

## **Board Releases Goudge Review of Presidential Compensation Practices**

Western University's Board of Governors is committed to the principles of accountability and transparency and as such will make a series of important changes to its compensation practices. These changes are based on advice regarding presidential compensation received from the Hon. Stephen Goudge, a former justice of the Ontario Court of Appeal.

The Board thanks Mr. Goudge for a thorough and insightful report. The Board would also like to thank the members of the Western community who took the time to meet with him or provide written comment.

To ensure the university is keeping current with governance practices and Western's values, the Board asked Mr. Goudge to undertake an independent third party review of the following:

- compensation practices as they apply to the President;
- whether the appropriate accountability and reporting mechanisms are in place; and
- whether the provision that allows the President to monetize his leave is in line with peer universities.

Mr. Goudge found the President's contract to be generally in line with that of other university presidents, with the exception of the provision for monetization of the leave. Mr. Goudge also confirmed to the Board that the University and its senior officers acted in good faith with the renewal of President Amit Chakma's compensation contract. He did find, however, that a mistake occurred when the amended renewal was not sent to the Senior Operations Committee for consideration before making a decision on the final approval. He provided recommendations that will improve the Board's practices.

Accordingly, the Board will make the following changes to its processes:

- the creation of a mechanism that gives the Chair of the Board the ability to obtain advice from the university community with respect to particular contract elements;
- the development of a process to engage the University's internal legal counsel, in addition to external counsel, in contract discussions to ensure that the Board's governance processes are adhered to fully; and
- the development of a protocol that ensures actions taken by the Senior Operations Committee with respect to the contract are reported back to the full Board for information.

The Board will also review its practices with respect to presidents' administrative leaves to:

- make clear the purpose of administrative leaves;
- limit the circumstances under which administrative leave might be taken as salary; and
- speak to the potential for administrative leave to be deferred when a president is renewed.

The hiring of the president is one of the most important functions performed by a Board of Governors. The insight of the campus community and Mr. Goudge's report will help ensure that it continues to be done in a manner consistent with the values of good governance, accountability and transparency.

Western has a proud history of being a leader in post-secondary education. These changes reflect the Board's commitment to an ongoing process that builds a greater university.

Together, with faculty, staff, students, and alumni we look forward to making Western even stronger. We thank all members of the campus community for their partnership.