

**Minutes of Meeting
July 23, 2014**

I. Consent Calendar

1. Approve July agenda
2. Approve draft June 25, 2014 Council minutes
3. Appoint UCOLASC Chair (Roberto Manduchi in 2013-14 and 2014-15) as *ex officio* standing Senate consultant to the Office of Scholarly Communication

Chair Jacob noted two items of new business – two letters from the Academic Council Special Committee on Laboratory Issues (ACSCOLI) addressing issues affecting scientists at the UC-managed national laboratories. Council agreed to discuss the items at the end of the meeting.

Action: Council approved the consent calendar.

II. Senate Officer's Announcements

- o *Bill Jacob, Academic Council Chair*
- o *Mary Gilly, Academic Council Vice Chair*
- o *Martha Winnacker, Senate Executive Director*

July Regents Meeting: A UCOP presentation to the Regents about long-term financial planning outlined UC's major cost drivers and some potential funding solutions. It indicated that while UC's core funds increased 25% over the past five years, the portion of those funds available to support the academic enterprise declined 5% due to cost increases associated with UCRP, financial aid, debt service, and inflation. The Regents approved an internal borrowing plan to help address UCRP's unfunded liability and authorized a \$220 million external financing plan to fund the UCPath project, the central UC payroll/HR system which is expected to be implemented at UCOP in January 2015 and then at other campuses over a one-to-two year period.

Regents Task Force on Divestment in Fossil Fuel: A task force empanelled by the Regents to study issues around socially responsible investing is gathering data about UC's current investment portfolio. It will be developing a policy and philosophy on sustainable and responsible investing and identifying new opportunities for investments in clean energy sources. The Task Force is anticipating action by the Regents at the September meeting on the specific issue of fossil fuel divestment.

BOARS Statement on the Redesigned SAT: BOARS has been discussing the redesign of the SAT test taking effect for 2016 admissions. It recently [voted](#) to adopt the redesigned SAT as an acceptable admissions exam and to continue requiring the Essay section of the exam. As the new test is implemented, BOARS will be studying the extent to which it meets BOARS' goals and principles.

Senate Leadership Meeting with President: The Senate chair and vice chair met with President Napolitano to discuss Council's recent [letter of concern](#) about cuts to centrally-funded multi-campus and systemwide research and the president's recent [decision](#) to rescind the 1989

Guidelines on University-Industry Relations, including Section 13, which barred the University from investing directly in companies that commercialize research and technology originating at UC. Faculty are concerned that the latter is a substantive policy change with significant implications for faculty that did not include adequate Senate review or consultation. UCORP was notified in October that there would be a “clean-up” of the sections of the Guidelines covering Intellectual Property and that a replacement was in final stages of development, but there was no mention of changes to investment policy, and a replacement policy has not yet been produced.

UCR&J Response to Review of Bylaw 55: The UC Committee on Rules and Jurisdiction (UCR&J) has responded to Chair Jacob’s request for a ruling on whether [Senate Bylaw 55](#) allows departments to take advisory votes from non-Senate faculty in appointment and promotion cases of Senate members. UCR&J opined that the Senate Bylaws do not prohibit the solicitation and collection of non-Senate advisory votes as long as the mechanism is approved by the Senate members of the unit and the opinions are tabulated and submitted to the Committee on Academic Personnel separately from the Senate member vote.

Action: Chair Jacob will send a letter to Senate divisions informing them of UCRJ’s decision.

III. Revised Proposed Self-Supporting Graduate Professional Degree Programs Policy

Issue: Council discussed responses from Senate divisions and committees to a set of [new revisions](#) to a draft revised policy on Self-Supporting Graduate Professional Degree Programs (SSGPDPs).

On the whole, Senate reviewers expressed measured support for the draft policy. Several noted that the new revisions provide more effective guidelines for creating an SSGPDP, converting a state-supported program to an SSGPDP, and distinguishing SSGPDPs from state-supported programs that charge Professional Degree Supplemental Tuition (PDST). However, there is still a general concern among Senate constituencies that the expansion of SSGPDPs threatens the public nature of the university and its relationship to state funding, that SSGPDPs will divert resources away from UC’s core academic mission and further privatize UC, and that the self-supporting model represents a fundamental shift away from the university’s responsibility to remain accessible to all segments of society.

Discussion: Council members noted that new language has been added to the policy requiring entities proposing an SSGPDP to make a “compelling case” for why the program cannot or should not be state-supported. The language is helpful to the extent that it calls for close scrutiny of new SSGPDP programs and conversions, but the vagueness of the language invites many possible interpretations. The flexible language accounts for a broad range of existing local policies and allows campuses a high degree of flexibility to establish new SSGPDPs and to define individual local policies for SSGPDP programs, but it also sets up potential conflicts between departments on a campus and their Graduate Councils, and between campuses and CCGA. (Some departments will inevitably view the potential to generate revenue alone to be a sufficiently compelling case for a new SSGPDP.)

CCGA Chair Mastronarde noted that CCGA agrees that the term “compelling case” is vague but believes the vagueness is probably unavoidable; a case by case judgment is required, and judging is appropriately vested in the Academic Senate. CCGA will record in its review what is

compelling about each proposal that it approves. Council members noted that campus Graduate Councils will be looking to CCGA for guidance about what makes the case for a new or converted SSGPDP “compelling.” It was suggested that CCGA produce a document that offers guidance to the divisions about what it considers to be a compelling justification for an SSGPDP. More explicit guidelines from CCGA can offer sufficient clarity to make the policy workable.

Council members discussed concerns about the potential effect of SSGPDPs on faculty workload and their potential to divert resources and faculty effort away from core state-supported undergraduate and graduate programs. It was noted that the policy allows for teaching a SSGPDP course on either an “overload” or a “buy-out” basis, but does not define “overload” teaching specifically; what constitutes “overload” differs from department to department and discipline to discipline. (The normal course load could be three courses in one department but four in another.) The lack of specific guidance about overload teaching in the document could result in course load inequity.

Council agreed that it will be important to track the financial performance of SSGPDPs. The assumption that SSGPDPs bring in reliable streams of revenue may, in the end, not be supported by actual experience. The University should expect some of these programs to fail and ensure that the policy addresses failures and associated liabilities such as debt and accommodating students-in-progress. The policy also needs to be clearer in addressing conversion back to state support.

Action: Council agreed to send forward a letter expressing reluctant support for the revisions and offering suggestions for additional clarifications. The Council Analyst will draft a letter summarizing the results of the systemwide review and expressing Council’s views that will be circulated over email for review.

IV. Consultation with Senior Managers

- *Janet Napolitano, President*
- *Aimée Dorr, Provost and Executive Vice President*
- *Patrick Lenz, Vice President Budget and Capital Resources*

Vice President Lenz: The state budget established a “trigger” that would have provided UC with up to \$50 million if 2013-14 property tax revenues increased sufficiently. Property tax revenues fell short, but total state general fund revenue was \$389 million above forecasts, and some legislators want to provide UC with additional funding from this surplus. UCOP is working to inform the Regents and others about UC’s progress in achieving its Working Smarter efficiency goals, and emphasizing that the Governor’s current state funding plan for UC, even combined with those savings, will not bridge the funding gap without tuition increases. UCOP is in the process of developing a 2015-16 budget that outlines revenue and expenditure options.

President Napolitano: The President thanked Chair Jacob for his efforts on behalf of the Senate and University, for articulating the faculty’s concerns about consultation and its views about the best way to move UC forward, and for helping the new president learn about shared governance as a concept that sustains the university. She added that she looks forward to working with Vice Chair Gilly and Vice Chair-Elect Hare next year.

The UC Global Food Initiative launched on July 1 with events across the state. Several faculty are involved in the Initiative's Governing Council, which will be identifying potential multi-campus research collaborations around a broad range of food-related topics, including climate, agriculture, economics, and environmental sustainability. The President has also funded a fellowship program that will support students who are working on food-related projects. She hopes the Initiative can serve as a template for future initiatives around a single topic. The President recently hosted an inaugural meeting of the UC Innovation Council, a group of business leaders who she hopes will help foster alliances between UC and different elements of the California business community and advise UC about topics such as revenue for the university, job opportunities for graduates, workforce development, educational technology and technology commercialization. The President is also looking for ways to leverage existing advocacy networks to educate policymakers about UC's needs.

The President recently visited LBNL for the opening of FlexLab, a new efficiency laboratory that will enable scientists to test new types of energy efficient interior and exterior building design. The Regents appointed Sam Hawgood UCSF chancellor after a successful search process, and a final candidate for the UC Irvine chancellor is expected to be presented to the Regents in September. A new systemwide task force is examining UC's efforts to prevent and respond to sexual assault, violence, and harassment on campuses, and UC Davis Chancellor Katehi is leading a committee that is reviewing UC's conflict of interest/commitment policy environment. In the coming months, UCOP will be focusing on enrollment planning, the state-ordered (financial) sustainability plan, and long-term financial planning.

Q: What is your anticipated timeline for Regental action on the question of fossil fuel divestment?

A: First, we like to refer to it as investment, not divestment, to clarify our approach to managing the university's assets. Chief Investment Officer Bachher will be prepared to make a recommendation to the Regents about the issue at the September Regents meeting.

Q: What do you hope to accomplish by rescinding Guideline 13 of the University-Industry Relations Guidelines?

A: I would like the university to be more flexible. And the removal of the ban on investment in companies based on UC research gives us one more way to support faculty and graduate student research and to provide opportunities to create start-ups. More generally, I am looking for alternative revenue sources that can complement the state's contribution. The CIO is exploring the possibility of setting up a Venture Capital fund specifically for research investment; this model could reap financial rewards for UC over the long term.

Q: I am concerned about the risk inherent in a VC fund as well as the appropriateness of this model for a public university. With that increased flexibility, we will also need to have increased accountability. It will be important for faculty peer review to be part of the process to help ensure equal opportunity and fairness.

A: I agree that investments made under this model would need to be assessed diligently based on sound principles; there would need to be peer review as well as an outside investment council.

Q: What do you expect a moderate, predictable tuition plan would look like?

A: First, UC is required to submit a three year Sustainability Plan for UC to the state. The plan has to assume no tuition increases and no more than a 4% annual general fund increases over that period. UC's plan will illustrate the University's difficult choices within this framework. UC is also modeling how different tuition plans would impact the budget gap.

Q: We all agree the state should be doing more to fund the university. And we are often unfairly maligned by politicians over issues such as time-to-degree. What can the Senate do to help you educate the state government?

A: UC does very well with time-to-degree, but we are not perfect. Many policymakers are concerned about the way it impacts student debt. UC's first generation and URM cohorts have the most challenges in this regard, and we need to see what we can do to help them. We can never educate the legislature too much, and the Senate has been very helpful with advocacy. Faculty who want to do more at the campus level could, for example, bring students to meetings with state representatives.

Provost Dorr: Provost Dorr will be sending a letter to the campus EVCs asking them to work with appropriate campus entities to develop an Intellectual Property agreement for ILTI-funded online courses. The letter will include, as examples, a final IP agreement currently in use at UCSC and drafts from UCR and UCLA. The systemwide Senate office will be sending a similar letter to divisional Senate offices offering guidance and an interpretation about what is possible. The Provost will also be sending for review a Presidential Open Access Policy, based on the [new Senate policy](#), but which covers all UC employees.

The Provost has appointed UCSC Professor Claire Max interim director of UC Observatories, and William Tucker interim director of the Office of Research and Graduate Studies. In September, the Provost will be hosting a systemwide meeting of campus representatives assigned to coordinate responses to the Campus Climate Survey results to discuss goals, metrics for determining meaningful progress, and issues for which UCOP can offer help. The Provost and Vice President for Institutional Research Pamela Brown are discussing a possible conference to be held in the fall on the topic of graduation rates and time to degree. It will examine existing research and data to identify recommendations about what makes a difference for student progress.

V. Total Remuneration Study

- *Dan Hare, Chair, UCFW*
- *Susan Carlson, Vice Provost for Academic Personnel*
- *Robert Anderson, Faculty Advisor to Total Remuneration Steering Committee*
- *James Chalfant, Faculty Advisor to Total Remuneration Steering Committee*

In spring 2013, the Academic Council requested a new study of UC faculty total remuneration (the combined value of cash compensation, current health and welfare benefits, and retirement benefits) to assess UC's competitive position relative to the "Comparison 8" group of institutions, the University's traditional benchmark. The last such study was conducted in 2009 by Mercer Consulting, which also performed the 2014 study for the Office of Academic Personnel and the Senate, using the 2009 methodology to allow for a longitudinal comparison. Mercer's methodology assigns a value to each employer-funded benefit component – medical, dental, life, and vision insurance; disability; UC's DB/DC retirement plans; and retiree medical

and life insurance – for general campus faculty, to determine a comparative value for each. Health Sciences and law faculty are not included in the study.

The 2009 study found that while the salaries of UC faculty, as a group lagged those of Comparison 8 faculty by 10%, their total remuneration gap was reduced to only 2% when the value of UC's health/welfare and retirement benefits was included in the calculation. The new study, however, shows that by fall 2013, the salary lag had grown to 12% and UC faculty's health/welfare and retirement benefits had declined to nearly the average level of the Comparison 8, creating a total remuneration lag of 10%.

The study illustrates how the recent ramp-up in employee contributions to UCRP and other changes to retirement benefits for employees hired after July 1, 2013, including raising the minimum and targeted retirement ages and removing the inactive COLA, have affected UC competitiveness. In short, UC's "new tier" of benefits is no longer sufficiently rich to compensate for below market salaries.

In addition, as an increasing proportion of Assistant and Associate Professors are hired under the new tier, the effects of the changes will be more acute in those ranks. Benefits represent a smaller share of the total remuneration of Assistant and Associate professors, because the value of the retirement benefit is heavily discounted for younger faculty due to the longer time they require to reach retirement age. The average full professor has already qualified for retirement benefits, whereas assistant professors will not reach retirement age for about 20 years. As a result, there is a higher probability that an assistant or associate professor will not remain employed at UC long enough to earn a significant pension. The declining portion of benefits in the total remuneration of Assistant and Associate Professors means that an attractive cash offer by a UC competitor may now be more effective in luring away young UC faculty, because the retirement benefit has been reduced.

The study will be posted online in a few weeks and presented to the Council of Chancellors and the Council of Vice Chancellors. It is also hoped that the Regents will see the results.

Discussion: Council members noted that the study disproves claims that UC's benefits compensate for below market salaries. It was noted that UC quality will decline if it cannot compete successfully for the best faculty, and that below market salaries and average benefits have serious implications for UC's future as the world's premier public research university. It was noted that departments are being forced to use a greater share of their discretionary funds for retention offers. It was noted that the impact of the problem on Assistant professors is particularly troubling because they are the future of the university. However, the data also illuminate the "loyalty penalty" sometimes paid by longer serving faculty relative to their more recently hired peers, highlighting the need to support competitive Universitywide salary scales. It was noted that UC should do a better job of tracking retention costs, which sometimes go beyond salary to include laboratory and facilities upgrades. Council members agreed that the results of the study should be disseminated widely and presented to the Regents.

Action: Council requested Divisions gather evidence related to success/challenges in recruitment and retention of faculty for reasons related to remuneration. Members requested that Council leaders work with Provost Dorr to prepare a presentation to the Regents.

VI. Executive Session

Notes were not taken for this portion of the meeting.

VII. Update: California Open Education Resources Council

- *Peter Krapp, Chair, UC Irvine*

Chair Krapp is one of three UC representatives to the California Open Education Resources Council (COERC), a nine-member intersegmental faculty committee formed by ICAS to implement legislation (SB 1052) intended to help address the high cost of textbooks. The legislation directs the higher education segments to identify or develop open access online textbooks for fifty lower division courses and make them available in a common repository for use across the segments. Another bill, SB 1053, directs the segments to establish a California Digital Open Source Library to host the textbooks. The Hewlett Foundation is funding the effort.

COERC began by identifying five high enrollment courses that use expensive textbooks and are offered at all three segments—Introduction to Chemistry, Public Speaking, Principles of Microeconomics, US History to 1877, and Introduction to Statistics. COERC has identified potential existing open textbook resources for these courses and a panel of faculty experts is now evaluating their appropriateness for the courses. COERC will also be asking for feedback from students. Faculty who help evaluate open education resources will receive an honorarium for their work, and interested faculty may contact Chair Krapp.

VIII. Update: Faculty Salary Equity Study

- *Emily Roxworthy, Chair, UCAAD*

In 2011, a former UCAAD chair prepared a [Salary Equity Study](#) which provided evidence that female faculty at UC are paid less than their male colleagues with similar years of experience. There were questions raised about the methodology of that study, and President Yudof mandated that campuses define a campus-based methodology for assessing salary equity on the basis of gender and ethnicity, conduct a study at least once before 2015, and develop remediation plans. All campuses have submitted plans for analyzing local salary equity; however, Chair Roxworthy noted that local Senate committee involvement in the development of the campus-based studies or remediation plans has been uneven. It is important that each campus's account is accurate and reflects the faculty view of what is happening "in the trenches." She asked Council to send President Napolitano a letter emphasizing the need for robust Senate consultation. Council members agreed and noted that serious discussion must occur on campuses to ensure that reliable data is produced and that appropriate redress and real, enduring change is aggressively pursued.

Action: Chair Roxworthy will draft a letter to be forwarded to President Napolitano.

IX. The Meaning of a UC Degree

- *Mary Gilly, Academic Council Vice Chair*

Issue: At the May Regents meeting, Regent Kieffer asked for a report detailing how the Academic Senate establishes the "meaning of a UC undergraduate degree," how the meaning of a UC degree compares to other universities, and how the meaning has changed over time. It has

been suggested that Council form an advisory group to discuss the issue in depth and perhaps work toward defining a common set of educational objectives and principles for establishing core curricular requirements. Objectives formulated by the American Association of Colleges and University's LEAP initiative were provided to Council as information to help frame the discussion.

Discussion: It was noted that campus course catalogs articulate general educational objectives for the campus; however, those objectives are not expressed in exactly the same terms across campuses. It was noted that WASC gathers information about student learning objectives during its accreditation reviews, and that the Davis Academic Senate has a [set of objectives](#) that identifies goals for student learning as well as civic and ethical virtues. It was noted that UCEP reviewed the LEAP objectives but did not think they were appropriate for a Research 1 university. It was noted that the meaning of a degree is to a great extent discipline-specific and is also tied to UC's nature as a research university to the extent that undergraduates are engaged in the scholarly research enterprise and exposed to teaching that incorporates the latest research discoveries. It was noted that efforts to define the meaning of a degree must consider how a UC education has evolved to interact with technology, what relevance a liberal education has in the 21st century, and the benefits of a residential university. It was noted that faculty want UC graduates to be agile, adaptable, critical thinkers, and that the meaning of a degree goes beyond its utilitarian purpose as a marketable economic asset. It was noted that a UC degree and a liberal education have both a private and a public value – the benefits of a degree accrue to the individual but there are also public benefits to having an educated population. The University is not a factory producing widgets.

Action: Council endorsed the formation of a small advisory group to work with Vice Chair Gilly. Members interested in serving should contact Vice Chair Gilly.

X. Priorities for Next Year

Academic Council members touched on some of the issues expected to be topics for Council and the broader Senate in the next academic year. These include a BOARS proposal for modifying the "9x9" eligibility construct, implementation of the Transfer Action Team recommendations, UC Care, UC Path, the Doctoral Education Conference recommendations, enrollment management, and systemwide research. It was noted that the Senate should insist that the total remuneration issue be moved to the top of the list of priorities; that the Committee on Committees process for the appointment of faculty members to systemwide bodies be followed; and that the Portfolio Review Group process for multi-campus research support continues and includes faculty from all UC campuses and relevant systemwide Senate committees. It was noted that the Senate should monitor the development of the ILTI program and be proactive about protecting faculty online education intellectual property rights.

X. New Business

ACSCOLI Letters: At a recent meeting of the Academic Council Special Committee on Laboratory Issues (ACSCOLI), members raised concerns about two kinds of fund restrictions that may seriously compromise science at the UC-managed national laboratories. The first relates to new restrictions on travel and travel expenditures ordered by the Federal Office of Management and Budget that apply to all federal agencies. ACSCOLI will request that Council ask President Napolitano to lobby the OMB to exempt laboratory scientists from the restrictions

to ensure that they can continue to travel to a wide range of scientific and academic conferences and interact with other scientists. The second restriction is a new congressionally-mandated cap on the proportion of a laboratory's budget that can be used fund the Laboratory Directed Research and Development (LDRD) program, which supports research and development activities. The new cap has cut the number of projects that can be funded, and in doing so reduced research opportunities for scientists and students. Undoing the cap would require an act of Congress. ACSCOLI will request the President's help in asking the Federal Government to lift the restrictions.

Council members agreed the both actions affect morale in the labs and that scholarly activities should be exempted from across-the-board restrictions on administrative expenditures. Council will take up the matter again in the fall after ACSCOLI, with help from Laboratory Management, drafts letters.

Meeting adjourned at 4:30 pm

Attest: Bill Jacob, Academic Council Chair

Minutes prepared by Michael LaBriola, Principal Committee Analyst

ACADEMIC COUNCIL

Minutes of Teleconference Meeting

July 30, 2014

I. Letter on Self-Supporting Graduate Professional Degree Programs Policy

Issue: Council reviewed a letter summarizing the Senate's views on a set of [new revisions](#) to a draft revised policy on Self-Supporting Graduate Professional Degree Programs (SSGPDPs).

Action: Council agreed to incorporate minor editing suggestions into the letter and approved forwarding it to the Provost.

II. Senate Officer's Announcements

- o *Mary Gilly, Academic Council Vice Chair*

Guidelines on University-Industry Relations: Chair Jacob has sent the provost a [letter](#) outlining concerns about the President's decision to rescind UC's 1989 Guidelines on University-Industry Relations policy and the gaps in policy coverage in a proposed set of replacement Guidelines. The letter also indicates the need for the Senate and administration to work collaboratively to ensure the concerns are addressed. In addition, it was noted that the Senate is seeking more information about the specific role of the President's recently announced 18-member UC Innovation Council.

Web Chat with the President: UCOP has asked the Senate to identify seven panelists to participate in a one-hour web chat President Napolitano will host for faculty on October 18. The web chat will be an opportunity for faculty at all UC locations to interact with the President and ask questions. The Senate will be invited to submit a list of potential topics in advance. It was agreed that the systemwide Senate office will ask the division chairs to submit names for consideration. It was also agreed that the final panel should be diverse in terms of rank, ethnicity, discipline, and other areas.

UCAAD Letter on Salary Equity Studies: Council reviewed a letter from UCAAD Chair Roxworthy asking the Senate to alert President Napolitano about the necessity of local Senate involvement in the development of campus-based salary equity studies as well as the assessment and remediation of any problems identified.

III. Executive Session – Recommendation for Senate Executive Director

Council voted to approve the Chair's recommendation to the President for a Senate Executive Director.

Meeting adjourned at 10:00 am

Attest: Mary Gilly, Academic Council Vice Chair

Minutes prepared by Michael LaBriola, Principal Committee Analyst