If you have time—I deliver Kathy’s review on Thursday morning—help in being more effective to get her attention- knowing she will go to Sharp

Karan Watson
Provost and Executive Vice President Texas A&M University

J.K. Williams Building Suite 100 | 1248 TAMU
College Station, TX 77843-1248 | USA
Tel. +1 979.845.4016 | Fax +1 979.845.6994 Email provost@tamu.edu | Web provost.tamu.edu
May 18, 2017

Kathy Banks, Vice Chancellor and Dean, and Director of TEES
College of Engineering and TAMUS
Texas A&M University

Kathy

I will only focus on your role as Dean of Engineering. Since you had your term review in the Spring of 2016, with a positive outcome, your continued role as dean has seen a change in how you are perceived by me and your peers in your interactions. I will discuss this perceived change later in this review, but first I want to note many continuing strong indicators for the College.

1. Continued strong ranking, in both graduate and undergraduate levels. I also note the strong ranking in ‘value’, but please note that this ranking is computed using the costs of attendance at the University level without respect for the growing differential tuition that is charged for Engineering.
2. The various QEP strengthen efforts are very strong
3. Your strength in research is unquestioned, and your efforts in multi-disciplinary is good.
4. Your teams efforts to make great efforts in attracting people qualified for CRI and GURI has been great.
5. Your continued success, with your entire development team and department heads, is great.

I also appreciate your personal leadership in:
- Your service in Chairing the search that resulted in Carrie Byington being hired and your willingness to chair the search for Vice Chancellor and Dean of Agriculture
- Vice-Chair, ASEE Engineering Deans Institute Executive Board, Elected 2017
- Advisor, Strategic Workshop, University of Missouri College of Engineering, 2016
- Leadership Lecture, College of Engineering, Colorado State University, 2016
- Medal of Honor, Academy of Transdisciplinary Learning and Advanced Studies, 2016
- Member, Executive Council, Global Engineering Deans Council, Elected 2015-2018
- Advisory Trustee, Southwest Research Institute, 2015-2018
- International Executive Advisory Committee, Vision 2030, Government of Chile, 2015-2108
- Gordan Prize Selection Committee, National Academy of Engineering, 2016-2018
- Vice-Chair, Nominating Committee Member, National Academy Engineering, 2016
- NASA Research Advisory Committee, Space Life and Physical Sciences, 2013-2018
- Your continuing coauthoring in 4 peer reviewed publications and involvement in over ten external presentations/proceedings, as well as the continuation of your Qatar funding

The concern I have about your performance is what appears to be an accelerating behavior pattern, which you seem unaware of whenever I bring it to your attention, of how non-collaborative you appear to be. This perception is not just mine, but perceived by many, and extends sometimes to how your subordinates treat others and sometimes how other deans perceive they are treated or how they observe you treating peers. Your answer to me when I do confront you on these issues is normally to discount my role as Provost, to excuse it as a TEES driven behavior, or to accuse your colleagues of the very behavior that many others see coming from you. While your fellow deans are not against you, and many remain in awe
of the multiple tasks you manage, nearly all see how you are actually, or how you can be perceived to be, self-centered in your efforts for most innovations to be controlled by Engineering or even as a ‘bully’ to your peers. Furthermore, your repeated turning to the System first on items that are clearly within the University’s purview has to stop. I am sure you will once again deny that this has ever happened, but I am confident I am using more lenient judgement in this than you have ever used with any of your direct reports. To help you understand the strength of my message here consider that on April 6, your email stated “So bottom line, we will be a team player on this, but it seems like a great deal of time for some very busy faculty members, with no clear targeted outcomes.” This is followed by your discussions with System and then you not only stating you ‘forgot’ a meeting you had scheduled, but you ordering all administrators in the College (most budgeted at 100% in TAMU) that as TEES directors they must also pullout. Most of them used the same statements about a forgotten meeting. This is clearly an effort to control, not to help.

I believe you have focused on many efforts to elevate the College in the next year. In particular I need you to

1) Better manage the financial commitments that seem to have the College stretched very thin. You must remember that I told you that the efforts of 25x25 would be hard to manage in terms of physical facilities (I said the funds might be able to provide funding for hiring needed, but startup and facilities were not in these formulas). Your commitment was that you understood this, and knew it would be up to you to raise the resources needed, or the growth would have to be slowed. You seem to have forgotten this understanding in some conversations with your advisory board.

2) Your ideas for the university to move others out of their spaces, let you brand programs claiming to be multidisciplinary that are not, and continue to provide base salary or matching that you often do not acknowledge the University for, is not how we will move forward. However, the University for strong, targeted hiring and matching of chairs or other development efforts will continue to be a high priority for the University, and the College of Engineering will be an important participant in these programs.

Kathy, as I said last year, I appreciate how hard you work and how dedicated you are to advancing the programs under your purview. I too feel strongly about advancing all units of Texas A&M University. As we discussed in the four year review, please do everything you can to engage more of your fellow deans, and me, when you are involved in College and System plans that will impact us all.

I conclude by saying you have had acceptable performance in your role as dean this year.

Sincerely,

Karan Watson, PhD, PE
Provost and Executive Vice President

Acknowledgement of Receiving Document

Date

Will Provide Comment on evaluation: Yes  No
Sure. Will look at in a few hours if early enough for me to respond to you?

Nancy T. Watson
Sent from my iPhone

On May 16, 2017, at 3:23 PM, Karan Watson <watson@tamu.edu> wrote:

If you have time—I deliver Kathy’s review on Thursday morning—help in being more effective to get her attention- knowing she will go to Sharp

Karan Watson
Provost and Executive Vice President Texas A&M University

J.K. Williams Building Suite 100 | 1248 TAMU
College Station, TX 77843-1248 | USA
Tel. +1 979.845.4016 | Fax +1 979.845.6994 Email provost@tamu.edu
Web provost.tamu.edu

<MKB AR 2017.doc>
Thanks

Sent from my iPhone

On May 16, 2017, at 8:27 AM, Nancy Watson wrote:

Sure. Will look at in a few hours if early enough for me to respond to you?

Nancy T. Watson
Sent from my iPhone

On May 16, 2017, at 3:23 PM, Karan Watson <watson@tamu.edu> wrote:

If you have time—I deliver Kathy’s review on Thursday morning—help in being more effective to get her attention- knowing she will go to Sharp

Karan Watson
Provost and Executive Vice President Texas A&M University

J.K. Williams Building Suite 100 | 1248 TAMU
College Station, TX 77843-1248 | USA
Tel. +1 979.845.4016 | Fax +1 979.845.6994 Email provost@tamu.edu | Web provost.tamu.edu

<MKB AR 2017.doc>
Please see attached—we can discuss more if you would like—thank you

Karan Watson
Provost and Executive Vice President Texas A&M University

J.K. Williams Building Suite 100 | 1248 TAMU
College Station, TX 77843-1248 | USA
Tel. +1 979.845.4016 | Fax +1 979.845.6994 Email provost@tamu.edu | Web provost.tamu.edu
Kathy Banks, Vice Chancellor and Dean, and Director of TEES
College of Engineering and TAMUS
Texas A&M University

Kathy

I will only focus on your role as Dean of Engineering. Since you had your first-term review in the spring of 2016, with a positive outcome, your continued role as dean has seen a change in how many of your peers and I perceive your interactions with others in the University. I will discuss this perceived change later in this review, but first I want to note many continuing strong indicators for the College.

1. Continued strong ranking, in both graduate and undergraduate levels. I also acknowledge the strong ranking in ‘value’ or ‘ROI’ for the College, but please note that this ranking is computed using the costs of attendance at the University level without respect for the growing differential tuition that is charged for Engineering.
2. The various QEP strengthen efforts are very strong
3. Your College’s strength in research is unquestioned, and your College’s efforts in promoting multi-disciplinary research is good.
4. Your team’s efforts in attracting people qualified for CRI and GURI has been great.
5. Your continued success, with your entire development team and department heads, is great.

I also appreciate your personal leadership in:
• Your service in chairing the search that resulted in Carrie Byington being hired and your willingness to chair the search for Vice Chancellor and Dean of Agriculture
• Vice-Chair, ASEE Engineering Deans Institute Executive Board, Elected 2017
• Advisor, Strategic Workshop, University of Missouri College of Engineering, 2016
• Leadership Lecture, College of Engineering, Colorado State University, 2016
• Medal of Honor, Academy of Transdisciplinary Learning and Advanced Studies, 2016
• Member, Executive Council, Global Engineering Deans Council, Elected 2015-2018
• Advisory Trustee, Southwest Research Institute, 2015-2018
• International Executive Advisory Committee, Vision 2030, Government of Chile, 2015- 2018
• Gordan Prize Selection Committee, National Academy of Engineering, 2016-2018
• Vice-Chair, Nominating Committee Member, National Academy Engineering, 2016
• NASA Research Advisory Committee, Space Life and Physical Sciences, 2013-2018
• Your continuing coauthoring in 4 peer reviewed publications and involvement in over ten external presentations/proceedings, as well as the continuation of your Qatar funding

The concern I have about your performance is what appears to be an accelerating behavior pattern, which you seem unaware of whenever I bring it to your attention, of how non-collaborative you appear to be. Please note that this is not about the College, but more about you and occasionally your immediate subordinates. This perception is not just mine, but perceived by many, and extends sometimes to how your subordinates treat others and sometimes how other deans perceive they are treated or how they observe you treating peers. Your answer to me when I do try to discuss this concern with you is normally to discount my role as Provost, to excuse it as a TEES driven behavior, or to accuse your colleagues of the
very behavior that many others see coming from you. While your fellow deans are not against you, and 
many remain in awe of the multiple tasks you manage, nearly all see how you are actually, or how you can 
be perceived to be, self-centered in your efforts for most innovations to be controlled by Engineering or 
even as a ‘bully’ to your peers. Furthermore, your repeated turning to the System first on items that are 
clearly within the University’s purview has to stop. I am sure you will once again deny that this has ever 
happened, but I am confident I am using more lenient judgement in this than many of your direct reports 
claim you use. Some examples of this include, your role in the RELLIS decisions, your role in trying to tell 
Science what they had to do (I recognize this was later managed through a more collaborative process, but 
you seem to forget how you started the process), your interactions on entrepreneurship minor, your 
interactions on several items to do with McAllen, your interactions on TAMV, and some of your initial 
interactions on space on campus. Do not think I am saying you are the only Dean who pushes hard for 
what they want. However, you are perceived to use the Vice Chancellor position to get the influence you 
want outside of the University processes, even on issues that are clearly in the University Purview. I hope 
you will refocus on how you, not your College, operate as a true collaborator, as a true peer, with the rest 
of the University Deans, all of whom report to the Provost.

I conclude noting that you have focused on many efforts to elevate the College and the University. Next 
year, in particular, I need you to

1) Better manage the financial commitments that seem to have the College stretched very thin. You 
must remember that I told you that the efforts of 25x25 would be hard to manage in terms of 
physical facilities (I said the funds might be able to provide funding for the hiring needs, but 
startup and facilities were not in these formulas). Your commitment was that you understood this, 
and knew it would be up to you to raise the resources needed, or the growth would have to be 
slowed. You seem to have forgotten this understanding in some conversations with your advisory 
board, and you often act as if the University must place you first due to this growth that you were 
warned about.

2) Your ideas for the university to move others out of their spaces, let you brand programs claiming 
to be multidisciplinary that are not, and continue to provide base salary or matching that you 
often do not acknowledge the University for, is not how we will move forward. However, the 
University will strive to continue its programs for strong, targeted hiring and matching of chairs or 
other development efforts, and the College of Engineering will be an important, but not sole 
participant in these programs.

Kathy, as I said last year, I appreciate how hard you work and how dedicated you are to advancing the 
programs under your purview. I feel strongly about advancing all units of Texas A&M University. As we 
discussed in the four-year review, please do everything you can to engage more with your fellow deans, 
and me, and the new Provost, when you are involved in College and System plans that will impact us all.

I conclude by saying you have had acceptable performance in your role as dean this year.

Sincerely,

Karan Watson, PhD, PE
Provost and Executive Vice President

Acknowledgement of Receiving Document Date
Will Provide Comment on evaluation: Yes No
Still need:
Banks
Carlson
Morriss
Thomas
Stanley
McClure

Vivian Medrano ’06
Executive Assistant to the Provost and Executive Vice President
Texas A&M University
Office of the Provost and Executive Vice President

Jack K. Williams Administration Building, Suite 100
1248 TAMU
College Station, TX 77843-1248
(979) 845-4016
(979) 845-6994 (fax)
Email: vmedrano@tamu.edu  Web: provost.tamu.edu
Provost Watson,

Attached is my signed annual review along with my comments.

Kathy
May 18, 2017

Kathy Banks, Vice Chancellor and Dean, and Director of TEES
College of Engineering and TAMUS
Texas A&M University

Kathy

I will only focus on your role as Dean of Engineering. Since you had your first-term review in the spring of 2016, with a positive outcome, your continued role as dean has seen a change in how many of your peers and I perceive your interactions with others in the University. I will discuss this perceived change later in this review, but first I want to note many continuing strong indicators for the College.

1. Continued strong ranking, in both graduate and undergraduate levels. I also acknowledge the strong ranking in ‘value’ or ‘ROI’ for the College, but please note that this ranking is computed using the costs of attendance at the University level without respect for the growing differential tuition that is charged for Engineering.
2. The various QEP strengthen efforts are very strong
3. Your College’s strength in research is unquestioned, and your College’s efforts in promoting multidisciplinary research is good.
4. Your team’s efforts in attracting people qualified for CRI and GURI has been great.
5. Your continued success, with your entire development team and department heads, is great.

I also appreciate your personal leadership in:
- Your service in chairing the search that resulted in Carrie Byington being hired and your willingness to chair the search for Vice Chancellor and Dean of Agriculture
- Vice-Chair, ASEE Engineering Deans Institute Executive Board, Elected 2017
- Advisor, Strategic Workshop, University of Missouri College of Engineering, 2016
- Leadership Lecture, College of Engineering, Colorado State University, 2016
- Medal of Honor, Academy of Transdisciplinary Learning and Advanced Studies, 2016
- Member, Executive Council, Global Engineering Deans Council, Elected 2015-2018
- Advisory Trustee, Southwest Research Institute, 2015-2018
- International Executive Advisory Committee, Vision 2030, Government of Chile, 2015-2018
- Gordan Prize Selection Committee, National Academy of Engineering, 2016-2018
- Vice-Chair, Nominating Committee Member, National Academy Engineering, 2016
- NASA Research Advisory Committee, Space Life and Physical Sciences, 2013-2018
- Your continuing coauthoring in 4 peer reviewed publications and involvement in over ten external presentations/proceedings, as well as the continuation of your Qatar funding

The concern I have about your performance is what appears to be an accelerating behavior pattern, which you seem unaware of whenever I bring it to your attention, of how non-collaborative you appear to be. Please note that this is not about the College, but more about you and occasionally your immediate subordinates. This perception is not just mine, but perceived by many, and extends sometimes to how your subordinates treat others and sometimes how other deans perceive they are treated or how they observe you treating peers. Your answer to me when I do try to discuss this concern with you is normally to discount my role as Provost, to excuse it as a TEES driven behavior, or to accuse your colleagues of the
very behavior that many others see coming from you. While your fellow deans are not against you, and many remain in awe of the multiple tasks you manage, nearly all see how you are actually, or how you can be perceived to be, self-centered in your efforts for most innovations to be controlled by Engineering or even as a ‘bully’ to your peers. Furthermore, your repeated turning to the System first on items that are clearly within the University’s purview has to stop. I am sure you will once again deny that this has ever happened, but I am confident I am using more lenient judgement in this than many of your direct reports claim you use. Some examples of this include, your role in the RELLIS decisions, your role in trying to tell Science what they had to do (I recognize this was later managed through a more collaborative process, but you seem to forget how you started the process), your interactions on entrepreneurship minor, your interactions on several items to do with McAllen, your interactions on TAMV, and some of your initial interactions on space on campus. Do not think I am saying you are the only Dean who pushes hard for what they want. However, you are perceived to use the Vice Chancellor position to get the influence you want outside of the University processes, even on issues that are clearly in the University Purview. I hope you will refocus on how you, not your College, operate as a true collaborator, as a true peer, with the rest of the University Deans, all of whom report to the Provost.

I conclude noting that you have focused on many efforts to elevate the College and the University. Next year, in particular, I need you to

1) Better manage the financial commitments that seem to have the College stretched very thin. You must remember that I told you that the efforts of 25x25 would be hard to manage in terms of physical facilities (I said the funds might be able to provide funding for the hiring needs, but startup and facilities were not in these formulas). Your commitment was that you understood this, and knew it would be up to you to raise the resources needed, or the growth would have to be slowed. You seem to have forgotten this understanding in some conversations with your advisory board, and you often act as if the University must place you first due to this growth that you were warned about.

2) Your ideas for the university to move others out of their spaces, let you brand programs claiming to be multidisciplinary that are not, and continue to provide base salary or matching that you often do not acknowledge the University for, is not how we will move forward. However, the University will strive to continue its programs for strong, targeted hiring and matching of chairs or other development efforts, and the College of Engineering will be an important, but not sole participant in these programs.

Kathy, as I said last year, I appreciate how hard you work and how dedicated you are to advancing the programs under your purview. I feel strongly about advancing all units of Texas A&M University. As we discussed in the four-year review, please do everything you can to engage more with your fellow deans, and me, and the new Provost, when you are involved in College and System plans that will impact us all.

I conclude by saying you have had acceptable performance in your role as dean this year.

Sincerely,

Karan Watson, PhD, PE
Provost and Executive Vice President
TO: Karan Watson, Provost and Executive Vice President

FROM: M. Katherine Banks, Vice Chancellor and Dean of Engineering

DATE: June 6, 2017

SUBJECT: Annual Review

This memo is submitted to document my comments about my annual review letter of May 18, 2017.

Your recognition of strong indicators of the College success and my personal accomplishments is noted and appreciated. However, your opinions regarding my behavior pattern over the past year and statements regarding the financial health of the college, collaboration efforts, and relationship with the System are of concern to me and have compelled me to provide additional information for your consideration. The majority of the review appears to be based less on documented accomplishments than your perception of circumstances or opinions expressed by others.

In your letter, you refer to commitments that seem to have the College stretched very thin. The perception that the College is in questionable and precarious financial health is not correct. Decisions about financial commitments are made in consultation with the executive associate dean, TEES deputy director, and Chief Financial Officer (CFO). All potential commitments are evaluated and aligned with our incoming resources. We have prepared a sustainable seven-year budget plan that accounts for the 25 by 25 growth. This budget is attached and certified by our CFO. To summarize, our College is in good financial health. We have met our obligation to support the 25 by 25 space requirements by purchasing the Peterson Building, the Animal Industries Building, and the greenhouse buildings from Agriculture and funded necessary renovations not covered by deferred maintenance, all to support the expanded undergraduate instructional activities. We also have raised over $75M for renovation of the Zachary Engineering Education Complex and will be supporting the remaining cost on debt service by differential tuition. Members of the Engineering Advisory Committee are aware that other colleges have grown over the last five years and questioned how space necessary for enrollment growth is supported in other colleges. I respond to their questions honestly and to the best of my ability. We have not requested additional new academic building construction over the last year to my knowledge. We do support the master plan placement of a parking garage next to the ETB but that facility will be funded through parking fees. I am not aware of any request to circumvent the normal process for new building approval. If you have additional concerns, an internal audit can be arranged.

You expressed concern about the perception that I have not collaborated with other deans and administrative units over the past year. First, I want to stress that I have collaborated extensively throughout my entire career, as an administrator and a researcher. Perhaps you and others are not aware of the extensive nature of our joint activities this year. In fact, Engineering is one of the top colleges in the university for collaborative initiatives, with seven joint academic programs in place or in planning phase this year (Science, Agriculture, Law, Business, Architecture, Medicine, and Galveston), joint/courtesy faculty appointments in Medicine, Law, Agriculture, Business, Architecture, Veterinary Medicine, and Science, and active research collaboration in almost every college/school. Since this review is directed over the past year, I will specifically highlight joint activities over that time period. This list of collaborative projects not exhaustive; those described below are examples.
1. College of Agriculture – Engineering served as a partner in a major proposal for a national manufacturing center for biofuels. Our shared department, Biological and Agricultural Engineering, is doing well with a top five national ranking, and is developing innovative collaborative projects in autonomous vehicle design with involvement of both Colleges. Engineering is also involved in the Phillips Center for Healthcare Devices, as a secondary partner. (All led by AgriLife)

2. College of Science – Engineering is a partner in a university data science initiative (Lead-Science). Academically, the new shared Department of Material Sciences and Engineering is a successful collaboration, with an undergraduate program beginning in 2018. Our joint instructional revision for our first year physics and math courses is moving forward and has been embraced by faculty in both colleges.

3. College of Veterinary Medicine – Engineering is a partner in a large NIEHS proposal on environmental health, submitted this spring. (Lead-Vet Med)

4. College of Law – Engineering and Law have jointly hired two new faculty members (majority appointments in the College of Law) and development of the new E-Law program for undergraduates has been received positively by students.

5. College of Education – The Colleges of Education and Science were partners in the K-12 Teacher Summit on engineering education which was held in the spring semester.

6. Bush School of Policy – Engineering is providing seed funding this year to the Bush School to create a new Center for Cybersecurity Policy, a TAMU entity, and new academic policy degrees (Lead-Bush School).

7. College of Medicine – Engineering and Medicine are partnering in the new EnMed program, led by the College of Medicine. This is a transformational program that hopefully will be expanded to involve the entire HSC.

8. College of Business – The new Petroleum Ventures program is jointly administered by the Colleges of Business and Engineering. Also, I recently participated in fund-raising efforts for the Brockman Scholars Program, to raise scholarships for STEM students who will be pursuing a MS program in business. (Lead – Business)

9. College of Geosciences – Engineering faculty support and have participated extensively this year in the Berg-Hughes Center for Petroleum and Sedimentary Systems (Lead-Geosciences).

10. College of Liberal Arts – Engineering is collaborating with Liberal Arts to expand the courses for engineering students that will focus on the impacts of technology on social structure, ethics, and societal well-being.

11. College of Architecture- The Colleges of Architecture and Engineering are jointly creating a new undergraduate program in architectural engineering, to begin in the fall of 2018.

12. Galveston Campus – Engineering has an excellent relationship with the Galveston campus. With the growth in the engineering program, we hope to expand our involvement in more maritime multidisciplinary academic and research programs. We are planning several joint fund-raising activities. (Lead-Galveston)

In addition, representatives from the College of Engineering have been engaged in discussions on the entrepreneurship minor and the School of Innovation. On a personal note, I worked with the other Deans to revise the new code of cooperation for faculty and staff appointments, and have engaged with General Ramirez to strengthen the connection between the College and the Corps of Cadets. As indicated by the examples above, we have reached out to other colleges to connect and build relationships to move the university in the direction set by President Young. I have engaged in visioning and strategic planning sessions for the university and have provided ideas about potential new activities. We were centrally involved in and financially committed to the South by Southwest demonstration (involving students from engineering, medicine, and business), President Young’s spring initiative. To state that my ideas have been limited to space, branding, and are exclusively engineering-centric is incorrect. I am supportive of activities in other colleges of which Engineering is not a primary partner and try to be helpful as they move forward.
As an example, I was very supportive of the College of Agriculture Gardens and Greenway project, even though Engineering was not involved. You stated that you believe Engineering wants to control all initiatives, in fact, engineering is a secondary player in many of the programs listed above. Although I mention several research projects in the list above, I have many other examples of multi-college, multidisciplinary seed grants that engineering has supported, as well as our recent remarkable successes as the regional lead in four highly regarded collaborative multi-institutional NNMI manufacturing centers. We have excellent relationships with the TAMU VPR and the System Vice-Chancellor for Research, and they have both commended us for our open collaborative spirit on multiple occasions. We will continue to expand our collaboration base by building on our past success and will seek new research and educational collaborative projects university-wide.

You also expressed concern about the treatment of others by my subordinates and me; the implications of this are serious. Communication between administrators is observed carefully by the university community. Over the last year, I am not aware of a situation where I mistreated, was disrespectful to, or “bullied” a fellow dean, in public or private. Of course, the deans do have candid dialogues in private conversations where we often disagree, but, in the majority of cases, we come to a mutual agreement. Of the deans with whom I have worked with extensively over the last year, Colleges of Agriculture, Architecture, Medicine, Science, Law, and Business, I would describe our relationships as cordial and respectful. I have communicated with several of these individuals to inquire about your concerns, but have yet to identify the source of and/or remediation steps for the concerns that you stated. In addition, I have instructed all of my subordinates to be respectful and polite when discussing contentious issues, and I trust that they have done so. Certainly, I will talk to my team and we will work to correct problems in communication style and delivery. But perhaps compounding this perception is that the current environment has degraded to the point where confidential discussions may be shared to position administrators against one another.

Finally, I would like to respond to your statements regarding my involvement with the System on issues that are in the university purview. I disagree with your statement that I did not follow proper notification, protocol, and process regarding the first year curriculum revision and the entrepreneurship minor. Regarding the McAllen campus, after understanding the Chancellor’s concern about the low numbers of enrolled students, our group offered to assist with the recruiting efforts. We immediately withdrew our involvement after it was made clear that we were not needed. My involvement with Rellis and TAMV was linked to my role as vice-chancellor, and communication with the System is expected. However, I commit to improve my communication with you about system initiatives that could affect academic or university activities and the other deans about the connection between the vice-chancellor and dean roles, reporting structure, and responsibilities. One positive interaction between the university and an engineering agency that you did not mention was the transfer of TTI headquarters to allow the university to expand several academic units into research park. Even though the transfer resulted in some loss in work-hours and funding for TTI, the agency understood that the university had a space deficit and agreed to the arrangement as part of a system-wide team effort. However, bridging the gap between the agencies and university has been more challenging this year, given the antagonistic and combative relationship between the university and the system. Overall, I have found both the system and university upper administration to be helpful and supportive, but the current lack of cooperation is damaging relationships and limiting opportunities for our faculty, staff, and students.

I understand your concerns and accept the challenge to improve my communication with other deans and the Provost. Also, since many of the deans appear to be unaware of the extent of our collaboration with other units this year, I will strive to describe our broad campus-wide initiatives to them in future conversations.
June 5, 2017

TO: Dr. M. Katherine Banks
Vice Chancellor and Dean of Engineering
Director, Texas A&M Engineering Experiment Station

FROM: John W. Crawford
Assistant Vice Chancellor and Chief Financial Officer
Texas A&M Engineering Program

RE: College of Engineering Long-Term Financial Projections

I am writing you today to give you my assessment of the current financial condition of the College of Engineering and our future budgets, 2018 and beyond. With the financial requirements associated with the 25 by 25 growth initiative, including academic programs, faculty hires, new facilities, and facility renovations, it is imperative that we have solid planning to support these initiatives.

Attached is a chart that details our ability to cover our commitments from FY 2017 through the remainder of the 25 by 25 initiative. Here are the assumptions that we utilized for the projections:

- FY 2017 and 2018 tuition and E&G funding amounts represent actual allocations as confirmed through conversations with the Provost Office.
- FY 2019 through 2025 differential tuition funding to the College was increased by 3% due to slight growth and retention of engineering students.
- FY 2019 through 2025 E&G allocation was increased by 3% to reflect potential funding for salary increases and possible general revenue appropriations.
- We hope that the new graduate fee will begin in the fall of 2018 and the gradual increase is reflective of current cohort size and retention percentages across both masters and doctoral students.
- Other revenues include $2M in funding for Qatar, $2.4M in graduate funding allocations, and $0.4M in distance education funding. The Qatar funding will be eliminated in 2020, but the distance education funding should increase.
- Departmental allocations have an annual growth of approximately 3% primarily due to faculty hiring.
- Dean’s office had an increase in 2018 due to the growth of the distance program, which should be self-sufficient by the end of 2019.
- The centralized services show a small growth year over year due to merit funding.
- Debt service for Zachry will begin in FY 2019, followed in 2020 by debt for both Peterson and the new Ag Building.
• Beginning in 2019, with the implementation of the new graduate fee increase, startup funding will be covered by the college. In 2019, TEES will be responsible for 50% ($2.25M) of startup funding, with that decreasing to $0 in 2020.

• The startup portion reflected is the central funded portion of startup. The department will continue to support 50% consistent with current practices.

• We are estimating that we will hire 20-25 new faculty each year from 2019 to 2025. Those new faculty will be included in the respective departments allocation the following year.

Analysis of 2017 - 2025 Financial Activities

Based on current projections and trends, it appears that we will complete the 2017 fiscal year in the black. Tuition revenues have come in slightly above budgeted numbers. We have incurred a few unbudgeted expenses with the creation of the distance education group and some small renovations. Other expenses that came in lower than expected offset these expenses. We will be able to close the fiscal year and stay within our budget.

We have also completed the early drafts of our 2018 budget. Initial projections show that we will be able to fund all of our existing and new programs. Our revenue budget for 2018 is experiencing a small decrease in the allocation from the Provost. However, we are seeing increases in tuition primarily due to a new cohort, increased retention, and additional growth funds provided by the Provost. The college will not see any large debt increases from the Zachry Engineering Education Center (ZEEC) until FY 19 per discussions with the TAMU Budget Office. Thus, we are confident we can stay within our budgeted allocations and revenues.

For FY 2019 and beyond, we will begin to realize increased costs related to debt-financed facilities including the ZEEC and Peterson Building. We will also fully fund startup packages for new faculty. Both of these will result in large increases in costs for the college. However, many of these increased costs will be offset by the proposed graduate enhancement fee increase that we are proposing for the fall of 2018, with full implementation by Fall of 2025. This will bring an estimated $22M in additional funding for the College and will align our graduate tuition rates closer to our peers. This new funding stream along with increased differential tuition due to increased enrollment and retention and continued growth in our research programs will insure that the engineering program will remain solvent for years to come.
### College of Engineering

**Long-Term Budget Projections**

**FY 2017 to 2025**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition Funding</td>
<td>35,211,436</td>
<td>41,546,897</td>
<td>42,793,304</td>
<td>44,077,103</td>
<td>45,399,416</td>
<td>46,761,399</td>
<td>48,164,241</td>
<td>49,609,168</td>
<td>51,097,443</td>
</tr>
<tr>
<td>E&amp;G Funding</td>
<td>63,725,257</td>
<td>64,419,211</td>
<td>66,351,787</td>
<td>68,342,341</td>
<td>70,392,611</td>
<td>72,504,390</td>
<td>74,679,521</td>
<td>76,919,907</td>
<td>79,227,504</td>
</tr>
<tr>
<td>New Grad Fee</td>
<td>8,200,000</td>
<td>14,760,000</td>
<td>20,000,000</td>
<td>20,500,000</td>
<td>21,000,000</td>
<td>21,500,000</td>
<td>21,500,000</td>
<td>22,000,000</td>
<td>22,000,000</td>
</tr>
<tr>
<td>Other</td>
<td>4,044,727</td>
<td>4,858,383</td>
<td>5,258,383</td>
<td>3,758,383</td>
<td>3,758,383</td>
<td>3,758,383</td>
<td>3,758,383</td>
<td>3,758,383</td>
<td>3,758,383</td>
</tr>
<tr>
<td><em>Total Funding</em> excluding Qatar SLA and Distance Ed</td>
<td>102,981,420</td>
<td>109,824,491</td>
<td>122,603,474</td>
<td>130,957,827</td>
<td>139,550,410</td>
<td>143,524,171</td>
<td>147,602,145</td>
<td>151,787,458</td>
<td>156,083,330</td>
</tr>
<tr>
<td>Departmental Central Allocations</td>
<td>89,278,484</td>
<td>92,060,667</td>
<td>94,822,487</td>
<td>97,667,162</td>
<td>100,597,176</td>
<td>103,615,092</td>
<td>106,723,545</td>
<td>109,925,251</td>
<td>113,223,008</td>
</tr>
<tr>
<td>Dean's Office</td>
<td>5,000,000</td>
<td>6,000,000</td>
<td>6,076,200</td>
<td>6,135,153</td>
<td>6,205,866</td>
<td>6,273,350</td>
<td>6,343,611</td>
<td>6,414,660</td>
<td>6,486,504</td>
</tr>
<tr>
<td>Centralized Business</td>
<td>3,012,961</td>
<td>3,120,000</td>
<td>3,213,600</td>
<td>3,311,008</td>
<td>3,420,308</td>
<td>3,511,587</td>
<td>3,616,935</td>
<td>3,725,443</td>
<td>3,837,266</td>
</tr>
<tr>
<td>Centralized IT</td>
<td>3,298,030</td>
<td>3,286,000</td>
<td>3,384,580</td>
<td>3,486,117</td>
<td>3,590,701</td>
<td>3,698,422</td>
<td>3,809,375</td>
<td>3,923,656</td>
<td>4,041,366</td>
</tr>
<tr>
<td>Centralized Communications</td>
<td>965,180</td>
<td>1,120,000</td>
<td>1,153,600</td>
<td>1,188,208</td>
<td>1,223,854</td>
<td>1,260,570</td>
<td>1,298,387</td>
<td>1,337,339</td>
<td>1,377,459</td>
</tr>
<tr>
<td>Summer Teaching</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Debt Service</td>
<td>1,864,190</td>
<td>4,914,190</td>
<td>4,650,000</td>
<td>4,650,000</td>
<td>4,650,000</td>
<td>4,650,000</td>
<td>4,650,000</td>
<td>4,650,000</td>
<td>4,650,000</td>
</tr>
<tr>
<td>Startup</td>
<td>4,250,000</td>
<td>6,500,000</td>
<td>6,500,000</td>
<td>6,500,000</td>
<td>6,500,000</td>
<td>6,500,000</td>
<td>4,500,000</td>
<td>4,500,000</td>
<td>4,500,000</td>
</tr>
<tr>
<td>Net Surplus/Deficit</td>
<td>426,765</td>
<td>373,634</td>
<td>746,241</td>
<td>3,949,603</td>
<td>9,323,928</td>
<td>9,963,574</td>
<td>10,608,716</td>
<td>13,259,534</td>
<td>13,916,211</td>
</tr>
</tbody>
</table>

**Notes:**
- Assuming the new graduate fee is included beginning in 2019
- Startup for CRI and GURI's not included
- Departments continue to support an additional 50% outside of the startup amount reflected here
I thought she was on my schedule soon-I want to see her in June July August and September

Sent from my iPhone