

Rutgers University Senate
University Structure and Governance Committee
Charge S-0604 (Shared Governance)
Draft response (3/18/07)

Charge: *In preparation for the upcoming Middle States reaccreditation process, examine the current state of shared governance at Rutgers, using the introduction of All-Funds budgeting, the ongoing restructuring of undergraduate education in New Brunswick, and the response to the large cuts in state funding as test cases. In each case, were all the appropriate stakeholders actively engaged in the process? Was appropriate input obtained from faculty, staff, administrators, students and other stakeholders before critical decisions were made? Did the various faculty and student governance organizations play effective roles? What weaknesses in shared governance were revealed in these cases? Based on this assessment, make recommendations for strengthening shared governance at Rutgers. Respond to Senate Executive Committee by February 21, 2007.*

Overview

Institutions of higher learning have many stakeholders--students, staff, faculty, administrators, alumni, state and local leaders--who should have an opportunity to participate in shared governance. This report assesses the effectiveness of shared governance at Rutgers, considering three case studies as well as benchmarks with other comparable institutions. It should be noted that given the scope of this charge and timeframe for responding, much that is stated herein is anecdotal. The guiding question for the committee in looking at the case studies was "Was the principle of shared governance applied and if so, was it applied effectively?"

Shared governance within the university is in transition. Recently developments have occurred that reveal certain trends regarding governance at Rutgers. Shared governance is understood as dispersing political power within the organization such that stakeholders are provided essential information in a timely manner so that issues may be discussed thoughtfully and thoroughly by elected or appointed representatives and, in certain cases, by rank-and-file constituencies. Shared governance requires, and functions best in, an environment of transparency. It entails timely dissemination of pertinent information, broad consultation, and a certain degree of devolution of decision-making authority to responsible officials closest to the units impacted by the decision. It enables the administration to avail itself of the expertise of given individual members of the university community by including specialists in its deliberative bodies. The administration is perceived to be serious about the principles of shared governance, but putting those principles into practice, in an imperfect world where levels of support are often not stable and budgetary information is not always timely, is an ongoing challenge.

The University Structure and Governance (USG) Committee believes that the following criteria must be applied in order for shared governance to be effective:

- Governance is transparent and includes shared decision-making and accountability of all involved
- All stakeholders impacted by a decision are involved in discussions of pertinent issues; if appropriate, they participate in decision making, and in all cases they are informed of and given explanations for the outcome of the process
- Consultative bodies (e.g., Senate, standing university committees) are used in the formation of task forces, committees, and other bodies that make decisions about university programs, services, and activities

- A formal relationship exists between consultative bodies and the central administration in decision-making
- Unilateral decision making by institutional leaders on issues that impact stakeholders is eschewed except in times of true crises
- Consultation and involvement occurs at the initiation of an idea/project, rather than during the process or after its completion, and updated information flows to stakeholders with regularity
- Crises are routinely anticipated and avoided, but in the case of an unavoidable crisis (e.g. last year's budget cuts) the appropriate level of shared governance is considered, recognizing that given circumstances and time may constrain truly broad consultation. Regardless, broad explanation of decisions made occurs
- There are clear systems for consultation, feedback, explanation, and evaluation
- The vehicles and processes for shared governance are responsive and respectful of the various cultures that exist at Rutgers (administrative, academic, student), with these processes meeting the unique needs of each group.

As does many of our peer institutions, Rutgers has a web page dedicated to shared governance (<http://ruweb.rutgers.edu/aboutru/shared.shtml>). It contains a brief text that chiefly addresses shared governance between the administration and the University Senate and between the administration and the two campus faculty councils. Some peer institutions have much more elaborate and inclusive statements of commitment to the principles of shared governance (see Appendix A). It is difficult to ascertain what is considered a "best practice" in shared governance, however in comparison to other institutions; Rutgers' statement looks relatively tepid and bland.

As to our assessment of the extent to which principles of shared governance were respected and put into action in the three test cases (restructuring undergraduate education in New Brunswick, dealing with the deep budget cuts for FY 2007, and introducing All Funds Budgeting), that judgment depends largely upon who makes the assessment, when, and using what measuring instruments. To gain a broad perspective on the matter, the USG contacted a cross section of leaders in the central administration, provosts, deans, faculty councils as well as USG committee members from the staff, students, alumni, and faculty. In this process, the lack of a faculty council to speak for the entire Camden campus stood out as an anomaly and a glaring lack.

Case Studies

The information that follows is admittedly anecdotal. Information was garnered through web searches, informal and formal conversations, and review of published documents. Given the time frame within which to report, the USG committee did not have ample time to fully assess the governance process in these cases.

A. Undergraduate Restructuring

1. Overview:

The effort to transform undergraduate education at Rutgers-New Brunswick began in 2004, when President McCormick and Executive Vice President Furmanski appointed the Task Force on Undergraduate Education (TUE), headed by then Dean, Barry Qualls. The group was charged with examining all aspects of the undergraduate experience at Rutgers–New Brunswick. A year later, a major report was issued: *Transforming Undergraduate Education: Report of the Task Force on Undergraduate Education at Rutgers–New Brunswick/Piscataway*. The report included a comprehensive series of recommendations covering all aspects of the undergraduate experience, including student recruitment and admissions, core educational requirements, facilities, student life, and the academic structure of the

university. On March 10, 2006, the Board of Governors approved President McCormick's recommendations, based largely on the Task Force's report.

2. Process:

- There was continuous open communication to the university community regarding the transformation. From the beginning, the President, Executive Vice President, and Task Force Co-chairs communicated regularly through email to the community. Web pages were developed (<http://urwebsrv.rutgers.edu/ugtaskforce/> and http://urwebsrv.rutgers.edu/transform_ru/implement.shtml) to share information about the process.
- Throughout 2004 and 2005, there was intensive involvement of the general campus community. The first meeting of the Transforming Undergraduate Education Taskforce (TUE) was held as an open meeting.
- At the September 2005 Annual Address, President McCormick focused heavily on the undergraduate restructuring process.
- During fall 2005, open forums were held on all New Brunswick campuses to allow for feedback and commentary.

3. Involvement of key constituent groups:

- The University Senate Budget & Finance Committee was asked to submit a report on the financial implications of the restructuring process.
- Five TUE committees that included various staff, faculty, and administrators were initially charged with the planning processes. Fifteen committees were developed to manage the implementation process. These committees had over 150 students, faculty, and staff involved.
- Student Affairs, Undergraduate Education, School of Arts and Sciences also have various committees related to implementation issues in their units.

4. Committee's opinion:

The policy development stage of the restructuring of undergraduate education on the New Brunswick campus exemplifies very good practice where timely dissemination of information, open discussion, and accountable decision-making are concerned. The Task Force embodied substantial diversity of representation for various quarters of the university community. The University Senate devoted much of its time for the entire 2005-2006 academic year to discussing the many contested aspects of the question. Discussions as to implementation of the restructuring are still ongoing. This phase appears to be proceeding toward its target date of September 2007. The USG committee will invite the leaders of the implementation process to its April meeting in order to be updated.

B. FY 07 Budget Cuts

1. Overview:

Where absorbing the university's deep budget cuts is concerned, although responses sound less dire as one moves closer to the center of the university's core, all agree that, due to the very late timing of the budget announcement (July 2006) and the unprecedented magnitude of the cuts, the extent to which governance could be shared was limited. Prior to the cuts, a Budget Advisory Group, chaired by Executive Vice President Furmanski, was assembled in which the prospective cuts were discussed in terms of general principles. President McCormick communicated regularly with the university community about the cuts and created a web page of information for community members (<http://www.rutgers.edu/FY2007budget/>).

Throughout the spring 2006 semester virtually everyone in the university was informed of the likely imposition of significant reductions--even as the community was exhorted to rally in Rutgers' support before the state legislature and governor. Deans, directors, and department chairs were required to model reduced budgets of varying grades of severity. When the cuts were finally known, decisions were made by the appropriate university administrators, but not always in consultation with faculty and staff to the extent they would wish. One administrator summarized the process as that of "avoiding disaster, but not without being hurt."

2. Process:

- President McCormick communicated to university community about the status and magnitude of cuts
- A budget committee was convened that included various high-level administrators. This group discussed how cuts would be made (percentage of over- and above-the-line monies). This information was disseminated to Vice Presidents/Provosts who then were instructed to make cuts according to the desired formula
- Vice Presidents/Provosts and their area heads used various models and approaches to making cuts

3. Involvement of key constituent groups:

- The Senate Budget & Finance Committee was involved in the process and asked to respond
- President McCormick encouraged the university community, including students, to be active voices in Trenton advocating for budget restoration

4. Committee's opinion:

Given the circumstances (impact, time, and ability to operate) there was an appropriate level of involvement from area heads on modeling cuts and how they would be carried out. More after-the-fact communication between the Newark and Camden provosts and their respective faculties would have been desirable.

C. All-Funds Budgeting

1. Overview:

The case of introducing All Funds Budgeting (AFB) is complex. Shortly after Executive Vice President Furmanski arrived at Rutgers, an All Funds Budgeting Committee was assembled in order to better link the university's goals with its revenues. According to the committee's charge, AFB was the only model seriously considered (See Appendix B). Although not all faculty understand what AFB is or how it works, it appears that administrators, provosts, deans, department chairs, and program directors take AFB to have shared governance, financial transparency, accountability, incentivized behavior, and multi-year planning at its base.

2. Process:

AFB was first rolled out in the 2005-2006 academic year and was applied exclusively to the university's academic units. Units (campuses, schools, and colleges) were to receive 55% of the tuition monies they generated, with 45% going to the administration. The plan is to extend AFB to all parts of the university, but the very deep budget cuts of FY 2007 froze those efforts in place. Although there are numerous complaints about improper funding levels for specific programs, projects, or units (summer school, winter session, and remote campus operations were often mentioned), all officials contacted agreed that AFB is a good path for the university to be on. It is a potentially effective way for Rutgers to rationalize its resources, concentrating them where the greatest productivity at the highest levels of excellence is to be found. Clearly, though, AFB is still a work in progress.

3. Involvement of key constituent groups:

- Currently the University Senate Budget & Finance Committee is addressing the issue; however, the focus is on reviewing and evaluating process and policies. There was no involvement of this committee during the exploration or implementation stages

4. Committee's opinion:

The process of adopting All Funds Budgeting was flawed in that the Executive Vice President for Academic Affairs determined to use this model without previously consulting with the groups who would be affected. Although a task force was developed to implement AFB, there was a lack of shared decision making as to the model that would be used. Ideally, the Task Force would have had a more representative group of individuals chosen according to a generally understood and accepted system. It would be beneficial to have broad discussion of the potential merits and drawbacks of the eventual application of AFB to administrative areas. In leading this discussion, the Executive Vice President for Academic Affairs should consult with the entire university community.

Benchmarks and Best Practices

Rutgers appears to have a unique formal governance structure in which all members of the campus community--students, staff, faculty, administrators, and alumni--have an opportunity to use their voice in institutional governance issues. Rutgers' formally recognized bodies--the Board of Governors, Board of Trustees, University Senate, undergraduate and graduate student governments, and faculty councils--have served as vehicles for addressing university issues and initiatives. Whenever possible, these established representative bodies—rather than ad-hoc groups—should be actively involved in university governance.

It is common practice at Rutgers to consider other leading universities when exploring new initiatives. The USG Committee looked at other schools, both in our region and beyond, to see how formal governance structures operate on their campuses or throughout their systems. The following sample only explores formal structures and does not fully take into account all decision-making processes at the institutions, which may at times circumvent these structures. They are just snapshots of their shared governance processes.

Pennsylvania State University: At the flagship campus and the regional campuses there exists a faculty senate, undergraduate student governments, and graduate students governments. Alumni advisory council. No formal represented body for staff employees. The Board of Trustees has members selected by the governor and alumni as well as appointed delegates from agriculture and business, and several emeriti. Students, staff and faculty are not represented.

SUNY System: For the system, there is a Board of Trustees, which includes 15 governor-appointed members and the president of Student Assembly; the Faculty Senate Faculty Councils, and Student Assembly. No formal body for staff or alumni representatives.

Southern Illinois University (SIU): SIU has an extensive formal governance system. The Board of Trustees has staff, faculty, and student representatives on the body. In addition, there are several constituent-based governing bodies including the faculty senate, graduate and professional student council, undergraduate student council, civil service employee council, and the administrative/professional staff council.

University of Maryland: The University of Maryland has a University Senate that includes elected representatives of students, faculty, and staff. Alumni do not serve on the Senate.

Recommendations

In view of the foregoing research and analysis, the USG Committee recommends that:

- Rutgers revise its statement of commitment to shared governance, making it more comprehensive and commensurate with the true seriousness of its commitment, and that this process be done through shared governance;
- once criteria for standards of shared governance are developed, they be widely communicated across the university community;
- a Camden Faculty Council be formed and brought into operation;
- the administration consider existing governance structures already in place when addressing issues before developing a new task force/committee; and in doing so, the University Senate committees be considered as the primary representative body to vet new ideas, address issues, and recommend decisions/actions;
- when University task forces/committee must be developed, consultative bodies have an opportunity to suggest representatives to serve on the task force/committee;
- campus provosts and the Executive Vice President for Academic Affairs provide detailed and timely follow-up explanations for faculty, staff, students, and alumni as to their decisions regarding all major budgeting decisions; one of the most critical issues of shared governance is budgeting and funding; and
- the University Senate, through this committee, continues to assess its own operations with regard to the representation of all community members through the Senate, in order to make it a more effective deliberative body for the university community.

APPENDIX A

Websites of information referenced in the report as well as other sites of interest.

Shared Governance

Rutgers Shared Governance:

<http://ruweb.rutgers.edu/aboutru/shared.shtml>

University Senate:

<http://senate.rutgers.edu/>

Statement by Higher Education Programs and Policy Council of AFT - Report on faculty and staff role in shared governance

www.aft.org/pubs-reports/higher-ed/shared-governance.pdf

AAUP Report on Shared Governance - faculty role in university shared governance

www.aaup.org/publications/Academe/2002/02ja/02jasio.htm

Undergraduate Restructuring

Task Force on Undergraduate Education

<http://urwebsrv.rutgers.edu/ugtaskforce/>

Implementation of Task Forces Recommendations

http://urwebsrv.rutgers.edu/transform_ru/implement.shtml

State Budget Cuts

FY 2007 Budget Cuts

<http://www.rutgers.edu/FY2007budget/>

University Websites

University of California – Statement n shared governance

www.universityofcalifornia.edu/aboutuc/governance.html

University of Maryland

Senate statement on shared governance

www.senate.umd.edu/cpsenexerpt.htm

Policy on shared governance

www.umd.edu/regents/bylaws/sectionI/I600.htm

Pennsylvania State University – Board of Trustees

www.psu.edu/trustees

Southern Illinois University – Carbondale

BOT statute on constituency representation

www.siu.edu/bot

Statement of faculty role in shared governance

www.siue.edu/~ovcr/governance.html

State University of New York – Board of Trustees policies

www.suny.edu/board_of_trustees/pdf/policies.pdf

APPENDIX B

All Funds Budgeting Task Force charge

In a memo dated October, 2003 from Executive Vice President Furmanski to the AFB Task Force, principles were identified for the Task Force in providing advice on the development of an All Funds Budgeting process. A process:

1. that is based on the academic needs, aspirations and strategic goals for the University;
2. that takes account of and makes most efficient use of all of the revenue sources available to academic units;
3. that is based on a set of principles and specific guidelines known to all;
4. that is appropriately equitable;
5. that is predictable and reduces uncertainty, moving us away from constant crisis management and repeated ad hoc resolution of core budget issues;
6. that provides units with acceptable flexibility and the ability to respond to legitimate target of opportunity;
7. that provides reasonable incentives for units and individuals to continue to develop non-institutional sources of support for their initiatives;
8. that recognizes appropriate administrative oversight and governance responsibilities, including University administration, our Boards and the State.

Submitted by the 2006-2007 University Structure and Governance Committee:

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