PROPOSAL: Presidential Compensation and Contract

Background

The Western Michigan University (WMU) Board of Trustees are vested with the authority to govern the University by the Constitution of the State of Michigan. This fiduciary oversight includes the structurally important task of assessing the president’s performance. The Board has committed to an annual review process to include periodic input from stakeholders. Through WMU’s mission and vision the president is charged with inspiring organizational achievement. Assessing presidential leadership performance and evaluating data points relevant to institutional success is critical to University operation and further aligns unified leadership success. Focused annual review demonstrates organizational health in a dynamic and ever evolving environment.

The Board of Trustees is unified in their acknowledgement of President Edward Montgomery’s exemplary leadership of WMU. Accolades include: demonstrated connectivity and collaboration with students, faculty, staff, alumni, community members, legislators, business and educational leaders; stabilized financial ratings for the University; transformative strategy Think Big to unify stakeholders; giving voice to experience through the Staff Engagement Survey and encouraging executive leadership connectivity with the campus community; fiscal responsibility and accountability with a implementation of a strategic resource management (SRM) budgeting model and ten-year budget forecast based on enrollment projections; forward development with construction of Arcadia Flats, Hilltop Village, the College of Aviation Education Center, and planned renovation of Dunbar Hall; and championed numerous grants, awards, and distinguished recognitions on behalf of the University.

The Board supports President Montgomery’s effort to compel organizational achievement through focusing in on transformational priorities to include: second year student retention; six year graduation rate; alumni giving; externally funded research; entering student GPA; and university reputation. The Board will continue to track progress relating to improving student success, diversifying revenue streams, and positioning WMU as the school of choice for the region and beyond.

The Board would like to further demonstrate support for President Montgomery by approving an extension agreement through June 30, 2025. The President’s base salary as of July 1, 2020 will be at the annual rate $486,000 per year with eligibility for an annual goal-based merit bonus of up to 10% of his annual salary. The President’s salary will be reviewed annually in December and adjusted as determined by the Board of Trustees. The President’s Supplemental Executive Retirement Plan will be amended to $84,000 per fiscal year.

Recommend Action

It is recommended the Board approve the Employment Agreement Extension for President Edward Montgomery through June 30, 2025.