

UNIVERSITY OF ILLINOIS
URBANA-CHAMPAIGN SENATE

Committee on the Budget
(Final; Information)

BG.07.01: 2006-07 Annual Report

The 2006-2007 Senate Budget Committee (SBC) focused on the study of viable budget models for the Urbana-Champaign campus and submitted the following report to Provost Linda Katehi on April 26, 2007.

The SBC studied the models for budget process at nine peer institutions, five in the Big Ten and four in four other regions of the country: UC-Berkeley, Brown University, Indiana University, University of Minnesota, University of Michigan, UNC-Chapel Hill, Northwestern University, UT-Austin, and University of Wisconsin. In the past few months, members of the SBC spoke with the chief budget officer (or his/her representative), viewed relevant documents, and interviewed one or two faculty members from each institution.

As part of our study, we sought to answer key questions about the budgetary process and model including: What is the budgetary process on your campus? What is the nature of your budgetary system? What is the role of faculty/students in the budget review and allocation? How are recommendations made? Who makes the final decision? How efficient is your budget allocation process?

We compared and summarized each institution's model in the following dimensions: degree and nature of faculty involvement, degree and nature of student involvement, and efficiency. We discussed the pros and cons of these different budget allocation practices as well as local realities on our campus, and identified the following two models for consideration.

The Brown-UNC-Texas model: The key common feature on these campuses is faculty participation. At Brown six faculty representatives serve on the University Resources Committee, at UNC faculty participate on the University Priorities and Budget Advisory Committee, and at UT-Austin faculty are involved in the Faculty Advisory Committee on Budgets. We considered two alternative variations of this model in terms of faculty participation (while student involvement only applies to relevant budgetary matters but not budget allocation among units):

The professional sub-model: The Campus Budget Committee (CBC), chaired by the Provost, shall consist of 2-4 faculty fellows who receive a quarter or half time release from their normal academic duties to work on the CBC in the Provost's Office for a term of 2-3 years. They review, together with the Provost and her associates, all colleges and institutes in each year's budgetary process. They may assist the Provost in other budgetary matters when the annual budget allocation is over. The faculty fellows are recommended by the Senate and selected by the Provost's Office.

The participatory sub-model: Alternatively, we considered a variation of the old CBOC that is similar to this year's practice. A slate of 18-20 faculty members are recommended by the Senate and selected by the Provost's Office, and they participate in the budget review meetings on a rotating basis. The CBC, chaired by the Provost, shall consist of 2-4 members who attend 2-3 review meetings based on their interest, knowledge, and availability. The CBC members have tenure of 2-3 years.

The Berkeley-Northwestern-Michigan model: On these campuses, there is no faculty or student participation in the budgetary process. Instead, budgetary decisions are made by professional staff, typically housed under the Provost's Office. In this case, the CBC, again chaired by the Provost, shall

consist of two associate provosts and at least two additional academic professionals specializing in budgetary matters. The committee reviews the budget requests from each unit every year. In order for this model to succeed at Illinois, we must ensure faculty participation at the college level to provide faculty input and that the Provost's committee gives an annual budget report to the UIUC Faculty-Student Senate. Indiana, for example, has faculty participation in the budgetary process from all 11 schools and colleges, where tuition as well as cost-recovery income remains. Colleges may use existing executive committees for that purpose. Alternatively, each college or institute may form a budget committee consisting of 3-5 faculty representatives, which assists the dean or director in preparing budget reports and requests. In this model, faculty input is direct and is given where it matters most.

Our recommendation: We recommend a variation of the participatory sub-model by encouraging faculty involvement at the college level. As such, budget issues are examined at both the campus and college levels. Initially, names of faculty members are recommended by college-level units to the Provost, and members are then selected from a slate of nominees by the Provost. These faculty serve as full voting members on the committee (or CBC, the recommended model), which is chaired by the Provost. There will be a brainstorming session as well as a summary session involving all members; otherwise, participation in budget review meetings occurs on a rotating basis. The members of the committee form a number of clusters according to the nature of the college-level units, and members from the same cluster participate in the budget meeting when college-level units of the same cluster are reviewed.

Each college presents its budget request based on deliberations by the academic unit's chief executive officer(s) and its budget committee. This budget committee can be a subset of the unit's executive committee, a committee nominated and selected by the executive committee, or a committee independent of the executive committee, depending on the needs and size of the academic unit. We describe below in greater detail possible selection processes for both the campus-level committee (CBC) and the college-level budget committees.

With the participatory sub-model, faculty members are chosen to serve on the CBC by the Provost in consultation with and with the involvement of the Senate Executive Committee. Deans nominate faculty members to serve within disciplinary clusters. The six disciplinary areas may include Basic and Applied Life Sciences, Behavioral and Social Sciences, Engineering, Humanities and Creative Arts, Physical and Mathematical Sciences, and Professional Programs and the University Library. Each disciplinary area should have at least one faculty representative. These twelve faculty representatives of the clusters, together with 2-4 members from campus administration, comprise the CBC.

We propose that each dean provide a longer list of candidates than is the current practice.¹ With each nomination, the dean should include the qualifications of the candidate for a position on the CBC. The slate of nominees would then go to the Senate Executive Committee, which, in consultation with the Senate Committee on Committees, would provide its advice to and would finalize the list with the Provost (this procedure follows the description in Provost's Communication No. 1). The Senate Executive Committee may recommend the removal or addition of faculty candidates to the slate of nominees.

Ideally, the faculty members nominated by deans should have past experience with budgets at the college or campus level. CBC members should serve their terms from the perspective of the campus, rather than from the perspective of their unit.

We recommend that deans consider ways in which faculty input might be used at the college level. Whereas the exact structure may vary from college to college, one possibility is to have an *ad hoc* committee whose members would be appointed by the dean in consultation with department heads. This committee would tend to be small, with 3-5 members. The budget committee members should be

senior faculty members, such as former department heads, who have experience managing budgets. College budget committee members should be able to consider decisions from the perspective of the college and not of the department or unit where they reside. Alternatively, a college may consider using (a subset of) the executive committee, letting the executive committee nominate and appoint a budget committee, or setting up a budget committee independent of the executive committee's purview.

Respectfully submitted,

SENATE COMMITTEE ON THE BUDGET

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Attachment: Appendix A

¹ Currently for membership in the CBOC, deans nominate at most 2 candidates within each disciplinary area. For example, the dean of LAS can nominate up to 8 candidates across 4 disciplinary areas. The Senate Committee on Committees nominates up to 6 candidates, 1 candidate from each of the 6 disciplinary areas. The number of nominees ranges from 4 to 9 across disciplinary areas, with 2 nominees chosen to serve in each disciplinary area. See Appendix A (Draft Provost's Communication No. 1, page 7, 9/25/06) for further detail.

<http://www.provost.uiuc.edu/communication/01/Comm01.pdf>

Nominations for Membership from Faculty on the CBOC

| <i>Disciplinary Area</i> | <i>Eligible Nominators</i> | <i>Nominations</i> |
|---|--|--------------------|
| <i>Basic and Applied Life Sciences</i> | Dean, College of ACES | 2 |
| | Dean, College of Applied Life Studies | 1 |
| | Dean, College of Liberal Arts and Sciences | 2 |
| | Dean, College of Veterinary Medicine | 2 |
| | Senate Committee on Committees | 1 |
| <i>Behavioral and Social Sciences</i> | Dean, College of ACES | 1 |
| | Dean, College of Applied Life Studies | 1 |
| | Dean, College of CBA | 2 |
| | Dean, College of Education | 2 |
| | Dean, College of Liberal Arts and Sciences | 2 |
| | Senate Committee on Committees | 1 |
| <i>Engineering</i> | Dean, College of ACES | 1 |
| | Dean, College of Engineering | 2 |
| | Senate Committee on Committees | 1 |
| <i>Humanities and Creative Arts</i> | Dean, College of Communications | 1 |
| | Dean, College of Fine and Applied Arts | 2 |
| | Dean, College of Liberal Arts and Sciences | 2 |
| | Senate Committee on Committees | 1 |
| <i>Physical and Mathematical Sciences</i> | Dean, College of Engineering | 2 |
| | Dean, College of Liberal Arts and Sciences | 2 |
| | Senate Committee on Committees | 1 |
| <i>Professional Programs and the University Library</i> | Dean, College of CBA | 1 |
| | Dean, College of Education | 1 |
| | Dean, College of Law | 1 |
| | Dean, GSLIS | 1 |
| | Director, Institute of Aviation | 1 |
| | Director, ILIR | 1 |
| | Dean, School of Social Work | 1 |
| | University Librarian | 1 |
| | Senate Committee on Committees | 1 |

(a) The Vice Chancellor for Research and Dean of the Graduate College may each make one nomination each year in any two domains with open places.