

FAS Senate

AN ELECTED BODY OF THE FACULTY OF ARTS AND SCIENCES
YALE UNIVERSITY

Report on Budget Transparency

APPROVED BY THE SENATE
FOR DISTRIBUTION TO THE FACULTY AND THE UNIVERSITY
DECEMBER 8, 2016

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The Senate of the FAS was established to engage in the shared governance of the Faculty of Arts and Sciences. Shared governance relies on shared information. Without an informed Senate, it is impossible for the Senate to engage in intelligent discussions about the size and composition of the FAS, about the status of the faculty, about plans for improvement of teaching and research, and about competing priorities.

In recent years, the university budget has been among the most secret of secrets. Aside from what is required by law or accounting standards, there have been virtually no details publicly available. The Senate budget committee has for more than a year requested that the university provide the faculty greater detail on its budget. We have met with the major budget officers of the university and given detailed recommendations about what would be necessary to have informed deliberations and discussions with the administration. The requests included, among other things, details on the history and current status of the budgets and staffing of the FAS and related university units.

We are sorry to report that there has been virtually no progress in obtaining detailed budget information that would be publicly available to the Senate and the faculty. In early November, the University provided a budget document entitled Yale University Budget Book, Fiscal Year 2017. This document was not announced and is buried in the financial website of the University (at <http://your.yale.edu/work-yale/financials/budget-planning>, available with a Yale password).

A short description of this document is that it provides virtually no useful information on the university budget and few details and little history on the budget of the FAS. You will learn nothing, for example, about the sources and uses of funds for the FAS, about the deficit of the West Campus, about the subventions of different schools, about the budget of the library, or about the history and details of staffing of different units. There are no details on the source of funds from general appropriations, designated and restricted funds, income from endowment, or grants and contracts. It is not possible to trace the evolution of the FAS and university budgets over the financial crisis and as the university approaches financial equilibrium. There is no information on the use of fund balances.

What are the reasons for the minimal information about the university budget? We do not know. We have received no written responses to our requests. In the past year, we

have been told in meetings that these data are confidential; that revealing them would impair the ability of the administration to run the university; that defending and explaining the budget would waste the time of administrators; and that discussing budgets would promote a zero-sum mentality.

But are these things true? For perspective, we can look at other universities. As an example, the budget committee examined the information provided by Stanford University. This can be found on the Stanford website without a password at <https://web.stanford.edu/dept/pres-provost/budget/plans>. Stanford is a particularly useful case to examine because it has many similarities to Yale in terms of size, complexity, and structure, as well as being a top research university.

The comparison is stark. The Stanford report has 156 pages of rich information about the budget and other important institutional details. Here are some examples of information that is provided: Would you like to know the detailed budget of the humanities and sciences? See page 36. The Law School? Examine page 38. Athletics? Look at page 68. The libraries? At page 52. Teaching and learning? Page 48. The size and composition of the faculty? At page 125. Staffing by detailed units? Fully described at page 126. Moreover, you can track the history not just for 2016–17, but all the way back to 1996. So, unlike the Yale community, the Stanford community is well informed to discuss the affairs of its university.

We conclude that the Yale administration has failed to provide the information necessary for serious shared governance – it has failed both objectively and by comparison with other major universities like Stanford.

Going forward, the FAS Senate recommends that the university make available much more detail on its operations. In the near term, we would suggest that the university make available:

1. Detailed historical, current, and prospective budgetary information for the university and for major units, particularly the FAS and related units. These should include not just academic units but also support units such as libraries, collections, officer units and subunits, the West Campus, as well as different schools.
2. History and current levels of staffing for different units at detailed levels, including those for collections, libraries, different schools, administrative units, and officer units and subunits.
3. Allocation of endowment and restricted funds as well as fund balances.

This list is only illustrative of what is needed for shared governance. As a long-run goal, we would suggest that the university aim to provide the depth and breadth of

information that is available for Stanford, including the kinds of information discussed above.

In light of the past discussions with the administration and the failure of the university budget officers to provide adequate information, we propose the following:

Recommendation by the Senate of the Faculty of Arts and Sciences:

Noting that other universities, particularly Stanford as an example, provide much fuller information about current and historical budgets and staffing levels of different units; further noting that Yale University provides very limited information on and no history of its budgets at unit levels, particularly for the FAS and associated units; and finally noting that there is minimal information on levels of staffing, including faculty;

Therefore, the FAS Senate recommends that the administration of the university prepare and distribute full and complete current, historical, and prospective information on budget and staffing levels for the different units of the university. As a goal, the university should aim to present the breadth and depth of information that is currently made available by Stanford University in its annual budget plan.