

Minutes of the Governance Committee Meeting
 February 5, 2020 11:30am-1:30pm ET (held via webinar)

Committee members in attendance	
J. Holm, Chair A. Bergeron	G. Faulkner
Regrets	
C. Lamothe	
Observers in attendance	
None present for this meeting.	
Staff and support	
C. Mash S. Price	E. Spence

1. Call to order and approval of agenda

J. Holm, Committee Chair, opened the meeting at 11:33am (ET) and welcomed the participants. The agenda was approved as presented by consensus.

2. Review of last meeting

2.1. Approval of minutes

The minutes from January 8, 2020 were approved as presented by consensus.

2.2. Review of action table

The committee reviewed the list of past action items. A. Bergeron reported that the Human Resources (HR) Committee has not yet reviewed policy 4.7. It was noted that the action items relating to the HR Committee have been transferred to the EC Director, HR for consideration in building the next HR Committee meeting.

3. Review of policies - second round, first draft

The committee reviewed the policies requiring further edit following the January 8 meeting discussions.

Policy 2 - Definitions

Two further changes were suggested to the definition policy to ensure grammatical clarity for “competency profile” and “guiding principles”.

ACTION: Staff to adjust the “competency profile” and “guiding principle” definitions for grammatical clarity.

Policy 4.13 – Individual director assessment

No further changes were required for this policy.

More discussion was had around director assessment and if the process should include a role for regulators. It is understood that each regulator has a unique relationship with the director(s) that they nominate, and in some cases, they may already have an established performance assessment. The concern is that some of the Engineers Canada’s director responsibilities can only be measured in consultation with the regulators and that not including regulators in the assessments will result in gaps emerging within the results.

Director performance is not currently communicated to regulators. The performance feedback could be helpful for the regulators when considering term renewals and/or new nominees.

The HR Committee discussed this issue when building the surveys and it was decided to re-consider regulator involvement in future years, and that consideration of this issue will continue as the HR Committee reviews the inaugural assessment process.

Policy 4.1 – Board responsibilities

No further changes were required for this policy.

Policy 4.2 – Director responsibilities

No further changes were required for this policy.

Policy 4.3 – Code of conduct

No further changes were required for this policy. S. Price explained that the Board orientation will cover the implications of following the code of conduct and confidentiality policy.

Policy 4.5 - CEO Group advisor to the Board

No further changes were required for this policy.

Policy 4.8 – Board competency profile

No further changes were required for this policy.

Policy 4.12 – Board self-assessment

No further changes were required for this policy.

Policy 7.9 – Process for in camera meetings

No further changes were required for this policy.

Policy 8.1 – Emerging disciplines

No further changes were required for this policy.

Policy 8.2 - Diversity and inclusion policy

No further changes were required for this policy.

4. Consideration of assignment of new Board directors to committees

At the meeting on November 18, the committee decided to collect more data to better understand the experiences of first-year directors and their committee involvement before deciding if a recommendation to the HR Committee was required. A four-question survey was sent to the nine directors currently serving the first two years of their first terms. Different perspectives were represented amongst the five responses received, based on the individual's time available and their level of familiarity with the business of Engineers Canada.

The Governance Committee agreed that the decision of whether or not to appoint a new director to a Board committee should be made on a case-by-case basis. While some directors bring previous Engineers Canada experience and are eager to participate, others may have less experience and would prefer to observe during their first year and participate in committee work in subsequent years. It was agreed to provide a recommendation to the HR Committee, in advance of the committee appointment process for 2020-2021.

ACTION: Staff to formulate recommendation to the HR Committee for circulation to the Governance

Committee via email once prepared for review at the next meeting on February 28.

5. Operational committees: review of CEO's report and recommendations for related policy and governance improvements

Following the CEO's operational committee review delivered at the October Board meeting, the Governance Committee agreed to review the report and provide recommendations, if required, for related policy and governance improvements. Since the CEO is evaluated by the Board and the CEO controls operational committees, there is a potential for conflict if a Board director is also serving on an operational committee.

The Governance Committee agreed to recommend to the Board that directors should not be engaged in operational committee structures and that a statement is required in the Executive limitations policy to support this directive. As identified in the report, there are two Board directors serving on operational committees. If the CEO has a compelling reason to engage a director in an operational committee, an argument should be made to the Board to request an exception, or the director can be engaged following the end of their Board term.

ACTION: Staff to adjust policy 5 Executive limitations to include a statement that Board directors shall not be engaged in operational committee structures, for review at the February 28 meeting.

6. Participation of disciplined registrants in the governance structure

The committee discussed how to manage the participation of disciplined registrants in Engineers Canada's governance structure. Section 4.1 of the bylaws states that regulators will nominate candidates who meet the "engineers in good standing" criteria. It was noted that the definition of "in good standing" may not be the same across the country, although it generally relates to CPD requirements, dues and records of discipline. Currently, there is no mechanism to request disclosure of good standing status following the nomination process that takes place at the regulator level.

It was agreed to add a statement to the code of conduct, for Board approval, that the consequence for individual directors who are no longer in good standing with their provincial regulator is suspension from participation in EC Board and committee activities. The suspension would be lifted once the director rectifies the outstanding requirements, such as CPD not being met or dues not being paid, and re-assumes good standing status with their regulator.

It was agreed that if directors become the subject of a complaint, discipline or investigation, they should have to disclose the nature of the complaint. Understanding that complaints do not serve as proof of guilt, and may be spurious, each case would be evaluated individually for level of potential reputational risk to the organization. Upon being notified of the complaint, the Board may decide that no further action is necessary, but the nature does need to be examined before this decision can be made. A statement to ensure that directors and committee members understand their duty to disclose complaints will be added to the code of conduct, for Board presentation and approval in May. Additionally, the committee agreed to draft a nomination form letter for recommendation to the Board, to be completed by individuals being appointed to committees or task forces to declare acceptance of the nomination and disclose any outstanding discipline, complaints or investigations that may be ongoing.

An additional question was raised around retired engineers and good standing status. The current understanding is that engineers who are retired continue to be considered "licensed" with a post-qualifier added to indicate retirement status. Good standing status would most likely apply to this group, although staff will investigate how retirement is considered across the country to ensure that engineers who are

retired and serving on the Board are in compliance with the current bylaws.

ACTION: Staff to add a line to the code of conduct to state that an individual who is no longer holding good standing status with their provincial regulator shall be suspended from participation in Board and committee activities until they return to good standing status.

ACTION: Staff to produce a form that will capture consent to stand for committee appointment and disclosure of outstanding discipline, complaints or investigations.

ACTION: Staff to research how retired status affects engineering licensing and if registrants who are retired are also subject to good standing status across Canada.

7. Request from Presidents Group to review Bylaw wording for abstentions at Meetings of Members

Following the October Board meeting of the Presidents Group, a request was made to the Board to review the definition of abstentions at Board meetings and meetings of Members. There is a concern that if too many abstentions are received, motions could pass with less than majority of the Board and membership, indicating a lack of engagement.

In compliance with Robert's Rules abstentions should be allowed and are not considered "no-votes". There are critical reasons that individuals may choose to abstain, including conflict of interest or inability to attend the meeting with no proxy. In an extreme scenario where an abnormal amount of abstentions are apparent, the chair would be trusted to determine what further action, if any, would be required to ensure a fair outcome. The committee agreed to add a statement to the Board responsibilities, that directors have been elected to serve and are expected to be knowledgeable and ready to make independent decisions, following adequate preparation for the meeting.

For meetings of the Members, the impact of a member-delegate being present but abstaining on the voting criteria at a meeting of Members has a large impact. This discrepancy could be deliberate, where large regulators are able to have a "no" vote without being the conflict regulator. If a change is required to the voting structure for Members, extensive consultation will be required. Staff were asked to prepare a written response to the chair of the Presidents Group.

ACTION: Staff to generate pre-amble text for Board responsibility policies to remind directors of the expectation to be knowledgeable, prepared and to cast a vote.

ACTION: Staff to prepare written response to the Presidents Group, for circulation to the Governance Committee via email once prepared for review at the next meeting on February 28.

8. Content of governance effectiveness survey

Following the committee meeting in September, it was decided that the Governance Effectiveness survey would be delivered in the fall of 2020, once the improvements resulting from the Governance 2.0 efforts have come into effect. The committee agreed to focus the survey on assessing the outcomes of Governance 2.0, to ensure the governance model continues to serve the needs of stakeholders. The committee agreed to the distribution as presented, adjusting the EC staff distribution to senior staff, and that the survey will consist of 10-20 questions delivered electronically.

ACTION: S. Price to construct a set of 10-20 questions (5 to 10 minutes) to measure progress on the initiatives that Engineers Canada set out to achieve with GSPC, to be circulated to the committee as soon as it is ready, with review on Feb 28.

9. Review of work plan

The committee reviewed the work plan which remains on track for completion.

10. Other business

No further business was brought forward.

11. Next meetings

The committee was reminded of the upcoming meetings:

- Friday, February 28 from 11:30am-1:30pm
- Wednesday, April 1 from 11:30am-1:00pm

12. Adjournment

With no further business to discuss, the meeting was adjourned at 1:15 pm ET.