Elizabeth Chilton, Co-Chair of the Joint Task Force on Resource Allocation, summarized the process and recommendations of the JTFRA, which were presented at the 736th Faculty Senate meeting, after being sent out to the entire campus at the end of March. The JTFRA emerged from Phase I of the strategic planning process and was charged with educating the campus on the current budget process, identifying key characteristics for an effective resource allocation model, and proposing specific changes for consideration by the campus community. Underlying all of the JTFRA’s work was the idea that any budget model must be in line with the strategic priorities of the University. The membership of the JTFRA spanned the administration, faculty and students. The JTFRA has spent the past several months on a number of projects, beginning with a summary of the campus’ guiding principles. These principles, laid out by the Joint Task Force on Strategic Oversight, were shared with the campus community. The current budgeting system was then compared to these principles. A high degree of centralization and a lack of transparency were noted in the current model as being frustrating and creating difficulty in decision making. With the assistance of Huron Education, the JTFRA developed and examined a more transparent and decentralized UMass Resource Allocation Model (URAM). This was the most challenging part of the work of JTFRA. It was an iterative process that involved collecting feedback from numerous campus groups. The model that Huron helped JTFRA develop was used as the basis for the JTFRA’s final report (accessible at www.umass.edu/senate/jtfra-reports). However, the model has not been adopted, and changes can still be made. The JTFRA then made a number of recommendations and has continued to receive and respond to campus feedback. The recommendations are as follows:

1. The University continue the process started by JTFRA and further evaluate a more decentralized and transparent UMass Resource Allocation Model. JTFRA is not recommending adoption of any specific model or any change to the campus budgeting system at this time.

2. This evaluation should include testing of the UMass Resource Allocation Model discussed above in parallel with the existing model. This parallel testing will result in no changes to current budgets or processes and will consist solely of modeling and simulating recent and current data to permit evaluation and comparison of different approaches, and to better understand how an alternative model and system might work.

3. The JTFRA continue to lead the campus engagement throughout the parallel and implementation phases if a decision is made to move forward.

4. The JTFRA address certain immediate challenges prerequisite to a successful exploration, including:
   a. Understanding, vetting, and correcting where necessary the financial, instructional, and other data underpinning the model.
   b. Assessing the capacity at all levels to investigate and test a new model while simultaneously operating the existing model.
   c. Specifying the articulation between deans and departments in the resource allocation system to ensure appropriate levels of transparency and to define the role of faculty in resource allocation.

5. By the end of calendar 2014, the campus should take stock of what has been learned, and determine appropriate subsequent action (e.g., additional study, exploration of further variations, and/or a decision on whether or not to transition to a different model).

Although the model being examined by the JTFRA is more decentralized than the current model at UMass, the Task Force did not endorse a strict RCM or “every tub on its own bottom” model because it was felt that such a model may not incentivize collaboration and interdisciplinary work. Likewise, the JTFRA did not endorse a formula-based model because it was felt that such a model would create incentives that would not support campus priorities.
The final report of the JTFRA and the minutes to all JTFRA meetings are accessible at the JTFRA website (www.umass.edu/provost/strategic-planning/joint-taskforce-resource-allocation). Additionally, the JTFRA email continues to be active (jtfra@provost.umass.edu).

Randall Phillis, President of the Massachusetts Society of Professors, noted that the JTFRA has made some adjustments that are improvements on the previous draft document. His question was about the malleability of the process. The testing of the new model will begin in the fall. The information gathered from those tests can be used to make a decision on a new model that could begin being used in January of 2015, which is not much testing time. He wondered if that timeline was correct.

Professor Chilton stated that the most aggressive timeline would be a July 2015 implementation, assuming that the system seems ready and the campus is supportive of going in that direction.

President Phillis was relieved at the timeline. He remains concerned, however, about running the model without real incentives. People behave according to how things actually happen, not how something running in the background is operating. An artificial test might not allow behavioral shifts to occur.

Professor Chilton agrees with these concerns. Much of the report is spent on the larger budgeting system, as opposed to the budgeting model. This larger system makes it different than either a formula-based or RCM model in that it allows for more consideration of the common good and core values of the campus.

Timothy Anderson, Co-Chair of the Joint Task Force on Resource Allocation and Dean of the College of Engineering, added that there is a lot of history in budget changes that UMass can learn from. There are a number of regulatory mechanisms that can be added to budgeting systems to make sure that quality is not sacrificed.

President Phillis wondered who would be handling the steering wheel of the system. It is unclear to him how the faculty is involved with the strategic investment pool.

Professor Chilton stated that this needs to be investigated in more detail in the next phases of planning. There is an outline of strategic budget planning that should be transparent. There could possibly be a committee at the college level making sure that there is transparency between deans and faculty. Similarly, a committee could be formed in the administration. How these committees may look was not specified in order to be malleable.

Dean Anderson agreed that checks need to be in place to guarantee transparency, using the example of IT investment at the campus, college, and department level.

President Phillis wondered how these systems will be designed and how, exactly, faculty will have input. Finally, he wondered who would ultimately make the decision about any new budgeting system.

Professor Chilton proposed that campus engagement increase as the planning moves forward. Now is when the implications of any new budgeting model be discussed at all levels of the campus. She hopes that the JTFRA can lead this initiative.

Presiding Officer Richard Bogartz stated that there is no question that the Chancellor has the final word. But the University is currently working with a Chancellor who is very open to collaboration. Now is the chance to build in, structurally, the concept of faculty participation in budgeting.

Laura Briggs, Chair of the Department of Women, Gender, Sexuality Studies and JTFRA Member, noted that she just came from a meeting of heads and chairs of HFA. She offered some of the recommendations of that meeting. The current model under consideration makes a few things, such as productivity, very clear. Other things are less clear. The HFA heads and chairs have requested to see the cost of athletics, which is currently rolled in with the other auxiliary units like the hotel and radio station. The heads and chairs likewise wanted to see the cost of administration separated from all the other A & F units it is tied up in. The broadest concern was with the nature of the new budgeting model. The model can tell individuals on campus a lot about specific budgetary concerns. What it cannot do—and what it does not set out to do—is tell the campus anything about quality. Where are the financial incentives for excellence? Is there any incentive to design a better undergraduate program? The model does not tell the campus anything about excellence in teaching and research.

Professor Chilton noted that the version of the model included in the report has collapsed and condensed much information in order to make it readable. The Budget Office has all the data regarding the costs of athletics and administration and this information is all part of the model. The Joint Task Force ended the document with a discussion of quality so that the
conversation about quality could continue. The goal is to make more transparent how funds are flowing around campus, not to monetize campus activities, which is closer to a formula-based budgeting model.

Professor Briggs reiterated that heads and chairs would like to see costs itemized more explicitly in the report. The question of quality is fundamental to the type of budgeting the campus does. This model calls attention to costs, productivity, and bottom line. Given that the campus is moving towards a model that doesn’t directly acknowledge issues of quality, there needs to be another mechanism to do so.

Dean Anderson stated that quality is overarching. A likely outcome of the move to a new budgeting system will be an increase in assessment and evaluation at the department, college, and University level. It is in the decision making process— informed by data—that quality can be acknowledged.

Professor Chilton noted that quality has been tagged as an important issue going forward. To give an example, say that the College of Engineering is not producing the revenue to meet its cost of instruction. Also say, however, that it is a stellar program. It is very possible that the Chancellor would not want anything in that College to change. There will have to be assessments looking at other engineering programs and quality assurance, but the bottom line is not the most important aspect.

Senator Steven Brewer noted that he has experienced a number of budgetary crises since arriving at UMass. He believes that it is a good time to review the budget, as there is not a crisis and there is a collaboratively developed strategic plan. He encourages the plan to go forward.

Senator Maria Tymoczko suggested that the proper parliamentary procedure would be to make a motion encouraging the inclusion of quality relating to the budget system and the separation of athletics as an individual budget unit.

Secretary May noted that athletics is included with auxiliaries. The other auxiliaries, such as the dorms and dining commons, are expected to break even, but athletics do not.

Senator Curt Conner stated that you cannot talk about resource allocation without talking about personnel, because that is where 99% of resources on campus are used. Specific questions relating to personnel include TA allocation. The other end is the high end. Administrators have quadrupled over the past 25 years while the number of faculty has gone down 25%. There’s a problem here: we’re not trying to teach, we’re trying to administer. And the cost of administrators is outrageous. Maybe if we decentralize the finances, we could cut out half the administrators.

Professor Chilton knows from being a department head that there should be more transparency about the budgets that are used for such support as TAs.

Senator Monika Schmitter recently spoke to a colleague at Northeastern, where a hybrid budget system was recently implemented. That colleague says that the new budgetary system has created a competitive environment regarding majors and has heavily limited interdisciplinary work, as each department wants credit for its work. She wondered how these concerns could be evaluated in only a semester of study.

Dean Anderson agreed that, along with quality, these are big concerns when changing the resource allocation model that will be hard to gauge in the testing period. There needs to be regulation and adjustment, as well as the transparency that allows any issues like this to be in the forefront. There is obviously a learning process.

Professor Chilton stated that the diversity of the JTFRA was an attempt to consider issues of collaboration and interdisciplinary research. Co-PIs and collaborative work, along with a number of other attributes that affect cross-campus work, are explicitly addressed in the model. Ohio State, for instance, has disincentives to work across colleges. The Joint Task Force worked hard to avoid anything that would do that at UMass.

Senator Schmitter wondered if there would be a point in the future where faculty members could voice opinions about any new model.

Professor Chilton stated that, for the first few years, any new model would be an iterative process, where concerns are addressed as they arise.

Senator Susan Whitbourne noted that the Huron Consultants had worked with a number of other schools. She wondered how the JTFRA felt about the various budgeting changes that have occurred on other campuses.
Dean Anderson stated that the JTFRA’s initial work was all based on data relating to other campuses, and everything that the Joint Task Force has done is in consultation with those experiences.

Professor Chilton noted that she has learned more about the University’s budgeting system in the past few months than she did in years as a department head. UMass is unique in many ways. There are more rules about budgeting on this campus than many others, but there is also a larger state appropriation. The work that Huron did has been revealing and informative. All of this information will be an integral part of going forward with this model.

Presiding Officer Bogartz noted that there will be change, and there will be consequences. But there has not been a lot of conversation about the consequences that would arise if the University did not examine and revise its resource allocation systems. This is research, and Presiding Officer Bogartz has been impressed with the work that so many members of the JTFRA have done.

Senator Marinos Vouvakis believes this budgeting model is a step in the right direction. Right now, the basic units are colleges. Colleges are taxed to support administrative services. He wondered what mechanism there was to determine the costs of these services and who will make those decisions.

Professor Chilton stated that a subcommittee was formed to address these exact issues, chaired by Jennifer Normanly. The primary units may be able to affect their costs and revenues, but, under this model, would not be able to control the costs of central services. Current plans are to have regular meetings to inform the units about the available services and to keep tabs on what is happening. Right now there is no forum for collaboration between colleges and A & F services. There needs to be a process to streamline these processes.

Senator Vouvakis asked for clarification about the decision making. Who has decision-making powers regarding these charges to campus units?

Professor Chilton stated that the cost of A & F services will not be determined by the Chancellor, but based on the size and usage of the units.

Professor Donald Tomaskovic-Devey voiced support for a more deliberate budgeting system. Models always have assumptions in them. The key thing is making sure the model is not reified. It requires participatory budgeting and active examination of assumptions.


MOVED: That the Faculty Senate receive the report of the Joint Task Force on Resource Allocation; express its thanks and appreciation for the contributions of the Task Force members and the many participants in its forums and meetings around campus; endorse its recommendations as enumerated in Section III above; and look forward to vigorous campus consideration of both a Resource Allocation Model and a wider Resource Allocation System required to assure that the Model remains in the service to campus values and priorities, as presented in Sen. Doc. No 14-039.

Senator Howard Peelle expressed ambivalence about the motion. The heart of the motion is a request to endorse the recommendations in the report. There is much to applaud in the report, but the MSP has brought forth many issues that need to be resolved.

Randall Phillis, President of the Massachusetts Society of Professors, thanked the JTFRA for its hard work. He is against the motion, largely because it is premature. There are many concerns. There is an existential fear about monetizing things. The issue of transparency is also unresolved. Although the new system appears to be more transparent than the current system, there is no description of how this transparency will be accomplished. Quality is another concern. How will the value of quality be reflected in the budgeting process? Incentives around philanthropy money are also a concern. Many qualities that the University is striving for are not described in this report. If the only things that are monetized in the system are student seats and research, a future administration could disregard all of the other values that define this University. He advocated holding off on running the model until more information has been analyzed by the JTFRA.
Michael Malone, Vice Chancellor for Research and Engagement, agreed with almost all of President Phillis’ comments. However, he believes moving forward with the test run of the system is the best way to involve the campus, and should therefore proceed.

Bryan Harvey, Associate Provost for Academic and Resource Planning, added that one of the most admirable things that the JTFRA did was think deeply about how to address the questions brought up by President Phillis and the MSP. We should not go forward with conclusions, but go forward looking for answers. The adoption of this resolution, and the proceeding with running the proposed system, is the only way to continue this conversation and answer these questions.

Senator Marios Philippides stated that the Senate is not ready to adopt this motion. Senators have not had time to digest the report and the motion itself is horribly worded.

Senator Maria Tymoczko suggested amending the motion to stipulate that athletics be singled out as a discreet category and that strategies for defining quality be searched out. She moved an amendment to replace “endorse” with “receive” in the second clause of the motion.

The amendment was seconded.

Senator James Kurose addressed what the real recommendations of this report are. The recommendations are to continue the exploratory process around developing a new budget system and to continue the discussion. He thinks the Senate should endorse going forward in this way.

Senator Frank Hugus supports the amendment.

Senator David Gross also supports the amendment.

President Phillis is curious about what the word “receive” means. Testing the system has a way of locking it into place. It can be tweaked, but not thought of existentially. If “receive” means we don’t test the model, then President Phillis supports the amendment; if it still entails testing the model, he has reservations.

Senator Marta Calas spoke to the short timeline of the proposed testing. She wonders how much the campus will really know by the end of 2014.

Senator Amilcar Shabazz spoke against the amendment and for the original motion. The motion is one to endorse all the hard work that so many faculty members and administrators have put into this process. Without testing the model, there is no way to answer the questions that were brought up. A vote that doesn’t endorse the motion is a vote to do nothing; it is a vote to maintain a system that doesn’t work for this University.

The question was called and the amendment was voted down.

Senator Linda Smircich noted that it is not clear what will happen before any decisions are made at the end of the year.

Professor Chilton stated that the original draft of the report had a much looser timeframe, not wanting to put a hard deadline on the work when there may still be many questions being raised. The JTFRA is going to continue meeting with Faculty Senate councils and committees and, by December 2014, be ready to come back to the Senate with recommendations about going forward—which may include asking for more time.

The motion was adopted.

C. UPDATE FROM THE JOINT TASK FORCE ON STRATEGIC OVERSIGHT (JTFSO)
   NANCY COHEN, BRYAN HARVEY AND AMILCAR SHABAZZ, CO-CHAIRS

   1. PROGRESS REPORT ON PHASE I RECOMMENDATIONS
   2. REPORT ON THREE “FOLLOW-UP” PLANNING EFFORTS FROM PHASE I
   (QUESTIONS AND DISCUSSION TO FOLLOW)

Senator Amilcar Shabazz, Co-Chair of the Joint Task Force on Strategic Oversight, gave a brief outline of the work of the subcommittee. Last year, the JTFSO presented a Phase I report to the Faculty Senate. In the fall, it began work on Phase...
II, addressing a number of questions that were raised in Phase I and implementing some specific recommendations. These implementations are addressed in Appendix A of the Rules Committee report on the JTFSO. All of the developments made and initiatives taken by the JTFSO have been in collaboration with numerous Faculty Senate councils and committees as well as other groups, publicized on the JTFSO website, and available for campus input at every step.

Carol Barr, Vice Provost for Undergraduate and Continuing Education, co-chaired, with SGA President Zac Broughton, a JTFSO subcommittee charged with defining a UMass education. The full report, including a list of the groups that the subcommittee met with and the numerous sources referenced, is available as an appendix to the JTFSO report. Four themes were identified as defining a UMass education: Community, Agency, Responsibility, Proficiency.

Senator James Kurose co-chaired, with Vice Chancellor Michael Malone, the subcommittee looking into the research component of the campus. Their review process was data-driven. They identified a number of strengths, as well as developing strengths that need continued discussion.

Michael Malone, Vice Chancellor for Research and Engagement, noted that this is not an exhaustive list and that the continuing conversation will be sure to identify additional research strengths at the department and college level.

Senator Nancy Cohen, Co-Chair of the JTFSO, acknowledged UMass Amherst’s status as a land-grant university and the responsibility to the community that such status entails. The subcommittee studying campus engagement noted that the University needs to have an integrative engagement strategy across campus. The subcommittee recommended that the campus go through a broad consultative process to determine the best organizational structure for the engagement mission. The JTFSO Phase I report outlined a number of ways to go forward with the planning process, which the subcommittee recommends the campus follow going forward.

Senator Shabazz noted a number of other initiatives that the JTFSO is engaged in, including studying diversity, equity and inclusion. The JTFSO has been meeting with diversity liaisons from all units of the campus to gauge the University’s standing regarding these issues. Next year, the JTFSO will establish a subcommittee on diversity that will bring all constituencies on campus together.

The JTFSO has additionally been studying the internationalization effort on the UMass Amherst campus. That group has done exceptional work involving over 60 faculty and administrators. Highlights of their work are included in the JTFSO report.

Senator Cohen noted the many areas of progress that have come out of the JTFSO planning process, which are noted in the Report.

Associate Provost Harvey stated that everything that has gone into the Phase I and Phase II reports will be a part of the working process that will take place next year. Over the summer, chairs and deans can engage with the reports to determine the best ways to address the prompts about teaching, learning, research, outreach, et cetera and determine where each college stands. This is the chance to ask what progress would look like, considering all resource and curriculum implications. Planning will continue in the fall in regards to all of these initiatives. All executive and administrative units need to engage in the planning process along with the schools and colleges. At the end of the planning process, the hope is that the campus can synthesize a plan that fits at both the campus-wide and college levels.

MOVED: That the Faculty Senate receive the additional reports of the Joint Task Force on Strategic Oversight on the subjects of “What Defines a UMass Amherst Undergraduate Education?,” “Research and Graduate Education: Potential Areas of Research Focus,” and “Outreach and Community Engagement” that elaborate on points in the Phase I report; that it receive the report summarizing the efforts undertaken under Phase II of the Strategic Planning Process; and that it endorse the JTFSO’s conclusion that together the Phase I and Phase II documents provide effective guidance for the unit planning to be undertaken in Phase III. The Faculty Senate recognizes and applauds the fact that the strategic planning process had continued to be marked by collaboration among faculty, students, staff, and administration and it looks forward to continued collaboration as the campus moves into Phase III of the planning process during academic year 2014-15.

Senator MJ Peterson moved to table the motion until the next meeting.

The motion to table the motion was seconded and approved and the motion was tabled to the 739th Faculty Senate Meeting on May 8, 2014.
Senator Peterson moved to table all further business until the next meeting.

The motion was seconded and adopted.

The 738th Regular Meeting of the Faculty Senate stood adjourned at 5:47 p.m. on May 1, 2014.

Respectfully submitted,

Ernest D. May
Secretary of the Faculty Senate