Academic Priorities Council’s Recommendations Regarding
Faculty Involvement in the Budgetary Process

Proposal:

The Academic Priorities Council (APC) applauds the University’s move toward a more decentralized and transparent budget process. We expect benefit from (1) greater budgetary literacy among a larger number of faculty and staff than currently exists and (2) more open, unimpeded flow of information than is currently practiced among the Provost, Deans, department chairs, and individual faculty members. This increased need for communication and education was acknowledged by JTFRA in their report last May.

The members of the APC are cognizant of the hard work and commitment by all involved to fulfill the charge of JTFRA, which includes identifying key characteristics for an effective resource allocation model and proposing specific changes for consideration by the campus community. In the JTFRA Report from last April, they recommended adoption of a more transparent and decentralized budget model, and development of a budget development process that would be iterative and require a “variety of new decision processes and adjust existing roles and responsibilities.” They also gave specific examples of integrative administrative structures, and committees and councils and their articulation. The APC supports this kind of systemic approach and the JTFRA research into what has been done at other universities to develop a transparent budget development system. We look forward to a more detailed JTFRA report this spring, and in the future.

In support of, and with confidence in this important work by JTFRA, the APC offers its perspective on a small piece of the process, the concept of advisory budget councils and their role in faculty involvement in the budgetary process.

We therefore recommend the following:

1) That informational seminars about the budget process be offered by the Deans twice yearly to all interested faculty, encouraging those who serve or will serve on the Councils and committees listed below to attend.

2) Two tiers of budget councils, the purpose of which is purely advisory:

   - A Provost’s Council that would advise the Provost on budget matters, among other things. This Council would provide at least two functions: (a) to bring more and better information to the Provost’s attention than s/he may be getting through purely administrative channels and (b) to answer questions the Provost may ask about faculty perspectives on the university’s academic budget, including its priorities, its process, and its substance. We understand that the newly formed Provost’s Advisory Council will be the group to do this and we support the Provost’s intention to involve the faculty in the budgetary process at the provost level.

   - College Budget Advisory Councils that would serve the same functions: (a) to bring more and better information to the Dean’s attention than s/he may be getting through existing channels (e.g., meetings of Heads and Chairs) and (b) answer questions the Dean may ask about faculty perspectives on the school or college’s budget. We stress that the members of these councils will not have decision-making powers. They are primarily participating in the conversation, and, as such, these colleagues will be able to bring information to the department regarding the department’s position relative to other departments (which may not be the same conversation that occurs among heads and chairs) as well as the budgetary position of the college. Also, they will be able to bring this information along with some important context. The chairs and heads of departments, of course, will be having conversations with deans and will be able to convey important information to faculty regarding budgets. The deans’ meetings with chairs/heads will result in different information from the budget councils because those meetings will be with other chairs/heads where the competition for resources could shape discussions. We suggest that a College Budget Council that is not restricted to
just the chairs and heads will lead to more engagement by the faculty in general. We also recommend that, in furtherance of the goals of college budget advisory councils, JTFRA consider proposing specific guidelines for the types and categories of information that Deans provide.

The JTFRA note in their May 2014 report the need for the development of a strategic budget process that would engage all levels of the campus. JTFRA also noted the importance of incremental reviews of the budget model to assess its effectiveness and its impact. Thus, the recommendation of two tiers of budget councils is consonant with a transparent strategic budget process. Faculty who have served on the deans’ budget councils would be well positioned to participate in the campus level review panel. This would provide transparency at all levels of budgeting, although the Faculty Senate also could provide a level of faculty representation on the incremental reviews.

Membership:

The Provost’s and the Deans’ Budget Councils would be appointed by them. Although the APC believes that there should be no restrictions on whom the Provost and the Deans choose to appoint to their Councils, we recommend that they seek to achieve groups representative of the units that their college comprises. A Council consisting only of Heads and Chairs or overwhelmingly of Heads and Chairs would defeat the purpose of this proposal and should be avoided.

Rationale:

We believe that the following points are germane to a rationale for establishment of the proposed councils. As we have considered the idea of budget councils we have come to realize that these councils serve a communication function and an education function.

With respect to communication, the rationale for dispersal of budget authority is that those closest to the impact of decision-making should be involved in the decision-making. Most importantly, an efficient flow of information in all directions will foster informed decision-making and collaborative realization of university policy.

With respect to education, we believe that the establishment of these two levels of budget councils will have the following outcomes:

1) Greater budgetary literacy among faculty will improve decision-making at all levels.

2) It is currently too easy for faculty members to lodge complaints or feel resentments about budgetary decisions while having no or little knowledge of the constraints and priorities that guide budget decisions. College level councils should serve to protect administrators against complaints based on such ignorance.

3) Faculty will be able to take on more responsibility for their unit’s fiscal health with increased knowledge of the budgetary process as a whole and of the relations among the university budget, the budget of their school and college, and their department (or unit’s) budget.

Guidance

1) We support JTFRA and would like to see JTFRA propose very specific guidelines for the types and categories of information that Deans provide.

2) We hope that the Provost conveys clear expectations to the deans about budget transparency and communication.
Various sources of input to the APC

Provost's input.

In considering College Budget Advisory Councils we have benefited from input by Provost Newman who provided a memo detailing the practices of each college. She also indicated that the deans have already expressed their views about what they believe is appropriate and why they think the consultative bodies they have in place will (or already are) working well to review budget.

Program and Budget Council input

We have also benefited from consideration of a preliminary document produced in the Program and Budget Council reviewing various positions with respect to the college councils. These were in the form of a series of contrasts.

Intent: Transparency of the Budgeting/Resource Allocation processes; Faculty input and Shared Governance.

Dilemma: On the one hand, the more people know the better. On the other hand, this can lead to a shadow government that bogs things down.

Already Have A Mechanism: Challenges that CBC bypasses the normal infrastructure of department chairs who work very hard and interface with faculty; this unit sits outside that structure.

Shared Governance: Yes, the intent is to engage faculty in shared governance, to get more people involved and participating as good citizens. This is a model of shared governance as articulated in the Wellman document. The Graduate Council and Commonwealth Honors College Council already articulate this idea.

Already Do It: Some colleges have Town Meetings. Besides, there are logistical issues in large colleges such as HFA that has 14 departments. So, the mechanism is already in place and so is transparency. Some colleges already have strategic planning and resource committee that comprises admin, faculty, and staff. It’s a mix, we’re all in this together. One college has a separate Executive Committee of Faculty, and already engaged in strategic planning and budget.

Not Adequate: The existing mechanisms for faculty input complement the existing administrative structures. Admin committee meetings are essentially staff meetings; this will be a second body more broadly representative of faculty, staff, and students.

Feels Forced: CBC feels prescriptive. Should the Faculty Senate be telling the Admin what to do, that this is the form, and imposing a structure on the colleges? How about something like this come organically from within colleges.

Minimum Threshold: Colleges do not publish the budget information so most faculty are uniformed. Indeed, one size does not fit all, but need a minimum threshold of information made available, while acknowledging that there needs to be flexibility in structure. The intent is not to stipulate uniform structure; by laws in each college.

Faculty Don’t Participate: A chief problem for some colleges is that not enough faculty are engaged in the process as it exists. So, challenge is to structure ways to engage more people—faculty, staff, and students—in the affairs of the college, especially as the new resource allocation model begins to take shape.

Not Unique: Many universities already have structures like this or similar, where faculty are formally engaged as partners with the administration.

Source of Authority: What is the Senate’s authority to do this (CBC)?

Authority: The Wellman Document (T73-098, amended 2/3/93) endorses shared governance and consultation on meaningful issues that impact the various constituencies.
One summary perspective: Deans are busy. Structure is already there; faculty can participate if they want. Another structure will slow down decision making. Strategic planning and budget are conjoint.

Alternative summary perspective: The structure is not quite there in terms of faculty engagement in the budget at the college level, especially given the evolving/imminently new budget model for the campus. Many other peer universities already do this idea in its various manifestations. Indiana, Kentucky, Tennessee, Maryland.

We have also seen the overall proposal of the Program and Budget Council and are in agreement with the content of that document. Specifically, the APC endorses the following four principles formulated by the PBC in an early draft:

1) Faculty should have regular access to meaningful and timely information (including estimates) about budget development and budgetary expenditures.

2) Faculty should have the opportunity—direct or indirect—to provide timely advice and input to the college budget development process, and to receive appropriate information regarding expenditures.

3) The campus should develop useful, consistent, and timely budgetary information to support this process at the school and department levels. Colleges may also develop supplemental information as appropriate.

4) Formal mechanisms to provide for the above should be developed in each college, reflecting the different cultures and traditions. These mechanisms should be integrated into the overall campus budget development process, and they should reflect the principle of shared governance and collaboration among faculty, department heads, and deans.

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We acknowledge the helpful suggestions of Professor Chilton who has helped to shape this report in various ways, perhaps most importantly by tuning it to the thinking of the Joint Task Force on Resource Allocation which she co-chairs.