

Budget Committee of Academic Senate

Report for Academic Year 2001-2002

August 13, 2002

The Budget Committee of the Academic Senate has met periodically over the past academic year to address various budget issues. Some of the issues were raised on the initiative of the Budget Committee, some were presented to it by the Policy Committee, and some were raised as the result of actions contemplated by the Board of Governors. Following past practice, meetings of the committee typically were scheduled just prior to the scheduled meetings of the Budget and Finance Committee of the BOG.

The Budget Committee held seven meetings during academic year 2001-2002. The main issues addressed at those meetings are summarized below. In accordance with an informal request from the Academic Senate, the Budget Committee has been posting its minutes regularly on its website. Additional information is contained in those minutes. The address is: <http://www.law.wayne.edu/mcintyre/budget>.

A major obligation of the Budget Committee is to consult with the Administration on budget proposals going to the Board of Governors' Budget and Finance Committee. The chair of the Budget Committee represents the faculty on that committee. The Budget Committee spends much of its time reviewing items going to the BOG. One of the goals of the committee this past academic year has been to improve the quality of its consultations with the administration. To achieve that goal, the committee took the following action:

1. *Early Consideration of Budget.* It sought to begin consultations on the FY 2003 budget at an earlier date. It was the experience from the prior year that the process began so late that there was little time for useful consultation. Unfortunately, the Administration declined to appoint members to the Budget Review Committee until May of 2002, too late for any consultation at all. As a result, the Administration made presentations to the committee about the budget, at meetings held on July 9 and July 29, but no consultation of substance occurred. For example, the committee learned from the Administration what the proposed tuition increases were going to be at its meeting of July 29, after the budget had been printed and just two days before the Board of Governors was expected to vote on it.
2. *Develop Performance Measures.* The current budget model, adopted after extensive consultation with the Senate and its representatives, calls for the development of various indicia of performance for each college. Not much has been done, however, to develop appropriate performance benchmarks. The committee sought to move that process forward, and it did meet with the Provost to discuss the matter. Unfortunately, the Administration was not prepared to move forward on this issue in FY 2002. It is likely that this issue will be on the agenda of the committee in the coming academic year.

3. *Unit Advisory Committees.* The committee sought to establish a working relationship with the unit budget advisory committees that each department is required to establish under the terms of Article XXXI of the AAUP-AFT contract with the University. The first step in that process was to get a list of the committees and their chairs. The Provost's office promised to provide that list in timely fashion, and the request was repeated at every meeting of the committee. Unfortunately, no list was ever provided. The committee will need to take steps in the coming academic year to generate its own list.

4. *More Timely Reports.* The committee has been hampered in evaluating proposals going to the BOG by late delivery of documents and failure to provide certain useful data. Arrangements were made with the Administration to get the reports going to the BOG at an earlier date, in accordance with the BOG's by-laws. The new arrangements have worked well.

The issues addressed at the various meetings of the committee are summarized below.

Meeting of November 12, 2001

The committee raised issues about the lack of progress by the Administration in developing the dynamic component of the budget. It also complained about the late arrival of the BOG materials. The committee asked the chair to invite the Provost to discuss with the committee the dynamic component of the budget and his plans for the \$1 million in discretionary funds approved in the FY 2002 budget. The committee also discussed a BOG proposal for providing tuition subsidies to National Guard members. The committee discussed ways of cooperating with the unit budget advisory committees to be sure that the budget needs of the units were getting proper attention.

Meeting of January 25, 2002

The Provost met with the committee to discuss progress toward developing the dynamic component of the budget. Some preliminary work has been undertaken, but much remains to be done. Various problems and issues were discussed with the Provost. The committee discussed and endorsed in principle the distribution of a survey to chairs and unit budget advisory committees. A copy of a prior such survey was circulated.

Meeting of March 18, 2002

The committee discussed in general terms the report prepared by the Parking Task Force (posted on the committee's web page). No action was taken because no fee increase was being proposed at that time. The committee requested that a detailed budget be provided when the fee increases are proposed. The committee indicated that it had no objections on budget grounds to the proposal to move the Interdisciplinary Studies Program from the College of Lifelong Learning to the College of Urban, Labor, and Metropolitan Affairs (CULMA).

Meeting of April 30, 2002

The committee discussed in detail the proposed tuition increases for the Law School and the School of Medicine. The committee recommended that the matter of tuition increases be put off until the Budget Review Committee was formed and consulted. Two subcommittees presented their reports on, respectively, the proposed extension of the charter of the Skillman Center and the proposed charter for the Institute for Learning and Performance Improvement. The affirmative recommendations in the reports were approved. A three-year provisional charter for ILPI charter was recommended, with the expectation that its fundraising efforts would be reviewed at the end of the three-year period. The committee also discussed the new system introduced by the Office of Advancement for raising funds from the alumni from various colleges and departments. Reports had reached the committee that the new system was not working successfully. The committee voted to ask the Policy Committee to meet with the Senior Vice President for Advancement to find out what was going on.

Meeting of June 17, 2002

The Administration presented a brief summary of the budget situation, claiming a very last revenue shortfall. No details were given that would allow the committee to determine whether the Administration's estimate of the shortfall was accurate. Various members gave reasons for believing that the estimate was inflated substantially. The committee also complained about the lack of information about the operation of the University Public School sponsored by the university. Full information was promised, but as of this writing, it has not been provided. The committee recommended that the Budget Review Committee be appointed in the fall to facilitate more effective consultations.

Meeting of July 9, 2002

The committee discussed the state of the budget and aired its complaints about the lack of consultation. The Administration indicated that the late start in forming the Budget Review Committee and the complications arising in a contract-negotiating year have caused the process to work less well than it should. There was general agreement to work towards a new process to begin in the fall of 2002. Some details about budget proposals were shared with the committee.

Meeting of July 29, 2002

The committee reviewed the tuition raise proposals and the budget cut proposals that the Administration was presenting to the BOG. The committee stressed that the share of revenue going to the colleges has been declining and will decline significantly if the proposed budget is approved. The committee also discussed the new parking fees implemented by the Administration.

Conclusion

The Budget Committee continued to highlight the decline in the percentage of the budget going for the schools and colleges. The difficult budget times currently facing the University made the Administration unwilling to take the bold action necessary to reverse the decade-long trend. Indeed, the new budget will result in a very serious additional drop in funding for the academic side of the University. The committee has tried to improve the consultative process by getting that process to begin at an earlier date. The Administration appears to be willing to start the planning process earlier in the coming year, having seen the problems resulting from the late start in 2001/02. The committee continued its cordial relationship with the Administration, despite some sharp differences of opinion on some issues. The committee also received favorable feedback from the Board of Governors on its work in raising budget issues and improving the budget processes of the University.

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