

Agenda
Budget Advisory Committee
Tuesday October 13, 2020, 3:30 PM

Meeting number: 172 946 6862

Password: gUx7DrmmH83

<https://uncp.webex.com/uncp/j.php?MTID=m9eb71cd891693e4d233bf2d293777f2c>

Join by phone

+1-415-655-0001 US Toll

Access code: 172 946 6862

Charge:

The Budget Advisory Committee shall consist of nine members: the Vice Chancellor of Finance & Administration, who serves in an ex officio capacity, and members of the General Faculty, one from each Division and two at-large, nominated by the Committee on Committees and Elections and confirmed by the Senate. Membership is for three-year staggered terms, and the chair and secretary of the Committee shall be appointed by the Faculty Senate Chair from its General Faculty membership. It is the Committee's responsibility to develop a comprehensive understanding of the fiscal resources available to the University, their allocations, and their management, within the institutional contexts in which budgetary decisions are made. In this role, the Committee shall serve in a consultative role to the Vice Chancellor of Finance & Administration regarding the University's strategy and management of fiscal resources and ensure that the University meets its fundamental mission, vision, and core values and future aspirations.

Members:

Joanna Hersey (ARTS, 2021)

Olivia Oxendine (EDUC, 2021)

Leah Fiorentino (CHS, 2022)

Jamie Mize (LETT, 2022)

Vacant (NSM, 2023)

Kirill Bumin (SBS, 2023)

Chris Solano (At Large, 2022)

Beverly Justice (At Large, 2023)

Virginia Teachey (CFO, ex officio)

- I. Call to Order
- II. Adoption of Agenda
- III. Update: Appointment of Chair and Secretary
- IV. New business
 - a) Faculty Assembly Budget Principles (Appendix A)
- V. Old Business

- a) Further Clarification of BAC charge (Appendix B)
- b) Seek out an NSM representative

VI. Announcements

VII. Adjournment

Appendix A: **Faculty Assembly Statement on Budget Planning Principles**

In light of the ongoing uncertainties that surround the financial vitality of the University, the UNC Faculty Assembly stresses the need for a thoughtful and collaborative process of planning for a range of possible scenarios. As we work together to address financial challenges at each of our institutions, we affirm the following guidance principles to produce positive outcomes and ensure that the Mission of the UNC System is achieved:

- a. Decisions regarding the University's budget should seek to uphold the value of higher education as an essential public good and acknowledge its vital economic impact to communities and the state.
- b. Strategies and priorities for addressing financial challenges must be developed through a process that is strategic, deliberate, consultative, and transparent. Concrete plans should be devised only after extensive dialogue with relevant University constituencies. In adherence to the *Principles of Shared Governance* (2020), faculty should be well represented on any campus committee or task force established by the UNC System or its constituent institutions to set priorities or manage a budget reduction process.
- c. The approach to addressing any budget shortfalls should focus initially on identifying new sources of revenue, including one-time or emergency funds such as reserves and endowments.
- d. The process of addressing financial challenges should acknowledge the human cost of budget reductions and ensure that all people in the university community are valued and treated with respect.
- e. Budget adjustments should be guided by a spirit of fairness and shared sacrifice to protect those who are most vulnerable. Should salary adjustments become necessary, employees with higher earnings should be expected to assume a greater share of the burden.
- f. Budget adjustments should be made in cognizance of their potential uneven impacts across student and faculty groups. Budget strategies should preserve the widest possible access to higher education, particularly among groups who are underrepresented, and should strive to promote the diversity of students, faculty, and staff.
- g. Budget alterations should be purposeful rather than across-the-board, and should be guided by the existing teaching, research, and public service missions and strategic plans of the UNC System and its constituent institutions.
- h. Budget adjustments should be prioritized to protect the academic core and student success mission of our institutions. Cost-cutting should focus initially on programs, activities, and administrative positions that are non-essential to the academic mission and should seek to protect faculty and critical student support staff.
- i. To preserve the excellence of the academic core, budget allocations must ensure that the University can continue to recruit and retain outstanding faculty and staff.
- j. When considering the termination of faculty employment due to a declaration of financial exigency or the elimination or major curtailment of a program, potentially affected faculty members must be provided with both an opportunity for consultation and a reconsideration procedure, as required by Section 605 of the UNC Code. Each constituent institution should review, and if necessary, update their policies and procedures related to Section 605.
- k. Budget decisions and their rationale, particularly those that impact employees and/or academic programs, should be communicated in a timely, consistent, and transparent manner. In endorsing these principles, the Faculty Assembly reiterates our commitment to protecting the teaching, research and public service mission of the UNC System. Faculty stand ready to be essential partners in efforts to cope effectively with financial challenges now and in the future.

Appendix B:

Dear committee members:

Beverly sent me the very excellent minutes from your meeting (I think that's the clearest one paragraph summary on the 12 cell matrix I've ever seen!) and I greatly appreciate the thoughtful and fulsome conversation that clearly took place. In many ways, as the inaugural members of this committee, you are shaping its focus and expectations and I greatly appreciate your work and its value to the university.

My understanding is you guys agreed some further clarification of the charge would be helpful and decided to reach out to me. In my role as Faculty Senate Chair I don't "own" the charge in any way: this charge was developed by the ad-hoc budget committee exploration group (of which Virginia and Leah served as members), vetted and approved by the governance committee and then approved by the Faculty Senate. I'm happy to offer what thoughts I can, though. Just so you guys know, I am a faculty handbook textualist—my focus is always on the specifics required or allowed within the given language—and because of that, my tendency is for a certain broadness of situation so that the governance body in question can shift focus as needed in ways that still serve the given parameters of what it covers. (also, I'm long winded. But you know that)

So, just for me, here's the charge:

The Budget Advisory Committee shall consist of nine members: the Vice Chancellor of Finance & Administration, who serves in an ex officio capacity, and members of the General Faculty, one from each Division and two at-large, nominated by the Committee on Committees and Elections and confirmed by the Senate. Membership is for three-year staggered terms, and the chair and secretary of the Committee shall be appointed by the Faculty Senate Chair from its General Faculty membership. It is the Committee's responsibility to develop a comprehensive understanding of the fiscal resources available to the University, their allocations, and their management, within the institutional contexts in which budgetary decisions are made. In this role, the Committee shall serve in a consultative role to the Vice Chancellor of Finance & Administration regarding the University's strategy and management of fiscal resources and ensure that the University meets its fundamental mission, vision, and core values and future aspirations.

In terms of what I understand to be your questions, then,

- This committee was imagined before the current budget crisis though of course "ensur[ing] that the University meets its fundamental mission, vision, and core values and future aspirations" becomes all the more crucial during such a crisis
- This summer's ad-hoc committee was a much more narrowly imagined group whose purpose was to prepare principles specifically for academic operations in the event that the state demanded an immediate budget cut. This was especially important because Faculty Senate does not meet during the summer, so there would be no mechanism to involve faculty or get their advice if there was a short turn around
- In contrast then, with a regularly established group and the expectation that this crisis will certainly have effects, but there will be some planning time, the idea that the committee will "develop a comprehensive understanding of the fiscal resources available to the University, their allocations, and their management, within the institutional contexts in which budgetary decisions are made" becomes crucial. As with other committees, you guys will make reports and recommendations to the senate as a body. You are the "experts" in the same way we do not tend to closely debate curriculum proposals

because they have gone through several careful layers before they reach senate. At the same time, when the Academic Affairs chair tells the senate that x proposal may need discussion because of y, that is a crucial role that hopefully gets heeded bc of the time and expertise AA brings to the questions. That may have been a slightly tortured analogy: essentially the trust of the faculty is that the Budget Advisory Committee has a deep understanding of budget so that when they tell the senate we should discuss the issue of x because of issues y, faculty senate now knows this is something they should think about and the budget committee has provided context within which to understand it. So my hope would be you guys would come to us and say something like “the administration is currently considering furloughs of x employees. We are worried that this may effect y issue in this way so we’d like to go on the record suggesting z.”

- Following that last point, in terms of actions, the budget committee is in an interesting position. Shared governance is built around the principle that faculty have specialized knowledge in terms of curriculum, pedagogy and the intellectual work of a university. That means they should be the final word in certain issues, such as curriculum. Budget qua budget is not directly shaped by the specialized knowledge of faculty, but of course, how budget is allocated deeply shapes our resources and character as an institution. In that light, budget is very much a faculty governance issue.
 - That is why the committee’s role is “consultative”: unlike curriculum, which is directly under Faculty aegis, faculty are 100% advisory in this role—we don’t have the power to legislate any action, but under the principles of faculty governance, our advice should be considered in decisions and the record should reflect that
 - For that reason, I would be inclined to say that the scope of the committee reaches beyond just AA earmarked funds because funding shapes the “fundamental mission, vision, and core values and future aspirations” of the University. As a very basic example, DoIT is not academic affairs, but faculty have unique knowledge about what sort of educational software we need, what sort of hardware our students lack, what systems work best in classrooms, etc.
 - I think you guys will be working on figuring out how granular this requires you to get. I would imagine “buckets” would matter more than pricing each component within the bucket, especially since, again, the committee/faculty governance has no power to dictate budgets. But as needed and within any legal bounds, a particular issue may require a deeper dive
 - Also in terms of granularity, you are representing the faculty as a whole here. Departments and divisions will continue to have representation through their leadership so the point of the divisional representation on this committee is that each committee member brings in different perspectives (i thought Jamie Litty had a great point this summer when she asked what faculty who taught labs might say about a certain recommendation about online vs in person resources—that’s the hope of what a diverse committee will bring!)
- As a final point, to me, ideally, any committee works to build ties and understanding with administration while prioritizing the voice of the general faculty —the bottom line of shared governance is we work together to solve problems and help the university function effectively.

Best,

abby

Abigail Mann

Faculty Senate Chair

Assistant Professor of English

Department of English, Theatre, and Foreign Languages

University of North Carolina at Pembroke

Pembroke, NC 28372

Office (910) 521-6312

Fax (910) 775-4092

abigail.mann@uncp.edu