

June 19, 2012

**RALPH J. HEXTER**  
**Provost and Executive Vice Chancellor**  
**Office of the Provost**

**RE: Davis Division Response:**  
**Provost Allocation Working Paper, Version 1 and Executive Summary (budget model)**

The Davis Division of the Academic Senate forwarded the referenced white papers to all divisional standing committees as well as Faculty Executive Committees within each college/professional school. Detailed responses were received from Committee on Planning and Budget (CPB) and Graduate Council.

Although there is a lack of understanding due in part to the nature of the budget process, the whitepapers lacked detail to allow meaningful review. Thus, the following questions and concerns remain:

- On page 8, Working Paper, Version 1, states: "We anticipate that a larger portion of faculty salary and benefits will be retained at the unit level." It is unclear what this statement means.
- On page 9, Working Paper, Version 1, states: "The Provost Allocation will reflect the Provost and Chancellor's best judgments, but it will be more challenging to explain the rationale for those decisions." CPB is unclear about what is meant by this statement. If there is transparency then the rationale for decisions can be explained. If it is impossible (or challenging) to explain the decisions made then those decisions are questionable.
- Beyond a concern that graduate education, graduate groups, and TA allocations, will be discussed in detail in the future budget planning discussions there was little for us to address in these documents in part because Graduate tuition revenue has not been disaggregated and so is lumped into the Provost's Allocation. That said there was one concrete concern arising from what may be a wording oversight. This refers to the chart on page 15 of the Working Paper, Version 1. The self-supporting degree program fees are not listed as "net" of expenses returned to campus and we wanted to make sure that was understood.
- Concern remains that there may be unforeseen consequences in this plan may lead to unacceptable outcomes. We recommend establishing a methodology to track and assess the impact of the changes caused by the new budget model. We believe that the planned budget and actual expenditures at the unit level should be presented in a clear fashion for review by CPB.

Finally, there is one important principle endorsed by CPB. Decisions on faculty merits and promotions should be insulated from budget considerations. No department should be in a position, for example, of weighing the 'cost of tenure' vs. paying for temporary teaching assistance.

We look forward to receiving a response to the questions and comments provided.

Sincerely,



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Davis Division of the Academic Senate  
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