

Board Meeting Minutes (Closed)

Date	Sept. 6, 2018	Time	8:30 a.m. – 4:30 p.m.
Location	Canadian Blood Services Head Office, Alberta room		
Chair	Mel Cappe	Recording secretary	Ashley Haugh
Attendees Board	Kelly Butt; Wayne Gladstone; Dr. Kevin Glasgow; Craig Knight; David Lehberg; Anne McFarlane; Dunbar Russel; Suromitra Sanatani; Dr. Jeff Scott; Mike Shaw; Judy Steele; Glenda Yeates		
Attendees EMT	Dr. Graham Sher (Chief Executive Officer); Jean-Paul Bédard (Vice-President, Plasma Operations), Judie Leach Bennett (Vice-President, General Counsel and Corporate Secretary); Dr. Isra Levy (Vice-President, Medical Affairs and Innovation); Ralph Michaelis (Chief Information Officer); Andrew Pateman (Vice-President, People, Culture and Performance); Rick Prinzen (Chief Supply Chain Officer and Vice-President, Donor Relations); Ron Vezina (Vice-President, Public Affairs)		
Guests	Lise Simpson		
Joining by phone	N/A		
Absent	N/A		

Mel Cappe, Chair, called the meeting to order at 8:30 a.m. ET.

1. Approval of agenda (M. Cappe)

After review, **ON MOTION** duly made and seconded, the agenda was unanimously approved.

2. Declaration of conflict of interest (M. Cappe)

There were no conflicts of interest declared.

3. Consent agenda (M. Cappe)

Items on the consent agenda were approved by the motion that approved the agenda.

3.1 Approval of minutes

IT WAS RESOLVED THAT the board approves the minutes of the June 27, 2018 public meeting and the June 27-28, 2018 closed meeting.

3.2. Record of consolidated financial statements approval

On July 30, 2018, the board approved the following motion:

*After review and discussion, **ON MOTION**, duly made, seconded and unanimously carried, **IT WAS RESOLVED THAT** the Board of Canadian Blood Services approves of the Canadian Blood Services Consolidated Statements for the year ended March 31, 2018.*

3.3. Record of André Picard Lifetime Achievement award approval

On Aug. 3, 2018, the board approved the following motion:

*After review and discussion, **ON MOTION**, duly made, seconded and unanimously carried, **IT WAS RESOLVED THAT** the André Picard receive the Lifetime Achievement award.*

3.4. National Facilities Redevelopment Program (NFRP) report

The board received an information update on the status of the National Facilities Redevelopment Program

3.5. Quarterly cybersecurity report: Q1 2018-2019

The board received the quarterly cybersecurity report. An information report highlighting the key initiatives and outcomes to advance and mature the posture of cybersecurity at Canadian Blood Services.

3.6. Approval of CBSI/E proxy authorization

IT WAS RESOLVED THAT the board approves:

- 1. The CEO of Canadian Blood Services, being Graham Sher, is hereby authorized and empowered to act on behalf of the shareholder, Canadian Blood Services, at the Annual General Meeting of CBS Insurance Company Limited (CBSI) for the purposes of the CBSI Annual General Meeting, including the election of directors, and to deal with other matters as such may arise.*
- 2. The CEO of Canadian Blood Services, being Graham Sher, is hereby authorized and empowered to act on behalf of the shareholder, Canadian Blood Services, at the Annual General Meeting of Canadian Blood Services Captive Insurance Company Limited (CBSE) for the purposes of the CBSE Annual General Meeting, including the election of directors and to deal with other matters as such may arise.*

3.7. Strategic plan update

The board received an information update on the status of the 2019–2024 Canadian Blood Services strategic plan.

4. Quality Management System (C. Choquet)

The board received an education session on the Link program – a program to strengthen the quality management system and culture to align with those of a biological manufacturer. Link was launched following the 2014 assessment of Canadian Blood Services' quality management system by NSF Health Sciences.

The education session provided an overview of:

- Definition/components of a quality management system.
- Areas of improvement from the 2014 assessment and the approach to strengthen the quality management system.
- Steps to evolve the quality and regulatory team.
- Quality culture and quality drivers at Canadian Blood Services.
- Canadian Blood Services' quality policy.
- Quality training and education.
- How the board can live the quality policy.

5. Report of the CEO (G. Sher)

5.1 Corporate performance, risk and portfolio reporting

The board reviewed key highlights from the corporate performance, risk and portfolio reporting for Q1 2018–2019.

5.1.1 Quarterly performance report

The organization's performance across key focus areas is monitored in the quarterly performance report. Discussion regarding the Q1 2018-2019 performance report included:

- Manufacture biological products
 - There is a healthy blood inventory.
 - Collections have been strong and customer needs are being met.
 - As of September 2018, 17 cord blood units have been shipped from the Canadian Blood Services Cord Blood Bank to Canadian and international patients.
 - Canadian Blood Services continues to work closely with stakeholders and patients affected by the recent PPP product changes to ensure a smooth transition and minimal impacts. There are mechanisms in place to provide alternative products should a patient experience a serious adverse reaction to the new product.
- Deliver our products and services more efficiently
 - Productivity targets are slightly behind in Q1, but are expected to meet target by year end.
 - Work continues to meet the 2018-2019 productivity and efficiency savings as well as meet the long term \$100M productivity and efficiency savings target.
 - **ACTION:** Update board on progress on \$100M productivity and efficiency savings.

- Earning the right to serve
 - Management continues to monitor the issue of some plasma protein products (PPP) being offered through private insurance. Canadian Blood Services remains deeply committed to the fundamental principles pertaining to free and equitable access to blood and blood products set forth by Justice Krever.
- Provide transfusion and transplantation services
 - A recent Ontario court ruling with regards to the determination of “brain death” continues to be closely monitored by management as an appeal has been launched. Legal developments regarding death determination are relevant to organ and tissue donation and transplantation (OTDT).
 - Health Canada is leading a review of OTDT in Canada to ensure stakeholder alignment, clarify roles and responsibilities, and develop a shared understanding of the work needed to be done by all stakeholders to enhance OTDT in Canada.
 - **ACTION:** At a future board meeting, provide more information on Canadian Blood Services’ role in OTDT including the history, present state, and future goals.
- Transform how we attract, interact with and retain donors
 - Donor retention is below target. A pilot is planned in the third quarter to increase new donor retention. The pilot will include a personal thank you call after the first donation and other touchpoints at the second and third donation.
- A high-commitment, high performance culture
 - Four pilot employee pulse surveys were conducted with subsets of the organization. This allows management to gather additional information on an ongoing basis rather than wait for the larger all employee survey.

5.2 Corporate risk reporting (A. Pateman, L. Simpson)

The board reviewed the Q1 2018-2019 risk report.

5.2.1 Q1 corporate risk report

Discussion regarding the risk report included:

- The Q1 report is the first report based on the updates to the Corporate Risk Profile approved at the June 2018 board meeting. An additional risk is also in development related to the plasma protein products program – it will be reviewed at the December 2018 board meeting.
- The overall current risk exposure for Q1 has remained relatively consistent since last quarter.
- Risk G – Security of immunoglobulin (Ig) supply – is a new risk added to the report. Canadian Blood Services continues to seek funding for three proof of concept plasma collection centres to ensure long term security of Ig supply.

5.3 Emerging issues and CEO activities (G. Sher)

G. Sher, CEO, provided an update on emerging issues. Discussion included:

- West Nile Virus (WNV) – To date, 30 units have tested positive for WNV. This is a high number for early in the season.
- Greyhound service discontinuation – Greyhound’s announcement that they are ending service in western Canada will impact Canadian Blood Services. Greyhound has been used to distribute some products to hospital customers. Alternative transportation has been identified and there will be no disruptions to hospital customers.
- Supply Chain Advancement Network in Health (SCANH) – Canadian Blood Services is the case study for the SCANH international business case competition. Management has worked with SCANH to develop a case study and competitors will submit a business case that will be evaluated by judges, including G. Sher, from around the world.

6. Integrated supply chain strategy (R. Prinzen)

The board received an overview of the donor relations component of the integrated supply chain.

Discussion included:

- The integrated supply chain (ISC) has four main components: donor relations, collections, testing, and productions and distributions. All four components need to work together to have a successful ISC.
- The board will receive a “deep dive” on all four areas of ISC over the next series of board meetings.
- The ISC is aligned with all key focus areas of the strategic plan.
- Donor relations seeks to improve patient outcomes by having the right donors/registrants at the right time to meet patient needs consistently and cost effectively.
- Within donor relations, there is a focus on:
 - Creating a valued donor experience
 - Improving donor satisfaction and increasing donor retention.
 - Donor time in system (i.e., time it takes to donate) has a large impact on donor satisfaction; highlighting the importance of an ISC. Donor time in system has improved, but there is still work to do to have a consistent donor time in system for each donation.
 - Direct feedback from donors as well as information from regular surveys is used to make improvements to the donor experience.
 - Donor appreciation has been well received by donors – e.g., thank you texts or emails following donations, updates on how donated blood can be used, etc. Post donation messaging also provides links and information regarding the GiveBlood app that is popular with donors.
 - The donation environment is very important to donors. New donation centres are being designed with the donor experience in mind. They will provide a welcoming and warm environment that is an extension of the Canadian Blood Services brand.

- Building a more diverse donor base to continue to meet patient needs
 - Canadian Blood Services is actively seeking to build a donor base that is reflective of the Canadian population. Work includes being represented in highly diverse communities such as the Greater Toronto Area and Greater Vancouver Area, outreach to diverse communities through group donations, building personal connections, advertising in community newspapers, etc.
 - Staff training in diversity and inclusion is ongoing.
- Connecting with donors
 - It is important to connect with donors through their preferred channel – website, app, social media, telephone, etc.
 - In donation centres, the new donor concierge technology will enhance communication and efficiency. It will also assist in honouring appointment times – another important factor for donor satisfaction.
- Harnessing momentum and creativity
 - The new brand will be leveraged in upcoming marketing and recruitment activities.
 - Continuously improving collections model.
 - Acting on analytics and feedback to strengthen retention. Listening to the donors.
 - **ACTION:** Provide board with more information on why lapsed donors do not become repeat donors. – e.g., share survey data/results and analysis.
- Staff are an essential component of donor relations; our frontline staff are the face of Canadian Blood Services. Staff engagement is key – staff receive ongoing education and training and provide feedback through a variety of mechanisms including employee surveys.

7. Alliance of Blood Operators Chief Information Officer meeting (R. Michaelis)

The board received an update on the recent ABO CIO meeting. Discussion included:

- The ABO CIOs held their first in-person meeting as a group in July 2018. The previous ABO CIO meetings were by conference call.
- The CIOs were able to share key learnings from recent initiatives – e.g., mobile apps, hospital ordering, hospital inventory management, integration, etc.
- The CIOs will continue to meet by teleconference with periodic in-person meetings.

8. Corporate brand renewal deployment (R. Vezina)

The board received an update on the corporate brand renewal deployment. Discussion included:

- On Sept. 28, 2018, on the organization's 20th anniversary, Canadian Blood Services will deploy its brand renewal – one component of the work to enhance the donor experience.
- In addition to a new visual identity, the brand renewal includes a new mission, vision, values, and pillars. The updated quality policy, released earlier in 2018, is also part of the brand renewal.
- The brand renewal was built based on consultation and survey data from staff, donors, partners, customers, medical community, general public, etc. Concepts were also tested with these groups.

- There is a marketing and advertising campaign to introduce the new brand to Canadians.
- The new visual identity/logo will be rolled out to facilities, vehicles, equipment, etc. in a fiscally prudent manner over the next 18 months. e.g., as stock runs out, during life-cycle replacement, etc.
- The digital footprint – website, app, etc. – will be immediately switched to the new brand identity.
- Awareness of the new brand will be measured through regular surveys conducted by Canadian Blood Services. Updates will be shared with the board through regular quarterly reporting.

9. Committee reports

9.1 Finance & Audit (W. Gladstone)

W. Gladstone, Chair of the Finance and Audit committee, provided the following update:

- Key committee activities/discussions included:
 - Reviewed internal controls over financial reporting.
 - Discussed lessons learned from the 2017-2018 audited financial statement process with the external auditor.
 - Reviewed the risk assigned to the committee – no board follow-up is required.
- The committee is recommending the reappointment of KPMG as the external auditor for one year. As the term of the contract expires after the completion of the March 31, 2019 consolidated financial statements, a request for proposal for external auditors will be released in fall 2018.

*After review and discussion, **ON A MOTION** duly made, seconded and unanimously carried **IT WAS RESOLVED THAT** the Board recommend for approval by the Ministers of Health at the Fall 2018 Annual General Meeting, the appointment of KPMG as the external auditors of Canadian Blood Services consolidated financial statements for the year-ended March 31, 2019.*

9.2 Safety, Research, and Ethics (A. McFarlane)

A. McFarlane, Chair of SREC, provided the following update:

- Key committee activities/discussions included:
 - Received quarter reports with respect to donor relations and supply chain, safety initiatives and quality and compliance.
 - Received an update from the Centre for Innovation.
 - Approved revised Terms of Reference for the Research Ethics Board.
 - Received a report on the Link project.
 - Reviewed the SREC terms of reference.
 - Reviewed risks assigned to SREC – none require board follow-up.

9.3 Talent Management (C. Knight)

C. Knight, Committee Chair, provided the following update:

- Key committee activities/discussions included
 - Assessed options for updating CEO goal setting and performance review.
 - Reviewed executive compensation benchmarks
 - Received an update on digital and the workplace of the future.
 - Received a presentation on mental health in the workplace.
 - Reviewed risks assigned to TMC – none require board follow-up.

9.4 Governance (K. Butt)

K. Butt, Committee Chair, provided the following update:

- Key committee activities/discussions included:
 - Received an update on the National Accountability Agreement negotiations.
 - Reviewed several board policies including Code of Conduct, Official Languages, Board Education, and Whistleblower.
 - Discussed topics for the spring 2019 board retreat.
 - Reviewed terms of reference for the board, governance committee, and SREC.
 - Provided feedback on the creation of the Public Affairs strategic refresh.
 - Reviewed the June board performance survey and made recommendations for future board meeting agenda formats.

9.5 National Liaison Committee (K. Glasgow / D. Lehberg)

K. Glasgow and D. Lehberg, Committee Co-Chairs, provided the following update:

- The NLC is meeting the day after the board meeting concludes. The board will join the NLC for the morning session.
- The NLC is currently seeking new members. Three potential new members will be attending the Sept. 7 meeting.

*After review and discussion, **ON MOTION**, duly made, seconded and unanimously carried, **IT WAS RESOLVED THAT** the board of directors conditionally appoint Mohamed Dhanani, Dr. Craig Earle and Gina Parker to three-year terms on the National Liaison Committee, effective September 8, 2018 with final approval of the appointments delegated to NLC co-chairs Kevin Glasgow and David Lehberg.*

*Note: Due to potential conflict of interest, David Lehberg abstained from providing feedback on one of the candidates.

9.6 CBS Insurance Company Ltd (CBSI) and Canadian Blood Services Captive Insurance Company Ltd (CBSE) (W. Gladstone)

W. Gladstone, CBSI/E Chair, provided the following update:

- After a request for proposal process, JLT Insurance Management (Bermuda) Ltd was appointed the new insurance manager effective Oct 1, 2018.
- CBSI is executing a proposal to increase the CBSI primary limit on the Comprehensive Blood Risks Liability policy from \$250 million to \$300 million.

In response to questions, it was agreed that further clarification on investment returns (CBSI versus benchmark) would be brought to the next meeting.

10. National Honouring our Lifeblood event overview (R. Prinzen)

The board received an event overview for the national Honouring Our Lifeblood event.

ON MOTION, duly made, seconded and unanimously carried, it was agreed to adjourn the meeting.

The meeting adjourned at 4 p.m. ET

* * *