Joint Task Force on Resource Allocation (JTFRA)

Report and Recommendations on the UMass Strategic Budget Allocation System

May 2, 2016

Task Force Members

Co-Chairs: Elizabeth Chilton (Assoc. Vice Chancellor for Research & Engagement); Jennifer Normanly (Department Head, Biochemistry and Molecular Biology)

Tim Anderson (Dean, College of Engineering)
Richard Bogartz (Designee of the Academic Priorities Council; Professor, Psychological and Brain Sciences)
Laura Briggs (Chair, Women, Gender, Sexuality Studies)
Julie Brigham-Grette (Department Head, Geosciences)
Julie Buehler (Vice Chancellor for Information Services and Strategy, CIO)
D. Anthony Butterfield (Program and Budget Council, Isenberg School of Management)
Stephen Cavanagh (Dean, School of Nursing)
Nancy Cohen (Co-Chair, JTFSO, Professor, Nutrition)
David R. Evans (Research Council, Professor, Education)
Mark Fuller (Dean of Isenberg School of Management)
Adina Giannelli (Designee of the Graduate Student Senate)
Bryan Harvey (Co-Chair, JTFSO, Associate Chancellor and Chief Planning Officer)
Mark Hochberg (Designee of the Student Government Association)
A. Yemisi Jimoh (Chair of the Rules Committee, Professor, Afro-American Studies)
Patrick Kelly (Assistant Professor, Electrical and Computer Engineering)
Mike Malone (Vice Chancellor for Research and Engagement)
Andrew Mangels (Associate Vice Chancellor for Finance and Budget Director)
MJ Peterson (Secretary of the Faculty Senate, Professor, Political Science)
Amilcar Shabazz (Co-Chair, JTFSO; Faculty Advisor to the Chancellor for Diversity and Excellence; Professor, Afro-American Studies)

Summary

This document is the third and final report of the Joint Task Force on Resource Allocation (JTFRA). The JTFRA was established in the fall of 2013 and charged with organizing the campus’ consideration of alternative resource allocation models and making recommendations to the Chancellor for moving forward with any proposed improvements. Specific expectations laid out in the charge include: (1) educating and engaging the campus community; (2) identifying key characteristics for an effective resource allocation model, and (3) proposing specific changes for consideration by the campus community (Faculty Senate Document No. 14-010B, October 2013).

In the Task Force’s two previous reports (April 2014 and April 2015), we recommended that the campus explore and develop a more transparent and decentralized
budget process, one that supports our strategic priorities and better serves our campus values. The JTFRA takes as a given that any resource allocation system must support and embody the values that are articulated in Campus Strategic Plan: (1) excellence, (2) leadership, (3) responsibility and stewardship, (4) social progress and social justice, (5) innovation, (6) discovery and impact, (7) engagement, (8) diversity, equity, and inclusiveness, (9) opportunity, (10) openness and integrity, and (11) integration and collaboration. In both of our previous reports, and the one presented here, we explore alternative budget models that could be used to inform a more strategic budget process. The budget model is not intended to be formulaic or deterministic, but is meant to serve as a clear, reasonable, and informative starting point for an engaged campus discussion about how to best support our campus priorities through budget development.

In this report, we summarize the work of the JTFRA over the past three years, focusing on the development and testing of a budget development process this academic year (2015-16) and further observations on the budget model that has been under consideration.

We recommend that:

1. The campus move forward with budget development process as begun this academic year and as outlined in this report.
2. The budget model developed and reviewed by the JTFRA be used to inform the budget development process for FY18.
3. The Faculty Senate Rules Committee and the Chancellor develop a Strategic Planning and Budget Advisory Committee (SPBAC) as a campus-level standing committee.

Three considerations shaped our first recommendation:

a. The more formal, transparent, and decentralized budget development process initiated by the Chancellor’s Office this year was an important first step towards a new budget process.

b. Increasing transparency requires the engagement of faculty at the college level. In our last report we recommended the development of a college consultative mechanism. We report here on how they were launched this year in the schools and colleges, and make recommendations for developing that further.

c. Both in our own discussions and in conversation with campus stakeholders it became clear over the past three years that there is urgent need to increase the extent of communication, sense of shared purpose and collaboration between academic units and A&S units. To this end, the Joint Task Force on Strategic Oversight (JTFSO) and the JTFRA formed a Joint Subcommittee on Administrative Costs and Services (JSACS) this year. The A&S units, like the academic units, took part in the budget development process this academic year, which allowed the JSACS to observe possible inputs and outputs to such a process. We share the JSACS’ activities and recommendations here as well.

While a more transparent budget development process could stand on its own with or without a new budget model, we believe the campus should adopt and continue to refine the Strategic Budget Allocation Model as developed over the past three academic years and
as described in this report.

A budget model is a mathematical construct providing information about activities directly affecting revenues and costs to campus and their change over time. The model output will provide a comprehensive, holistic, and relatively clear common language, and it would serve as a starting point for discussions at the school/college and campus levels. While faculty, department chairs, deans, vice chancellors, etc., all have access to large amounts of data about teaching and research (e.g., OIR and the doctoral program review), and while these other sources of data must continue to be evaluated as part of the critical context for decision making at all levels, we believe that the use of a common budget model will be a more transparent, consistent, and effective way to provide data as a basis for budget development.

Over the past three years the JTFRA has worked to create a customized budget model. We have come a long way since 2014 in creating a model for the campus that establishes a reasonable starting point for discussions on how to support many of our strategic priorities and values; we recommend that it be used to inform the FY18 budget development process. We encourage the use of brief consultations with external parties with appropriate expertise (e.g., colleagues at other campuses that have implemented similar budget models) in the refinement and use of the model.

The SPBAC would be a standing committee and a successor to the JTFSO and the JTFRA, and it would be charged with overseeing the refinement of the budget development process, appropriate review mechanisms, model refinement, providing for transparency to the campus community of both data sources and budget results throughout the budget process, and articulation with the strategic plan.

a. This committee would have as its primary orientation the alignment of resources with priorities and reflect the effective integration of planning and budgeting.

b. The committee would be a collaboration among faculty, staff, students, and administrators--much as the JTFRA and JTFSO have been--but it should also have the appropriate level of both expertise represented and clear accountability and responsibility. Such a standing committee would also serve as an advisory board for the campus level review in the budget development process.¹

c. The Joint Subcommittee on Administrative Costs and Services (JSACS), which is a joint subcommittee of the JTFRA and JTFSO, has done a great deal of work this year in thinking through how best to articulate administrative costs and services into strategic budget planning (see attached report). However, since the campus budget development is still ongoing, we recommend continuing the JSACS’ work into the fall semester and ask that they make their final recommendations directly to the SPBAC for reporting to campus by December 2016. Going forward, it is expected that the ongoing work of the JSACS would be taken on by a subcommittee or subgroup of the SPBAC.

¹ It would include representation from key Faculty Senate Councils (e.g., Program and Budget Council and Academic Priorities Council) but would include also include staff and student representation and would continued strategic planning as well as budget development and process.
Background on the Joint Task Force for Resource Allocation

The Joint Task Force on Resource Allocation (JTFRA) emerged from the first phase of the Strategic Planning process and was established in Faculty Senate Doc. No. 14-010B on October 10, 2013. The Phase 1 report of the Joint Task Force on Strategic Oversight underscored the need to promote an “evidence-based resource allocation” and to “adopt practices that reinforce the link between evidence and decisions.” The report also highlighted the need to set “high standards of transparency, rationality and fairness as we tackle difficult choices.”

During the first year of the JTFRA’s work (2013-14), we focused on (1) better understanding how our current model and process works, and how campus constituencies felt that it could be improved, and (2) exploring alternative budget models and processes that might better support our campus values, planning, and priorities.\(^2\) In short, our recommendations at the end of that first year were to:

1. Evaluate and develop a more decentralized and transparent resource allocation model.
2. Continue to explore how such a model would articulate with a strategic resource allocation system to support our campus priorities.
3. While the focus of the first year was on academic units, we also recommended a process to support a collaborative approach to campus budgeting among both Administrative & Support (A&S) units and academic units.
4. We concluded our first report by underscoring that a resource allocation system must service the institution’s values and goals:
   - By sharpening the focus on how resources are invested;
   - By clarifying the opportunities to attract resources to support quality;
   - By promoting alignment with institutional priorities.

In the second year of the JTFRA’s work (2014-15), we focused on testing the initial model that had been explored the previous year. More specifically, we worked with the budget office to load FY14 data into the model, translate and reconcile our current way of budgeting with the model to be tested, and determine adjustments to the model for further testing. Our specific recommendations in April of 2015 were to:

1. Develop consultative mechanisms at the school/college level as well as for the A&S units as part of a holistic campus budget development process.
2. Continue to test and develop the budget allocation model (several adjustments were recommended and are outlined in our full report).\(^3\)

Overall, the 2015 JTFRA report emphasized the need to develop a comprehensive budget process with the following features:
- Transparency of and assured faculty access to budgetary information at the departmental and school/college levels.

\(^2\) [https://www.umass.edu/oir-dept-review/sites/default/files/JTFRA-finalreport-and-supplement%20042114.pdf](https://www.umass.edu/oir-dept-review/sites/default/files/JTFRA-finalreport-and-supplement%20042114.pdf)
• Guidelines specifying the types of revenue, spending, and budgeting information to be made available to faculty.
• Appropriate modeling tools to enable exploration of revenue and expenditure scenarios at all levels.
• Formal consultative mechanisms for timely faculty input into the budget development process at the campus and college levels, reflecting the principles of shared governance in permitting faculty comment and advice while maintaining the administration’s ultimate responsibility in the determination of budgets, resource allocations, and expenditures.

In the remainder of this report we outline the activities and recommendations in this the final year of the JTFRA. These recommendations build on the work of the two previous years, and we recommend referring to those two previous reports for details.

**Strategic Budget Allocation System**

Budgeting on this campus currently can best be described as incremental, in which the current budget forms a base, with increments added or taken away each year as circumstances allow or require, leading to modest changes. Incremental budgets do not easily allow for rapid changes in either revenues or costs, and decisions are made centrally for the most part. Our campus has defined some areas where colleges are encouraged to develop initiatives that result in new revenues, which they keep and have discretion over spending (e.g., Continuing and Professional Education revenues, out-of-state student tuition and fee growth, and net graduate tuition and fee growth). However, these are only small parts of a large and complex system, and there is currently little transparency in how all the revenues and costs fit together.

**Figure 1. Incremental Budgeting**

In the system we have been exploring and recommend here, there are iterative discussions for the shaping of budget plans for academic and A&S units, and the campus as a whole can better align changes in resource allocations to changes in activity and better serve campus goals.
In the illustration of the system above, whether or not there is a budget “model,” the budget process determines the outcome in terms of allocations of both revenues and costs to meet campus goals. The budget model, in this context, serves as a means of depicting trends in both revenues and spending to inform the campus discussions and resulting decisions.

**The Budget Process**

From the very start, the JTFRA has advocated against a completely decentralized budget process, which is often referred to as “every tub on its own bottom” or Responsibility Centered Management (RCM), in which allocations to colleges are entirely based on revenues. These types of budget processes do not leave strong opportunities to develop and implement campus-wide strategic initiatives. Instead, we have advocated for a campus approach to budgeting that maintains our shared values and priorities, such as:

- Collaboration
- Respect for the common good
- Holistic view of the university
- Support of diversity, equity, and inclusiveness
- Quality

In order to support these values, we very early on underscored the need to focus on the *process* by which decisions would be made, and how decisions would be informed, rather than on the data used to inform decisions. This year the campus launched its first strategic budget development process. The goal is to bring somewhat greater consistency and structure to discussions of revenues and expenditures, much of which currently occurs informally. This year was the campus’ first attempt to have both academic and

---

4 [https://www.umass.edu/oir-dept-review/FY17-Guidelines](https://www.umass.edu/oir-dept-review/FY17-Guidelines)
administrative and support units engaged in consultative budget planning. It focused on academic and administrative unit priorities selected for action in FY17. It did not address every detail of budgeting, and it did not involve any changes to the accounting system or how money is managed locally. The budget development (still ongoing) is a “roll-up” process: it starts with College/Executive Area guidance for development of ideas at the department level. Department/unit budget plans roll up to the College/Executive Area and ultimately the campus as a whole. At each stage there has been discussion back and forth before arriving at the proposals that will go forward. The culmination of discussions at each level will produce budget plans that will be made available to the campus community and appropriate bodies (e.g., college-level consultative groups), and feedback will be considered by the relevant administrative officers and used to inform decisions.

**Figure 3. Timeline for Budget Development for Academic and Administrative Units**

The Joint Task Force on Strategic Oversight’s (JTFSO) report outlines the details on how that process proceeded and where there were some major improvements and challenges. We will not repeat those here but instead give a high level overview of the process. The budget development process was web-based, and data were provided to departments to inform their budget plans and priorities (e.g., OIR data, Academic Analytics, as well as graduate and undergraduate program metrics). Since the College and Executive Area roll-ups were due in mid-April, it may be some time before the results of the process are clearly known and can be evaluated. Nevertheless, some of the key factors of a budget process, as recommended by the JTFRA in our 2015 report, are discussed here:
• Transparency
• College Consultative Mechanisms
• Meshing of Academic and A&S Unit Planning

Transparency: Because we have not changed the underlying incremental budget model of the campus, it was difficult to provide the needed level of transparency in this first year of a new budget development process. The types of data provided to departments—i.e., the kinds of data we already have at hand for the campus—were quite dispersed, and each college rightly developed its own way of insuring that the appropriate conversations were happening between the Dean and Departments. However, there was not time to have more broad discussions of campus priorities (e.g., among department chairs/heads within the college), and this is something that we recommend developing further. Information was requested in stages, which caused some confusion and resulted in variability among college plans. We recommend that attention be focused on the timeline and a well-crafted electronic workflow with appropriate training and IT support for the budget development process starting in FY17. For example, a web-based system could be developed that allows departments to submit plans that can be reviewed by the college consultative mechanism, and that is also visible to the Deans, and to the campus-level committee. Additionally, a budget proposal form and appropriate IT support could be developed so that there is greater consistency in responses and in the types of data being used. Best practices for such a system could be drawn from other campuses.

College Consultative Mechanisms: In April of 2015, the JTFRA recommended the following principles as a means to provide for formal consultative mechanism for timely faculty input into the budget development process:

“Each college will design its own college-level consultative mechanism in a way consistent with that college’s culture while advancing the principles of transparency, consultation, and alignment of resource allocation with campus goals…Consultation is understood as including in the budget development process participation by a substantial number of faculty who are not currently holding administrative positions”

Each of the Schools and Colleges provided an overview of how they approached these college consultative mechanisms this year in the budget development process. These are provided in Appendix A.

After reviewing each college’s proposed consultative process, the JTFRA members note that there were two basic college processes. The first uses a college-wide meeting soliciting feedback from faculty. The feedback we have received is that this process did not allow for much meaningful involvement from faculty members, especially when information is not provided in advance. The other process uses a working group that includes faculty members. This allows for greater involvement from faculty members through all stages of the budget development process and a wider understanding of the process. While acknowledging that each college has its own administrative structures and approach to faculty service obligations, the JTFRA recommends that as the budget process continues to develop and become more formalized, the SPBAC should consult with colleges on refining the process to encourage more effective faculty participation. This should be
informed by the principles embodied in the detailed reports of the Academic Priorities Council and the Program and Budget Council concerning college level budget consultations. The college consultative process would be aided by the use of a consistent departmental and college budget form, as discussed above, and a process that started early enough to afford enough time for college and campus-level discussion.

Meshing of Academic and A&S Units: From the start, the JTFRA has highlighted the importance of considering administrative costs and services in the context of both strategic and budget planning. To that effect, in the Fall of 2015 we established the Joint Subcommittee on Administrative Costs and Services (JSACS; see Appendix B). This subcommittee undertook a first iteration review of administrative costs and services in the context of this year’s budget development process. Their recommendations focus on how to better collect feedback from the campus on A&S priorities and effectiveness, and—perhaps most importantly—how to foster a greater sense of collaboration between academic and administrative & support units in both setting priorities and developing campus budgets. We recommend that the work of JSACS continue into the fall to evaluate how well the process addressed budget development for Administrative & Support units. Rather than continuing to have a separate subcommittee, we recommend folding these responsibilities into the SPBAC moving forward.

The Budget Model

While the campus engaged in the budget development process this year, the JTFRA continued to explore and test the budget model that we have been developing and testing over the past three years. The reasoning and details of each of the variables in the model are outlined in both of our previous reports, and they are also defined in detail in Appendix C and D. But the basic logic of the role and workings of the budget model is as follows.

Revenues: the two major sources of revenue to the campus are (1) the state appropriation, and (2) student tuition and fees. For the purposes of the model, these revenues are allocated to the schools and colleges based on their portion of student credit hours, number of majors, sponsored research activities, and salary increases.

Costs: the actual expenditures of each school/school is shown, and they are also apportioned a share of the Administrative and Service (A&S) costs based on a number of cost drivers (Appendix D).

Unit margin: when one subtracts the costs from the revenues for a particular year, you get a “unit margin,” the change in which is depicted as either a positive or negative number as compared to the previous year.

For the past three years we have consistently recommended that any budget model being used to inform decision-making should be used as a starting point for discussion. The budget model is not meant to “determine” unit budgets; instead, a model should be a reasonable and useful tool for budget planning and decision-making. When combined with

5 http://www.umass.edu/senate/sites/default/files/APC%20COLLEGE%20BUDGET%20COUNCILS-02-15.pdf
the budget development process, we see the model as informing that process in the following manner:

**Figure 4. Relationship between the budget process and model**

![Diagram showing the relationship between the budget process and model.](image)

Our work this year on the model has focused on several mathematical issues relating to the model; the goal was to improve the model so that it would be a useful starting point for discussion in a campus budget development process. We are grateful to Lynn McKenna, Associate Director of the Budget Office, for her tireless work on the budget model and endless patience as we worked through several iterations.

In particular, the work on the model included the following:

- Loading FY 15 actual data and FY16 projections to compare with FY14 to see if we could evaluate how the model could be used to assess change over time.
- Loading FY16 and projections for FY 17 to see how the model could be used for planning moving forward.
- Addressing several mathematical issues with the model that arose in the process of looking at multiple years of data.
A copy of the model output in its present state as well as a narrative description of the major variables in the model reference are provided in Appendices C and D. The specific mathematical issues that were addressed this year included the following.

A&S Cost Distribution. In the version of the model under review last May, 65% of the A&S costs were distributed on the basis of a school or college's share of total direct expenses. These total expenses included sponsored research direct expenses. Once several years of data were loaded, an unintended result of this allocation strategy was revealed - changes in sponsored research resulted in A&S cost allocation swings larger than the change in revenue generated by indirect cost recovery and the state subsidy for research. In other words, the model appeared to be depicting a disincentive for sponsored research. While we know that sponsored research does require investment of campus resources, we want to be sure that we are not unintentionally building in a disincentive for something that is a key priority for the campus.

The proposed solution to this problem is to distribute a portion of the administrative services and campus wide plant (debt service and repair and restoration on buildings) costs based on a school or college's sponsored research expenses and the rest based on only their portion of general operating funds expenses. The amount allocated based on sponsored research expenses was calculated using the campus' actual administrative cost rate (72%) multiplied by the total sponsored research direct costs. For FY16 this would be $74.2 M. This amount would then be allocated to the schools and colleges based on the school or college's percentage of sponsored research direct expenses.

The remainder of the administrative services and campus wide plant costs (debt service and repair and restoration of buildings) will be distributed based on a school or college's share of the general operating funds (not grant funds) expenditures. Even with this change, there are some sizable swings in A&S cost allocations based on changes in sponsored research expenditures, but the change is tempered by this adjustment to the model, and we believe it is a reasonable starting point for a budget model.

Revenue Distribution. In the budget model discussed last year, the two major revenues sources for the campus—the state appropriation and tuition and fees—were allocated using different methodologies. Tuition and fees were allocated to schools and colleges based on 75%/25% student credit hours/majors (net of waivers). The state appropriation was allocated based on funding allocations for sponsored research, salary increases, and tuition and fee increases (when we get state appropriation in lieu of tuition and fee increases). The unintended result of this strategy was that the schools and colleges were getting all of the tuition and fee revenue increases plus state funding for research and salary increases, leaving the campus-wide central budget in deficit in years when our salary increase budgets came from tuition and fee revenues and not from the state appropriation.

The proposed solution to this issue is to create one revenue pool of undergraduate tuition and fees together with the state appropriation that remains after we deduct the sponsored research subsidy and budgets for salary increases. A set percentage of this revenue pool would be allocated to the schools and colleges, where the percentage of the pool allocated would be determined based on how much the campus-wide central budget would need for school/college central funding allocations (subventions) and A&S costs not covered by the schools/colleges. Schools and colleges would still get the sponsored research subsidy ($39M in the current version of the model) allocated on the basis of their
share of sponsored research. They would also continue to be funded for salary increase costs. There would be no change to the graduate tuition and fees and indirect costs recovery revenue distributions.

Further considerations. The JTFRA made a great deal of progress in working with the Budget Office on the model under consideration; however, additional mathematical fixes may yet improve the model output as a starting point for discussions in the budget process. Most notably, the changes in unit margins for the college from year to year seem to be, in some cases, quite large. Since the model output does not (and is not intended to) reflect campus values and alignment with strategic planning goals, a college with a model output that indicates a negative margin cannot be expected to reduce its operating budget quickly, especially since most of any college’s budget includes tenured and tenure track faculty members. Conversely, increases in a college’s unit margins likewise cannot be “new money” to that college in an automatic way, especially if there are no TOTAL new revenues for the campus. The JTFRA explored several scenarios for looking at unit margins and calculating an allocation of only a portion of the change (see Appendix C). For example, figures in the last line of Appendix C, “Total Unit Margin @ 25% of Change,” reveal that using a proportion of the total does dampen the rather larger fluctuations observed in total unit margins depicted at 100% rate of change. This might be one way to manage expectations resulting from the model output. However, there might be other equally effective ways we have not yet explored.

We recommend that the Chancellor appoint a small working group to prepare the model over the summer and into the early fall, so that the model can be used in time for FY18 budget planning. This working group should consist of people with budget expertise—some from central administration and some from individual schools/units. Such a group might benefit from having a Chief Financial Officer from a peer institution come to campus to evaluate the current status of the model and make recommendations for improvement and for operationalizing the budget development process. Such a person should be an established higher education finance leader that has previously implemented a similar model at a large institution. The goal would be to borrow best practices from peers and adapt them to the campus context. This working group would report to the SPBAC on its findings so that the results could inform the FY18 budget development process.

Another issue that should be explored further is the creation of a defined and more formalized strategic investment pool. Because the data we have looked at heretofore have been retrospective, the strategic investments at the school/college and central level were embedded in the cost allocations and could not be easily teased out. The leveling of unit margins in a “hold harmless” scenario is, in and of itself, a strategic decision. But it is clear that there needs to be a mechanism for calling out and tracking strategic investments so that there is both transparency in these decisions and an ability to account for them in moving forward.
Final Recommendations

To conclude, we recommend that:

1. The campus move forward with budget development process as begun this academic year and as outlined in this report (note specific suggestions for improvement outlined above regarding transparency, college consultative mechanism, and the meshing of academic and administrative & support units).

2. The budget model developed and reviewed by the JTFRA be used to inform the budget development process for FY18. The model will require fairly continuous review during the first few years to insure that it is serving as a useful and appropriate starting point for campus budget discussions. After the first two years, we suggest establishing a more formal campus review of the process and model every three years. The model data should be made available to the campus community on an annual basis. This will enable important conversations among faculty, chairs, deans, and vice chancellors, etc. Further, during the first few years of implementation we recommend using budget forums as an opportunity to seek campus feedback and make any necessary changes to either the process or budget model.

3. The Faculty Senate Rules Committee and the Chancellor develop a Strategic Planning and Budget Advisory Committee (SPBAC) as a campus-level standing committee. This would be a successor to the JTFSO and JTFRA and would be charged with overseeing the refinement of the budget development process, appropriate review mechanisms, model refinement, providing for transparency to the campus community of both data sources and budget results throughout the budget process, and articulation with the strategic plan.
   a. This committee would have as its primary orientation the alignment of resources with priorities and reflect the effective integration of planning and budgeting.
   b. The committee would be a collaboration among faculty, staff, students, and administrators--much as the JTFRA and JTFSO have been. The committee should include members with the appropriate level of expertise and with both accountability and responsibility for budgeting and planning. Such a standing committee would also serve as an advisory board for the campus level review in the budget development process.
   c. The Joint Subcommittee on Administrative Costs and Services (JSACS), which is a joint subcommittee of the JTFRA and JTFSO, has done a great deal of work this year in thinking through how best to articulate administrative costs and services into strategic budget planning (see attached report). However, since the campus budget development is still ongoing, we recommend continuing the JSACS’ work into the fall semester and ask that they make their final recommendations directly to the SPBAC for reporting to campus by December 2016. Going forward, it is expected that the work of the JSACS would be taken on by a subcommittee or subgroup of the SPBAC.
Conclusion

In sum, through three years of analysis of the campus’ current budget system, alternative budget systems, and the burgeoning budget development process, the Joint Task Force on Resource Allocation concludes its work with a recommendation that the campus continue to develop a more transparent and holistic budget development process and that the process be informed by access to a clear and comprehensive budget model. The budget process should include an accounting of previous revenues and expenses as well as the potential impact of strategic changes. The model itself would serve as a starting point for campus discussions at the department, college, and campus levels during the budget development process, and it should not be used in a formulaic manner.

The goal of the JTFRA has been to make recommendations on how we can, as a campus, better harness our financial resources to meet our strategic goals and priorities. A more transparent and comprehensive budget process is especially timely given the challenges that the campus faces in revenues and costs. Currently we budget for only one year at a time, in part due to the variability in our state appropriation. Our hope is that through more purposeful budget planning process that the campus will be able to better align campus resources with long-term strategic priorities. Our campus values cannot be reduced to a consideration of monetary value. Nevertheless, we will not be able to serve those values or meet campus priorities without a thoughtful, transparent, and thorough consideration of the resources that it will take to achieve them.

MOTION: That the Faculty Senate receive the final report of the Joint Task Force on Resource Allocation, express its appreciation for the outstanding contributions of the Task Force Co-Chairs and other members, and thank them and the many participants in its meetings with constituencies around campus for their thoughtful contributions to campus deliberations. It has fulfilled its charge to guide the campus towards a more intentional, transparent, and data-informed budgeting process.

6 See the presentation to the Faculty Senate by the Chancellor in February 2016: https://www.umass.edu/senate/sites/default/files/Chancellor's%20Presentation%202-18-16.pdf
Appendix A.

College-Level Consultative Mechanisms

**College of Information and Computer Sciences**

1. The Executive Committee in the College of Information of Computer Sciences will serve as the Budget Committee. The Committee is comprised of the following individuals:
   a. Donna Falcetti
   b. Dean Bruce Croft
   c. Dept Chair James Allan
   d. Assoc. Dean Jack Wileden
   e. Assoc. Dean Shlomo Zilberstein
   f. Assistant Professor Yuriy Brun
   g. Professor David Jensen
   h. Associate Professor Gerome Miklau
   i. Professor Prashant Shenoy

2. The process so far has been to review the college budget for FY16 at a high level and discuss financial decisions that need to be made for this year. During our January/ Feb meeting(s) they will most likely review again and discuss any changes that need to be made in the spring. Then they will start planning for FY17.

3. Donna Falcetti will be the designated contact in the Dean’s Office for questions, more information.

**Humanities and Fine Arts**

HFA has a longstanding practice of holding college-wide “town meetings” to discuss matters of broad concern. They will be holding a special town meeting at least once a semester for a budget presentation and Q&A. The first such meeting took place October 28, 2015, and consisted of an overview of the HFA budget, its expenses and sources of revenue. It was attended by approximately 40 faculty and staff members. The Spring town meeting took place on March 24, for a discussion of college budget priorities.

**College of Natural Sciences**

CNS had the kick off all college budget meeting on December 11. Approximately 110 staff and faculty from the college attended. This is leading into the CNS Standing Committee on Budget which will meet every two months. Membership on that committee is voluntary and is still forming.

**Social and Behavioral Sciences**

SBS met last fall to review the overall university and college budgets, and then distributed the college allocations to each major department/program, including faculty and staff salaries, TA's, GOF allocations, etc. as well as department/program-level revenues from CPE, gifts, etc. The following individuals were included in the process:
Anthropology - Tom Leatherman
Communication - Claudio Moreira
Economics - TBA
Journalism - Karen List
LARP - Patricia McGirr
Political Science - Tatishe Nteta
Resource Economics - MJ Alhabeeb
Sociology - Tony Paik
Associate Deans Julie Caswell and Jen Lundquist
Ray La Raja,
Anna Branch
Karen Schoenberger (assistant dean)
Department Chairs and Independent Program Directors (Michael Ash, Erica Scharrer, Kathy Forde, Jane Fountain, Lee Badgett, Clare Hammonds, Dan Lass, Elisabeth Hamin, Jackie Urla, Michelle Budig, Paul Collins)

Faculty representatives were chosen by the departments. We plan to continue such meetings at least once a semester, in addition to regular budget updates and consultations with department chairs throughout the year.

School of Public Health and Health Sciences
Initial budget conversations in the School of Public Health and Health Sciences (SPHHS) occur at Executive Council meetings. The Executive Council is comprised of the Chairs/Head of each department, the Associate Deans and the Dean. Based on these discussions the budget is then discussed at an All-School town hall to allow for faculty input. In addition, all faculty members have the opportunity to provide feedback on the budget development process via the feedback button on the SPHHS webpage, and in discussions with the Chairs/Head and the Dean.

Nursing

1. The college faculty has elected a 3-person Faculty Executive Committee (one member is the chair of the Faculty Association). This group meets monthly with the Dean to discuss all issues, including, budget. This meeting is timed, where possible to occur in advance of the monthly Faculty Assembly meeting.
2. Based on the above meeting Faculty Executive Committee, dean’s agenda items are agreed and discussed at the next Faculty Assembly meeting open to all faculty. This can include budget issues.
3. The deans holds monthly ‘Dean’s Discussions’ where faculty are invited to discuss a wide range of issues, that also include budget, as part of an on-going strategic planning and quality assurance initiative.

Faculty Executive Business
The Executive has meet monthly for most of the academic year. At these regular meetings a number of financial issues have been discussed, one of which has been the college’s strategic spending plan for
FY17. As a consultative committee, the Executive was able to ask (and they did) a number of questions related to budget and future spending priorities. It is our expectation that this approach to consultation will continue in the future.

Education

FY17 budget process:

December/January: Individual meetings with Department Chairs to create draft Instructional Budgets (part-time faculty, TA/TO, PA)

January/February: Reviewing proposed Instructional Budgets in DDD Plus (Composition: Dean, Associate Deans, Department Chairs, Director of Administrative Services, Director of Finance and Facilities, Director of Urban Initiative and two Dean’s Leadership Fellows)

January 29: College-wide meeting (faculty and staff)
  • Presentation of very early draft College budget -- projected Instructional Budget, faculty and staff salaries, estimates of operational expenses and revenues
  • Department Chairs describe progress on strategic priorities to date and outline FY 17 strategic priorities

January/February: Departments elect representatives to participate in budget meetings with DDD Plus.

February 29: first budget meeting – review budget requests in light of strategic priorities, discuss available resources.
Present: 6 full time administrators, two senior staff, three faculty in leadership roles, three elected faculty department representatives

March 21: second budget meeting — review budget requests in light of strategic priorities, discuss available resources.
Present: same group as above

May 9: College-wide meeting (faculty and staff)
Revisit projected FY 17 College Budget

Isenberg School of Management

Isenberg has held 3-4 all-school meetings (typically September, December, February, and May) for the past 5 years. It is our longstanding practice to explicitly discuss budget issues in at least two of those meetings, which typically involve about 80% of our faculty and staff in attendance. As the new budget models rolls out, we see these discussions being more in-depth.

In addition to our all-school meetings, Isenberg holds Administrative Committee Meetings (ADCOM) twice a month, one of those meetings (Regular ADCOM) devoted to topics appropriate to department chairs and associate deans, and the other meeting (Extended ADCOM) including key professional staff (career center, marketing, finance, metrics, IT). Between 2-4 times a year (dependent upon need) Extended ADCOM’s will be focused primarily on budget updates, and our plan is for two faculty
members at large (nominated by the departmental personnel committees) will represent the faculty on budget issues at those meetings.

Finally, Isenberg has rolled out a budget meetings (twice a year) with department chairs and their staff, to discuss financial sources and uses, as well as staffing analytics (course enrollments, faculty course loads), revenue generation and development activities, all with aim to improve the efficiency and effectiveness of school processes.

**College of Engineering**

To ensure alignment of goals and specific strategies across the College and departments, each unit will provide individual strategic plans.

The College provides each department with projected base budget needs for the next fiscal year that include anticipated changes (e.g., raises, arriving hires, and estimated formula funding (e.g., graduate student revenue, and engineering fee allocation). The department provides:

- Hiring plan for the next fiscal year
- 5-year budget projection (primarily to track start-up and faculty salary needs in out years)
- Request for renovations, if any
- Proposals/budgets for strategic investment

Similarly, the College service units (Student Affairs, Career Planning and Student Development, Diversity Programs, Communications, Engineering Computer Services, and Development) provide their strategic plans. The College provides each unit a base projected budget, and the units then submit proposals/budgets for strategic investment.

The departments (Head) and units (Leader) meet individually with the College Budget Council. The Council is composed of 1representative from each department, an undergraduate student, and a graduate student) and Dean’s office (an Associate Dean and F&A Director). The Council will review the budget requests and their alignment with the College and Department’s strategic plans. Revisions are made based on these discussions and another College discussion (all Heads, unit Leaders, College Budget Council, and Dean) takes place to ensure alignment, identify synergies, and set priorities. The College plan and associated budget is prepared by the Dean and submitted to the University for review and discussion.
The charge of JSACS (as a subcommittee of JTFRA) is to investigate a means of building cooperative relationships in which A&S units would acquire greater insight into the priorities of the academic units, and academic units would acquire greater insight into operations and costs, including those relating to institutional compliance with government regulations. The Committee has been asked to contribute to quality assessment of A&S units by reviewing baseline service expectations, priorities, and benchmarking of resources. Our committee is charged to access and analyze financial data, existing performance metrics, service level agreements, and other pertinent information. The intent is to develop opportunities to discuss whether academic units should assume greater responsibility for certain services, be able to arrange for different levels of service, and whether particular services provided by A&S units can be streamlined. A&S units may be able to act as brokers in helping the campus obtain additional service resources. In all cases the focus is to be on developing a collaborative approach to optimizing services. The academic mission of the campus drives the mission of the A&S units.

The membership of the committee includes representatives from the JTFRO and JTFRA with members from academic, student, and administrative areas. The Subcommittee met five times over the Spring 2016 semester (Jan 22; Feb 9; Mar. 11; Mar 22 and April 4) laboring first over the charge and how to attack the large number of units within A&S.
The committee heard presentations from UMass Amherst IT, Controllers Office, and Research and Academic Administration, addressing the following larger questions:

- What is it like to be an administrative support unit?
- What works? What doesn’t?
- What are the budget challenges?
- How do they determine priorities? Feedback methods?

Each area provided an overview of their areas, review of their priorities, and current projects. It is very clear that many administrative staff are working harder than ever before!

Much discussion took place as to how to capture feedback on the current state of Administration and Support areas and how to analyze their submitted priorities. JSACS suggests that A&S units not have a separate budget process, but that priorities and resources be evaluated for the campus as a whole.

Suggestions for next steps for JSACS might include:

- Possibly the development of a survey to capture feedback from Deans and Department heads, and/or
- Develop a JSACS portal on the Chancellor’s website where campus staff can submit ideas for feedback on A&S priorities,
- Provide a suggestion box to the campus community for campus effectiveness with a reward for the most cost effective suggestion.
- Develop an inventory of performance analytics for each area
- Consider if we could use lessons learned from others more intentionally. Some of the best campuses have a strong relationship between Academic and Administrative units. We strive to develop that feedback loop. Perhaps by considering a check-in process where 1-3 financial experts from select other large campuses (not consultants but more of a peer approach) that have successfully implemented a similar model would come to our campus for 1-3 days and offer fine-tuning advice for our consideration -similar to other review process used across our campus with success (potential low and cost high return given we have few that have already done this exercise on our campus).
- Establish a timeline for the coming year to review submitted priorities (Heat map!) captured in campus surveys, especially those that streamline processes seeking a balance between risk and efficiency.

We acknowledged the idea of a long-term JSACS-like process that that would increase effectiveness between academic and A&S units.
## FY16 & FY17 Projected Data

Includes Exploratory Track Students as Majors

<table>
<thead>
<tr>
<th>College of Natural Sciences</th>
<th>College of Information and Computer Science</th>
<th>College of Education</th>
<th>Engineering</th>
<th>Humanities &amp; Fine Arts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Allocated on Ugrad Instruction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ugrad Credit Hours</td>
<td>61,151,738</td>
<td>62,318,666</td>
<td>5,205,553</td>
<td>5,978,244</td>
</tr>
<tr>
<td>Revenue Allocated on Ugrad Major</td>
<td>18,686,564</td>
<td>18,773,691</td>
<td>2,062,938</td>
<td>2,601,092</td>
</tr>
<tr>
<td>Total Ugrad Tuition &amp; Fees</td>
<td>79,838,302</td>
<td>81,092,357</td>
<td>7,268,491</td>
<td>8,579,336</td>
</tr>
<tr>
<td>Grad Tuition &amp; Fees Net of Waivers</td>
<td>4,429,093</td>
<td>4,561,966</td>
<td>1,542,742</td>
<td>1,589,024</td>
</tr>
<tr>
<td>Ugrad School/College Fees</td>
<td>1,183,480</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research Support Allocation</td>
<td>18,814,494</td>
<td>18,614,839</td>
<td>3,809,093</td>
<td>3,950,566</td>
</tr>
<tr>
<td>BASE Salary Raise Allocation</td>
<td>5,298,505</td>
<td>7,285,526</td>
<td>631,314</td>
<td>866,998</td>
</tr>
<tr>
<td>NONBASE Salary RETRO Allocation</td>
<td>1,111,166</td>
<td></td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Other Revenue Total (ICR)</td>
<td>12,498,210</td>
<td>12,832,630</td>
<td>3,434,770</td>
<td>3,558,599</td>
</tr>
<tr>
<td>Revenue Total</td>
<td>121,989,770</td>
<td>125,570,798</td>
<td>16,810,833</td>
<td>18,543,883</td>
</tr>
</tbody>
</table>

### Expense

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Budget</td>
<td>64,366,236</td>
<td>64,366,236</td>
<td>7,853,189</td>
<td>7,353,189</td>
<td>9,005,363</td>
<td>9,005,363</td>
<td>19,473,802</td>
<td>19,473,802</td>
<td>41,937,689</td>
<td>41,937,689</td>
</tr>
<tr>
<td>Salary Increases (Base &amp; Non-Base)</td>
<td>5,428,608</td>
<td>7,637,630</td>
<td>641,325</td>
<td>905,118</td>
<td>746,521</td>
<td>1,046,177</td>
<td>1,594,404</td>
<td>2,217,113</td>
<td>3,557,931</td>
<td>5,045,889</td>
</tr>
<tr>
<td>RETRO Salary Increases (Non-Base)</td>
<td>1,111,166</td>
<td>1,142,423</td>
<td>163,725</td>
<td>163,725</td>
<td>-</td>
<td>912,857</td>
<td>555,602</td>
<td>555,602</td>
<td>3,322,891</td>
<td>3,322,891</td>
</tr>
<tr>
<td>Non-Base Budget</td>
<td>915,772</td>
<td>915,772</td>
<td>1,314,317</td>
<td>1,314,317</td>
<td>81,795</td>
<td>81,795</td>
<td>555,602</td>
<td>555,602</td>
<td>3,322,891</td>
<td>3,322,891</td>
</tr>
<tr>
<td>Student Fee Spend</td>
<td>2,002,911</td>
<td>2,002,911</td>
<td>298,824</td>
<td>298,824</td>
<td>304,979</td>
<td>334,718</td>
<td>1,110,779</td>
<td>1,259,079</td>
<td>5,780</td>
<td>7,976</td>
</tr>
<tr>
<td>Unit Margin after A&amp;S Unit Allocations</td>
<td>(60,809,699)</td>
<td>(59,129,189)</td>
<td>(8,158,692)</td>
<td>(7,148,154)</td>
<td>(11,199,180)</td>
<td>(10,703,602)</td>
<td>(23,268,874)</td>
<td>(23,145,026)</td>
<td>(40,110,308)</td>
<td>(41,170,906)</td>
</tr>
<tr>
<td>Base Year Central Funding Allocation</td>
<td>60,809,699</td>
<td>60,809,699</td>
<td>8,158,692</td>
<td>8,158,692</td>
<td>11,199,180</td>
<td>11,199,180</td>
<td>23,268,874</td>
<td>23,268,874</td>
<td>40,110,308</td>
<td>40,110,308</td>
</tr>
<tr>
<td>Change in Unit Margin</td>
<td>1,680,511</td>
<td>1,680,511</td>
<td>-1,010,538</td>
<td>-495,578</td>
<td>-123,848</td>
<td>-123,848</td>
<td>-1,060,652</td>
<td>-1,060,652</td>
<td>-514,294</td>
<td>-514,294</td>
</tr>
</tbody>
</table>

Appendix C.
### FY16 & FY17 Projected Data

**Includes Exploratory Track Students as Majors**

#### Allocation Driver

<table>
<thead>
<tr>
<th></th>
<th>Management</th>
<th>College of Nursing</th>
<th>Public Health &amp; Health Science</th>
<th>Social &amp; Behavioral Sciences</th>
<th>Colleges/Schools Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Ugrad Tuition &amp; Fees</td>
<td>$27,531,059</td>
<td>$27,706,009</td>
<td>$2,683,849</td>
<td>$2,758,640</td>
<td>$2,683,849</td>
</tr>
</tbody>
</table>

#### Revenue

<table>
<thead>
<tr>
<th>Revenue Allocated on Ugrad Instruction</th>
<th>Ugrad Credit Hours</th>
<th>Ugrad Majors (IN/OUT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2016</td>
<td>$17,183,728</td>
<td>$10,347,331</td>
</tr>
<tr>
<td>FY2017</td>
<td>$17,644,878</td>
<td>$10,061,131</td>
</tr>
</tbody>
</table>

#### Total Revenue

<table>
<thead>
<tr>
<th>Revenue Total</th>
<th>$31,216,734</th>
<th>$32,330,839</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2016</td>
<td>$3,490,722</td>
<td>$4,334,026</td>
</tr>
<tr>
<td>FY2017</td>
<td>$25,472,980</td>
<td>$26,291,979</td>
</tr>
<tr>
<td>FY2018</td>
<td>$49,602,573</td>
<td>$47,913,825</td>
</tr>
</tbody>
</table>

#### Expense

<table>
<thead>
<tr>
<th>Expense</th>
<th>Management</th>
<th>College of Nursing</th>
<th>Public Health &amp; Health Science</th>
<th>Social &amp; Behavioral Sciences</th>
<th>Colleges/Schools Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Budget</td>
<td>$15,924,773</td>
<td>$15,924,773</td>
<td>$3,007,336</td>
<td>$3,007,336</td>
<td></td>
</tr>
<tr>
<td>Salary Increases (Base &amp; Non-Base)</td>
<td>$1,939,121</td>
<td>$1,968,043</td>
<td>$933,117</td>
<td>$442,300</td>
<td></td>
</tr>
<tr>
<td>RETRO Salary Increases (Non-Base)</td>
<td>$262,586</td>
<td>$624,375</td>
<td>$43,594</td>
<td>$426,000</td>
<td></td>
</tr>
<tr>
<td>Non-Base Budgets</td>
<td>$362,871</td>
<td>$362,871</td>
<td>$9,456</td>
<td>$9,456</td>
<td></td>
</tr>
<tr>
<td>RTPF Spend (Dean/Dept)</td>
<td>$5,685</td>
<td>$7,737</td>
<td>$7,737</td>
<td>$18,138</td>
<td></td>
</tr>
<tr>
<td>Student Fee Spend</td>
<td>$624,375</td>
<td>$624,375</td>
<td>$150,100</td>
<td>$150,100</td>
<td></td>
</tr>
<tr>
<td>A&amp;S Assessment</td>
<td>$20,952,656</td>
<td>$20,952,656</td>
<td>$2,503,777</td>
<td>$2,503,777</td>
<td></td>
</tr>
</tbody>
</table>

#### Unit Margin after A&S Unit Allocations

<table>
<thead>
<tr>
<th>Unit Margin after A&amp;S Unit Allocations</th>
<th>$(7,687,730)</th>
<th>$(7,459,972)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(FY2016)</td>
<td>$(3,446,979)</td>
<td>$(3,353,109)</td>
</tr>
<tr>
<td>(FY2017)</td>
<td>$(3,868,516)</td>
<td>$(4,087,975)</td>
</tr>
<tr>
<td>(FY2018)</td>
<td>$(13,863,399)</td>
<td>$(15,072,236)</td>
</tr>
<tr>
<td>(FY2019)</td>
<td>$(172,413,378)</td>
<td>$(170,270,223)</td>
</tr>
</tbody>
</table>

#### Change in Unit Margin

<table>
<thead>
<tr>
<th>Change in Unit Margin</th>
<th>$(277,758)</th>
<th>$-93,870</th>
</tr>
</thead>
</table>

**Page 2**
SUMMARY OF THE ALLOCATION OF REVENUES AND COSTS IN THE STRATEGIC BUDGET ALLOCATION MODEL

Funds included in the Model

The current version of the model focuses on what was previously referred to as Budgeted Funds. These funds include general operations funds, indirect cost recovery funds (with the exception of PI allocations) as well as school/college-specific fee funds.

These remaining fund categories, while not specifically included in the model will likely play a role during budget discussions:

- **Continuing & Professional Education** - Continuing and Professional Education programs contained within the CPE DeptIDs associated with the school/college and Continuing Ed Incentive funds
- **Faculty Start-Up** - Faculty Start-up and Research Support Acct funds
- **Revenue Operations** - Sales and service funds
- **PI RTF% and Other** - Indirect Cost Recovery allocated to PIs and other miscellaneous funds such as Amherst Public Service Endow, Collaborative Biomed. Research, CVIP, and Program Income
- **Gift/Endowment** - Gift and Endowment funds
- **Grant*** - Sponsored grants and Federal Appropriation

*While Grant funds have been removed from the budgeted revenue and expenditures in the schools and colleges, the direct grant expenses incurred are included in the A&S expenditure allocation driver used to distribute a portion of the Administrative Services and Campus-Wide Plant expenditures as well as the total Research & Engagement A&S Costs.

Plant, agency and loan funds are not included in the budget model. Plant funds reflect expenditures for capital assets. Loan funds are pass-through funds used for student loans. Agency funds are monies we hold that do not belong to the university – the largest piece of which is the federal student loan program.

Allocated Revenue

A. State Appropriation

A portion of the state appropriation is allocated as follows:

- a. Approximately 15% is allocated to the schools and colleges in recognition of the high indirect costs associated with conducting research.\(^1\) This pool is allocated to schools/colleges based on their relative share of a prior two-year average of grant direct expenditures (as calculated in the Co-PI adjusted data).
- b. Collective bargaining allocations are calculated based on existing payroll and distributed to schools/colleges based on their actual costs.

\(^1\) The precise dollar amount is the difference between the target indirect cost recovery amount, assuming an average 35% recovery rate, and the full indirect cost given the calculated rate of 72%.
c. The remaining state appropriation is combined into a pool with undergraduate tuition and fees (see B, below) to be distributed based on each school/college’s split of undergraduate student credit hours and undergraduate student majors.

B. Remaining State Appropriation and Undergraduate Tuition & Fees
This pool of revenue includes the remaining state appropriation from A, above, plus all net undergraduate mandatory tuition and fee revenues (excluding school/college-specific fees). Net tuition and fee revenues include the gross tuition and fee dollars billed less tuition and fee waivers and financial aid. 55% of this pool is allocated to the schools/colleges, with the campus central budget retaining 45% to cover the school/college central funding allocations (subventions) and any A&S costs not covered by the schools/colleges. This funding source is divided into three pools and is allocated to the schools/colleges as follows:
   a. Undergraduate Instruction Pool – 75% of the pool is allocated to schools/colleges by their relative percentage of a prior two-year average of undergraduate instructed credit hours (combined in-state and out-of-state).
   b. Undergraduate In-state, Major Pool – The rest of the pool (25%) is divided into in-state and out-of-state pools based on the percentage of net tuition and fee revenue from each residency category. The in-state portion of the pool is allocated to schools/colleges by their relative percentage of a prior two-year average of Fall undergraduate, in-state FTEs enrolled (including secondary majors and exploratory track students).
   c. Undergraduate Out-of-state, Major Pool – The rest of the pool (25%) is divided into in-state and out-of-state pools based on the percentage of net tuition and fee revenues from each residency category. The out-of-state portion of the pool is allocated to schools/colleges by their relative percentage of a prior two-year average of Fall undergraduate, out-of-state and regional FTEs enrolled (including secondary majors and exploratory track students).

C. Graduate Tuition & Fees
Graduate tuition & fees net of waivers are recorded in the school/college of record (major). Tuition and fees net of waivers for non-degree students are allocated to schools/colleges based on their share of the net tuition and fee revenues assigned (based on their majors).

D. Undergraduate School/College Fees
Undergraduate school/college-specific and course fees net of waivers and financial aid are recorded in the school/college earning the revenues.

E. Indirect Cost Recovery
The full Indirect Cost Recovery is attributed to schools/colleges (as calculated in the Co-PI adjusted data) less the funds allocated to PIs. This Indirect Cost Recovery revenue makes up the majority of the OTHER REVENUE TOTAL (ICR) on line 30.
A&S Allocations

The FY16 baseline A&S Assessment is calculated using a projection of the FY2016 A&S budgets/expenditures. These budgets/expenditures are allocated to the schools and colleges using a prior two-year average of the allocation drivers provided in the appendix (FY16 allocated based on average of FY14/15 allocation drivers). For FY17 the total A&S budgets/expenditures allocated were not projected to increase over the FY16 amounts, however, the amounts allocated to each school/college were adjusted for the updated allocations drivers (average of FY15/16).

Revenues and Administrative and Support Service Allocations:

<table>
<thead>
<tr>
<th>Revenue/Expense Allocation</th>
<th>Allocation Methodology/Driver</th>
</tr>
</thead>
<tbody>
<tr>
<td>UG Tuition &amp; Fees Net of Waivers &amp; Financial Aid + Remaining State Appropriation</td>
<td>75% on UG Instructed Credit Hours, 25% on UG FTE Enrollment</td>
</tr>
<tr>
<td>Grad Tuition &amp; Fees</td>
<td>Based on school/college of record</td>
</tr>
<tr>
<td>Grad Waiver</td>
<td>Based on school/college of record</td>
</tr>
<tr>
<td>UG School/College Fees</td>
<td>Based on school/college earning fee</td>
</tr>
<tr>
<td>State Appropriation</td>
<td>Approx. 15% on Research; collective bargaining based on existing payroll;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>A&amp;S Allocation</th>
<th>Allocation Driver</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Affairs</td>
<td></td>
</tr>
<tr>
<td>Academic Administration</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>Academic Support Services</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>Commonwealth Honors College</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>Enrollment Management</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>Graduate School</td>
<td>Graduate Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>University Library</td>
<td>75% on Faculty FTE; 25% on Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>Undergraduate Affairs</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>Administrative Services - RESEARCH (Now split into two pools)</td>
<td>Research Administrative Support Services - calculated using the full calculated indirect cost rate (72%) X Direct Grant &amp; Contract Expenditures LESS Total Research &amp; Engagement A&amp;S Costs (below).</td>
</tr>
<tr>
<td>Administration and Finance</td>
<td>Direct Grant &amp; Contract Expenditures</td>
</tr>
<tr>
<td>Central Campus Expenses</td>
<td>Direct Grant &amp; Contract Expenditures</td>
</tr>
<tr>
<td>Campus Wide Plant (includes R&amp;R and Debt)</td>
<td>Direct Grant &amp; Contract Expenditures</td>
</tr>
<tr>
<td>Chancellor's Office</td>
<td>Direct Grant &amp; Contract Expenditures</td>
</tr>
<tr>
<td>Development &amp; Alumni Relations</td>
<td>Direct Grant &amp; Contract Expenditures</td>
</tr>
<tr>
<td>Information Technologies</td>
<td>Direct Grant &amp; Contract Expenditures</td>
</tr>
<tr>
<td>UMass System Office</td>
<td>Direct Grant &amp; Contract Expenditures</td>
</tr>
<tr>
<td>University Relations</td>
<td>Direct Grant &amp; Contract Expenditures</td>
</tr>
<tr>
<td>Utilities Commodities</td>
<td>Direct Grant &amp; Contract Expenditures</td>
</tr>
<tr>
<td>Administrative Services – GENERAL (Now)</td>
<td>General Administrative Support – Total Administrative Services</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Administration and Finance</td>
<td>General Funds Expenditures in Academic Units</td>
</tr>
<tr>
<td>Central Campus Expenses</td>
<td>General Funds Expenditures in Academic Units</td>
</tr>
<tr>
<td>Campus Wide Plant (includes R&amp;R and Debt)</td>
<td>General Funds Expenditures in Academic Units</td>
</tr>
<tr>
<td>Chancellor’s Office</td>
<td>General Funds Expenditures in Academic Units</td>
</tr>
<tr>
<td>Development &amp; Alumni Relations</td>
<td>General Funds Expenditures in Academic Units</td>
</tr>
<tr>
<td>Information Technologies</td>
<td>General Funds Expenditures in Academic Units</td>
</tr>
<tr>
<td>UMass System Office</td>
<td>General Funds Expenditures in Academic Units</td>
</tr>
<tr>
<td>University Relations</td>
<td>General Funds Expenditures in Academic Units</td>
</tr>
<tr>
<td>Utilities Commodities</td>
<td>General Funds Expenditures in Academic Units</td>
</tr>
<tr>
<td>Facilities</td>
<td>Assignable Square Footage in Academic Units</td>
</tr>
<tr>
<td>Custodial/Waste Management</td>
<td>Assignable Square Footage in Academic Units</td>
</tr>
<tr>
<td>Grounds</td>
<td>Assignable Square Footage in Academic Units</td>
</tr>
<tr>
<td>Physical Plant</td>
<td>Assignable Square Footage in Academic Units</td>
</tr>
<tr>
<td>Research &amp; Engagement</td>
<td>Direct Grant and Contract Expenditures</td>
</tr>
<tr>
<td>Centers &amp; Institutes</td>
<td>Direct Grant and Contract Expenditures</td>
</tr>
<tr>
<td>Research Admin &amp; Compliance</td>
<td>Direct Grant and Contract Expenditures</td>
</tr>
<tr>
<td>Internal Research Funding</td>
<td>Direct Grant and Contract Expenditures</td>
</tr>
<tr>
<td>Research Support &amp; Engagement</td>
<td>Direct Grant and Contract Expenditures</td>
</tr>
<tr>
<td>Institute Applied Life Science</td>
<td>Direct Grant and Contract Expenditures</td>
</tr>
<tr>
<td>Vice Chanc Research &amp; Engage</td>
<td>Direct Grant and Contract Expenditures</td>
</tr>
<tr>
<td>Student Affairs</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>Student Engagement</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>Advocacy Inclusion Support</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>Student Transitions</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>Dean of Students</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
<tr>
<td>University Police Department</td>
<td>Total Student Headcount – Excludes CPE</td>
</tr>
<tr>
<td>Vice Chanc for Student Affairs</td>
<td>Total Student Headcount - Excludes CPE</td>
</tr>
</tbody>
</table>
MEMO

To: JTFSO and JFTRA co-chairs
From: MJ Peterson
Date: September 2014
Subject: Budget Decision-Making Bodies elsewhere

Introductory Comments

The information presented here comes mainly from university websites with additions from a 2008 study by the Hanover Research Group¹ and a 2013 study by John Curry, Andrew Laws and Jon Strauss²; the observations are my own reflections on what is typically incomplete information. I identify as best I can the formal structures for direct faculty involvement in budget discussions, but many such discussions also occur elsewhere in the organization. Because this tracks the formal structures revealed by charts or policy handbooks, it does not get as far in identifying which formal bodies are used how and at what intensity except where I was able to infer something about the latter from information on the website, information in the Curry, Laws, and Strauss study, or my own understandings of campuses and campus politics.

All of the schools discussed have adopted a decentralized non-incremental budgeting system. A few call it RCM; others use other names like “values-based budgeting.” Between the University of Kentucky’s website on steps in their own transition to decentralized non-incremental budgeting, the Hanover Group’s study, and the Curry, Laws, and Strauss book, I have provided notes on 16 campuses that have been using similar systems for longer or shorter periods of time:

- University of Pennsylvania* (1974)
- University of Southern California (AY 1982-83; major overhaul 2002)
- Indiana University Purdue University Indianapolis (IUPUI)* (1990s?)
  (probably because Indiana University is the more predominant partner)
- Vanderbilt University (ETOB since early 1980s; move towards some central control post-2008)
- University of Michigan* (1990; major revision 2000)
- University of Minnesota (1997)
- Ohio State University* (1998)
- Texas A&M (?)
- University of New Hampshire* (2000)
- Syracuse University* (2005)
- University of Iowa* (2007)
- Kent State University* (2009)
- Ohio University (2011)
- University of Florida* (2011)
- Texas Tech University (planned for 2011, transition later stretched out)


The administrative side of organization diagrams in the descriptive sections use regular type for direct reporting relations and italics for advisory committees. The Faculty Senate or similar body side only uses regular type.

**Implications for this Campus**

There is considerable variation in how campuses that have adopted decentralized non-incremental budgeting organize faculty, staff, student, and (occasionally) other constituency participation in consultations on institutional strategic plans, five-year and one-year budget plans or proposals, and definition of the strategic considerations that will guide allocations from the central or school strategic investment pool.

All of the schools have institutions for faculty participation in shared governance, and most of them appear to be better organized for holding such consultations than is this campus at present. While organization for effective consultation here is insufficient, it could be brought to levels corresponding to new needs under decentralized non-incremental budgeting either by creating adding new councils for that purpose or by following Ohio University’s path of redefining the tasks of bodies.

Most of the schools also have college-level guidelines on internal governance and many include provisions for consultation on strategic plans, values definition, and budget proposal development. However some of these structures are very dean-centered. I cannot determine whether the relative tendency towards more or less consultation revealed in the notes below reflects a campus standard, or whether it reflects what portions of within-campus variation I happened to pick up because of what I could find in my information sources. On the whole, this campus appears to lack bodies for within-school consultation. Several participants in last spring’s discussion of the developing JTFRA recommendation to try out a new budget allocation model expressed strong opinions that deans are disconnected from departments, and departments might well lack adequate opportunities to participate in school budgeting discussions. Deans could easily expand the agendas of meetings with department chairs (or department chairs and institute directors) to include discussion of college strategic plans, goals, and budgeting. However those meetings are limited to individuals having places within the administrative hierarchy, so would not provide broad-based consultations with affected constituencies. Belief that broader consultation is needed has inspired proposals to establish school-level budget councils to permit broader participation as part of the new budgeting process that needs to be part of any shift to decentralized non-incremental budgeting so that it works well for all levels of the campus.

**Campus-Level Budget Bodies Elsewhere**

All campuses treat budgeting as an administrative function, with the campus head (sometimes titled President; sometimes Chancellor) having final say (subject to Trustees supervision) on budgeting and administrative matters. While the websites varied in clarity on this point, all campus heads have some sort of “cabinet” of senior administrators with whom they discuss decisions and a council of deans,
whether reporting to them or to their provosts. At the same time, they all accept principles of shared
governance giving the faculty primary responsibility in academic affairs, and consultative functions in
others. Thus all have some sort of Faculty Senate or Faculty Assembly. Some campuses also have a
separate body with representation of other constituencies for discussing budgeting concerns.

**University of Michigan**

<table>
<thead>
<tr>
<th>President</th>
<th>Faculty Senate Assembly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provost</td>
<td>Provost</td>
</tr>
<tr>
<td>Advisory</td>
<td>Financial Affairs</td>
</tr>
<tr>
<td>Committee</td>
<td>Committee on</td>
</tr>
<tr>
<td>on Budget Affairs</td>
<td>University Values</td>
</tr>
</tbody>
</table>

The Senate Assembly has several committees (see [http://facultysenate.umich.edu/committees.html](http://facultysenate.umich.edu/committees.html)), of which the Financial Affairs Advisory Committee is the most relevant.

**Mandate:** Meets with and advises Executive Vice President/Chief Financial Officer on “financial affairs that involve the University at large, including among other matters, campus planning, capital outlay, plant and equipment and parking. In addition, this committee shall concern itself with matters affecting the preservation of the environment and the cultural heritage with respect to the University and community.”

**Membership:** 9

It also has a 6-member Budget Study Committee (est. 1994) to advice the Faculty Senate on matters identified thru analysis of the university budget. It was dormant in 2013 (year of last site update)

A 9-member Committee on University Values has a mandate that includes considering how to maintain university values in the face of financial challenges.

Provost’s Advisory Committee on Budget Affairs: (10-14 total members)

**Mandate:** Work on “a proactive basis” with the Provost on policy and procedure issues related to the Provost’s annual budget. “The committee’s advice shall be sought and given in a timely manner so that the advice could affect the decision-making outcome.”

**Membership** (10-15 total): 9 faculty selected to balance schools plus up to four faculty with budgeting expertise, 1 student.

**University of Southern California**

<table>
<thead>
<tr>
<th>President</th>
<th>Academic Senate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Academic Senate</td>
</tr>
</tbody>
</table>

Academic Senate  [http://www.usc.edu/academe/acsen/AboutUs/](http://www.usc.edu/academe/acsen/AboutUs/)

**Mandate:** Primary body for shared governance. Its structure is very school-centered (see membership) and each school has its own Faculty Council.

**Membership:** Most members are faculty elected by the Faculty Councils of the various schools. Has a 9-member Executive Board; among duties it meets monthly with university president or designee

Has a 22-member Faculty Council – pres of faculty + 1 rep from each school and from retired faculty asstn

None of the standing committees explicitly address budget.
### University of Minnesota

(Twin Cities is the largest campus and President of system is also head of TC campus. Bodies noted here are system bodies but also appear to operate for Twin Cities campus as well.)

<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>University Senate (comprising 4 Senates -- administration, faculty, students, staff)</td>
</tr>
<tr>
<td></td>
<td>Senate Consultative Committee</td>
</tr>
<tr>
<td></td>
<td>Finance and Planning Committee (reports to Univ Senate and Faculty Senate)</td>
</tr>
<tr>
<td></td>
<td>Faculty Senate</td>
</tr>
<tr>
<td></td>
<td>Faculty Consultative Committee</td>
</tr>
<tr>
<td>Provost</td>
<td>Administration makes written “campus compact” agreements with a campus, college, or support unit regarding goals and budget allocations. (<a href="http://www.academic.umn.edu/provost/compacts/index.html">http://www.academic.umn.edu/provost/compacts/index.html</a>)</td>
</tr>
</tbody>
</table>

### Iowa State University

<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>Senate</td>
</tr>
<tr>
<td>University Budget Advisory Committee</td>
<td>President’s Budget Council (administrators)</td>
</tr>
<tr>
<td>Provost</td>
<td>Provost’s Budget Advisory Committee</td>
</tr>
</tbody>
</table>

(see http://www.committees.iastate.edu/comm-info.php?id=151)

University Budget Advisory Committee

*Mandate:* advises president on overall budget.

*Membership:* 3 senior Academic Affairs Administrators, 1 from office of Assistant Vice President, Financial Planning & Budgets, 1 from office of Associate Vice President & Chief of Staff, 1 from Business and Finance, 1 from Student Affairs, 1 faculty member selected by Faculty Senate, 1 grad student selected by Graduate and Professional Student S--, 1 undergrad chosen by Governing Student Board(1), 1 from President’s Office, 1 chosen by Professional & Scientific Council [professional office and lab staff] (1), Student Affairs (1)

Provost’s Budget Advisory Committee (Provost does the budgeting for the academic units (7 schools, grad school, etc).

*Mandate:* Meets monthly to “provide feedback and ideas throughout the planning and budget development process that will inform decision-making for the academic division.”

*Membership:* 1 Dean from Council of Deans, 1 dept chair from Department Chairs Cabinet, 9 faculty (1 each from 8 colleges; 1 selected by Faculty Senate), 4 professional staff (from
Information Technology Services, Library, P&S Council, and Research & Economic Development)
2 staff from provost’s office), 1 grad and one undergrad student selected by their student
organization

University of New Hampshire

President

Central Budget Advisory Committee

F.S. Financial & Administration Committee

Budget and Planning Group

Central Budget Committee  http://www.unh.edu/vpfa/budgetcbc.html

An advisory committee for the president, “provides the means for institutional oversight
through financial planning and coordination of units’ budgets and determining funding
priorities. The Central Budget Committee advises the President on budget policy and financial
planning for the campus community.”

Membership:
Provost (Co-Chair), Vice President Finance & Administration Co-Chair);
2 Deans (one appointed by the Provost and one elected by the Deans’ Council);
2 administrators ex officio (Vice President for Advancement; Vice President for Student &
Academic Services; Senior Vice Provost Research)
4 faculty: Chair of Faculty Senate, Chair of the Faculty Senate Finance Committee, 2 at-large
faculty (provost chosen from among 5 nominated by Faculty Senate Agenda Committee);  
1 undergraduate and 1 graduate student (chairs of their bodies’ Student Fee Oversight
Committee)
Two at-large responsibility center unit heads (nonacademic?) appointed by the President)
One Council Representative (OS, PAT, EE);
Associate Vice President for Finance;
Associate Provost for Academic Administration (staff)

Budget and Financial Planning Group  http://www.unh.edu/vpfa/budgetfinancialmanagement.html

Mandate: Meets at least once a month before Central Budget Committee meetings and advises
Vice President for Financial Affairs and Associate VP for Finance on high level budgeting and
financial planning matters impacting the University and Responsibility Centers.  BFPG will be
responsible for reviewing and providing input various things, including Budgeting policies and
procedures, RCM allocation models, financial forecasts, capital project planning, endowment
forecasting and allocations, facilities and administrative costs

Membership: Chief Financial Officers of each RC unit including the UNHF, VPFA office staff
members, the Associate Provost for Academic Administration, the Associate Vice President for
Finance (Chair) and VP for Finance and Administration

Vanderbilt University

Chancellor

various university committees

Faculty Senate

Strategic Planning and Academic

Freedom Committee

( none solely on budget)
Governance is very Chancellor-centered; chancellor names the members of university committees on various fairly specialized topics that are outside the faculty Senate system of Committees.

Faculty Senate
61 elected faculty plus the officers, plus deans and certain administrators ex officio
Officers and Executive Council 6 (chair, chair-elect, immediate past chair; vice chair, vice chair-elect, immediate past vice chair)
Strategic Planning and Academic Freedom Committee
Mandate wide enough to deal with budget concerns if needed.

Ohio State University

<table>
<thead>
<tr>
<th>President</th>
<th>University Senate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(within which Faculty Council)</td>
</tr>
<tr>
<td>President’s Council</td>
<td>Council of Deans</td>
</tr>
<tr>
<td>Fiscal Committee</td>
<td>Financial Committee</td>
</tr>
</tbody>
</table>

University Senate
137 members total from three constituencies: faculty, administration, and students.

Faculty Council: the 70 faculty members elected to the University Senate

Fiscal Committee http://senate.osu.edu/

*Mandate:* “The committee shall have full access to all fiscal documentation necessary to perform the following functions”: 1) continual review of university fiscal resources and policies; 2) providing president with advice on the alternatives and strategies for the long-term and short-term allocation of university resources consistent with maintaining the missions of the university; 3) analyzing resources and budgets from an overall university-wide perspective; 4) analyzing resources and budgets of centrally supported vice presidential units; 5) advising the president, whether an “imminent financial crisis” should trigger determination of financial exigency; and 6) reporting annually to the Univ Senate and the Faculty Council on the budgetary and fiscal condition of the university.

*Membership* (22 total).
9 regular tenure-track faculty members, 8 chosen by the Faculty Council (including at least one dept chair and 2 Univ Senate members) plus 1 chosen by the president;
4 students – 1 graduate, 1 professional school, and 2 undergrads (elected by their associations);
3 staff members – 2 from department, school, center, or college offices having extensive fiscal and budgetary experience and expertise (1 selected by the faculty council in consultation with the university staff advisory committee; the other by the executive deans in consultation with the senior fiscal officers and 1 appointed by the president);
6 administrators – 2 central administration officials appointed by the president (non-voting) and all 4 executive deans.

University of Pennsylvania
University Council [https://secure.www.upenn.edu/secretary/council/]

Membership: 45 members of the Executive Committee of the Faculty Senate [which itself is a 55 member body; the Faculty Senate is all faculty]. The Faculty Senate shall insure that each faculty is represented and that at least three assistant professors serve on the Council.
1 full-time lecturer and 1 full-time member of the research faculty to be selected to serve two-year terms by vote of those constituencies;
11 administrative officers, including the president, the provost, and nine members of the administration to be appointed annually by the president, at least five of whom shall be deans of faculties;
15 graduate and professional students elected as members of the Graduate and Professional Student Assembly. The Graduate and Professional Student Assembly shall insure that, to the extent possible, each school is represented;
15 undergraduate students elected as members of the Undergraduate Assembly. The Undergraduate Assembly shall insure that, to the extent possible, each undergraduate school is represented;
2 elected representatives of the Penn Professional Staff Assembly;
1 elected representative of the Librarians Assembly;
2 elected representatives of the Weekly-Paid Professional Staff Assembly;
1 elected representative of the United Minorities Council.
(This size and complexity is fairly typical of Penn bodies)

Standing Committees (of University Council)

Mandate: There is no distinct budget or financial committee; the mandates of the Standing Committees on Academic and Related Affairs and on Facilities have mandates covering budget issues.
Membership: parallels typical standing committee with between 5 and 8 eight faculty members, 2 representatives of the Penn Professional Staff Assembly, 2 representative of the Weekly-Paid Professional Staff Assembly, 2 graduate/professional students, and 2 undergraduate students.

Faculty Senate: the “standing faculty” (tenured and tenure-system)
5 officers (chair, chair-elect, past chair, secretary, secretary-elect.
Also a 57-member Executive Committee (the 5 officers plus 52 other faculty members elected in a complex scheme) that normally acts for the whole.

Chair, chair-elect, and past chair are the Consultative Committee that meets with the president and the provost to discuss matters of concern to the faculty.

Penn's Provost has an Academic Planning and Budget Council meeting fortnightly during academic year.
Mandate Deals with a whole range of things, including budgets
Membership: Provost (chair), 9 faculty members (5 selected by the Faculty Senate; 4 selected by the Provost; 2 administrative members named by the Provost; and 2 undergraduate and 2
graduate/professional students, chosen by their respective bodies. Members of the Provost’s staff may also attend for informational purposes.

Syracuse University

**Chancellor**

**Chancellor’s Cabinet**

**University Senate**

**Committee on Budget and Fiscal Affairs**

University Senate’s Committee on Budget and Fiscal Affairs:

http://budplan.syr.edu/BudPlan/display.cfm?content_ID=%23%28-%28-%2B%0A

*Mandate*:

“The Committee shall participate in the development and subsequent modification of University-wide budgets in cooperation with appropriate officers of the Central Administration. The Committee shall also have within its purview all long-range financial plans. It shall apprise itself of the general financial position of the University and of significant policy and priority aspects of budget decisions. It shall advise the Chancellor and the Cabinet and report all significant plans to the Senate, with recommendations when appropriate.”

*Membership*: 9 faculty and 3 administrators from school level, 3 central administrators ex officio, and 1 grad student

University of Florida

**President**

**Faculty Senate**

**Budget Council**

http://fora.aa.ufl.edu/FacultySenate/Councils/Budget-Council

Faculty Senate Budget Council:

*Mandate* is “budget and fiscal matters as they involve the academic mission of the University, including the recommendation of budget priorities involving academics and research, the fiscal implications of the creation, modification or deletion of academic programs, the collection and dissemination of information about University budgeting and planning; and monitoring whether the allocation of resources is consistent with Faculty Senate actions and the University’s long term and short term strategic plans.”

*Membership*: 6 senators chosen by Senate for staggered 3 year terms; 3 “administrative liaisons” (VP and CFO, Provost, and VP Business Affairs).

Indiana University

**Chancellor**

**Deans’ Advisory Committee**

**Budgetary Affairs**

**Bloomington Faculty Council**

**Long-Range Planning**
Dean’s Advisory Committee (should it be Deans’?)

Bloomington Faculty Council  http://www.indiana.edu/~bfc/about.html
The BFC includes members from the faculty, administration, students, professional staff/union, and the ROTC who oversee fourteen standing and five elected committees, canvas faculty and staff for campus consensus on pressing academic and domestic matters.

BFC Budgetary Affairs Committee 18 members; need not be elected to BFC to be on  
http://www.indiana.edu/~bfc/budgetary-affairs-committee.html
The Budgetary Affairs Committee is an executive committee of the BFC with independent authority. It monitors the development of the annual campus budget through consultations with the dean of budgetary affairs; members participate in budget meetings of academic and some non-academic campus units; develops budget policies; prepares an annual report to the BFC.

BFC Long Range Planning Committee  (7 members; need not be on BFC)
The Long Range Planning Committee systematically monitors the Bloomington campus environment affecting teaching, research, and faculty status and alerts the Bloomington Faculty Council to significant strategic issues that can be expected to affect faculty interests.
Duties defined: http://www.indiana.edu/~bfc/docs/minutes/11-12/SubCommitteeMinutes/LRPC1.pdf
Job is to keep an eye on things; also has a listserv for anyone on campus to offer comments and suggestions. Meets with top administrators in July and August to discuss things that will affect teaching, research, and faculty interests.

Indiana University Purdue University Indianapolis (IUPUI)

Note: on budgeting it comes within Indiana University’s system-wide policies and ranks as a separate campus (except with School of Informatics, where IUPUI head is an “executive associate dean” reporting to Dean at Bloomington)

Has an Assembly of all faculty plus a Faculty Council of elected faculty plus certain administrators
Also has a staff council.
Faculty Council Exec Ctte is a combination of faculty and admrs
Faculty Council Budget Committee

Mandate: advise on any budget issue and allocations, especially those that affect faculty (long, fairly specific mandate at http://www.iupui.edu/~fcouncil/committees/handbook/supplement_final.pdf)
Membership not specified very clearly; says ctte “acts as a representative of the {Faculty] Council vis-à-vis the adm on budget matters.
Faculty Council Campus Planning Committee also includes students

**Ohio University** campus level info via http://www.ohio.edu/employees/
also see site on RCM at http://www.ohio.edu/provost/rcm

<table>
<thead>
<tr>
<th>President</th>
<th>Senates (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget Planning Council</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Council of Deans</strong></td>
<td><strong>University Curriculum Council</strong></td>
</tr>
<tr>
<td><strong>Facilities Committee</strong></td>
<td></td>
</tr>
</tbody>
</table>

University Committees named by president after nomination by a 6-person committee on committees (Adm Senate Pres, chair of Deans’ council, Faculty Senate Pres, Grad and UG Senate Presidents, Staff Senate Pres.

Budget Planning Council

*Mandate:* preexisting body reorganized to link the RCM budget implementation and Academic Support Improvement committees http://www.ohio.edu/finance/bpa/council.cfm

*Membership:* 16 – 2 VPs as co-chairs, 5 faculty (3 Faculty Senate officers + 2 faculty at-large)

Pres of Administrative, Classified, Graduate, and UG Senators, Student Trustee, 4 from deans’ council,

University Curriculum Council added monitoring impact of RCM on courses and programs

Facilities Planning Advisory Committee – preexisting body overseeing maintenance and space management.

Has 5 Senates: Administrative, Faculty, Classified (Staff), Graduate, Undergraduate.

Has a Council of Deans

Faculty Senate Finance and Facilities Committee

*Mandate:* oversee budget and resource allocation and facilities; oversee RCM liaisons, chair is member of University Budget Committee

*Membership:* 11 faculty, drawn from larger schools, cluster of smaller schools, and 1 repo for the 4 satellite campuses

**Texas A&M**

<table>
<thead>
<tr>
<th>President</th>
<th>Faculty Senate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leadership Steering Cttee</strong></td>
<td><strong>Faculty Senate Executive Committee (9)</strong></td>
</tr>
<tr>
<td>(senior administrators)</td>
<td>Budget Information Committee</td>
</tr>
<tr>
<td><strong>Council for Strategic Budgeting</strong> (22)</td>
<td></td>
</tr>
<tr>
<td>(adm, faculty, staff, student)</td>
<td></td>
</tr>
</tbody>
</table>

Council for Strategic Budgeting the multi-constituency group though weighted heavily towards administrators and deans.

Executive Committee acts for Senate when it not in session; coordinates its work.
Budget Information Committee studies budget and makes recommendations to Senate and Senate Executive Committee

Kent State University (website with the least detail)

Faculty Senate Budget Committee  http://www2.kent.edu/facultysenate/index.cfm
  Mandate: Advises the President see
  http://www2.kent.edu/policyreg/policydetails.cfm?customel_datapageid_1976529=2037675

Texas Tech

President  Academic Council  Faculty Senate  Budget Study Committee

Provost

Provost’s Council

Deans’ Council

Provost’s Council
  Mandate deals with “university matters”
  Membership: Provost; the Vice Presidents for Research and Administration and Finance; academic deans; deans of the library and law school; presidents of the Faculty Senate and Staff Senate; and the Vice Chancellor for Institutional Advancement. Vice Provosts are ex officio members.

Academic Council
  Mandate: deals with “academic matters” – courses, programs, requirements
  Membership: Senior Vice Provost, Vice Provosts, Associate Vice Provosts, the Vice President of the Faculty Senate, an associate dean from each school and college, an associate dean of the Libraries, the Registrar, the directors of Institutional Research and Official Publications, and a representative from the Student Government Association.

No university-level advisory committee specifically on budget; closest is strategic planning.

Deans Council

Faculty Senate http://www.depts.ttu.edu/senate
  Membership: most elected from schools but also 9 at-large members

Budget Study Committee  http://www.depts.ttu.edu/senate/committees/budgetStudy.php
  Mandate: “study and report on matters related to univ budget. “This committee is NOT charged with making recommendations relating directly to budget allocations during the time the budget is being formulated. It is instructed to initiate investigations and report to the Senate on any inconsistencies, misallocations, re-allocations, oversights, and other budgetary items which it believes will be of interest or concern to the faculty of the university, in order that the Senate may make timely recommendations to the administration regarding the budgeting process.”
  Membership: 7 faculty, of whom chair and 3 others must be members of Senate
School/College-Level Budget Bodies

On the academic side, the school or college, units headed by a dean, are the “responsibility centers” or “major budgeting units” in almost all of the decentralized non-incremental budgeting systems already established. A few campuses do permit particular departments to have considerable budget autonomy but this is uncommon for reasons well-explained in the Hanover Group study and the Curry, Laws, and Strauss book. College level organizational structures vary even more than the campus level in the sorts of budgeting bodies they have established. Typically, the Dean’s level replicates the center in having some Dean’s Council and/or a Chairs or Chairs and Directors meeting. In some universities colleges also have their own college Faculty Assembly or Faculty Senate. In a few (I believe these are not unionized, but have not checked that thoroughly) the pattern of having staff and student Senates or Councils is also repeated at the college level.

University of Michigan

Dean

Executive Committee  Governing Faculty

Chairs

The above diagram indicates the structure outlined in the Faculty Handbook. It specifies that Colleges and Schools have executive committees of faculty that assist in formulating educational, instructional, and research policies for consideration of the faculty, act on the behalf of the governing faculty in matters of budget, appointments, and promotions, and assist with administrative functions. The exact tasks and composition vary from unit to unit, and the Handbook is not very specific on faculty role in budget discussions.

University of Southern California

Dean

Faculty Council

Chairs

Each College/School has an elected Faculty Council, chosen under a guideline that there should be at least twice as many candidates as openings (some use 1-year terms; some use staggered multiyear terms)

The proposed guidelines for School Faculty Councils issued in 2011 includes a recommendation that deans consult with them more, including monthly meeting between dean or dean and other administrators and the chair of Faculty Council. The proposal also includes a point 10 stating that “Especially desirable is closer consultation between faculty councils and their deans on matters of schools’ budgets and interactions with the Provost’s office.”

Dornsife College of Arts and Sciences  http://dornsife.usc.edu/faculty-council/
Follows standard rule of annual meeting of full faculty in Sept to discuss and set broad agenda, then move into the elected body.

*Mandate*: Work with dean; present faculty views. In 2013 was reviewing constitution.

*Membership*: tenure track elected by division; non t-t at large; all in proportion to share of total faculty. 2 year terms; 2 consecutive term limit

**Thornton School of Music**
http://www.usc.edu/academe/acsen/Documents/Faculty%20Council%20Documents/Thornton%20Bylaws.pdf

Membership: 5 (4 tenure-track; 1 non-t-t) elected from among faculty. 2 years terms; no term limit

**University of Minnesota**

All colleges have constitutions; the basic setup is probably similar.

**College of Science and Engineering**

<table>
<thead>
<tr>
<th>Faculty Assembly</th>
<th>Constituency Assemblies</th>
<th>Dean</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>advisory committees as dean chooses</strong></td>
<td></td>
</tr>
</tbody>
</table>

Faculty Assembly (all faculty) has authority to adopt college policies on academic matters and to approve new constitutions for submission to Board of Regents

Budget provision gives Dean “final authority to make budgetary recommendations to the Provost or the Provost's designee.” But must consult with school and department heads about budgetary matters affecting the college as a whole. Department chairs make budget proposals after consultations with own faculty.

**College of Design**

<table>
<thead>
<tr>
<th>Faculty Assembly</th>
<th>College Consultative Committee</th>
<th>Dean</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>College Consultative Committee</strong></td>
<td></td>
</tr>
</tbody>
</table>

College Consultative Committee makes decisions and provides advice. Members include chair and vice chair of Faculty, professional and clerical staff reps, student reps.

Faculty Assembly has decision-making in academic areas.

Everyone else is advisory on budget but College Constitution enjoins consultation before decisions are made or proposals put to central administration.

Faculty, professional staff, clerical staff, students all have Assemblies.
Iowa State University

Dean

Faculty Assembly

Chairs

College of Liberal Arts & Sciences

Faculty Assembly – members elected by faculty. Not clear it advises on budget; it appears to be more focused on academic programs and curriculum.

Washington University (St. Louis)

Dean

Faculty Council

Academic Planning Committee

Chairs

College of Arts and Sciences

Faculty meetings: at least 4/year, convened and run by dean.

Faculty Council

Mandate: steering and executive committee of the full voting faculty; also is an advisory committee for the dean. This where the regular consulting with dean occurs.

Membership: 6 faculty members

Academic Planning Committee

Advises dean on “planning and strategic development”

11 faculty

University of New Hampshire

Dean

Policies Committee

Chairs

College of Liberal Arts (Humanities, Social Sciences, Education, Fine & Performing Arts)

Executive Committee – Dean and all department chairs

Policies Cttee

Mandate: all administrative or educational policy within remit of the college; review current direction of the college and plans for its development.

Membership: 5 faculty selected to be spread among the 4 divisions.

College of Engineering and Life Sciences has a fairly similar structure.

All Administrative and Support Units that are responsibility centers have a Service Unit Advisory Board

Mandate: advise on development of budget and five year plans; discuss what should be common services and what on an optional menu.

Membership: include unit staff and users, some from Central Budget Committee and some not. The unit head (Director or Associate Vice President as relevant) cannot chair the advisory board.
Vanderbilt University

Dean          Faculty Assembly

Faculty Council

Chairs

Each school has a Faculty Assembly of all voting faculty. It has ability to work out school-level
governance arrangements within university policy

College of Arts and Sciences
Meetings of full faculty (quorum = 50)
Dean presides but faculty elect a chair and secretary. A staff person serves as executive secretary
Faculty Council
  Guides Faculty meeting business; advises dean. Committees very traditional; none specifically
  addresses budget or strategic planning though do address academic programs.
  Dean plus 12 elected faculty members on staggered 2 year terms

Ohio State University

Each College/School has a “patterns of administration” document developed within the unit but not in
effect until approved as consistent with university policy by central administration.
See the whole set of approved patterns at http://oaa.osu.edu/governance.html

College of Arts & Sciences (CAS) (36 depts, 3 schools; divided into 3 divisions (humanities, social
sciences, natural sciences) for structuring governance

Executive Dean

Advisory Committees

Faculty Senate

Divisonal Deans

Finance and Budget Committee

Chairs

Headed by an Executive Dean aided by Divisional Deans
  Exec Dean makes the budget allocations within the college, the Divisional Deans are in charge of
  making sure actual spending follows the allocations

Faculty participation in governance through an elected Faculty Senate, which has a finance and budget
committee

Advisory Committees – meet with Exec Dean on matters of concern to their constituency, which can
include budget issues
  - Faculty Advisory Committee (subset of Faculty Senate)
  - Staff Advisory Committee
  - Student Advisory Committee of graduate and undergraduate students

Business School (5 Depts)
Headed by a Dean
Has an Executive Committee of Dean, assoc deans, the 5 dept chairs, 2 other faculty, 1 staff

Faculty has a Faculty Assembly of the whole; the 2 faculty members on the Executive Committee are also the liaison to the faculty.

**University of Pennsylvania**

The University Handbook says schools have the right to determine their own organization within parameters set by University policy and the Penn commitment to shared governance. (http://www.upenn.edu/provost/images/uploads/2009.Handbook_.pdf)

**College of Arts and Sciences**

*Dean*  
*Associate Deans*

*Faculty Meetings of the Whole*

*Chairs*

Headed by a Dean and 4 Associate Deans (humanities, social sciences, natural sciences, graduate programs). Has an administrative cabinet.

Faculty meetings of the whole, at least 3 times an academic year. Dean convenes and presides.

Standing Committees do not include any with a budget focus (http://www.sas.upenn.edu/sas-resources/files/current_sas_bylaws_2007.pdf)

The college undertook a strategic planning process parallel to reaccreditation. This had 14 working groups involving about 1/4th of entire faculty; none appears to have been specifically on budget but budget issues would have arisen (https://www.sas.upenn.edu/blog/content/2014/how-things-work-even-better).

**School of Nursing** (www.nursing.upenn.edu/about/Governance/pages/defsault.aspx)  
Headed by a Dean.  
Has a Faculty Senate to make policy in academic areas, but website does not have any detail about it.

**Syracuse University**

*Dean*  
*Faculty Council*  
*Faculty meetings*

*Chairs*

College or Arts and Sciences  
Has a meeting of full faculty 2x a year.  
Real discussions seem to be in the s the 7-10-member Faculty Council.
Mandate: advise the Dean on the whole range of problems and concerns facing the college. Its standing committees are focused on academics and faculty status; none is clearly focused on budget.

Membership: 7-10 faculty members chosen by dean from among the top vote-getters in a faculty election.

Meetings of chairs (all department chairs); called as dean decides.

Maxwell School of Public Affairs
1 meeting of full faculty/term
Faculty Council
Mandate: advise dean and inform dean of faculty concerns. Its standing committees do not include one focused on budget
Membership: 9 faculty (mode of selection not indicated)

University of Florida

Each of the 16 Colleges has structures for shared governance; details vary.

College of Arts and Sciences [http://www.clas.ufl.edu/gov/constitution.html](http://www.clas.ufl.edu/gov/constitution.html)

Dean

Faculty Assembly

Faculty Council

College Finance Committee

College Faculty Council (also has a larger Assembly of the whole)

Mandate: advise on College strategic plan, welfare of the College Faculty, the full development and maturation of its students, and resource allocation.

Membership Chair of Faculty Assembly, Chair of College Finance Committee, 12 other elected faculty, 1 grad student, 1 undergrad student

College Finance Committee

Mandate: represents the Faculty to the Dean on all financial matters of the College; Dean informs and consults it on construction and implementation of the College budget, it reviews funding, allocations, and expenditures of the College and report to the College Assembly each semester of the academic year.

Membership: 10: 9 faculty and 1 student. 2 faculty elected by each of the 3 faculty electoral groups (clusters of departments). Dean also appoints 1 from each of the 3 groups, with proviso that they are from different departments than the elected members serving. Student chosen by the students.


Budget and Long-Range Planning Committee (subsidiary to College Faculty)

Mandate: meet with Dean about finance, advises on “financial requests, priorities, and allocations” including strategic planning, revenue enhancement and budget implications.”

Membership: 1 from each Dept, 1 rep from the UFL TV and radio stations, 1 member of College Faculty Senate. College Business Manager attends as a non-voting member,
College Council

*Mandate:* discuss and keep mutually informed about activities in the departments, programs and broadcast stations

*Membership:* appointed by the dean.

---

**Indiana University**

**College of Arts & Sciences**

Dean

*College Policy Committee* (elected by faculty)

Chairs also functioning as *College Budgetary Affairs Committee*

College Budget Office – Assoc Dean and staff.

College Policy Committee

- the only College of Arts and Sciences committee whose members are elected by the College faculty, rather than appointed.
- The Committee consists of nine tenured or tenure-track faculty members: three from the Arts and Humanities; two from the Social and Behavioral Sciences; two from the Biological, Mathematical, and Physical Sciences; and two At Large representatives. Members are elected for three-year terms. Each year the Committee elects one of its members to serve as Chair and another to serve as Secretary.

The Committee's primary duties are to represent the College faculty in the formulation of College of Arts and Sciences policies and to monitor their impact. The Committee advises the Dean and the faculty on issues of concern to the College and the campus, including matters requiring faculty action. The Policy Committee also serves as the Budgetary Affairs Committee of the College and advises the Dean on budgetary matters.

More detail on budget side: The Committee also functions as the Budgetary Affairs Committee of the College, as stipulated by policies adopted by the Budgetary Affairs Committee of the Bloomington Faculty Council. In this role it advises the Dean on budgetary and salary matters. The Committee sets general salary policies for the College, comments on the Dean's implementation of them, and monitors departmental policies for conformity with College policies, although it is not otherwise involved in departmental salary allocations. In order to be able to provide the Dean with informed advice on budgetary matters, the Committee may send one or two representatives to any regular budget conference between the Dean (or the Dean's representative) and a department chair or program director. The Committee will follow established procedures to assure the confidentiality of the budget process.

---

**Jacobs School of Music**

School of Music Council: elected faculty governance body of the school.
Membership includes the chair or other elected representative from each department, together with the school administrators and two student representatives. A few smaller departments share a representative on a rotating basis. The Council acts on policy concerning programs and curriculum of the school and also sets goals for long-range development. For details concerning the responsibilities of the School of Music Council, please see Faculty Governance.

Administrative Committee

Ultimate responsibility for the Jacobs School of Music rests with the Dean, Gwyn Richards. The Dean appoints as an advisory body an Administrative Committee consisting of the Executive Associate Dean, the Associate Dean for Instruction, and the Directors of Graduate and Undergraduate Studies. One faculty member is elected by the School of Music Council each year to serve on the Administrative Committee.

Indiana University Purdue University Indianapolis (IUPUI)

Dean

Faculty Assembly

Faculty Assembly Resources and Planning Committee

Chairs

School of Liberal Arts  http://liberalarts.iupui.edu/fa/
Faculty Assembly: an assembly of the whole with 6 officers: pres, sec, 4 members of Agenda Cttee
President attends Dean’s weekly staff meetings and attends or keeps up on chairs’ meetings;
Agenda Council = the 6 FA officers plus the dean
Faculty Assembly Resources and Planning Cttee

  Mandate: advise on the budget and on the five year plans as colleges draw them up for submission into the central planning process.
  Membership: Dean, 6 faculty (5 at large; 1 rep of FA agenda Council), and 1 student.

School of Science has a more department-based budgeting process.
2 bodies address joint decisions (e.g. which dept gets what upcoming faculty hiring lines)
  Council of Chairs
  Steering Cttee (Dean plus president of Faculty Council and one faculty member per department
  (this person is not the chair and is elected by the faculty of the department)

Ohio University

Schools have RCM liaisons, a faculty member who make sure that faculty get RCM information from dean; that faculty input on RCM decisions is getting from the faculty to the Dean; and school concerns with RCM are communicated to Faculty Senate Finance and Facilities Committee.

College of Arts and Sciences
Chairs and Directors – monthly meetings
One Associate Dean has RCM and dealing with central adm on budget matters as part of job
Texas A&M

Colleges are to have Guidelines consistent with Regents’ and campus policies. Posting is a bit uneven.

College of Science  (http://www.science.tamu.edu/about/committees.php)

Dean

Executive Committee  Faculty Advisory Council

Chairs

Executive Committee (17) is the committee of administrators, dept heads (5) and research institute heads; it establishes common administrative policies and procedures for the implementation of University and College policy in the several departments.

Faculty Advisory Council consists of Dean as chair, 1 elected faculty member from each of 5 depts and three faculty elected at-large by whole college. It serves as advisory to the Dean on matters of concern to the faculty of the College of Science.

Kent State University

College Level

Neither college sites nor President or Provost sites yield much information about budget-making process.

Policies page does include a document saying that depts. must spend within their allocations, and that vice presidents can shift funds between units.

Texas Tech

Colleges and Schools have faculty bodies for governance

College of Arts and Sciences

Chairs’ Division http://www.depts.ttu.edu/artsandsciences/faculty/chairs-division.php

chaired by an associate dean

Faculty Division  http://www.depts.ttu.edu/artsandsciences/faculty/faculty-division.php

chaired by an associate dean

“budgeting” included in a fairly standard list of faculty governance matters