



MINUTES of the GOVERNANCE COMMITTEE MEETING
October 8, 2019 1:00-3:00pm ET (held via webinar)

Committee Members in attendance	
J. Holm, Chair A. Bergeron	G. Faulkner C. Lamothe
Observers in attendance	
None	
Staff	
C. Mash	S. Price

1. Call to order and approval of agenda

The Chair opened the meeting at 1:03pm (ET) and welcomed the Committee members. It was requested to add 2 items to the agenda under other business:

- Develop plan for Board reduction (as per October 4 Board motion); and
- HR Committee feedback regarding policy 4.7, Monitoring the CEO.

It was agreed to approve the agenda as amended.

2. Approval of September 6 minutes

The minutes were circulated with the agenda book.

***Moved by A. Bergeron, seconded by G. Faulkner
THAT the minutes from September 6 be approved.
Carried***

3. Second Review of policies as amended from September 6

Following the preliminary examination of these policies, the Committee reviewed the amendments and provided further feedback to be captured prior to presentation to the Board in December.

Policy 4.6 – Accountable to the Board

It was agreed that the content of this policy is covered in policies 1.5, 3, and 4.11 and that it is no longer required.

Policy 4.9 – President’s role

It was agreed to add a sentence to address the President’s authority with the International Engineering Alliance between points 3 and 4.

ACTION: Staff to add “The President represents the organization and votes on behalf of Engineers Canada at meetings of the International Engineering Alliance.”, or similar, between points 3 and 4.

Policy 4.11 – Board management delegation

The changes as implemented from the last meeting are complete with no further amendments required.

Policy 5.4 - Communication and support to the Board

A discussion was had around the structure of financial reporting and whether it should be clearly stated that the CEO provides the reporting to FAR, with FAR then providing the reviewed reporting directly to the Board.

This reporting sequence is documented in the FAR terms of reference (TOR) and it was decided to leave the policy as written at this stage.

For consistency purposes, it was agreed to add “(having first been reviewed by the HR committee)” to point 5 and to review the Human Resources (HR) committee TOR to ensure the employee engagement survey results review is listed as a responsibility.

It was agreed that as a standard, board committee responsibilities are listed in their TOR and that duplication of these roles in the policies is not favourable, unless required for readability.

ACTION: Staff to add “(having first been reviewed by the HR committee)” to point 5.

ACTION: Staff to review the HR committee TOR to ensure the review of the staff engagement survey and actions plans is listed as a responsibility.

Policy 5.0 - Executive Duties and Limitations

The changes as implemented from the last meeting are complete with no further amendments required.

Policy 5.1 – Relationships with the engineering regulators

The changes as implemented from the last meeting are complete with no further amendments required.

Policy 5.2 - Treatment of staff and volunteers

It was noted that there are several gaps in the volunteer policies and that the HR committee will be overseeing this project in their 2019-2020 work plan. The Committee agreed to add “and volunteers” to line 2a) “clarify expectations and working conditions for staff”.

ACTION: Staff to amend line 2a to read:

“clarify expectations and working conditions for staff and volunteers.”

Policy 5.3 – Financial condition

The Committee agreed that a statement to ensure the CEO reports any inaccuracies in financial reporting to the Board, or a committee of the Board as identified, in a timely manner was required for risk management.

ACTION: Staff to include a statement to ensure the CEO reports any inaccuracies to Financial, Audit, and Risk committee (FAR) in a timely manner to item 10.

Policy 5.5 – Asset protection

The changes as implemented from the last meeting are complete with no further amendments required.

The Committee agreed that FAR should be requested to review all policies that affect their work.

ACTION: Staff to prepare a list of policies that relate directly to the work of FAR and to request that they include the policy reviews in future meetings on behalf of the Governance Committee.

Policy 5.6 – Planning

It was noted that the HR committee TOR does not currently include the review of key personnel succession plans.

It was agreed, for consistency, to remove the addition of “budgeting” from point 7.

ACTION: Staff to remove “and budgeting” from point 7.

ACTION: Governance committee to request that the HR committee add the review of the succession plans for key personnel to their TOR.

Policy 5.7 – Compensation and Benefits

Discussion was had around the CEO's power over changes in benefits as stated in point 1. The CEO compensation package is overseen by the HR Committee and the Governance committee agreed that the Board should be approving any changes to the package following a recommendation made from the HR committee. The purpose of the Board approval would be to guard against the CEO benefitting from something extraordinary and the following addition to this policy was proposed: "Any changes to the CEO benefits package are reviewed by the Board".

It was noted that the HR Committee does not currently review changes to the extended benefits package (eg health, dental, etc.) and that the HR Committee only needs to be aware of the benefits package that the CEO negotiates for all staff. The Committee agreed to consult the HR Committee on this matter, to understand how to be informed of changes to the CEO's extended healthcare benefits package.

ACTION: Governance Committee to consult with the HR Committee about adding the following line to policy 5.7, "Any changes to the CEO benefits package must be approved by the Board" and how to ensure the HR Committee has an awareness of what the CEO receives in terms of extended healthcare benefits, as part of the overall compensation package.

ACTION: Staff to replace "His or her" with "The CEO" in point 1.

Policy 5.8 – National Position Statements (NPS)

It was agreed that with the content of this policy now included in policy 5, it is no longer required.

Policy 5.9 – Image protection

It was agreed that with the content of this policy now included in policy 5, it is no longer required.

Policy 1.1 – History

No further changes were required for the History following the editorial adjustments.

Policy 1.2 – Guiding Principles

The changes as implemented from the last meeting are complete with no further amendments required.

Policy 1.5 – About this manual

The changes as implemented from the last meeting are complete with no further amendments required.

Policy 3.0 – Reporting structure

The changes as implemented from the last meeting are complete with no further amendments required.

Policy 4.4 – Confidentiality policy

The changes as implemented from the last meeting are complete with no further amendments required.

ACTION: Staff to prepare briefing note for the December 9 Board meeting that includes rationale for the revisions made to existing policies, including a red line version and clean version of each policy that has been adjusted as appendices, for review by J. Holm.

4. Draft Board Consultation Policy

The draft policy for Board consultation was pre-circulated. No changes were required following the Committee's review.

ACTION: Staff to include the consultation policy for approval at the December meeting.

ACTION: Following the Board's approval of 7.10, staff to add reference to policy 7.10 in policy 5.6.

5. Governance Effectiveness Survey - Second Discussion

The Committee agreed to delay the launch of this survey until the Fall of 2020, ensuring that discussions on the content to be included in the survey continue at each meeting.

ACTION: Staff to ensure that the Governance Effectiveness Survey is included in agendas moving forward.

6. Other Business

6.1. Board Size

Following a Board motion on October 4th, the Governance Committee was requested to produce a plan for reduction in board size. It was noted that significant work and data capture/input has already been completed on this issue. It was agreed to produce a report that would compile the work already done to provide a rationale to reduce the Board's size to 16 that includes a timeline and addresses questions such as:

- What is the cost?
- Will a board with 16 members be effective?
- What are the projected savings?
- What is the down-side of reduction?

ACTION: Staff to produce a draft plan to reduce the Board's size to 16, including a timeline for achievement for review at the next Committee meeting.

6.2. Policy 4.7 – Monitoring of the CEO

The HR Committee, following their last meeting, has suggested that changes may be required to policy 4.7. A. Bergeron agreed to send the feedback via email, to be incorporated into the scheduled review of policy 4.7.

ACTION: A. Bergeron to provide the HR Committee's feedback on policy 4.7 to the Governance Committee via email.

7. Review of Work Plan

It was agreed to hold the next meeting in November to focus on the draft plan for board size reduction.

Should the Committee decide to hold a face to face meeting in December, it was noted that time could be made available on Saturday, December 7 or Tuesday, December 10 and this will be further discussed on the teleconference in November. The focus of the December meeting will include:

- Report to members on Board Responsibility 4: *Ensure the development and periodic review of board policies*; and
- Consideration of the assignment of new board directors to committees

ACTION: Staff to amend the work plan as follows:

- **Addition of the plan to reduce board size; and**
- **Adjusting the timing of the governance effectiveness survey**

ACTION: Staff to circulate a doodle poll for a teleconference in November, following the circulation of the draft plan for board size reduction.

8. Closing

With no further business to discuss, the meeting was adjourned at 3:09pm ET.