

ACADEMIC COUNCIL

**Minutes of Meeting
Wednesday, September 24, 2008****I. Announcements****➤ Mary Croughan, Academic Council Chair**

- State Budget and UC. The budget provided the same amount for UC as last year, but due to increased enrollment and costs, flat funding is the equivalent of a \$105 -110 million cut.
- Eligibility Reform Proposal. The proposal was very well-received at the September Regents' meeting. Senate representatives Mark Rashid, Michael Brown, and Mary Croughan made two presentations to answer questions. Several Regents made good suggestions for clarifying the proposal. They remain concerned about explaining the complex proposal to the public.
- ANR Review. The Provost's review of the Division of Agriculture and Natural Resources (ANR) is underway. The comprehensive review of ANR research and outreach programs will incorporate ANR's strategic planning efforts and a review of the UC Cooperative Extension program by a panel appointed by the USDA, Cooperative State Research, Education, and Extension Service. The final reports will be reviewed systemwide. Chair Croughan sits on the umbrella oversight committee.
- Laboratory Management Fees Update. The review process for the allocation of lab management fees has begun. Priority disciplinary areas are not ranked. Chair Croughan will sit on the peer review panel for large proposals (over \$500K).
- ICAS Report. ICAS (Intersegmental Committee of Academic Senates) discussed the participation of UC, CSU, and the community colleges in an effort to ensure that the state's high school curriculum is aligned with the skills and knowledge necessary for college and career success under the auspices of Achieve, Inc. ICAS was informed about a project headed by former Assemblymember Vasconcellos to reassess the Master Plan.
- EAP Review. President Yudof requested a strategic business plan for the Education Abroad Program (EAP) by the end of October. The plan will be submitted to Academic Council for formal review.
- Searches for a Provost and the UC Davis Chancellor are proceeding.
- Accountability Report. President Yudof issued a draft accountability report. Chair Croughan is requesting informal comment by mid-November. A revised version will be issued in January and will be reviewed systemwide.

II. Update on Council Requests

- An Annual Report on the Production of Plutonium Pits is expected at the end of October.
- The Senate will have an opportunity to review plans for restructuring Academic Affairs.
- The Task Force on Planning for Doctoral and Professional Education (PDPE) will develop a funding model for graduate student support.
- Copyright Issues. Based on advice from the Office of General Counsel, Chair Croughan noted that pursuing legal action against for-profit businesses that post exams on websites may not be the best approach to resolving copyright issues.

- Revision of APM 220-18-b(4), Criteria for Advancement to Professor Step VI and to Professor, Above Scale has been formally adopted into the APM.
- Revisions to APM 220-85-b, 335-10-a, 740-11-c, and Rescission of APM 350 also were formally adopted.

III. Status Update on Issues Out for Review

IV. Consent Calendar

- 1. Approval of the July 23, 2008 Minutes**
- 2. Approval of the 2007-2008 Academic Council Annual Report**
- 3. Approval of a Master of Public Policy at UC Irvine**
- 4. Cancel October 15, 2008 Meeting of the Assembly**

ACTION: The consent calendar was unanimously approved.

V. Approval of the Agenda.

ACTION: The agenda was approved with a change in time for EVP Lapp's presentation.

VI. UC Budget for 2008-09: Implications

ISSUE: In 2007-08, Council adopted a number of resolutions that will be directly and substantially affected by reductions in the University's funding for 2008-09. What are the implications of the budget for the following priorities: (1) [Faculty salary plan](#); (2) [UCRP funding](#); (3) [UC Merced budget concerns](#); (4) [Graduate student support](#)?

DISCUSSION: Given the budget situation, it is unlikely that there will be money to fund Year Two of the Faculty Salary Plan in 2008-09. However, President Yudof has retained \$10 million in the budget for graduate student support. The capital budget approved by The Regents did not include funds for UC Merced's capital needs. The Regents voted to re-start employee contributions to UCRP; the percentage will be determined later.

VII. Consultation with the Office of the President – Senior Managers

- **Mark G. Yudof, President**
- **Robert D. Grey, Interim Provost and Executive Vice President, Academic Affairs**
- **Katherine N. Lapp, Executive Vice President, Business Operations**

President Yudof

- **Accountability report.** The accountability report has been well-received and is open for public comment. A qualitative section will be prepared for each campus.
- **New hires.** Jack Stobo has been hired as Senior Vice President for Health Sciences and Services.
- **Negotiations with AFSCME.** The University has proposed a mediator, but the offer has not yet been accepted. President Yudof has tripled the University's initial offer, and thinks that they can reach a compromise, but the union has not responded so far.
- **Budget.** The budget situation is poor. This year, the University will need to reduce expenditures by about \$100 million through budget cuts and use of reserves. It is contending with rising energy and health care costs, and the need to re-start contributions to the retirement

system, as well as a dismal outlook for future state budgets. The governor also may need to make additional cuts to the budget in February or March.

- K-12 and community college articulation. President Yudof plans to improve UC's coordination with community colleges to encourage transfer students, particularly among under-represented groups. He also is examining UC's K-12 outreach programs.
- White paper on UCOP's budget. President Yudof presented a white paper on UCOP's budget to The Regents, explaining the various funding streams available (restricted, unrestricted, and pass-through). The next step is to examine the role of the system in redistributing funds. The Office of the President should be transparent about the income it diverts for central purposes, and clearly justify its priorities.
- Structure of Regents' meetings. On President Yudof's recommendation, The Regents adopted reforms to reduce the amount of transactional detail they directly oversee. They gave him a greater role in setting the agenda, including regular presentations on accountability and strategic plans by the Chancellors. They also discussed communications protocols and the proper relationship between the Board of Regents and the President. At the November Regents' meeting, they will discuss campus seismic issues and a possible bond issue for capital projects.

Interim Provost Grey

- Divisional Chair Norm Abrams of UCLA (a former Vice Chancellor for Academic Personnel and Acting Chancellor) will advise Provost Grey on restructuring Academic Affairs. They will examine the unit's core functions, and evaluate which functions are essential to retain centrally. The Senate, EVCs, Provosts and Chancellors will be consulted. Provost Grey wants to ensure that funds are administered efficiently and that overhead costs are benchmarked to those of outside agencies. He noted that he values the analytic support for the Senate and the campuses that Academic Personnel, in particular, provides.

EVP Lapp

- EVP Lapp discussed the development of a long-term budget planning model and the University's funding outlook. Priorities include increasing graduate enrollment, reducing the student/faculty ratio, resuming retirement contributions, meeting other Regental priorities, and meeting increasing mandatory costs (health care, retirement, deferred maintenance and utilities).

Q&A:

Q: Could you describe in greater detail the potential bond for capital projects and seismic retrofits?

A: The bond package will include funding for seismic safety and deferred maintenance, as well as for growth, such as at UC Merced. There are serious safety issues on some campuses; the University must address these needs with short-term and long-term plans. The magnitude of the need is not clear, yet. But debt service for the bond will be a tax on the campuses. Some upgrades will be financed privately, such as Memorial Stadium at UC Berkeley, which will not be funded by the University since it is not an academic building.

Comment: At UC Merced classroom space, in addition to research space, is needed. Within two years, there may not be enough classroom space to accommodate planned enrollment expansion.

A: President Yudof asked to see data on this matter as soon as possible in order to include it in plans for the proposed bond package. He noted that while he understands that Merced needs extra funding, and exempted the campus from absorbing budget cuts this year, it needs to define its highest priorities.

Q: Given that funding for faculty salaries is not possible this year, what is your general position on fixing the faculty salary scales in the future?

A: President Yudof stated that he is committed to making the faculty salary scales competitive and wants to put more money toward faculty salaries. However, the real question is the distribution of funds by rank and step. He will be working with the Senate and the President's Work Group on Faculty Scales on this issue.

Q: How "at-risk" is UC relative to other universities?

A: President Yudof responded that UC is better funded than most public universities. However, its financial situation has significantly eroded, from \$14,000 per student in 1975 inflation-adjusted dollars, to just \$10,000 per student today. He also noted that UC's true competitors are the best private schools, and there the gap is huge. He commented that this funding crunch in California is not anomalous; nationwide, the shine is off higher education as a public good. UC will need multiple funding strategies to maintain its status as a great university.

Comment: We need to look at a longer-term strategy for graduate student support. One suggestion is to ask for a higher allocation of state funding per student for graduate students. Another is to convince the legislature of the value of graduate education and research to the state economy.

A: President Yudof stated that he agrees with both points. Internally, UC provides more funding per student for graduate students. The University must appeal to the people of California, and explain to them the contribution that graduate students make through their research and to the economy.

VIII. General Discussion

Members expressed concerns about the budget deficit and rising costs, UCRP employer/employee contributions, and future strategies for raising revenue and cutting the budget.

IX. UCRP Outsourcing—Executive Session

Minutes were not taken for this portion of the meeting.

ACTION: Council unanimously endorsed UCFW's recommendation to oppose all of the outsourcing options and instead to issue an RFP to co-source the technology and retain administration of the retirement system in-house.

X. Policy on Re-employment of UC Retired Employees

ISSUE: Human Resources and Benefits (HR&B) drafted a policy restricting the re-employment of retired UC employees in the Senior Management Group and staff positions. The proposed policy was presented to The Regents for [action](#) in September without Senate review. However, the policy document states that it "will be sent out formally to the University community for review and comment" after Regental approval. The policy is intended to become effective January 1, 2009.

DISCUSSION: Under the new policy, retirees who take lump sum cash-outs can never be re-hired at more than 43% time and can not work for longer than a lifetime total of 12 months without

Presidential approval. Retirees who chose to receive monthly pension payments may be rehired into full-time positions if they give up their status as retirees. All retiree rehires must be approved by a senior hiring officer and be supported with documentation of exigent circumstances; retirees may not be hired into their previous position without a regular recruitment; individual retirees may not be rehired for a lifetime total of more than 12 months without senior executive approval. In addition, each Chancellor must make an annual report of such hires to HR&B. A member noted that recalling retirees has greatly assisted Merced. Another noted that adding on layers of transactional approvals may not approve accountability.

ACTION: The policy will be reviewed systemwide and will be on the October Council agenda. The deadline to receive comments is October 15.

XI. Effect of CCGA Resumption of Authority over Approval of New Professional School Programs

ISSUE: Since CCGA announced, and Council endorsed, its intention to resume reviewing proposals for new professional school degrees under the authority conveyed by [SOR 105.2](#), the law school at UC Irvine and the Graduate School of Management at UC Riverside have questioned CCGA's authority to subject their proposed degree programs to review.

DISCUSSION: The Regents approved Irvine's law school in 2006, along with three degree titles (JD, JSD and LLM); however, CCGA never discussed the degrees. UCI is willing to have the degrees reviewed, but does not wish to delay the opening of the law school next year. A member noted that the approval of a school and prospective degree titles does not connote approval of specific programs or curricula; these are reviewed separately. Given that CCGA's policy in 2006 exempted new JD degrees from review, Council should let it stand. However, it should review the JSD and LLM degrees, which were never exempted by the previous policy.

UC Riverside plans to establish an Executive MBA program in Palm Desert and maintains that it is the same degree as the MBA offered on its home campus. Council members felt that the matter should be referred to the campus Graduate Council to assess whether the program is identical; frequently the structure and staffing of such programs create significant differences in curriculum and potentially, academic quality. A member noted that Council may need to create a set of guidelines in the Compendium to address such programs.

ACTION: Chair Croughan will write a letter to UC Irvine affirming that it does not need approval for the JD program, but that the LLM and JSD degrees must go through the regular review process. Riverside Divisional Chair Norman will communicate to the dean of UC Riverside's business school that the proposed Executive MBA program must be referred to the campus Graduate Council for review.

XII. Task Forces and Work Groups

(a) Joint Senate/Administrative Task Force on Revising the Compendium

ISSUE: The [Compendium](#), a joint Academic Senate-Administration volume that governs universitywide review processes for academic programs, academic units, and research units, has not been revised since 1999. Given significant changes in University administration since then, the Compendium needs updating, and a joint Senate-Administration task force needs to be appointed.

ACTION: Council unanimously approved the Task Force charge and members to be recommended to UCOC

(b) Joint Senate/Administrative Task Force on Recognizing Students Interned During WWII

ISSUE: Individual Regents have proposed recognizing people who were students at the University of California in 1942, but were unable to complete their education due to their internment during World War II. The proposed joint Academic Senate-Administrative Task Force would examine options for recognition. Vice President for Student Affairs Sakaki has asked Council to nominate faculty to the Task Force and she has proposed nominations for administrative members.

DISCUSSION: A member noted that honorary degrees are not an option due to Regental policy. Members proposed additional potential nominees. One member pointed out that those with family members eligible to be recognized should not serve on the Task Force due to potential conflicts of interest.

ACTION: Council unanimously approved the Task Force charge and recommended Task Force members, and named additional potential members for referral to UCOC.

(c) UC Effort Reporting Policy

ISSUE: The UC Effort Reporting System Management Work Group has asked for input on the work group's proposals regarding new language to be added to the UC Contract & Grant Manual and to the UC Accounting Manual to address the consequences of failure to comply with effort reporting requirements.

DISCUSSION: Members identified a number of concerns with the locus of enforcement, the lack of technical support, increasing burdens on faculty, and the poor design of the system. Several noted that lack of compliance is tied to difficulties with navigating the program's interface rather than unwillingness to make required reports.

ACTION: Chair Croughan will draft a letter outlining Council's concerns.

XIII. New Business

Members did not have any new business.

IV. Ongoing Agenda Item: "Senate Issues/Topics of Concern"

Members did not have any special issues of concern.

Meeting adjourned at 4:30 p.m.

Attest: Mary S. Croughan, Academic Council Chair

Minutes prepared by Clare Sheridan, Senior Policy Analyst