



**Report of the Governance Review Task Force
to the Board of Governors**

November 19, 2015

Report of the Governance Review Task Force
November 19, 2015

I. PREAMBLE

This has been a very difficult year for Western. The issue of the President's compensation and the move for votes of non-confidence at the university's Senate in the spring deeply affected the community, including the members of the Board of Governors. As is so often the case when organizations face significant challenges, there is an opportunity to review governance policies and procedures and make them better. Over the course of this review, in addition to hearing criticisms and concerns, the Task Force heard a common refrain that we all need to work to make the university stronger. The Board is made up of dedicated individuals who believe in Western and share that interest. The members are committed to working with the Western

with expertise in those areas. However, the Board is given special responsibility to ensure that decisions are made in both the university's and the public interest – again, appropriately so, because the university is a public institution.

There are areas where the Act, or the university's governance processes, brings Senate and Board together to make decisions. Those include matters such as major academic structural changes and strategic planning. Perhaps the most significant of these shared responsibilities is the selection of the president and other senior administrators. The Act requires that the Presidential Selection Committee be composed of members from both Board and Senate; the *Appointment Procedures for Senior Academic & Administrative Officers of the University*, which is a policy requiring support by both bodies

One solution presented in meetings with leaders of several stakeholder groups was to have an official voice at the Board table through voting seats for those organizations. This proposal comes up against a fundamental governance principle, iterated above, of the requirement for governors to be independent. It would be contrary to this

partners.” The views of our partners, including community members in the neighbourhoods surrounding the university, donors, and business people should be welcomed and sought as appropriate.

D. Recommendations

1. Request a place on the Senate agenda for regular Board reports – similar to the reports from the Academic Colleague regarding matters discussed at the Council of Ontario Universities. This would provide an opportunity for dialogue and input on some of the issues before the Board and an opportunity to advance communications between the two bodies. The report could be given by one of the two Board representatives on Senate.
2. Request a series of regular meetings, perhaps semi-annually, between the Senior Operations Committee of the Board (which consists of the chairs of the Board’s standing committees and the chair and vice-chair of the Board) and the chairs of Senate’s standing committees.
3. Propose to Senate the development of a joint orientation and education program focused on the roles and processes of the Board and the Senate

basis of his or her good judgment. Finally, duty of obedience speaks to the need to ensure that the institution is operating in accordance with its purposes and that it is compliant with the law.

The Board needs to structure itself to ensure that these three duties are consistently met. This has implications for the role and conduct of individual Board members, which are discussed later in this report. It also has implications for the types of committees that are struck, the mandates they are given, and the authority that is delegated to them, and for the ways in which the Board reaches decisions. Open, transparent decision-making processes are necessary to build trust in the efficacy and integrity of the Board.

B. Strategic Decision Making/Effective Decision Making

There are key areas of strategic focus for any board, regardless of the type of institution it governs:

- Strategic plans

- Selection of the president and appointment of senior management, and matters of compensation

- Fiscal integrity

- Risk management

All are necessary for the long-term sustainability of the institution and are tied to the Board's fiduciary role. They are inter-related and not dealt with in isolation. However, of the four, strategic planning is the driving force. Strategic plans state where an institution wants to go and what kind of institution it wants to be. However, such plans will only be successful if there is effective leadership, sufficient resources, and prudent management of the risks that change and growth bring. It is important, therefore, that the Board focus its attention and its priorities on the implementation of Western's plan, approved by both Senate and Board. The strategic plan should be at the heart of every discussion, not just discussed when it is being developed or reviewed.

Every governor, regardless of constituency, and all committees of the Board have responsibility for each of these areas of focus. Take, for example, responsibility for risk management. This is clearly a matter of concern for the Audit Committee. It needs to ensure that there is an effective risk management framework in place for both operational and enterprise risks. But the Property & Finance Committee must ensure that appropriate policies and practices are in place to manage the risks inherent in investing and in capital projects; the Senior Operations Committee needs policies and processes to assess university leaders; the Fund Raising & Donor Relations Committee must ensure that funds are raised in an ethical way and that donors do not have influence on the essential academic enterprise.

The Board must design its processes to ensure that its oversight is strategically focused and not diffused through the work of the committees. Effective decision making means that the Board remains seized of critical, high level d

The timing of when issues are brought to the Board also has impact on effective decision-making. Most often, matters come before the Board and its committees late in the university decision-making process when there may not be opportunity to provide meaningful input or make any significant change to a proposal from the senior administration. Earlier input from Board members in decision making could encourage the development of a range of perspectives, enhance the deliberative process, and spur consideration of a broader array of possible proposals and solutions.

The current format of transaction-based agendas combined with the use of a consent agenda can lead to a perception that the “real” work of the Board is being carried out in closed session. The consent agenda process was adopted by the Board many years ago to allow the Board to use its meeting time more effectively. Items on the consent agenda are those that, traditionally, have not elicited or required

t

It is responsible for human resource policy matters. All new and amended human resource policies are reviewed by the committee before being recommended to the Board for approval.

It is the Board's nominating committee. The committee keeps a running list of individuals who

Despite the continued relevance of the principles and responsibilities outlined in these documents, there is an opportunity for the Board to engage in a more regular assessment of these roles and responsibilities.

A number of the statements in the 1997 documents deal with matters discussed in the foregoing sections. For example, one of the roles of the Board is to “explain [the University, its mission, its strategic plan, and its culture] to the external community.” This speaks to the need for better communication with the various communities discussed in Section IV, and is reflective of the responsibility of a Board member to “help enhance the public image of the University and the Board of Governors.” Similarly, the idea of Board members being regularly informed of the affairs of the university beyond the routine responsibilities, is part of the call for better orientation and education around the activities and priorities of campus constituencies and university divisions.

Another role of the Board is “to assess board performance.” In this instance, there is a considerable opportunity for the Board to establish a system of performance assessment in order to identify both successes and challenges facing the organization and how those successes can be leveraged and the challenges mitigated. Performance reporting should have a role in Board communications to the Western community so constituents can better understand how the B

Report of the Governance Review Task Force
November 19, 2015

Matthew Wilson, Chair

**Board of Governors
Task Force on Governance 2015**

1. Members

The Task Force was struck by the Board of Governors in June 2015 in response to the issue of the president's compensation and to the non-confidence votes held by the Senate in April 2015. The following were elected to the Task Force by the Board:

Jeremy Adams, Alumni
Jonathan English, Student
Susan Grindrod, Staff
Hanny Hassan, Alumni
Paul Jenkins, Alumni
Richard Konrad, Board-Elected
Michael Lerner, City Appointee
Brendan Power, Student
Brian Timney, Faculty
Matthew Wilson, City Appointee

Matthew Wilson and Brian Timney were elected chair and vice-chair, respectively, by the Task Force.

2. Terms of Reference

2.2.

- b) Are the terms of reference of our committees appropriate?
 - What is the role of the Senior Operations Committee?
 - Are we properly delegating responsibilities to committees, to the appropriate committee, or to administration?
 - Does our committee structure follow U15/Ontario-wide best practices for governance structures?

- c) How are external, Board-elected members selected?
 - How do we ensure we have diversity of membership appropriate for our Board?

- d) Do Board meetings meet the needs of the University, and Governors?
 - Are Board and committee agendas appropriately structured?

Consultation List

The following were invited to make written submissions and/or to meet with the chair and vice-chair of the Task Force:

Alumni Association Executive
Chair of the Senate Ad Hoc Committee on Renewal
Members of Faculty and Staff at Western
Members of the Board – current and immediate past members
Members of the London City Council
Members of the Senate
Post-doctoral Association of Western
President, Vice-Presidents and other senior administrators
Professional Managerial Association
Society of Graduate Students
U Students'
University of Western Ontario Faculty Association
University of Western Ontario Faculty Association – Librarians & Archivists
University of Western Ontario Staff Association

In addition, the Task Force website included a dedicated email address through which anyone with an interest in the university's governance processes could make a submission.