

# The Three Faces of Transparency at UCR: A Commitment to Intelligibility, Access and Openness

UCR 2020 Strategic Planning Working Paper

May 2010 Draft

*“For the University to fulfill its responsibilities as a public trust, there must be an institutional commitment to public disclosure. This commitment must be codified in disclosure policies that are clearly and broadly communicated, both internally and externally. Such policies must be implemented with vigor and monitored with care.”*

-- Regents Task Force on UC Compensation, Accountability, and Transparency

*“Sunlight is said to be the best of disinfectants; electric light the most efficient policeman.”*

-- Justice Louis Brandeis

## I. Multiple Meanings of Transparency: Beyond “Mom and Apple Pie”

Transparency has multiple meanings<sup>1</sup> that can tend to become blurred in public calls for “greater transparency” around a variety of areas of interest on campus, whether the focus is the budget, faculty promotion and tenure procedures, management of admissions and enrollment, the UC retirement program, staff support levels, progress toward diversity, planning for new schools or programs, and so on. This blurring of multiple meanings around “transparency” can contribute to situations where members of the UCR community “talk past each other” rather than engaging in fruitful discussion, and where divergent understandings (and ensuing frustrations) can develop over time among various University stakeholders. In order to clarify expectations and promote effective shared governance among the administration and the faculty, it is helpful to distinguish between three faces of transparency:

- transparency as intelligibility;
- transparency as access to relevant information (qualitative and quantitative);
- transparency as openness in decision-making processes;

Of course, these three faces of transparency are related and can be mutually reinforcing in either positive or negative ways. For example, decisions are more likely to be viewed as “secretive” when relevant information is not accessible. In addition, myopically providing access to more and more information in the absence of an effective framework for understanding what the data means is not a strategy that will tend to satisfactorily allay criticism about opacity (indeed, the opposite is often true).

## II. Transparency as Intelligibility

It will benefit the UCR community if we resist the tendency to assume that transparency is simply about providing open access to accurate “raw data” to campus constituencies. Access to data (covered next in Part III) is certainly essential, but to assume that providing access to data satisfies UC Riverside’s transparency obligations is to fail to understand *why* providing information is important to begin with. By contrast, transparency as intelligibility means that data sharing practices and communication norms established by leadership are such that a non-expert (i.e., a non-accountant for purposes of the budget, a non-statistician for purposes of evaluating the efficacy of UCR freshmen learning communities or the soundness of our Senate-led admissions policy) working in good faith can come to understand the key considerations and tradeoffs underlying an area of governance.

The focus needs to be, as Laud and Scheppers argue, on “information intelligibility that is decipherable, useful, and timely ... part of the issue and the solution goes beyond transparency in that transparency should not be equated with understanding and utility....Simply, stakeholders need an understanding of the whole and its implications. We do not need more information, but better and more intelligible information.”<sup>2</sup> Explicitly establishing intelligibility as a separate face of transparency (and an aim worthy of campus commitment) will meaningfully inform UCR’s strategic planning decisions and the appreciation of concomitant resource implications between now and 2020.

For example, with respect to the campus budget, are the most important features of our budget cogently described in a few documents so that the “big picture” of our budgetary set of choices can be understood in context? As noted by the Subcommittee on Resources, Budget, Planning and Infrastructure, while the UCR administration provides a number of documents (e.g., “Colors of Money”) that are helpful along these lines, we can enhance our commitment to budget intelligibility with an annual budget book similar to those found on some other UC campuses.<sup>3</sup> Budget intelligibility means that the campus promotes the conditions necessary to realize a set of common knowledge among interested parties: what are the main revenue and expense categories, what is the history of each item per organizational unit, what is the campus budget allocation process, where can definitions and data be found?

Accordingly, the Resources, Budget, Planning and Infrastructure subcommittee recommends that UCR should annually update and make publicly available documents (or websites) that achieve the following (from page 13):

- Define the process of resource allocation that was used in the prior year and that will be used in the current year.
  - This need is corroborated by the observation that various administrators (academic and nonacademic) and faculty express a lack of understanding of the resource allocation decisions and processes. Such a lack of budget intelligibility hinders the quality of the UCR’s budgetary decision-making.

- Summarize the state of the campus.
  - As suggested by the fact that other UC campuses do this already, the production of such summary documents need not be a monumental effort. Rather, the data is, by and large, already available and only needs to be collated and presented in organized and (nearly) identical formats for the different units on campus.
- Define relevant acronyms, terminology, constraints on revenue streams, campus or state resource allocation formulae.

Providing the aforementioned information is a means to the end of intelligibility, which in turn, is needed to maintain fertile ground for effective shared governance internally and accountability to stakeholders both internally and externally.

A second example, applying the same principle of intelligibility at the unit level, is that the subcommittee on Excellence in Delivery of Graduate Education observes that the graduate recruitment budget administered by the Graduate Division results in per-student allocations of central fellowship funds that vary across programs without seemingly clear justifications. The subcommittee recommends that while the Graduate Dean’s discretionary authority should be maintained in this area, it is also important for graduate programs to understand the criteria by which such allocations are determined (e.g., base central fellowship funds, nonresident tuition, fellowship augmentations) so that they can strive to meet these criteria (see page 12). In this way, greater intelligibility around budget allocation principles and procedures can support the overarching goal of investing resources strategically.

Finally, intelligibility is greatly aided if those calling for “transparency” are serious stakeholders with a shared long-term commitment to invest the time and effort needed to reach common understandings and clarify disagreements. It means more, for example, when the “Choices Report” by the Academic Senate’s University Committee on Planning and Budget (UCPB) calls for greater budgetary transparency, given UCPB’s historical grounding in this set of issues.<sup>4</sup> Conversely, misinformation is the opposite of intelligibility; it is a false face of transparency insofar as it siphons energy and focus away from healthy shared governance.<sup>5</sup>

### **III. Transparency as Access to Relevant Information**

Transparency necessitates regular, clear, and thorough reporting of information pertinent to decisions, both within and across units and for the campus at large. In some cases, this simply means “connecting the dots” or packaging data that is already collected and/or provided in various quarters on campus. The Resources, Budget, Planning and Infrastructure subcommittee recommended, “To provide better transparency through broader access to campus, UCR should consider creating a series of web based systems that present information in standard, pre-formatted templates that incorporate any/all relevant business logic (and include graphical interfaces like pie charts, bar charts, etc.).” (page 13)

For UCR, the commitment to providing access to pertinent information should also be rooted in and continually reinforced by the University's fundamental mission of research, teaching and service. In this way, practices of regularly providing relevant and transparent information emerge out of a deeper culture of evidence and norms of critical examination. As a campus we have work to do in this area, as recognized by the Academic Excellence subcommittee (from page 9):

Too often decisions about new hires or new areas for investment have been made on the basis of subjective impressions and values, and without consulting easily available statistical data about faculty publications, citations, grants, and awards. Such ventures have had neither the resources nor the critical mass to be successful. More formal analyses will be necessary to improve success rates in the future. At the same time, quantitative data alone are insufficient to make wise decisions about strategic investments. Decisions about strategic investments should be based on both quantitative and qualitative data, as well as assessments about how well the proposed areas articulate with global, national, state and regional concerns.

UCR's fortunes in the decade ahead may rise or fall based on how robustly and unflinchingly our campus can inculcate a culture of evidence that will be driven by transparent access to decision-relevant information and by expectations that metrics will be both expected and stringently reviewed. For instance, in the budget arena, the UC Systemwide Academic Senate's statement of principles to guide fiscal decision-making (in the current crisis) includes the following recommendation:

Administrative and academic departments should review their present spending patterns, organizational structures, and regulatory demands to ensure they are supporting University priorities in the most cost-effective manner possible. In particular, every aspect of administration should be reviewed, and any activities that do not support the core teaching, research, service, and outreach missions of faculty and students—either directly or because they are critical to faculty or student welfare—should be considered for elimination.<sup>6</sup>

Likewise, the Excellence in Delivery of Graduate Education subcommittee identified a number of characteristics that define excellent graduate programs at UCR, encompassing both reputational and curriculum-related considerations. Consequently, this subcommittee recommended “targeted growth in our academic graduate programs that have demonstrated excellence, and that have not yet reached an optimal size. Growth should include new FTEs, and reallocation of unfilled FTEs.” (page 9). Whether in an environment of contraction or expansion, strategic and effective decision-making requires access to and consumption of relevant information and data.

Even though UC Riverside stakeholders may have ample access to certain kinds of data (e.g., employee salaries are a couple clicks away on newspaper websites), in other areas, the data that is currently collected and disseminated on our campus may not be of sufficient quality to meet present and future needs. For instance, the Academic

Excellence subcommittee, in commenting on the challenge of tracking and increasing major faculty awards, observed the following:

A first step toward improvement will be to keep adequate records. The University cannot achieve the profile of an AAU institution if it does not know how it stands on one of the key first phase indicators. Our review suggests that award records are incomplete and poorly kept. Many faculty members who have received awards are not listed because they have not bothered to send in their awards. Award lists also do not separate minor from major awards. Faculty members who have departed the university long ago remain on awards lists. (p.6)

#### **IV. Transparency as Openness in Decision-making Processes**

A third face of transparency is having decision-making processes on campus that are open. Broad “buy-in” can only be achieved by transparency of the related decision and management processes. Consistent with shared governance, for example, the Senate has a formal role in advising the Chancellor on budgetary matters, and proposals to e.g., consolidate or create new departments and schools are subject to well-developed review procedures involving both the administration and the Senate. Likewise, the Chancellor’s cabinet – which includes faculty, staff and student voices -- is a mechanism for making certain kinds of decisions. Openness varies with the nature of the decision-making domain, and thus some kinds of decisions must occur on a quick timeline, can involve confidential issues or politically sensitive tradeoffs between internal and external stakeholders, and so on. In these kinds of circumstances, delayed disclosure is often the most appropriate balancing of benefits and costs.<sup>7</sup> Accordingly, the Chancellor has publicly committed to explain the reasoning behind difficult and important decisions, which is even more important when stakeholders may still disagree about the wisdom of a decision.

With greater progress with respect to the other faces of transparency mentioned earlier (intelligibility and providing access to relevant information) will come greater confidence in the integrity of the decision-making process itself. As one illustrative example, the Resources, Budget, Planning and Infrastructure subcommittee observed (page 13):

The procedures and decisions for Capital or Major Project planning should be easy to determine. Progress ... must be tracked longitudinally so that the cumulative impact of a decision and any/all subsequent actions may be reviewed in their totality over time ... The above is done somewhere on campus, but the process, decisions, and data are not well understood or transparently available.

In this example, what the subcommittee is essentially asking for is access to sufficiently clear information about the capital planning process that concerned stakeholders are able to understand the whole by integrating a backward-looking focus on past capital planning projects with a forward-looking focus on anticipated campus needs.

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<sup>1</sup> See e.g., Elizabeth Garrett & Adrian Vermeule, *Transparency in the Budget Process*, USC Legal Studies

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Working Paper (2006) <http://law.bepress.com/cgi/viewcontent.cgi?article=1043&context=usclwps>.

<sup>2</sup> R. Laud & D.H. Schepers, *Beyond Transparency: Information Overload and a Model for Intelligibility*, 114 BUSINESS & SOCIETY REVIEW 365, 367 (2009).

<sup>3</sup> See e.g., The UC Santa Cruz Budget – A Bird’s Eye View (2009-10 edition), available at <http://planning.ucsc.edu/budget/Reports/profile2009.pdf>; UC Berkeley Budget Primer (Dec. 2009) and related materials available at <http://newscenter.berkeley.edu/news/budget/primer/>. In parallel with strategic planning efforts on this campus, a joint faculty-administration task force recently reached similar recommendations at UC San Diego. See UCSD Joint Administration-Faculty Budget Principles (Jan 2010), available at <http://blink.ucsd.edu/files/Senate-Admin%20Task%20Force%20on%20Budget%20Report%20-%20Jan%202010.pdf>.

<sup>4</sup> UC Systemwide Academic Senate -- University Committee on Planning and Budget, Choices Report (April 2010), available at <http://www.universityofcalifornia.edu/senate/ucpb.choices.pdf>.

<sup>5</sup> Peter Taylor, *Misinformation: The Enemy of Excellence*, DAILY CALIFORNIAN, Nov. 6, 2009.

<sup>6</sup> UC Academic Senate, Principles to Guide Fiscal Decision-Making in the Current Budget Crisis (June 2009), available at

<http://www.universityofcalifornia.edu/senate/reports/budgetplanningprinciples.may2009.pdf>.

<sup>7</sup> Garrett & Vermeule, *supra* note 1, at 15-16; Andrea Prat, *The Wrong Kind of Transparency*, 95 AMERICAN ECONOMIC REVIEW, 826, 869 (2005).