

November 1, 2004



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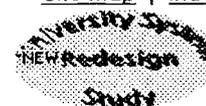
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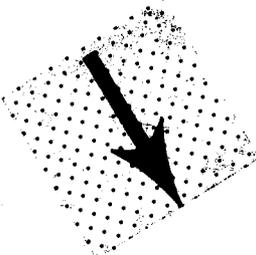
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NEW! Upcoming meetings

- **Feasibility and Planning Study Work Group**
Wednesday, October 27, 2004, 3:00-5:00 p.m.
Arizona Ballroom-R, Memorial Union
Arizona State University main campus, Tempe.
- **Arizona Board of Regents**
November 18-19, 2004
University of Arizona, Tucson.

- **ATTN: High School Counselors: Information [PDF] [Word] and Application fee waivers [PDF] [Word]** now available online for students applying to state universities.

Mark the date...



- **September 30, 2004** - Final budgets due from Sponsored Projects offices for FY2002-03 LCE Funded Grants
- **October 12, 2004** - Deadline for FY2005 Learner-Centered Education grant proposals (see [narrative](#) below)
- **December 3, 2004** - Deadline for FY2004-2005 ITQ grant proposals (see [narrative](#) below)

Other recent news items...

- **ATTN: Arizona Public University Faculty** - The [2005 LCE Grant proposal request \[PDF\]](#) is now available. It contains links to [guidelines \[PDF\]](#) for writing the proposal. Proposals must be postmarked no later than **October 12, 2004**.
- **Arizona Higher Education Institutions: The Improving Teacher Quality (ITQ) RFP** for submitting grant proposals for projects aimed at supporting development of principals and K-12 teachers in specific content areas (Language Arts/English-Science-Mathematics-Social Studies or Technology in content areas) is now available. [\[PDF\]](#) [\[Word\]](#) The deadline for submitting proposals is 5:00 p.m. [MST], Friday, December 3, 2004.

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July 2004

CONCERNS RESOLUTION Committee of Eleven University of Arizona

We hereby express our deep concern about the current direction of the University of Arizona and most importantly about what appears to be a clear and regrettable movement away from the long-term goal of becoming a Top Ten Public Research University. Our understanding of "focused excellence" led us to expect implementation of major initiatives in selected areas, an increase in the standards for admission and the corresponding improvement in the quality of student body, and a significant increase in the fraction of students who are graduate students (to achieve parity with our peers). Focused excellence could have also meant competing with the best institutions in the country for undergraduate instructors. We had assumed that the huge tuition increases over the last two years together with continuing growth in the research enterprise would enable us to move forward.

The recent 2% across-the-board permanent budget cut is devastating and reflects a major step backward. Indeed it will result in a further diversion of indirect-cost dollars (at the department level) to support the instructional mission - a move opposite to that of our expectations and aspirations and which implies that there is still no identifiable focus to the evolution of the University of Arizona. The following is a list of recent events that reflect our concerns:

- The University of Arizona Foundation, after raising a billion dollars, pulls out of the small grants program. This adds to the general feeling of malaise.
- ERE rates for graduate students price students out of the reach of many research grants. The manner in which the rates have been handled is most troubling since the rate of change is more rapid than funding cycles can accommodate. However, the financial aid to the Graduate College is helping buffer this somewhat.
- The handling of classified-staff ERE rates is making employment of technical support people nearly impossible. There is no recognition of the inflexibility of grants and contracts in responding quickly to large swings in rates. In the short term this means we have fewer people to do the work for which the grant or contract was awarded, and as a consequence, it is increasingly difficult to complete the promised work, putting grant and contract renewals at great risk of failure.
- The apparent diversion of Indirect Cost dollars to non-research related activities (see attached Table) is unwise.
- Raises for employees on research grants and contracts should not be loaded without consultation with principal investigators. Given that PIs are responsible for the conduct of the work on their research grants and contracts, this is a very serious and improper intrusion. It is the lack of consultation that is egregious, not the raises.

- There is a growing perception (statewide) that ASU is moving strongly forward in research, while we are not. This is causing serious morale problems and has been exacerbated by the lack of direction implicit in the across the board cuts - precisely the opposite from what was promised.
- There has been no announcement of new research initiatives.
- Large deficits in some auxiliaries, including the Student Union and residence halls, reflect poor planning.
- There have been no across-the-board cuts at ASU. Again, in terms of perceptions, we are seen to have managed our finances less well, the result being serious, harmful cuts when the State legislature provided budget increases for both institutions.
- Financial investments, such as the purchases of COSMOS and the Oracle software, or the sending of \$15 million to Phoenix (for TGen), while we are subjected to unexpected rescissions, appear to be unsoundly planned, or at least poorly timed.
- There has been no announcement of the new admission standards for undergraduate students or of our target for graduate students.
- Buildings have been funded with no idea who the occupants will be (building in Phoenix, and MRB on campus in Tucson), reflecting major capital expenditures without a plan.
- The attached Table is a summary of the budget as we understand it. The Table footnotes identify additional issues.

The timing of the most recent budget cuts is particularly painful. Commitments for hiring, instruction etc. for FY05 were made some time ago and are very difficult to reverse at this late date. Moreover, because operations dollars are already at unacceptably low levels, layoffs and course cancellations are inevitable.

In closing, we wish to note that we are dissatisfied with the explanations offered to date with respect to the University of Arizona's current fiscal crisis. These budget deficits appear to us to be the result of poor planning. They certainly represent conflicts between administrative actions and publicly stated aspirations for the University of Arizona. An investigation of the etiology of this situation, with a report to the faculty and a plan for corrective action, would be appropriate. The report should include mechanisms for preventing this type of poorly planned rescission in the future.

We believe that the University must articulate a carefully defined plan for our progress towards the goal of being one of the nation's leading research universities. There must be defined mile-posts for the plan, in order to overcome the distrust and disillusionment that has resulted from the poorly defined and executed "focused excellence" to date.

FY05 MARGINAL BUDGET: REVENUE AND EXPENDITURES

INCOME (\$ millions)		EXPENDITURES (\$ millions) ^d	
Employee raises	6.4	Employee raises (FY04 & 05)	8.9
Indirect cost increase	9.1 ^a	VPR – recruitments	4.1
Key personnel package	4.3	Key personnel expense	2.1
Enrollment growth	3.6	Collections adjustment (FY05) ^e	1.0
Tuition increase	11.9	Tuition remission	5.9
AIC reallocation	0.9	Reduction in collections (FY05) ^e	1.9
Debt restructure	5.5	Investment income deficit (FY04) ^{c, e}	4.4
Admin. service charge	1.0	Enrollment management	0.7
Purchasing card	1.0 ^b	Instruction	3.1
Summer session	0.8	Financial aid-Grad College ^a	0.7
TRIF tax	0.2	Accreditation-Public Health ^c	0.5
		FY04 commitments ^e	1.9
		Compliance ^a	0.1
		O & M	2.0
		Drachman Hall debt service	1.3
		ERE deficit ^{c, e}	12.5
Total	44.7		51.1
NET	(6.4)		
BUDGET CUT	6.2		

^a IDC revenue 9.1 million, expenses appear to be 4.9 million (blue font), thus 4.2 million to non-research related expenditures. The 4.2 million cannot be applied to the ERE deficit since grants and contracts are paying off their portion of the ERE pool deficit (at least in part) through higher ERE rates?

^b It is not clear how grants are going to be reimbursed for purchasing card revenues resulting from grant and contract expenditures (so the expense directly benefits the grant as required by the Federal policy).

^c Presumably the Investment Income deficit, the School of Public Health Accreditation expense, and the ERE pool deficit are in part or whole one time expenses and these dollars will be available in next year's budget.

^d It appears that the deficit is ~6 million and the Colleges and VPs are picking up the entire deficit.

^e Several items on the expenditure side are actually covering prior years' deficits and/or anticipated FY05 short falls (21.7 million, red font). What is being done to prevent this in the future?

GUIDELINES FOR SHARED GOVERNANCE
The University of Arizona

**Memorandum of Understanding Entered into by the Faculty
and the current Administration of the University of Arizona.**

I. INTRODUCTION

This memorandum of understanding agreed to by faculty and administration outlines principles of shared governance at the University of Arizona and is entered into freely by a faculty and an administration committed to a common vision of the mission of the University. In an era of significant educational change, the success of the University and the positive morale of the faculty and administration are dependent upon continued use of the collective intelligence of the university community in planning and decision-making. Shared governance involves mutual participation in the development of policy decisions by both faculty and administration, and requires shared confidence between faculty members and administrators. This confidence extends to short- and long-range financial priorities for the University, the creation and elimination of programs and units, and a shared understanding that faculty representatives and administrators strive always for informed mutual support through shared governance dialogue. Within shared governance, a decision on a change in policy or a strategic direction should normally be reached only after there is general acceptance of the proposal by both the administrator(s) involved and the appropriate shared governance group for the issue in question. General acceptance means (1) that the appropriate shared governance group has been properly consulted and (2) at least a simple majority of the group can support the policy or decision. The President or designee(s) can, however, make and announce a final decision unilaterally (provided there has been consultation) if he or she believes it to be in the vital interests of the University.

The following guidelines are intended to elaborate further details in the way the faculty and administration address certain issues. These guidelines express a mutual desire to work together. They do not constitute a legal contract. It is intended that these guidelines be consistent with and not supersede Arizona Board of Regents Policies, including the Conditions of Service and Arizona Board of Regents Policies 6-910 and 6-201(J); the applicable provisions of the Constitution of the Faculty of the University of Arizona (1); the Revised Statutes of the State of Arizona (2); and other documents as described in Section II.

II. STRUCTURE AND PROCESS FOR SHARED GOVERNANCE

A. Selection and Review of Academic Administrators and Academic Vice Presidents

The faculty and administration will play a collaborative role in the recruitment, selection and review of heads of departments, academic unit directors, deans, vice provosts, and vice presidents.

The expectation is that these personnel decisions will take place only through proper shared-governance dialogue with the faculty. Furthermore, with respect to the selection or retention of a head or academic unit director, the position of the faculty shall be determined through procedures decided by the faculty of the respective department or unit. With respect to such decisions relating to academic deans, vice provosts, and vice presidents, the faculty shall be represented through faculty chosen by way of an elected faculty committee on committees at the respective college and university levels. Faculty representatives, chosen as per II, D below, shall comprise half or more of each search committee and each review committee. The remainder are appointed by the designated administrator. Extraordinary reviews shall be conducted by procedures outlined in the *University Handbook for Appointed Personnel*. It is the responsibility of all committees to ensure open faculty input, including the input of the appropriate elected faculty body.

B. Budget and Strategic Planning

With respect to budgetary and financial matters, the projected budget of University funds will be formulated by the administration with faculty participation, reviewed by faculty representatives chosen by way of accepted faculty governance procedures, and publicly disclosed. The Strategic Planning and Budget Advisory Committee (SPBAC), comprised of faculty, administrators, and other sections of the University community as appropriate, shall be the university-level forum for obtaining full consultation of the faculty on the projected budget. Again, at least half of the committee will come from the faculty, chosen by way of accepted faculty governance procedures. The SPBAC will receive input from the Faculty Senate as appropriate and make reports to the Faculty Senate. University budgets and records of University expenditures will continue to be open to all members of the faculty and the public, as required by law.

C. Position Searches

Tenured, tenure-eligible, continuing, and continuing-eligible faculty, academic administrative and vice-presidential appointments will be made following open competitive searches with selection based on merit and due consideration of intellectual and cultural diversity. This statement is not intended to prohibit "laureate" or otherwise uniquely qualified appointments made on the bases of approved non-competitive searches.

D. Faculty Representation

Representation of the faculty at all levels of University shared governance will be carried out by members of the faculty who have been chosen by direct election by the faculty or a faculty elected body, appointed by an elected faculty officer, or appointed by an administrator from a list of several nominated by the Committee on Committees. Faculty members have the responsibility to participate in shared governance. In work assignments and performance reviews, their participation shall be recognized as service and given the weight necessary to ensure the success of shared governance.

E. Academic and Academic Personnel Policies

Academic and curricular policies rest primarily with the faculty. The creation and elimination of programs and units, policies relating to student affairs and admissions, faculty personnel policy, and the guidelines on faculty and administration salary policy are included within the jurisdiction of shared governance. An initial proposal to change academic or academic personnel policy may come from any source, but the formal consideration and development of such policy changes shall always be undertaken through shared governance arrangements.

If a substantial minority of any shared governance committee disagrees with any action taken by the committee, their position should be included as part of the committee's report or recommendations. These reports or recommendations will be tracked to the Faculty Senate or SPBAC, as appropriate, according to the document, "Tracking of Proposals to the Faculty Senate or SPBAC," dated November 14, 2002.

F. Process of Consultation

1. The overarching shared governance groups, and the ones referred to in the introduction of this document, are the Faculty Senate and the Strategic Planning and Budget Advisory Committee. Other examples of shared governance groups are the Appointed Personnel Organization Council, the Staff Advisory Council, the officers of the Associated Students of the University of Arizona, and the officers of the Graduate and Professional Student Council. Consultations should generally include one or more of the above organizations, but may extend further at the direction of the administration. When any such group or the administration, wants to suggest a policy or a change in an existing policy, there should be initial consultations involving representatives from all the shared governance groups concerned with the matter.
2. The overarching shared governance groups and the administration are responsible for insuring that any proposed policy or strategic direction, wherever it originates, shall be developed pursuant to the agreement. The President, Provost, Chair of the Faculty, and Chair of SPBAC should consult periodically about whether any policy changes coming under this agreement may be in gestation that have not undergone the appropriate shared governance process in order that the process can and will take place in a timely manner.
3. In a case where differences arise between the administration and the appropriate overarching shared governance body concerning any policy recommendation in any area covered by these guidelines, the administration and that shared governance group will work to resolve those differences so as to attain an outcome that is generally accepted. Only on occasions where general acceptance cannot be reached among the parties involved and where the President or designee(s) deems action is clearly necessary to protect or advance interests vital to the University shall the President or designee(s) act unilaterally.

4. When general acceptance on a policy has been reached or a “vital interests” declaration has been made, the administration will suggest the steps it intends to take to implement the policy and provide a timeline so as to assure proper implementation of the policy and appropriate shared governance oversight. *Shared governance does not extend to management decisions, that is, the carrying out and implementation of policy according to the objectives and guidelines of that policy.*
5. When and if there is a dispute over whether the adoption of a policy or its implementation has followed the terms of this document, a consultation will take place between the administration and the appropriate shared governance bodies subject to the terms of F.2 above and, if needed, Section G, below.
6. In the event that the President or designee(s) believes that a policy change must take place urgently, perhaps to the point of abbreviating normal shared governance procedures, the President or designee(s) will consult the Campus Leadership Group (the chairs or presidents of the General Faculty, SAC, APOC, GPSC, and ASUA) plus the Chair of SPBAC and the Presiding Officer of the Faculty Senate (or designee(s) in each case, if necessary). That process of consultation will attempt to determine if urgency does indeed require expedited action. In a case where there is a general acceptance that such urgency exists, or the President deems that the vital interests of the University are at stake and that rapid action is imperative, the consultation will seek to work out an expedited process of shared governance for that particular matter. As part of that process, the group leaders involved will consult the members of their shared governance bodies to the degree they are able to do so.
7. For the sake of confidentiality on personnel or other sensitive matters, the administration has the right to determine the appropriate level of specificity of the information that is given to the faculty.
8. In those cases where the administration proposes to initiate any change in a policy or process covered within this memorandum, the President or designee(s) will begin by consulting the duly authorized leaders of the appropriate shared governance groups. During that initial consultation, if information arises that bears on personnel matters (as opposed to policy or process), the shared governance representatives agree in advance to keep that information confidential and communicate to their constituents only those elements of the proposal that are authorized for disclosure by the administration and do not involve personnel considerations.

G. Shared Governance Review Committee

With the purpose of enhancing the smooth operation of shared governance, a review committee composed of the Chair of the Faculty, the Chair of the Strategic Planning and Budget Advisory Committee, the Presiding Officer of the Senate, three Senators (elected by the Senate), the Provost, and two other members of the administration chosen by the President shall be established. Its purposes are to address issues regarding the implementation and functioning of the procedures

contained in this document, to recommend a process to review compliance with this agreement, and to make recommendations toward more effective working of shared governance.

The Shared Governance Review Committee can review allegations that there may have been a breach of this agreement by any party to it. In the event the Committee feels there may have been a breach after careful consideration with all parties involved, it will ask for a consultation involving the Committee, the parties involved, and the President or designee(s). This consultation will attempt to provide recommendations that will strive to resolve the matter. If a resolution cannot be found, the shared governance groups at the University of Arizona may then follow their own procedures to address the unresolved issues.

H. Involvement of Students, Staff and Professional Personnel

The involvement of students, professional personnel and staff in shared governance is defined by the "Plan for Extending Shared Governance," April 27, 1998.

I. Consistency with Other Documents

It is intended that these guidelines be consistent with and not supersede the applicable provisions of the Arizona Revised Statutes, Arizona Board of Regents policies, the Constitution and Bylaws of the Faculty of the University of Arizona, and the *University Handbook for Appointed Personnel*.

However, the guidelines are built upon principles of shared governance developed after the Constitution and UHAP were instituted. Therefore, these guidelines provide a framework, which may be used to suggest amendments designed to conform with the principles of shared governance.

J. Continuing Structure and Process

Principles of shared governance shall be fostered within the colleges and units, as in a form appropriate to the circumstances of each college and unit but consistent with aims and objectives of shared governance.

The Faculty Senate and the administration shall jointly continue to consider the further development of this memorandum of understanding, and make arrangements to implement the provisions as adopted.

Peter Likins
President 1997-

Jory L. Hancock
Chair of the Faculty 2001-

Date

Date

George H. Davis
Provost 2000-

Wanda H. Howell
Vice Chair of the Faculty and
Presiding Officer of the Faculty Senate 2001-

Date

Date

NOTES:

1) From The Constitution of the Faculty of the University of Arizona: "The general faculty has fundamental responsibilities in the areas of academic personnel policy; instruction and curriculum policy, research policy, student affairs policy, ethics and commitment, advice on budget and university support, and acts on such matters affecting the welfare of the University as are brought for consideration in accordance with University policy."

2) From Arizona Revised Statute 15-1601B: "The Universities shall have colleges, schools and departments and give courses of study and academic degrees as the Board (of regents) approves. Subject to the responsibilities and powers of the Board and the University Presidents, the faculty members of the Universities, through their elected faculty representatives, shall share responsibility for academic and educational activities and matters related to faculty personnel. The faculty members of each University, through their elected faculty representatives, shall participate in the governance of their respective Universities and shall actively participate in the development of University policy."

Original: April 28, 1997 and September 8, 1997

Revised: