

ACADEMIC COUNCIL

**Minutes of Meeting
January 18, 2017****I. Consent Calendar**

1. Today's agenda items and their priority
2. Draft Council Minutes of November 30, 2016 and December 14, 2016
3. Draft Council Minutes of December 19, 2016

ACTION: Council approved the consent calendar.

II. Senate Officer's Announcements

- **Jim Chalfant, Academic Senate Chair**
- **Shane White, Academic Senate Vice Chair**

January Regents Meeting: The Regents are expected to vote on a 2.5% increase to in-state tuition in January, but have postponed action on a nonresident enrollment policy to the March meeting. The January agenda also includes a discussion about UC's efforts to prepare academic doctoral students for diverse career opportunities, including those outside of academia, to help emphasize that demand for PhDs remains strong despite the decreased availability of faculty positions in higher education.

February Assembly Meeting: Chair Chalfant will make a final decision about holding the Assembly meeting scheduled for February 8 following today's Council discussion about proposed revisions to APMs 015 and 016.

Framework for UC's Growth and Support: Academic Senate leaders are encouraging UCOP to include more faculty in an upcoming systemwide meeting to kick off the "Framework for UC Growth and Support" project, a long-term planning exercise. A letter from UCPB to Senate Chair Chalfant offers suggestions for improving the process and increasing the viability of the plans.

UC Scout: The [UC Scout](#) program produces "a-g"-approved online courses for high schools students who do not have access to a full range of college preparatory courses at their school. The program is seeking feedback from faculty about the academic content of its courses. Chair Chalfant has encouraged Senate division chairs to convey the request to interested faculty.

Nominations for 2017-2018 Council Vice Chair: The Senate is seeking nominations of candidates willing to serve as the Vice Chair of the Academic Council in 2017-18 and subsequently as Chair of the Academic Council in 2018-19. Nominations are due March 13. Candidates must be able to attend the March 22, 2017, meeting of the Academic Council.

III. UC Health and Clinical Affairs

- **John Stobo, Executive Vice President, UC Health**
- **Laura Tauber, Executive Director, UC Self-funded Health Plans**

Executive Vice President Stobo and Executive Director Tauber joined Council to discuss a series of UC Health topics to help inform Council's discussion about a proposed Senate Clinical Affairs Task Force. Also joining the meeting were UCSD Professor Joel Dimsdale, Senate Representative to the Regents Health Services Committee, and UCD Professor Robert May, chair of the UC Faculty Welfare Health Care Task Force (HCTF).

UC Health Governance: Dr. Stobo noted that in 2015, the Regents approved changes to the UC Health governance structure intended to provide better and more transparent oversight of the UC health enterprise, improve the efficiency and effectiveness of decision-making, better inform the Regents about the UC Health mission, and allow for more expert input into decisions. The new structure delegates decision-making authority for certain major business transactions, capital projects, and appointments to a Health Services Committee that includes seven Regents, including the President and Governor, two campus chancellors (currently UCSD and UCSF), four outside advisory members with expertise in health care policy, a Senate representative (currently Professor Dimsdale), and the UC Health Executive Vice President.

Nationally, 141 medical schools and their affiliated hospitals deliver approximately 30 percent of clinical care. Research, education, and clinical service are integral to the core mission of an academic health center, and it is important for them to remain linked.

Health Care Plans: Executive Director Tauber noted that UC offers both PPO plans (UC Care, Core, UC Health Savings Plan, and Retiree Medicare), and HMO plans (Kaiser, Health Net Blue and Gold, and Western Health Advantage). The plans carry 2.1 members per subscriber on average, for a combined total membership of 267,000. Kaiser has the highest total number of subscribers (58,000). The PPO plans combined have 44,000 subscribers, with UC Care making up the largest share.

2017 Enrollment Results: All of the non-retiree health care plans gained members this year, with the exception of the Health Savings Plan. Kaiser was the largest net gainer at 2% or 1,261 subscribers. UC Care and Western Health both increased their subscriber bases by about 2%.

Self-Funding: UC self-funds all of its PPO plans. Self-funding gives UC more control over provider networks and benefits, and helps keep insurance costs low and more predictable for UC and its employees by limiting premium increases to no more than 5% per year. Self-funding also allows UC to customize benefit plan design, keep revenues within the UC system, negotiate better pharmacy discounts, and reduce risk.

Governance Structure: The new governance structure for health benefit plans divides the responsibility for specific tasks across a Joint Operating Committee composed of executives and staff from UC Health and UC Human Resources. An Executive Steering Committee composed of senior UCOP leaders oversees the Joint Operating Committee.

Discussion: A Council member noted that the recent changes to the UC Health third-party administrator – from Anthem Blue Cross, to Blue Shield, back to Anthem – have been disruptive for specific employees, and may carry hidden costs. Executive Director Tauber noted that performance issues and cost structures made Blue Shield less competitive during the re-bidding process. She added that each campus has a Health Care Facilitator who is available to help individual employees resolve problems.

- **Robert May, Chair, UCFW Health Care Task Force (HCTF)**
- **Joel Dimsdale, Senate Representative to Regents Health Services Committee**

Health Care Task Force: Professor May noted that the HCTF enables Senate input into UC health care policy, both through its representation on the UC Health Executive Steering Committee, and by including the Senate’s representative to the Regents Health Services Committee on the HCTF.

He noted that the HCTF is concerned with ensuring equity of access to quality health care for all UC employees. For example, it has advocated for extending access to the least-expensive tier of providers within UC Care to UC employees at all locations, and for reversing the recent consolidation of maximum-out-of-pocket (MOOP) expenses in UC Care, which increased costs for some subscribers. The HCTF is concerned that UC Care has a fundamental conflict of interest; due to its dual charge to secure the best prices for employees and also maximize revenue for the medical centers. It is monitoring discussions about the possible expansion of UC Care to the general public. HCTF is also concerned about the quality of UC’s behavioral health services, insurance plans, and provider networks, and about UC’s relationship with religiously-based hospitals and health care providers, particularly in the context of reproductive and end-of-life care issues. HCTF is monitoring prospects for the Affordable Care Act (ACA), but notes that the potential repeal of the ACA is unlikely to affect UC employees and other individuals who work for large employers that offer good health care. Finally, Professor May noted that the HCTF supported the move from Blue Shield to Anthem, and he encouraged faculty to contact him or their campus’s Health Care Facilitator about any problems related to the transition, or other health benefits issues.

Regents Health Services Committee: Professor Dimsdale noted that the Committee’s charge and structure ensures that it has time to examine issues in depth with a group of knowledgeable advisors, and with Senate involvement and input. The Committee has been spending a great deal of time on issues of mergers and acquisitions and the strategic growth plans of the UC medical centers. In these discussions, there is a push and pull between campus autonomy and central control, and between a focus on financial concerns and a focus on the core missions of the medical centers: patient care, medical training, and research.

The Committee Advisors have recommended that the University develop a dashboard detailing the implications of each strategic growth plan, including its impact on faculty, faculty workload, and clinical training programs. Professor Dimsdale has encouraged the Committee to consider the low morale and high attrition of medical school faculty members, noting that the medical centers are losing faculty at all levels and series. The turnover is discouraging for colleagues and also expensive for the University. The Senate Clinical Affairs Task Force may want to consider why UC is vulnerable to poor morale and retention, and examine best practices at other academic medical centers.

Discussion: A Council member suggested that the Clinical Affairs Task Force examine how the issue of Senate membership contributes to morale problems in the Health Sciences; there are increasing numbers of non-Senate faculty members in the Clinical Professor series who lack the privileges and protections of Senate membership.

IV. Executive Session

V. Consultation with Senior Managers

- **Nathan Brostrom, Executive Vice President and Chief Financial Officer**
- **Aimée Dorr, Provost & Executive Vice President, Academic Affairs**

2017-18 Budget Proposal: Governor Brown's 2017-18 budget proposal projects a \$2 billion deficit resulting from lower state revenues, although the LAO and others believe that the revenue projections are too conservative, and note that the Governor's caution is due in part to uncertainty about changes at the federal level. To resolve the projected deficit, the Governor proposes maintaining flat budgets for most areas, eliminating some planned spending increases, and reducing Proposition 98 spending for K-14. His proposed budget for UC continues the existing agreement to provide UC with a 4% general funds adjustment and the final installment of \$169 million in Proposition 2 funds for UCRP. The budget does not include funding for several items requested by UC, including graduate student enrollment and deferred maintenance. The budget also proposes phasing out the Middle Class Scholarship Program, though UC expects the state to renew Middle Class Scholarship grants through 2020-21 for students already receiving them.

Policy on Nonresident Enrollment: Last year's state budget asked UC to develop a systemwide policy on nonresident undergraduate enrollment. Originally, UCOP proposed a plan to freeze nonresident enrollment at current levels at the three campuses over 20%, and to allow the campuses below 20% to grow to 20%. However, several Regents asked for an alternative policy that would cap all campuses at a maximum of 20%. UCOP responded with a plan to reduce nonresident enrollment to 20% at the three campuses along a glide path. Those campuses reacted negatively to the proposal, noting that it would represent a large budget cut for them, and would affect financial aid for all UC campuses. UCOP has returned to a policy in which campuses above a 20% systemwide cap would be permitted to freeze at current levels and increase resident enrollment to achieve an overall 20% proportion of nonresidents.

Discussion: A Council member noted that campuses use nonresident tuition revenue to support a high quality of education for California residents. A 20% cap is a self-imposed budget cut that makes little sense at a time when campuses require new investments in infrastructure, housing, classrooms, and faculty. The cap would guarantee a decline in UC's excellence, not only for the three campuses above 20%, but also for UC as a whole. UC needs a sustainable financial model for a high quality education, and a nonresident policy based on the University's needs, rather than an arbitrary target or a political request.

Proposed Changes to APM 015 and 016: Provost Dorr reported that UCOP has proposed new revisions to APM 015 and 016 that respond to the Senate's concerns and suggestions during the recent systemwide review. The revisions implement policy recommendations from the Administration-Senate Joint Committee on investigation and adjudication processes for sexual violence and harassment cases involving faculty. They connect to UC's broader effort to make campuses safer, and better equip campuses to handle SVSH cases when they arise. The new revisions respond to the Senate's concerns about shifting authority from the Regents to the President to suspend the pay of a faculty member placed on involuntary leave, by leaving the current policy in place. Next year, it is expected that the Senate will be able to work with UCOP to consider a list of additional changes Senate reviewers proposed for the APMs. These changes were not directly related to the current changes.

Framework for UC's Growth and Support: Provost Dorr is assembling a Steering Committee of campus leaders for a systemwide meeting to kick-off the "Framework for UC Growth and Support" project, an effort to develop a long-range vision for the optimal growth and support of the University. UCOP will ask each campus to prepare a vision for its future, and at least one planning scenario to the year 2040 that includes the campus's vision for its ultimate size and shape, assuming sufficient budget and resources, and the academic, financial, and capital resources needed to achieve the vision and sustain the campus as a high-quality research institution. The final individual campus scenarios are due to UCOP by June 30.

Discussion: Assembly members noted the difficulty of projecting a specific vision for the University 24 years into the future when so much is unknown about the state and university budgets, and how difficult it will be to produce serious, detailed plans for that period in only five months. Provost Dorr responded that the Framework project is not intended to produce formal long-range plans; but rather to identify what UC could be with proper resources, to help inform funding conversations with the state. Council members urged UCOP to involve faculty in the exercise on campuses and at the systemwide level, to help ensure that the scenarios are realistic and credible. It was noted that the exercise may show that UC requires an 11th campus to meet the needs of the state in 2040.

VI. Proposed Revised Policy on Professional Degree Supplemental Tuition

Council reviewed responses from Senate divisions and systemwide committees to the proposed revised Regents *Policy on Professional Degree Supplemental Tuition* (PDST, Regents Policy 3103), which incorporates existing Regents Policy 3104 (*Principles Underlying the Determination of Fees for Students of Professional Degree Programs*) into a revision of Policy 3103.

Many Senate reviewers praised the increased flexibility of the policy with regard to the fixed cap on the PDST level or proposed increase. CCGA noted that a growing number of state-supported PDST programs are considering conversions to self-supporting programs. It is important for UC to maintain a viable PDST option for those programs to encourage the preservation of PDSTs, rather than their conversion. In addition, the PDST model includes a 33% return-to-aid mechanism that does not exist with SSPs.

Other reviewers, including UCAADE, expressed concern that the new relaxed rules could lead to "runaway tuition increases" that could disproportionately affect URMs and other disadvantaged students, even with financial aid. UCAADE would retain a cap on increases in PDSTs, irrespective of a justification based on a program's need or considerations of financial aid. PDST revenue should be distributed in ways that support students in specific programs in an equitable manner.

ACTION: A summary letter will be circulated to Council for review and approval.

VII. Consultation with the Office of Academic Personnel

- **Susan Carlson, Vice Provost for Academic Personnel**

Response to APM 015 and 016: Campus administrators and Senate reviewers expressed similar concerns about the proposed changes to APMs 015 and 016 circulated for systemwide review,

including the proposal to shift from the Regents to the President the authority to suspend the pay of a faculty member on involuntary leave pending a disciplinary action. The new revision drops that proposed change and clarifies that faculty respondents have the right to request an expedited review of a contested involuntary leave grievance.

Presidential Policy on Nondiscrimination and APM 015: The Senate has concluded its review of proposed revisions to Presidential Policy on Nondiscrimination and Affirmative Action Regarding Academic and Staff Employment, and amendments to APM 015. The revisions are prompted by new state and federal requirements. There was general support for the revisions, although Senate reviewers requested additional changes to language describing academic freedom protections and specific terms and concepts related to sexual orientation, gender identity, and other areas.

Environmental Health and Safety Policy: UCOP Risk Services distributed the proposed policy initially to campus constituencies but not to the systemwide Senate. The Senate was later offered a chance to conduct a formal review. Chair Chalfant drafted a letter summarizing concerns about the policy and urging better communication and faculty consultation in future reviews of proposed policies.

Presidential Postdoctoral Fellowship Funding: Chair Chalfant noted that the Senate has no role in appointing faculty selection committees for the President's Postdoctoral Fellowship Program (PPFP), a peculiar omission given its broader role in academic personnel oversight. CCGA has proposed expanding the number of subsidized FTEs to hire Fellows (currently 12); however, it is unclear whether the PPFP is the most effective way for UC to meet its diversity pipeline goals, or if other programs may be equally effective and worthy of funding. UCOP has been discussing alternative strategies for increasing the URM faculty pipeline, including a potential partnership with the NIH focused on URM post-doc training in the biosciences, and other programs and events that target minority students. It was noted that UC is hiring more Fellows that it has incentive money for and that only 10% of URM hires come from the PPFP.

VIII. Admissions Topics

o Stephen Handel, Associate Vice President for Undergraduate Admissions

Fall 2017 Application Data: 171,449 individual students applied to UC for fall 2017 freshman admission, a 3% increase over last year, and the 13th straight year of record growth. Applicants applied to an average of four campuses each. UCLA, UCI, and UCB received the most applications, and Chicanos/Latinos remained the largest ethnic group, growing to 37% of the applicant pool. Freshman applications from California residents grew to 111,611, a 6% increase over last year, and the proportion of students from low-income families increased about 3%, representing 42% of all UC applicants. Applications from domestic and international nonresidents dropped 2.8% and 0.9% respectively, following several years of growth, an outcome that is likely due to higher fees and the elimination of financial aid for nonresidents.

32,000 prospective California Community College (CCC) transfers applied for fall 2017 admission, a 2.8% decrease compared to last year. UC extended the transfer application deadline to January 3. Whites, Chicano/Latinos, and Asians continue to be the three largest transfer applicant groups by ethnicity. The number and proportion of African-American transfer applicants remained about the same compared to last year.

Transfer Pathways: The 21 existing UC Transfer Pathways are detailed on a [systemwide website](#). The Office of Admissions is now analyzing the availability of courses in the Pathways at individual CCCs and where articulation agreements and articulation gaps exist between UC and CCCs for courses in the Pathways. The new [UC Transfer Pathways Guide](#) allows prospective CCC transfers to access a list of UC-transferable courses available at their college that meet the specific course expectations for a given UC Transfer Pathway. Data are available for the first ten Pathways. The second set of 11 majors is expected to appear on the website by the end of February. Starting in February 2017 the Guide will also allow student to determine where a partial pathway is available at a specific CCC.

IX. Proposed Revisions to Senate Bylaw 182

Council reviewed responses from Senate divisions and systemwide committees to a set of [proposed revisions to Senate Bylaw 182](#) formally expanding the charge of the University Committee on International Education (UCIE) into a broader range of international topics and activities.

Comments from reviewers were mixed. Some spoke against the expansion, noting concerns about an overlap between the charge of UCIE and UCORP, the potential overreach of UCIE into research topics, including individual international collaborative agreements, and the potential for unnecessary new bureaucracy. Reviewers also noted that UCIE already has the capacity to discuss a broader range of international policies and topics. Some recommended that UCIE remain dedicated to its primary role of UCEAP oversight, with UCORP retaining primary oversight over international multi-campus activities. (UCORP noted that it supports the revised bylaw.) Members also noted that the document is not clear about the difference between the bylaw proposed two years ago, and the current proposal. It was also noted that the Senate would expect UCIE to act like any other systemwide Senate committee, with respect for the autonomy of campuses and campus committee purview over research policy and other areas.

ACTION: Council agreed to send the systemwide comments to UCIE with an invitation to revise its proposal.

X. Proposed Revisions to APM Sections 015 and 016

ACTION: A motion was made and seconded to recommend approval of the new amendments to the Assembly for action at the Assembly's February 8 meeting. The motion passed unanimously.

Meeting adjourned at 4:30 pm
Minutes prepared by Michael LaBriola, Principal Committee Analyst
Attest: Jim Chalfant, Academic Council Chair