

ACADEMIC COUNCIL

**Minutes of Meeting
Wednesday, December 15, 2010****I. Announcements****▪ Daniel Simmons, Academic Council Chair**

- 1. Report on the December 13 Regents' meeting.** Chair Simmons noted that the Regents approved the president's proposal on post-employment benefits. He also noted that the Regents endorsed the principles in the final report of the Commission on the Future. It calls for a Senate report on transfer issues by January 31st. It will describe the efforts of the five disciplines that are meeting to discuss commonalities in major prerequisites across the campuses. The Commission report also includes a recommendation that program reviews include budget analysis. This is an opportunity for the Senate, as it directs the Chancellors to share budgetary analysis with Senate committees.
- 2. Rebenching committee appointments.** Chair Simmons reported that, with Council's approval, he will forward the following names to the provost to represent the Senate on the Rebenching Task Force: UCPB Chair Jim Chalfant, UCSC Chair Susan Gillman, UCLA Chair Ann Karagozian, Chair Simmons and Vice Chair Anderson. Council indicated its assent and a member asked that Provost Pitts meet his commitment to have all ten campuses represented on the Task Force.
- 3. Other items.** Chair Simmons reported that Vice Chair Anderson has been appointed to the Universitywide campus climate committee. He also noted that the University has received 60 letters of intent to develop courses for the online pilot project.

II. Approval of the Agenda

ACTION: The agenda was approved as noticed.

III. Consent Calendar

- 1. Approval of the November draft minutes**
- 2. UCEP resolution on general education**

ACTION: The consent calendar was approved as noticed.

IV. Salary scales

ISSUE: At its meeting on December 1, the Academic Assembly approved a motion to postpone action on the Council resolutions on faculty salaries, and referred them back to Council in view of ongoing budgetary developments and the discussion held at Assembly.

DISCUSSION: Chair Simmons opened the discussion by noting that the president feels that across the board salary increases are not tenable in this political environment and that the Regents may not approve increases. Regents policy requires that any adjustments to the scales must be approved by the Committee on Compensation. Also, if an across-the-board increase were provided, the Regents would have to approve the increases of faculty members who are in the Senior Management Group. However, the president would be open to allocating some funds to

merit-based increases. One proposal is to provide increases to anyone who has received a merit in the past x years, or possibly two merit cycles to avoid penalizing those who may not have progressed due to illness or personal circumstances. The implementation details would need to be addressed. Chair Simmons suggested convening a subcommittee of the chairs of UCAP, UCFW, UCPB, as well as himself and Vice Chair Anderson to develop a proposal along these lines and bring it back to Council in January.

A member commented that the University's step and merit system already rewards merit, so by putting money into the scales, the president would be rewarding merit. UCAP's chair added that in 2008 it studied "non-progressing faculty" and found that less than 1% of faculty fail to progress, proving that the merit system works. A member objected that if some faculty are given increases and others are not, it will be a blow to faculty morale. He noted that budget projections assume fee increases every year, so there never will be a good time politically to provide raises.

A member stated that off-scale increments are the result of discrepancies in the scales. For instance, the difference between market rate and salary scales is most pronounced at the mid-career level and therefore the University should put more money into this range. A member responded that the 2007 Faculty Salary Plan did address these discrepancies in a graduated way, adding that a larger increase at tenure should be considered and the increase between steps at the upper levels should be narrowed. A member countered that providing a simple, straight percentage increase would be easier than trying to decide which step is the most disadvantaged. A member commented that it benefits everyone if most faculty are brought close to market through competitive scales, including those who recently received retention increases, since their compensation will erode over time unless they get another outside offer. A member spoke in favor of the UCAP/UCFW/UCPB proposal presented at the Assembly meeting as a compromise between market and range adjustments and as a good way to use a small amount of money. However, in the future, a long-term plan and a significant amount of money will be needed to fix the scales and the market gap. A member cautioned against making tactical decisions based on political circumstances, thus running the risk of subjecting the merit system to political exigencies. In the past, merits have been provided regardless of the economic situation. A member stated that it is important to tell the president that the salary scales are of paramount importance to faculty and that fixing the scales should be a priority given the value of the merit-based, peer-reviewed system; he already hears from Chancellors and EVCs that funds should be used for recruitment and retention. A member commented that the University has made a *de facto* choice to move to an off-scale system; if we wish to retain the salary scales, we need to make a conscious choice to bolster them.

A member expressed concern about how the Senate will appear to the university community and to the general public in this time of economic crisis, and advocated including a statement recognizing the constrained budget environment. She added that the resolution presented at the Assembly meeting sounded like a demand to off-set pension contributions. Another member advocated being explicit about the principles, including equity, that guide and frame the Senate's preferences.

Members of Senior Management joined the discussion. Provost Pitts presented four options for allocating the line item for salary increases in the budget, beginning on July 1. He noted that the main issue to resolve is whether the money should apply to the off-scale portion of salary. A

member spoke strongly against using off-scale salaries to solve personnel problems, stating that it rewards gaming the system and is unfair to faculty who are constrained by spousal employment opportunities. A member responded that campuses must have flexibility; off-scale salaries help the University retain high quality faculty. Susan Carlson, the Vice Provost for Academic Personnel, noted that off-scale salaries are calculated differently on every campus. Some campuses would apply a range adjustment to both on and off-scale salaries. Vice Chair Anderson countered that if campuses choose to do so, they must fund the off-scale portion themselves; the University should advise campuses to follow APM 620-18(a), which provides that “any academic appointee with an off-scale salary within established salary scales at the time of a general range adjustment will receive the same dollar increase in salary as those of the same title, rank and step on the regular salary scale in question.” Several members spoke in favor of applying the entire amount to the scales. A member argued that there is no reason to increase the off-scale portion of salary if faculty have no intention of leaving the institution.

A proposal was made that Council (1) Support a merit-based increment added to the salary scales for faculty who have received a merit in the past x years (raises would not be applied to the off-scale increment), and (2) State in a letter to the president that future adjustments to the scales should be made to bring them to competitive rates in order to reduce reliance on off-scale increments to meet market conditions. A member advocated sending the proposal out for review. A member objected, noting that if a letter is sent to the president now, it could be discussed by the Regents in January and instituted mid-year. If we wait, increases are not likely to take effect until the next fiscal year. A member made a motion to charge Chair Simmons with drafting a resolution based on Council discussion and consensus. It was unanimously supported.

ACTION: Council voted to (1) Support a merit-based increment added to the salary scales for persons who have received a merit in the past 5 years; raises are not applied to the off-scale increment, and (2) State in a letter to the president that future adjustments to the scales should be made to bring them to competitive rates in order to reduce reliance on off-scales to meet market conditions (15 in favor, 1 opposed, 1 abstention). Chair Simmons will draft a cover letter and will consult with a subcommittee before circulating to Council for final approval (unanimous).

In subsequent email communication regarding the draft letter, Council members agreed to the following position: Council unanimously recommends that in accordance with APM 620-18(a), any funds available for increases in faculty salaries be allocated to augmenting the salary scales and that individuals with off-scale increments would receive the amount appropriate for their rank and step, but would not receive a corresponding increase in the off-scale increment. The letter then notes that if the president feels he can not recommend this to the Regents, “Council reluctantly advises that eligibility for the increase to salary steps be limited to those faculty members who have received a favorable merit review within the last five years.” Council’s letter to the president emphasizes that this course of action should be treated as an exception in response to the serious challenge posed by non-competitive salaries in a constrained budgetary situation. It notes that restricting eligibility for an increase will undermine the integrity of the peer-reviewed merit system. This is consistent with the position adopted by Council at its December meeting.

- V. **Consultation with the Office of the President – Senior Managers**
 - **Mark Yudof, President**

- **Lawrence Pitts, Provost and Executive Vice President**
- **Nathan Brostrom, Executive Vice President**

Presented Yudof noted that the Regents approved the proposal on post-employment benefits. He stated that he is going to Sacramento today to build political support. He stated that he will tell Speaker Steinberg that UC has taken major steps toward fixing its pension problems, cut budgets, grown more efficient, and furloughed employees. Furthermore, non-represented staff have not had salary increases in years. He stated that the University must now work toward providing competitive compensation for its employees. However, he noted that he expects that UC's budget will be reduced in 2011-12 and perhaps even in the remainder of the current fiscal year. He commented that he is pleased with BOARS' support for the proposal on holistic view that will go before the Regents in January; he modified it in response to suggestions by BOARS.

Q&A

Q: There is a troubling inconsistency in the treatment of highly paid administrators and the rest of the UC community. Students are paying more, faculty are falling further behind in compensation, and yet the Regents will entertain a demand by highly paid administrators for higher pensions. The faculty believe in UC; we make compromises and understand political pressures. We count on administrators to be politically sensitive.

A: President Yudof stated that he was not happy about the situation, and agreed that the letter from highly compensated administrators is insensitive politically. However, he noted that they have a plausible reading of what the Board of Regents did in 1999. He stated that UC is a process-oriented place, so he decided to let them make their case to the Regents.

Comment: We are grateful for your recommendation on post-employment benefits; it is a substantially better outcome than we expected and it is good for the University. Now the University must work on a responsible, credible plan for funding the retirement plan.

Q: Governor-elect Brown visited UCLA yesterday. Do you have comments on what he said?

A: President Yudof stated that the Governor-elect's strategy seems to be to describe the dire budget situation and let taxpayers decide whether they want services. Unfortunately, that could affect universities very negatively. On the positive side, the Governor-elect seems to think that the state spends too much on prisons and not enough on universities. He also stated that he believes that Governor-elect Brown will sign the Dream Act.

EVP Brostrom responded that Governor-elect Brown is going to try to make the temporary tax increases permanent, which will relieve the budget gap a little. He stated that it is encouraging that Brown is committed to fixing the structural deficit, however, this will result in short-term pain. EVP Brostrom argued that the University needs to establish a long-term understanding with the state so that it can build a multi-year tuition policy and develop stability for students.

Q: Would you consider the following strategy? The University establishes a multi-year budget anticipating, for example, 5% annual fee increases, and simply tells the state the amount it needs and that absent that state support, the University will have to increase fees by the net amount.

A: Yes, that approach is under consideration.

Comment. BOARS' Vice Chair thanked President Yudof and Provost Pitts for working with BOARS both on holistic review and on admissions reform; it has been a good shared governance experience. He noted that some faculty do not realize the extent of shared governance in many University policy decisions. The initial proposals on furloughs, pensions, and holistic review were all very different from the final versions and the quality of the policies was improved in every case. It is important to communicate that shared governance does make a difference. He also noted that the review of applications is only one part of three aspects that determine who attends UC: outreach and yield are the other two and greatly affect diversity outcomes.

VI. General Discussion.

Minutes were not taken for this portion of the meeting.

VII. Task Force for Implementation of the Powell Committee Report

ISSUE: At its November meeting, Council requested that members of the subset of Council who participate in monthly budget teleconferences convened by Provost Pitts join together to draft a charge for a task force of Council. The charge is to examine the report of the Special Committee on a Plan for UC and assess the fiscal impact of its recommendations based on data to be supplied by the administration. The task force will be constituted by the Senate members of the Provost's Budget Group.

DISCUSSION: Vice Chair Anderson commented that the Powell Committee has done a good job conceptualizing the issues facing the University, as well as potential solutions. The proposed Task Force will bring the report back within Senate structures since a subset of Council is charged with producing concrete, implementable plans with fiscal analysis of the trade-offs. A member suggested adding UCSC Chair Gillman to the group, since she also will serve on the Rebenching Task Force. Chair Simmons stated that while the Task Force is charged with responding by May, he hopes that it can report by February or March.

ACTION: Council unanimously approved the charge to the Task Force for Implementation of the Powell Committee report.

VII. Presentation on UCLA's "Challenge 45"

ISSUE: UCLA divisional chair Ann Karagozian made a presentation on "Challenge 45," UCLA's initiative to reduce the number of units required for undergraduate majors.

DISCUSSION: UCLA divisional chair Ann Karagozian reported that UCLA's EVC asked the deans to work with faculty to restructure academic programs with the goal of making requirements more uniform while maintaining academic rigor and potentially reducing costs. Upper division major requirements varied between 36 and 75 units, despite a regulation specifying a maximum of 60 units. Departments with upper division major requirements greater than 45 units were asked to examine their curricula and determine if requirements could be reduced or made less restrictive without weakening the core of their programs. This process was voluntary, not mandatory. After College Faculty Executive Committees approved any changes, the Undergraduate Curriculum Committee co-chairs reviewed the proposals to determine if they needed to review them. Forty majors submitted proposals and on average, reduced requirements by 7 units. Approximately 40% of majors participated and revised their requirements; 33% of majors already had requirements within the target range and did not need to participate; approximately 10% have changes in

progress and 17% have not begun the process. More information is available on UCLA's website: <http://www.college.ucla.edu/fec/guidelinessamples.html>. A member asked whether Challenge 45 was a response to student difficulty in completing degrees in four years. Chair Karagozian noted that students still must take the same number of units to graduate, but many can use Advanced Placement credits to graduate earlier. A member commented on the lesson for implementing change by making such initiatives opportunities rather than requirements. Chair Karagozian responded that the program was in departments' interests, since by reducing requirements they can hire fewer outside lecturers and save money. She noted that UCLA will assess cost savings from the program. A member countered that if students go through the system faster, the campus will have to accept more students and that the program simply shifts students to non-major courses and thus does not achieve budgetary savings campuswide. However, it could increase access and produce more bachelors' degrees.

VIII. Oversight of ANR

ISSUE: UCPB has submitted a resolution to establish a Senate Special Committee on the Division of Agriculture and Natural Resources (ANR), similar to ACSCOLI. A special committee would provide consistent oversight of ANR decisions that have an effect on the academic mission.

DISCUSSION: At the November Council meeting under New Business, UCPB Chair Jim Chalfant suggested that it may be appropriate to establish a Senate Special Committee for oversight of ANR, similar to ACSCOLI. He stated that ANR recently redirected endowments affecting campus departments and graduate fellowships without consulting with the Senate. UC Davis' divisional Senate received a request from the College of Agricultural and Environmental Sciences that this decision be reversed and that periodic reviews of ANR and its stewardship of endowments be instituted. Chair Chalfant stated that ANR has a \$60 million budget and is involved in academic programs on three campuses with no Senate oversight. He noted that there is an ANR Associate Vice President for Academic Programs, but there is no academic planning or planning for the research mission. He also noted that the Senior Vice President of ANR is not an academic. He asked that Council support the resolution calling for Chair Simmons to develop a charge to constitute such a committee. A member noted that this is a recurring issue and that in difficult budgetary times there should be greater oversight of expenditures. A member clarified that the term "oversight" does not imply that the Senate can veto ANR budgetary decisions, but that it has the opportunity to comment and that the resolution calls for "consultation."

ACTION: Council unanimously approved the following resolution.

RESOLVED: The Academic Council shall ask the President to ensure that regular consultation concerning all of ANR's activities occur with the standing committees of the Assembly of the Academic Senate, and shall ask the Senate Chair and Vice Chair to develop and propose a charge, including suggested membership, for an appropriately constituted Special Committee of the Academic Council on Agriculture and Natural Resources.

X. BOARS Resolution on Individualized Review and Holistic Admission

ISSUE: BOARS has submitted a letter supporting President Yudof's proposed resolution to the Regents on individualized review and holistic admission and asking him to strengthen language on outreach to achieve diversity goals.

DISCUSSION: BOARS' Vice Chair George Johnson stated that the president incorporated the language that BOARS suggested in its December 9 letter to Chair Simmons and that therefore, he withdraws BOARS' request for support of the resolution articulated in that letter. A member stated that his campus uses a different process for admissions that yields good results in terms of diversity, and yet the resolution seems to ask all campuses to spend scarce resources implementing holistic review. Vice Chair Johnson responded that the language in the Regents' item provides flexibility for alternative approaches, but does not specify them. He added that BOARS' letter of November 2010 mentions other approaches as best practices that should not be abandoned in favor of holistic review. Vice Chair Anderson noted that the president has assured him that campuses will not be asked to change their practices as long as they meet their goals. Additionally, all campuses are becoming more selective and particular methods may not be appropriate in the future. Chair Simmons stated that the administration understands that trying to force a campus to adopt a particular method would be counter-productive. Several members commented that holistic review will not solve the diversity problem without other, complementary measures. For instance, UCLA adopted holistic review but simultaneously funded outreach and alumni connections and created scholarships for minorities; an evaluation of the results of implementing holistic review is ongoing at UCLA. A member argued that UC does not have the financial aid resources to compete with other institutions for the minorities it accepts; this is the crux of the problem. A member expressed his discomfort with inviting administrative oversight of a function under Senate purview. A member stated that increasing diversity of the applicant pool will not guarantee a more positive campus climate; they are in a dialectical relationship. Chair Simmons stated that he will capture these concerns in his cover letter to the president.

ACTION: Council endorsed BOARS' concurrence with the president's proposal to the Regents on holistic admissions (11 in favor; 2 opposed; 5 abstentions)

XI. Negotiations with Nature Publishing Group

ISSUE: UC is currently renegotiating its journal license with the Nature Publishing Group (NPG). In conjunction with these negotiations, UC and NPG are discussing an alternative approach for paying to access digital content which UCOLASC's Chair, Rich Schneider, described.

DISCUSSION: Chair Schneider stated that the California Digital Library (CDL) has tried to negotiate better terms for the ten-campus system. Publishers regularly raise subscription rates annually by 30 to 40%, but this year, NPG, which publishes 87 journals, proposed a 400% increase. Nature has a particularly expensive business model, supporting in-house authors who write editorial pieces, and offering a variety of "author services." The CDL has tried to save money by cutting low-usage journals, but this penalizes smaller disciplines. Chair Schneider stated that faculty create content for these journals, transfer copyright to the publishers, and then the publishers ask the faculty members' institutions to buy back the right to that content so their colleagues can read it. Moreover, as a public institution, the content UC faculty produce should be readily available to the public who support the research with their tax dollars. He argued that while publishers used to sustain the costs of printing and binding, this does not apply anymore. He advocates open access to remove barriers. There are several alternative models. For instance, the institution could pay a reduced rate based on the percentage of authors published in a company's journals. UCOLASC has also been discussing various models in which publication costs are offset by the faculty member's research grant. This would provide authors with an incentive to publish in journals that are not too costly and publishers would have to compete for articles. In this

model, an author pays submission and publication fees, so payment is used to support the publication, but not access the content. Some faculty may not have the resources to pay, however, and there may be disparities between disciplines.

A member stated that many non-profit scholarly societies publish their own journals and have goals other than profit; author charges are not a feasible model for such entities. Chair Schneider responded that universities can support these organizations. For example, CDL has an E-scholarship initiative that provides short-term investment. A member commented that the crux of the problem is that faculty need to publish in reputable, refereed publications for tenure and advancement. This places faculty members in a bad bargaining position. Chair Schneider responded that open access does not change the peer review process. A member stated that the five leading economics journals are produced by scholarly societies and universities, and that they are trying to expand into the commercial market. Can they play a role in displacing commercial publishers, particularly if they publish electronically? Chair Schneider stated that, for example, the Public Library of Science (PLoS) journals are having a big impact and are competing with traditional publishers while practicing “sustainable publishing.” A member asked whether faculty members should consider charging publishers for refereeing.

XII. New Business

Council did not discuss any new business.

Meeting adjourned at 4:30 p.m.

Attest: Daniel Simmons, Academic Council Chair

Minutes prepared by Clare Sheridan, Senior Policy Analyst