

Minutes of Open Session

Thursday, October 2, 2014 14-15 BR:01

Minutes of a meeting of the Board of Governors held on Thursday, October 2, 2014 at 4:00 pm in room 301 of the James Administration Building, 845 Sherbrooke Street West, Montreal.

PRESENT:

Arezki, Amine

Ayukawa, Courtney

Boychuk, Michael

Butts, Gerald (*by phone*)Cobbett, Stuart (*Chair*)

Coughlin, Peter

Critchley, Ronald

Fachar, Zineb

Fazel, Kathy

Fortier, Suzanne

Généreux, Claude (*Vice-Chair*)Halperin, Stephen (*by phone*)

Harpp, David Noble

Haynes, Bryan (*by phone*)

Hobday, Tina

Johnson, Juliet

Kalant, David

Meighen, Michael A. (*Chancellor*)

Minzberg, Samuel

Panda, Ram

Pinto, Juan

Price, Cynthia

Shrier, Alvin

Turcotte, Martine (*by phone*)

Vandal, Thierry

Zorychta, Edith

Resource Persons

Aberman, Susan

Di Grappa, Michael

Dyens, Ollivier

Goldstein, Rose

Marcil, Olivier

Masi, Anthony C.

Weinstein, Marc

Strople, Stephen

(Secretary-General)

Edyta Rogowska

(Associate Director)

Invited Guests: Dr. Luda Diatchenko, Canada Excellence Research Chair in Human Pain Genetics; Ms. Cristiane Timmouth, Controller and Interim Assistant Vice-Principal, Financial Services; Mr. François Pouliot, Director, Procurement Services.

The Chair reconvened the meeting in Open session. He reminded visitors that tape, video or other means of recording sound or images were not permitted prior to, during or after a Board meeting.

The Chair welcomed Mr. Michael A. Meighen who was attending his first Board meeting as Chancellor. He also welcomed student representatives Juan Pinto (PGSS), Courtney Ayukawa (SSMU), Zineb Fachar (MCSS) to their first Board meeting. He also acknowledged Amine Arezki (MACES), who had been reappointed to the Board by MACES for the 2014-15 governance year.

7. Approval of the Meeting Minutes (Open Session) of May 22, 2014

On a motion duly proposed and seconded, the minutes from the meeting held on May 22, 2014, were approved.

8. Principal's Remarks (continued)

The Principal commented on the success of Orientation week, noting that collaborative efforts of student leaders and other members of the University community had led to improving the Frosh experience for all involved. She added that the University's work in the

area of orientation was seen by other institutions as a model for collaboration and partnership.

The Principal provided some statistics about the incoming class of students, noting that the youngest student was sixteen years old, the total number of new students seeking degrees was 8501, while the total number of the student body amounted to 38 242, which represented a 0.1% increase from last year. The Principal commented about the citizenship of students stating that 52.3% came from Quebec, 23.3% from the rest of Canada and 24.1% from the international community. Members were told that the top four countries of origin for international students were the USA, France, China and India.

The Principal reported that the University had been informed that a member of the Redman Football team had been charged with criminal assault and violence. She explained that the University took immediate actions to suspend the player from the team, and then spoke about the important role Varsity athletes play at McGill and within the greater community.

Referring members to the overview of rankings that had been circulated in advance of the meeting, the Principal provided a summary of recent ranking announcements. She explained that in the Quacquarelli Symonds (QS) World University Rankings, McGill maintained its ranking of 21. She noted that this was the eleventh year in a row that QS had ranked McGill in the top 25 of the world's universities. She then explained that the University's ranking was remarkable given the substantially more limited resources available to McGill in comparison to its peers. Regarding McGill's ranking in the Shanghai Academic Ranking of World Universities, the Principal noted that the University had slipped from 57th to 58th. She informed members that Shanghai's methodology was generally viewed as less sturdy because it used a relatively narrow set of criteria.

The Principal provided members with an update on government relations. With regard to funding, she reported that the *Reglès budgétaires* contained a budget for universities that was currently being reviewed by the administration. She noted that while there were still a number of uncertainties with respect to the amount of the total grant McGill would be receiving from the provincial government, it was estimated that it would be \$340 million as opposed to \$359 million, which had been previously anticipated. She stated that although Universities were expected to close fiscal year 2015 with balanced budgets or face potential penalties, many institutions would not be able to achieve balanced budgets. She informed members of the University's plan to conduct an analysis of current budget allocations to determine where it would be possible to introduce cost saving measures. She also apprised members of the planning of town halls on the topic of funding, which would be led by the Provost and the Vice-Principal, Administration and Finance.

The Principal spoke about Loi 10, which concerns the organization and governance of the health care system and is to come into effect on April 1, 2015. In summary, she explained that the proposed law had two main goals: to reduce the number of administrative structures by eliminating health agencies and merging health care institutions on a regional basis under one board; and to improve the integration of care across health care institutions. She noted

that based on preliminary discussions with government officials, the University was cautiously optimistic that the proposed law would not negatively impact the University's academic and research mission. The Principal apprised members of her meeting with the Minister of Education during which she underscored the importance of the University's need for flexibility in funding and continued autonomy. She indicated that another meeting was being planned between Charter Universities and the Minister in due course.

With respect to the Royal Victoria Hospital site, the Principal told members that McGill was awaiting formal confirmation of funding from the Ministry of Education to proceed with a feasibility study and stated that she would keep the Board informed of any developments in this file.

The Principal spoke about the *Forum des idées*, a policy development forum, which she had attended in September. She stated that the forum's theme was "Vivre l'innovation" and summarized her participation in some of the activities organized for the forum.

The Principal provided members with an update on pre-budget consultations with the federal government, noting that the University had made a submission and asked to appear before the Finance Committee in order to call on the federal government to: maintain predictable investments in research through the federal research granting agencies and the Canada Foundation for Innovation; continue to fund excellence-based recruitment programs and investment in research training initiatives; and, create an additional knowledge infrastructure envelope within the New Building Canada Plan.

The Principal spoke about the Canada First Research Excellence Fund (CFREF), which includes \$1.5 billion in funding over the next decade to advance research excellence in Canadian postsecondary institutions. Subject to being positively reviewed by the Cabinet and the Treasury Board, it is anticipated that the CFREF would lead to a call for proposals before the end of the calendar year.

The Principal spoke about a variety of community engagement events she and other members of the McGill community had attended in the recent past or would be attending in the near future. These include *Je vois Montréal*, an event organized by the Montreal business community to exchange ideas on how to revitalize the city and the launch of an advocacy report which highlights the importance of attracting and retaining international students. She also informed members of a recent trip to Boston during which she and members of the Faculty of Engineering Advisory Board had met with representatives from MIT on the subject of promoting innovation and entrepreneurship.

The Principal acknowledged members of the McGill community who had received special accolades from the Royal Society of Canada, and new funding from Brain Canada and the Social Sciences and Humanities Research Council. She also mentioned that several members of the McGill Law community had received the *Advocatus Emeritus* title. She then congratulated astrophysics professor Victoria Kaspi on being the lead speaker at the

prestigious Solvay Conference on Physics and finally welcomed Professor Robin Rogers, who joined McGill as the Canada Excellence Research Chair (CERC) in Green Chemistry and Green Chemicals.

The Principal reported that the Board had just approved in Closed session, the University's Financial Statements for the period ended April 30, 2014, and explained that the statements would be posted on the Vice-Principal, Administration and Finance's website in October. She then called on Mr. Michael Di Grappa, Vice-Principal, Administration and Finance, to highlight some of the details of the financial report.

The Vice-Principal presented the University's Financial Statements for the fiscal year ending April 30, 2014, noting that the University ended fiscal year 2014 with an operating surplus of \$15.7 million. He explained that while the surplus was due in part to a decrease in the pension fund liability as a result of strong market results, pension plan deficit continued to present challenges for the University. He stated that the surplus would be used to lower the University's accumulated operating deficit.

A discussion about the University's financial situation ensued. Members noted that overall the University remained in a difficult financial situation. Members encouraged that the University develop alternate plans that could generate new sources of revenue. Members also discussed the challenge of reaching a balanced budget by 2015 and were told that the penalty for not closing the fiscal year with a balanced budget would entail losing funding.

9. Gifts Acceptance Policy

[GD14-04]

Mr. Marc Weinstein, Vice-Principal, University Advancement, presented a request to approve a newly established Gifts Acceptance Policy, which was drafted based on best practices at other universities, and which intended to repeal the 1979 Policy and Procedure Guidelines Relating to the Solicitation and Acknowledgement of Gifts and Bequests.

During their review of the proposed policy, members were informed that the policy provided for the establishment of a committee, which would be responsible for reviewing sources of donations.

Following their review of the proposed policy, members asked that in section 4.6, the phrase "If considering or negotiating a gift" be changed to "In considering or negotiating a gift..." Additionally, with regard to section 6.2, members asked that further clarification be brought to indicate that a donor did not have any influence over admissions. Members agreed to approve the policy with these two friendly amendments.

On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Vice-Principal (University Advancement) and the senior administration, approved the Gifts Acceptance Policy and repealed the 1979 Policy and Procedure Guidelines Relating to the Solicitation and Acknowledgment of Gifts and Bequests as amended.

10. Board Committee Reports Part II

10.1 Audit Committee [GD14-05]

Governor Michael Boychuk, Chair of the Audit Committee, presented the informational items contained in the report of the Audit Committee arising from the Committee's meeting of October 2, 2014.

10.2 Executive Committee [GD14-06]

The Chair presented a report of the Executive Committee, which contained a summary of items approved by the Executive Committee on behalf of the Board at the Committee's meetings of June 25th and September 4. He thanked Governor Généreux for chairing the September 4 meeting on his behalf.

11. Report from Senate [GD14-07]

The Principal presented a report from Senate, arising from Senate's meeting of September 17. The report contained Senate's recommendation concerning an appointment to the Committee on Staff Grievances and Disciplinary Procedures.

11.1 Appointment Arising from University Regulations

On a motion duly proposed and seconded, the Board of Governors, on the recommendation of Senate, approved the appointment of Professor Joaquin Madrenas (Biomedical Engineering, Faculty of Medicine) to the Committee on Staff Grievances and Disciplinary Procedures, for a three-year term beginning immediately and ending August 31, 2017.

12. Declaration of Compliance to Quebec Treasury Board Pursuant to Act 65.1 [GD14-08]

Vice-Principal Di Grappa presented a request for the Board to approve the submission of the University's Declaration of Compliance to the Quebec Treasury Board Pursuant to Act 65.1, which constituted a declaration that McGill comply with its reporting obligations relating to public procurement contracts governed by the *Act respecting contracting by public bodies*.

It was noted that the supporting documents for this item contained a reference to authorizations made pursuant to Act 65.1, but did not provide any details on these authorizations. In discussion, members were told that the declaration contained six authorizations, which formed part of the reporting obligation relating to public procurement contracts. Members were also informed that the Act contained certain clauses that allowed the University not to go for tender in certain cases, in order to protect the confidentiality of a particular project or initiative. Members were then told that contracts governed by the Act were limited to a three-year period.

On a motion duly proposed and seconded, the Board of Governors, on the recommendation of the Vice-Principal (Administration and Finance), approved the submission of a declaration of compliance to the Quebec Treasury Board in the form of Annex 3 of the Directive concernant la reddition de comptes en gestion contractuelle des organismes publics, arising from arising from the Act respecting contracting by public bodies (Act 65.1);

The Board of Governors also authorized the Vice-Principal (Administration and Finance) to sign Annex 3, and any related documents, on behalf of the Board of Governors.

13. Annual Borrowing Resolution from Financement-Quebec [GD14-09]

Vice-Principal Di Grappa presented a request for the Board to approve the annual borrowing resolution received from Financement-Quebec. He noted that consistent with prior years, Financement-Québec had asked the University to institute a *régime d'emprunts* for the period between now and June 30, 2015, to borrow from Financement-Québec as a way to receive the next installment of the Quebec capital grant.

The Board approved the resolution contained in Appendix A of document GD14-09.

14. Mechanism to Receive Provincial Government Funding in Support of MNI PSRv2 Grant [GD14-10]

Vice-Principal Di Grappa presented a request that the Board of Governors approve a resolution allowing McGill University to establish a line of credit and a long-term debt with Financement-Quebec, in order to receive the Government's funding contribution towards the Montreal Neurological Institute (MNI)'s Programme de Soutien à la Recherche volet 2 (PSRv2) grant, approved by the Executive Committee of the Board on October 24, 2013.

The Board approved the resolution contained in Appendix A of document GD14-10.

15. Notice of Joint Board-Senate Meeting: November 4, 2014 [GD14-11]

Dr. Rose Goldstein, Vice-Principal (Research and International Relations) announced that this year's joint Board-Senate meeting would be held on November 4 on the topic "Strengthening McGill's Engagement with the External Community." With regard to participation in the meeting, members were informed that the joint meeting was intended for Governors and Senators, and not individuals of the public.

16. Board of Governors Handbook 2014-15 [GD14-12]

The Secretary-General informed members that the 2014-15 Board of Governors Handbook, which had been posted online, included updated reference materials for the Board's information.

17. Presentation on Research Activities

The Chair introduced Dr. Luda Diatchenko, Canada Excellence Research Chair in Human Pain Genetics, who then delivered a presentation on her research in human pain and genetics. She spoke about investigating genetic pathways that mediate pain states and informed members that a key element of her research resided in the identification of elements of human genetic variability that contribute to pain sensitivity and pain states.

On behalf of the Board, the Chair thanked Dr. Diatchenko for her informative presentation.

18. Other Business

There was none.

The meeting was adjourned at 6:55 p.m.

SUMMARY OF MATTERS CONSIDERED IN CLOSED SESSION OF THE BOARD OF GOVERNORS HELD ON OCTOBER 2, 2014

1. Report of the Nominating, Governance and Ethics Committee (Part I)

The Board of Governors received a report of the Nominating, Governance and Ethics Committee, which contained a notice of motion concerning the appointment of a new member-at-large.

2. Report of the Audit Committee (Part I)

The Board of Governors received a report of the Audit Committee, which contained a recommendation to approve the Auditor's Report, the Financial Statements and Financial Report to the Board of Governors for Fiscal Year Ending 30 April, 2014, as well as a recommendation to extend the appointment of the University's external auditors for fiscal year 2015. The Audit Committee's recommendations were approved by the Board.

3. Report on New Appointments, Promotion and the Grant of Tenure

The Board of Governors approved a report, which contained recommendations concerning new academic appointments, promotion and tenure.