

April 19, 1999

MEMO

TO: Ken Williamson, President of the Faculty Senate

FROM: Eric Fritzell
Gordon Matzke
Maggie Niess
Bruce Sorte
Vic Tremblay
Alexis Walker
Tony Wilcox

RE: Internal Budget Allocation Process Development and Outcomes

The Budget Allocation Advisory Committee of the Faculty Senate has met with Maggie Niess for the past six months to provide advice related to the new budget process discussions and its outcomes. During this time, we observed some examples of major issues that may be unintentionally excluded from the process and thus may be overlooked or not given full consideration. On the basis of our regular discussion and the input we have gathered from a variety of faculty, we are providing (1) our list of likely faculty priorities for consideration in the implementation of the budget guidelines and (2) our reflection on the internal budget allocation process for 99-00.

Likely Faculty Priorities: The budget process had been expedited and represents a reasonable consolidation of departmental programs up through their colleges. It has, however, been primarily a college budget process that needs more attention to campus wide strategic planning and interdisciplinary programs. While faculty have typically been involved in these units, we believe that the voice of the faculty, students, and staff needs to be considered as a community. We appreciate the opportunities that have been provided to participate in creating the budget process. In lieu of our participation in the budget decision making process, we provide a specific summary of our suggestions. We have discussed current faculty and/or OSU values and the following priorities (inalphabetic order) have repeatedly emerged:

1. Access to and quality of educational experience: Assure that both access to and quality of on campus programs are not jeopardized through budget support for off-campus programs. The faculty supports distance educational programs that meet the same efficiency and peer comparison standards demanded of all institutional programs.

2. Capacity: Increases in the number of students need to be connected with the ability to provide the students with a quality education. Requests for current program and new initiative funding need to be analyzed carefully in light of the potential for diminished quality of OSU programs. Attempts to accommodate new students must consider the already stretched limit in teaching our current students.

Examples:

- The increase in the numbers of freshmen has been coupled with an increased number of students on academic probation; academic support for retention of the increased students requires and investment of resources.
- The need to maintain the quality of the Honors College experience concomitant with its expansion.

3. Cross Campus Initiatives: With budget requests emerging primarily from college and department perspectives, concern has been expressed about support for cross campus initiatives. With each new initiative that broadly impacts the institution, assure that the institutional perspective represents all who will or should be participating and help us in understanding who and how the institutional perspective was defined.

Examples:

- Enhance the freshman experience through cross campus initiatives rather than through small group experiences in certain colleges.
- Encourage interdisciplinary programs that rely on teamwork from across the campus.

4. Diversity: OSU has excellent plans for encouraging diversity. A funded effort to realistically appraise the resources required to attain our goals and set a course to do so are needed to pursue the plans for a true commitment to enhancing the diversity of OSU students and faculty.

5. Faculty retention: As identified by the peer data, faculty salaries are significantly less than our peer institutions. OSU needs to have a purposeful plan for considering faculty retention to highlight the serious concern. The focus in the budgeting process has seemed to rest primarily on programs and services which may or may not include targeting the faculty salary issue campus-wide. The concern is that if the budget special request for increases in faculty salaries is not supported by the legislature, faculty salaries will not receive consideration in a purposeful manner.

6. Graduate students: Graduate students' educational and work experiences must be enhanced for OSU to meet its top tier goal. It is important to identify resources for this purpose in the beginning budget so existing operating budgets will not be devastated part way through the biennium to address this serious situation.

7. Library: The Senate has passed a resolution supporting increased funding for the Library indicating that faculty have significant concerns about the importance of the Library in budget allocations. As the Library budget is evaluated, assure that the numerous commitments made over the past year to the Library are maintained. A list of those commitments have been compiled and are available for use in the budget process.

8. Research: The funds identified for research will impact the entire institution. Input from the breadth of the campus is needed in distributing these dollars.

9. Reserves: It is recommended that the university reserves be rebuilt gradually over the next few years from new money allocated to the university; however, the campus needs clear guidelines for how reserves will be used and some balance as to how they are held among departments, colleges, and the university.

Reflection on Process: The work this year has focused on the budget allocation process. Through discussions, forums and other media, the campus has had the opportunity to be

involved in the process and we believe that the process is clearer and over the next few years will become more closely tied to objective criteria than in the past. We believe that now it is important to focus on the even more critical elements of budgeting -- agreeing as a community on what the goals are as we use for the process and that the following items should be considered as suggested improvements for the 2000-01 budget process.

1. A comprehensive strategic plan should be the basis of the budgeting process. The current budget allocation needs to be evaluated with respect to strategic plans.
2. The strategic planning process should be a consensus building process that encompasses the whole campus community. When new elements are introduced to the strategic planning process, they should be accompanied by an explanation of how and by whom they were developed.
3. The strategic planning process should begin immediately in order to assure that the budget process for the fiscal year 2000-01 is able to reflect a strategic plan.

We recommend that the Executive Committee endorse these recommendations through a letter to the President and Provost for consideration as they begin to implement the budget allocation process. We also recommend that Maggie Niess report to the May Senate meeting and engage the Senators in a discussion of the points identified in this memo.