resign.

11. Dissemination of this Code and Reporting

11.1 The Secretary-General shall provide a copy of this Code to each Member in conjunction with the distribution of the annual Declaration; and shall promote, disseminate, and implement this Code.

11.2 The Secretary-General shall report annually to the Nominating and Governance Committee on the promotion, dissemination and implementation of the Code and on any cases necessitating the striking of an Ethics Committee.

12. Review

~~12.1 The NGE Committee shall review the Code at least once every five years and formulate any recommendations to the Board of Governors.~~

[Sources: Executive Committee, Minute 3, January 18, 1999; Board of Governors, Minute 5, March 22, 1999; Amendments: Executive Committee, Minute 15, December 11, 2000; Board of Governors, Minute 4.4, April 7, 2008; Executive Committee, Minute 9.3, March 22, 2010; Nominating, Governance and Ethics Committee, Minute 10, May 12, 2016]

EVOLUTION OF GOVERNANCE PRACTICES: MCGILL BOARD OF GOVERNORS

GOVERNANCE REVIEW: BACKGROUND

A governance review was initiated in 2003 and led to a number of recommendations, which were approved by the Board and implemented starting in 2004 and up until 2007.

Key Results of the 2004-2007 Board Review:

- Reduction of the Board size from 74 members (45 voting, 22 Emeriti, 1 SSMU President and Resource Persons) to 27 (25 voting members and 2 Observers; see below), with term appointments for 27 Emeriti ending December 31 2009; since 2009, the Board eliminated term appointments for Governors Emeriti. Governors Emeriti currently serve indefinite terms.
- Revised University *Statutes* reflecting approved recommendations;
- Revised roster of Board Committees including documented and benchmarked terms of reference (including membership);
- Revised Regulations governing Board committees;
- Revised committee structures (Audit, Building and Property, Executive, Finance, Human Resources, Investment, Nominating and Governance¹, Committee to Advise on Matters of Social Responsibility);
- Creation of a Board manual or “handbook” for Board and Committee members;
- Revised version of the *Regulations Relating to the Approval of Contracts and Signing Authority*;
- A series of best practice measures were implemented to facilitate/promote discussion at meetings (meetings held in a hollow square or roundtable structure², use of nameplates and fewer but more substantive matters on the agenda.

Size and Composition of Board

The Board restructure resulted in a Board of Governors composed of 25 members and 2 observers:

- ❖ 12 members-at-large
- ❖ 3 members elected by the Alumni Association
- ❖ 2 member elected by Senate
- ❖ 2 member elected by the full-time administrative and support staff
- ❖ 2 members elected by the full-time academic staff
- ❖ 1 member elected by the Students’ Society of McGill University
- ❖ 1 member elected by the Post-Graduate Students’ Society
- ❖ the Chancellor, and
- ❖ the Principal

¹ In 2011, the Board approved the addition of “Ethics” to the Nominating and Governance Committee’s name. The Committee is now called Nominating, Governance and Ethics Committee.

² The Board now has a permanent location for Board and Committee meetings. A suite of new meeting rooms (James Admin Building 301, 302, 303) were established in 2011.

In addition, the McGill Association of Continuing Education Students and the Macdonald Campus Students' Society have Observer status at meetings of the Board of Governors.

In the recent years, a number of governance practices have been implemented to further enhance the overall performance and effectiveness of the Board and its Committees. An overview is provided below.

Evolution of Governance since 2007: An overview

- Review of Board Committee terms of reference: the last review was finalized in 2016. (Previous reviews took place in 2011-12 and 2007). The reviews have focused on implementing updates that provided for further clarify and standardization of practices as well as the implementation of updates to reflect best practices.
- Establishment of Board of Governors Electoral Procedures (2010). These procedures are used for elections to the Board of Governors of Administrative and Support Staff and of Academic Staff.
- Engaged a governance specialist to conduct a Governance Workshop for members of the Board of Governors (2011).
- The Board has established a practice of holding Board-student forums. The first forum was held in 2011 and three more have been held since then, most recent one in March 2017.
- Development of mechanisms for evaluation of Board and Committee performance and effectiveness:
 - Revised Board of Governors and Committee Evaluation (2012)
 - Implementation of evaluations after Board meetings, retreats, joint Board-Senate meetings etc (2012)
- Implemented electronic distribution of all documents in support of the University's environmental objectives and created online secure portal for Board and Committee materials (2011-2015).
- The Board has developed guidelines for presentations at Board meetings and the use of consent agendas (2014).
- Members of the McGill community receive regular communications from the Principal regarding highlights of Board meetings. In addition, all Open Session documents are available online (2013).
- The Board has aligned terms of office for Members-at-large and student representatives on the Board (July 1 to June 30 for members-at-large and June 1 to May 30 for students), and resulting amendments to Statutes (2015).
- The Board's NGE Committee has reviewed the Declaration and Disclosure of Conflict of Interest Form to provide for clearer disclosure or reporting concerning conflicts or interests by Board and Committee members (May 2016).

- In the recent years, the majority of Board items have been placed in open session. Please see table below for the breakdown of items in closed vs. open session.

BOG Meetings / Open vs. Closed items		
	% of items in	% of items in
Year	Open session	Closed session
2012-2013	50.61%	49.39%
2013-2014	73.24%	26.76%
2014-2015	73.91%	26.09%
2015-2016	80.00%	20.00%
2016-2017	73.33%	26.67%

- The Board of Governors Rules of Order and Procedure, which have been established by the Board in 2016, guide the proceedings, debate and voting of the meetings of the Board of Governors and its committees. The Rules of Order explain common rules and procedures for deliberation and debate, and aim to increase meeting efficiency and effectiveness.
- The Rules also establish the types of items that would be normally considered by the Board in closed session. These items relate to recommendations for appointments, promotion and the grant of tenure, human resources, budget, finance and property; collective bargaining; internal Board procedures and policies.
- The Board has established further regulation for the use of in-camera sessions at Committee meetings:

In line with the Board Rules of Order and Procedure, the purpose of an in-camera session is to provide an opportunity:

- i) for any member who may feel constrained during the meeting in expressing candid views or opinion on a matter pertaining to the agenda, the Committee or the University;
- ii) for discussion of matters affecting Committee effectiveness and efficiency, including, but not limited to: - the quality or sufficiency of information or materials provided for the meeting; - the performance of the Committee and the overall usefulness and quality of the meeting; - the performance of management in support of the Committee; - topics or issues to be placed on the agenda for a future meeting; - analysis or preparation needed for future discussion; - Committee education and development (from Board Rules of Order and Procedure, 2016).

Matters considered during an In-Camera session shall be for information, questions and discussion and shall be subject to the Board rules on conflict of interest. No motions shall be permitted during an In-Camera session.

- The Board has established the practice of holding community sessions the Board of Governors provides students, staff, faculty, alumni, and members of the community with an opportunity to submit questions to the Board on matters within its mandate. Please see: <https://www.mcgill.ca/boardofgovernors/community-sessions> (2016).

- The Board has established further structures to assist it in fulfilling governance responsibilities: Investment Subcommittee (2014), IT Subcommittee (2016), and BPC Advisory Subcommittee (2017).

PROJECTS UNDER DEVELOPMENT (A SAMPLE):

- Recruitment and Succession Planning Subcommittee of NGE – review of nomination process for members-at-large (currently under review by RSP).
- Review of orientation program for Board and Committee members (proposal to be presented to NGE in May 2017).