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**Georgia
Tech**



**Research
Institute**

June 10, 1998

Dr. G. Wayne Clough
Office of the President
Georgia Institute of Technology
Atlanta, GA 30332

Dear Dr. Clough,

On June 8, 1998, the Institute's Faculty Status and Grievance Committee (FSGC) met to discuss your request for recommended actions to aid in resolving grievance 97-05, filed August 8, 1997 by Prof. Theodore Hill of the School of Mathematics (SOM). The FSGC has previously submitted the report of its informal investigation to you on December 18, 1997. One of those recommendations was for an internal audit with respect to the finances of the SOM and the Center for Dynamical Systems and Nonlinear Studies (CDSNS) within the SOM. This audit was subsequently conducted by the Institute's Dept. of Internal Auditing, and the report dated April 29, 1998 has also been delivered to your office.

It is the view of the FSGC that the audit report and other subsequent events confirm the existence of several of the questionable practices alleged by Prof. Hill. These include at least the following:

- Multiple instances of expenditure for travel and entertainment expenses of funds that were provided to Georgia Tech for other purposes. While not competent to comment on the legality of the handling of these funds, the FSGC believes that at least some of the examples cited are well beyond norms for responsible and ethical financial management.
- Obstruction of compliance with the Open Records Act. SOM faculty have made statements that they knew, or should have known, to be false regarding the existence of financial records in response to Open Records Act requests. We are also deeply concerned about the Office of Legal Affairs' willingness to represent these obviously questionable assertions as fact without any confirmation or review.
- Continued failure to date to implement an adequate annual evaluation process despite both direction from Dean Schuster to do so subsequent to Dr. Chow's Chair evaluation, and the FSGC investigating committee's observation that the actual process implemented failed to meet the intent of Institute statutes and Board of Regents guidelines.
- Continued significant subsidy of the CDSNS by the College of Sciences (COS) despite its failure after nine years to achieve the original, written sponsored funding expectation of \$300,000 per year after two years.

- Implementation of a scheme for disbursement of video-based instruction revenue that is unusually restrictive in the sharing of funds with the faculty preparing and teaching these courses. This policy was apparently approved by SOM faculty, but it nonetheless differs significantly from practice elsewhere in the Institute and appears counter to Institute objectives.

The FSGC is deeply troubled by these ongoing practices, and is of the opinion that the administration should take immediate action to ensure that they are not continued. The following recommendations are offered with the intent to aid in resolution of this case:

1. The Dept. of Internal Auditing should annually update its audit of the SOM and the CDSNS, with continued attention to the issues of CDSNS funding sources and expenditures and the usage of external funds received in accordance with the purpose for which they are provided.
2. The SOM's annual faculty evaluation process should be brought into compliance with Institute statutes and Regents' guidelines in letter and spirit. All forms and procedures should be reviewed by the administration outside of the COS, and a post-evaluation review of the 1999 evaluation process should also be conducted.
3. The administration should provide clear direction to the COS, SOM, and Office of Legal Affairs that full, open, and prompt compliance with legitimate Open Records Act information requests is required. Tolerance of anything less is contrary to the best interests of the Institute. Persons not complying with this policy should be reprimanded.
4. The Institute should adopt a uniform campus-wide policy for distribution of video-based instruction funds that appropriately awards faculty for the additional creativity, time, and effort required to develop and deliver these courses.

We must also note that Mr. Robert Thompson's letter to Mr. H. T. Marshall of January 8, 1998 directing the audit requested by the FSGC stated that the audit "should not address resource allocation issues, which are appropriately at the discretion of management." This confinement of the audit scope was not recommended by the FSGC and in fact contradicts the committee's intent. Resource allocation is at the very heart of Prof. Hill's grievance and is an issue that, indeed, warrants continued investigation and oversight in our view. In a university department, resource allocation should not be at the sole discretion of the administration and devoid of significant faculty input; such a management approach flies in the face of the concept of faculty governance.

The FSGC anticipates that additional actions will be taken by your office to ensure adequate faculty input into SOM affairs and equitable distribution of resources among SOM faculty and research groups.

In addition to the issues discussed above, supporting material in Prof. Hill's original grievance also alleged other questionable practices. Examples cited included the hiring of visitors and the handling of the promotion and tenure cases of other SOM faculty. Because no actions specific to these allegations were requested, the FSGC's informal investigation did not seek to confirm them.

Finally, you are aware that Prof. Hill has filed two additional grievances regarding matters related to those discussed herein. The investigation for one has been completed, while one remains under consideration. The committee will submit additional negative findings in the near future regarding the COS and SOM administrations in another report.

For the Faculty Status and Grievance Committee:



Mark A. Richards

Secretary, Faculty Status and Grievance Committee