

The University Senate of Michigan Technological University

PROPOSAL 14-04

A SENATE STATEMENT ON MTU'S FINANCIAL STATUS

The University Senate wishes to communicate to the Administration and Board of Control its collective view of the state of MTU's leadership and financial management. Specifically, the Senate makes the following observations:

- The recent Presidential confidence referendum was a carefully measured response to long-term problems, with 74.1% of respondents (78% of all ballots returned) identifying a leadership deficit at MTU. Our largely self-inflicted financial wounds over more than a decade are larger than the ongoing State cuts. We cannot absorb both without detrimental effects on the University's quality and mission. The University's spending patterns (and mistakes) have clearly compromised its ability to effectively manage State funding reductions.
- Senate approval of Proposal 10-04, "Request for Independent Review of Systemic Financial Problems at Michigan Tech", in tandem with the Presidential confidence referendum result, is a strong statement by the Senate's constituency that MTU's problems have a twofold cause: human (administrative direction) and procedural (financial tracking and controls). We recommend that the financial review requested in Proposal 10-04 be investigative in nature.
- Salary and benefits reductions are important issues to the Senate's constituency, but the larger, related concern is the long-term health and continuing existence of the University. We desire a substantive role in University governance and the setting of goals and priorities.

The Senate provides these inputs to the Administration and Board of Control for their consideration as they address MTU's situation.

Draft of 28 January 2004