

ACADEMIC COUNCIL

**Minutes of Meeting
Wednesday, June 25, 2008****I. Announcements****➤ Michael T. Brown, Academic Council Chair**

- Agenda items for the July 23, 2008 meeting are due by July 10th.
- The Assembly endorsed the BOARS' eligibility reform proposal, which was conveyed to President Yudof.

➤ Mary Croughan, Academic Council Vice Chair

- The Office of Research and Graduate Studies recently released the request for proposals (RFP) for UC management fee funded research; it is consistent with the Senate's discussion from last year. It was noted that the Senate serves in an advisory capacity to The Regents on this issue, but both the Chair and the Vice Chair are involved in the process.
- Several search committees are underway at UCOP--both in Human Resources (3 positions), as well as for the new Provost. Vice Chair Croughan will serve on the search committees for the Provost and the UC Davis Chancellor.

➤ María Bertero-Barceló, Executive Director & Chief of Staff

- Director Bertero-Barceló introduced Clare Sheridan, a new Senate Committee Analyst.

II. Consent Calendar

1. **Approval of the May 27 & 28, 2008 Minutes**
2. **Education Abroad Travel Policy Restrictions and the Study Abroad Industry**
3. **Appointment of at-large-member to ACSCOLI**
4. **Systemwide Review of the Proposal to Amend Senate Bylaw 337**
5. **Proposed revisions to Academic Personnel Policy 220-85-b, Professor Series; Academic Personnel Policy 335-10-a, Cooperative Extension Advisor Series; and Academic Personnel Policy 740-11-c, Leaves of Absence/Sabbatical Leave; and Proposed Rescission of Academic Personnel Policy 350, Postgraduate Research (e.g., Physicist)**
6. **Request for Data on Differential-Fee and Self-Supporting Programs**
7. **Default Fund for Retirement Savings Plans (DC, 403(b), 457)**

ACTION: The consent calendar was approved with the exception of Items of 2, 5, and 7.

III. Approval of the Agenda

ACTION: Agenda approved; consent calendar Items 2 and 5 were placed under New Business; Item 7 was placed in Item X, "UC Retirement Program – Executive Session."

IV. Appointment of the Executive Director—Executive Session

Minutes were not taken for this portion of the meeting.

V. Academic Council Resolution for Provost Wyatt R. Hume—Executive Session
Minutes were not taken for this portion of the meeting.

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

- **Mark G. Yudof, President**
- **Wyatt R. Hume, Provost and Executive Vice President, Academic Affairs**
- **Katherine N. Lapp, Executive Vice President, Business Operations**

President Yudof

- President Yudof praised Provost Hume for his hard work and service. He will chair an advisory group to hire a new Provost; he prefers someone with extensive UC administrative experience.
- Accountability: He has reviewed a draft report, which will be revised further. This issue is important because it strengthens UC's case to the Legislature that the University is accountable. While not everything can be measured statistically, UC cannot take the position that because all things cannot be measured quantitatively, it cannot measure anything. He will comment on student assessments once the joint Senate-Administrative Task Force has completed its work on this issue.
- Academic Affairs: Over 1,100 of the 2,000 UCOP employees are in this unit. He will be reviewing Provost Hume's plans for restructuring, but cuts will likely be made to this unit.
- External Relations: UCOP will be hiring a new Director of External Relations. UC's communications strategy needs to be revamped so that it makes a case to the people of California that addresses accountability, the importance of the University, and the ways in which UC generates solutions to the major issues facing the state.
- By September 1st, an effective employee assessment program will be in place at UCOP.
- UCOP is recruiting a Vice President for Health Affairs who will report directly to the President.

Provost Hume

- Provost Hume's restructuring plan represents a strong conceptual framework upon which President Yudof can base his decisions. It is important to retain the core elements of academic personnel, diversity, student affairs, research and graduate studies, agriculture and natural resources; and academic planning and accountability. The remainder (60%) includes The Education of the Bar, UCEAP, UCDC, UC Press, the California Digital Library, UC TV, and academic preparation programs.

EVP Lapp

- The Governor restored \$98.5m to UC; both Houses in the Legislature have retained this in their budget proposals. UCOP continues to monitor this issue closely.
- The University is concerned that neither House approved the \$395 million in bond requests for UC/CSU/CCC. UC is arguing that this is a good way to jump-start the economy.

Q&A

Comment: Two joint Senate-Administrative task forces are assessing undergraduate and post-graduate learning outcomes.

A: President Yudof remarked that he is opposed to exit exams. The challenge is how the University demonstrates to the public that UC is measuring something worth measuring.

Comment: It was noted that President Yudof did not mention faculty salaries in his remarks. Individual campuses have adopted their own procedures for compensating faculty above the faculty salary scales, which undermines the merit-based system. Fixing the faculty salary scales will be difficult, but essential. The implementation of the first year of the four-year plan to fix the scales was a good start, and is Council's highest priority.

A: President Yudof agreed that we need to have a long-range discussion about whether and how to fix the system, or whether to reexamine it. He stated that he has not yet decided what his position will be; he will seek feedback from the faculty on the topic. \$20 million has been provisionally retained in this year's budget for this purpose, but a final decision will not be made until September.

Q: Provost Hume was asked if he had discussed the consequences of campuses opting out of shared admissions review for undergraduate applications with President Yudof.

A: Provost Hume responded that he has not had this discussion with President Yudof yet. President Yudof said that he will review it, but must ensure that there is strong support from the campuses.

Q: It is often argued that benefits make up for the faculty salary gap, which is untrue. How will you advocate for higher salaries for the entire faculty?

A: President Yudof said that the University needs to be more articulate and clear about the consequences of not supporting faculty salaries. Everyone loses in California if faculty salaries are not competitive; it must be reframed as an economic issue for the state.

Q: What is your perspective on the proper roles and working relationships between your office, The Regents, the Senate and the campuses?

A: President Yudof noted that an organization does not function if people do not respect their appropriate roles. A President should carry out Regental policies, while respecting the Senate. It will take some time for the University to extricate itself from past behavior and return to more traditional roles, however. He has made this clear to The Regents, who agree with his assessment.

Comment: One member presented President Yudof with copies of the Council-endorsed 'Futures' and 'Cuts' reports. He asserted that UC played a role in encouraging reduced public spending on education by not clearly articulating the true costs of public education. He suggested that the President consider a statewide "town hall" campaign that would ask the public what it wants from public higher education, and explain how much this would actually cost.

A: President Yudof responded that he may not agree with the analysis underlying this comment. At the University of Texas (UT), town hall meetings and surveys showed that the public chiefly cares about undergraduate education. When more than half of families had children under the age of 18 (now only 30% do), funding was much greater. There are many other forces at play in the decline of funding, which warrants a much larger discussion.

Q: What are your initial thoughts on funding for graduate education?

A: President Yudof stated that he is quite concerned; graduate students are among the most vulnerable populations at UC. At this point, he has tentatively decided to keep \$10 million in the budget for graduate education, but he does not yet have any long-run solutions.

Comment: The issue of under-paying faculty is compounded by the state's high housing costs; UCOP can play a role in this area (e.g., facilitating mortgages for faculty members).

A: President Yudof commented that this raises the issue of how UCOP services can be differentiated to meet the needs of particular campuses. But it is important to make sure that the University adds value and facilitates programs that the campuses want.

Q: Do you have an update on the funding status of the Science and Math Initiative (SMI)? How do you see UC's involvement with K-12?

A: Provost Hume noted that the program is funded for next year; Intel and AT&T are continuing to provide core funding. President Yudof has not been briefed on SMI. He needs to do an inventory of what UC is currently doing in K-12, but believes that higher education must be more involved. Universities can analyze best practices and assess if a given reform is beneficial. The University must also address the public perception of the cost of attending UC, which is often overestimated by families.

Comment: UC quality may be attributable to the process of merit-based peer review, tied directly to faculty salaries. Recapturing faculty salary scales is essential to maintain quality. The \$20 million mentioned previously may not be the real cost of the second year of the faculty salary plan.

A: President Yudof stated that he is in favor of peer review, and agrees that it helped to build UC. It is difficult to determine how to make the common salary scales work in the current environment, however; it requires more discussion. That said, the \$20 million provisionally allocated to Year 2 of the faculty salary plan remains high on his priority list.

Comment: Off-scale salaries have undermined the relationship between merit reviews and pay, which is demoralizing.

A: President Yudof commented that it is a complicated problem, and he understands the concern.

Q: What is the \$20 million?

A: EVP Lapp clarified that the \$20 million is what is allocated in the budget for the second year of the faculty salary plan; it will not cover the full cost of the scale-fix.

Q: Provost Hume was asked what he wanted to learn from the UC 21st Century Teaching Learning and Technology conference.

A: Provost Hume is particularly interested in new learning technologies in which UC could invest.

Q: Is there a more compelling way to explain the impact of cuts in state funding to the Legislature?

A: President Yudof noted that he finds it productive to talk about the future impact on programs when speaking to the Legislature.

Q: How do you respect the value and importance of every campus, yet meet the needs of campuses that are quite different?

A: President Yudof remarked that a central issue is reducing unnecessary UCOP barriers and creating differentiated services to meet the particular needs of campuses.

Q: Can you describe your research philosophy?

A: President Yudof responded that former Governor Davis' idea of virtual research centers was a worthy one; it is difficult to predict future directions in research. UC's research direction largely depends on intelligent decisions made on campuses; UCOP's role should be to facilitate the campuses' work. Collaboration with the private sector is generally a positive thing, but we must be careful, particularly about conflicts of interest.

Q: What are your thoughts on the "start and starve" phenomenon? How can we evaluate proposals within the context of exiting programs?

A: President Yudof said he could not give a categorical answer on this issue; he sees his job as providing answers to questions such as what if the Legislature does not fund the UCR Medical School.

Comment: You are the first person to refer to 'common' salary scales. Chancellors often times are concerned about 'stars' vs. 'non-stars' on their campuses. Thank you for understanding that the University does indeed have common salary scales. Chair Brown added that this highlights the fact that we are one University. Likewise, there are ten divisions, but there is one Academic Senate. We should also not think of faculty merit as location-defined excellence. It is critical to the UC ideal that we understand that the merit system has been chronically under-funded.

VII. General Discussion

DISCUSSION: One member remarked that the real problem is non-competitive faculty salaries, which impacts recruitment and retention. When a market system, rather than a merit system, is in place, the market system encourages disloyalty through the solicitation of external offers. In effect, UC is no longer evaluating the merit of its faculty and effectively rewarding it; the University has yielded this to other institutions. Looking outside for counter-offers is also time consuming, corrosive, and detrimental to faculty morale and productivity. Campuses match offers from institutions that are not comparable in quality UC. Another member cautioned that a market-based system is not necessarily bad. This phenomenon is symptomatic of the salary scales being uncompetitive, which resulted from a chronic under-funding of the system. It was also argued that the current market is distorted given the government's new rules requiring private universities to spend down their endowments, which in turn prompts the University to pay higher salaries to retain faculty. One member observed that President Yudof seemed open to differential salary scales, but common salary scales and a uniform fee structure are two key elements that make UC a system. Members also remarked on governmental relations and the role of the Senate. President Yudof is interested in influencing the Legislature, but the University needs to influence the Governor, who makes the budget ground rules. The public also is not hearing that the University is in trouble; UC would benefit from a public campaign informing the public of the true cost of education. One member commented that the Senate needs to refine its arguments, thereby amplifying the faculty's voice, as the President will be hearing others' voices as well.

VIII. Academic Council Request to the Office of General Counsel regarding Legal Fees for Faculty Accused of Misconduct in Research

ISSUE: Council has received the Office of General Counsel (OGC) comments on the following UCAF inquiry prior to sending it out for systemwide review: 1) That UC provide reimbursement of legal fees for those faculty found innocent of work-related charges; and 2) That the Academic

Senate study the viability of establishing a legal insurance policy that covers workplace-related legal fees for all faculty members without regard to the outcome of the proceedings.

DISCUSSION: Per the OGC response, the University's legal insurance does cover legal fees of employees (except when the University and the faculty member are adversarial parties in a case); faculty may also request reimbursement for retaining outside counsel. While the OGC response outlines reasonable conditions under which it would consider reimbursement, there is not a written process for requesting reimbursement. Council could request OGC to further specify the process. It was asked whether there is data on faculty who have requested reimbursement; data may not be available because this is a new policy. One option is for Council to express support for UCAF's first request and ask for a specific proposal on the second request. The OGC letter also expresses the concern that a broadly worded entitlement could be problematic. One member cautioned that unintended consequences may result from such a policy and it could be subject to abuse; UCAF should address such a possibility in its proposal. Members stressed that any policy proposal should be guided by OGC's comments; UCAF should consult and cooperate with both OGC and UCFW. A member noted that OGC's response addressed broader issues than UCAF's original concern regarding research misconduct. The proposal should contain existing data, including differentiating the type of legal cases involved (e.g., research misconduct, workplace misconduct such as sexual harassment, and whistleblower cases); UCFW could be another source of such data. UCAP's chair noted that his committee could propose an optional insurance policy that would be funded by individuals, not the University.

ACTION: Council unanimously passed a motion asking UCAF to draft a specific proposal in accordance with the advice presented in OGC's letter. The proposal should be written in consultation with UCFW and OGC, and include the data available on such cases.

IX. Proposal for a Review Procedure for the Systemwide Review of a new Proposal for a Systemwide School of Global Health

ISSUE: The Compendium does not address the review process for systemwide schools. CCGA Chair Bruce Schumm, a member of the senior advisory group for the proposed School, outlined the proposed review process: after an initial systemwide Senate review, in which the proposal will be reviewed by both divisional and systemwide committees, comments would be conveyed to the School's proponents, who would revise the proposal. The revised proposal would then be externally reviewed prior to going to the Compendium committees (CCGA, UCEP, UCPB) and the Administration, which would conduct simultaneous reviews. Council would have the final authority to approve the proposal. The estimated total time for review is about nine months. Chair Brown noted that as CCGA has not formally endorsed the proposed review procedure; therefore, it comes to Council unmoved and unseconded.

DISCUSSION: One member noted that divisions are being asked to approve an abstract process without any specification on the actual campuses involved. As the proposal stands now, individual divisions do not have veto power; Council makes the final determination. There are also concerns over divisional oversight. For instance, will local Graduate Councils on the participating campuses have authority over the School's curriculum that is implemented on their own campuses? The review process should be more explicit about divisional review authority to ensure that divisions are aware of the differences from other systemwide reviews, particularly that they will have only

advisory authority, not plenary authority. It was also asked why a new review process is needed instead of modifying the existing Compendium process? There are other examples of universitywide programs (e.g., UCDC and UC-Sacramento) that went through the normal process. One alternative might be revising the Compendium to address future multiple-campus schools. Another member advocated waiting to see the specific proposal before deciding on a process.

ACTION: The chairs of the Compendium committees will meet to resolve areas of concern, and will report to Council in July.

X. UC Retirement Program – Executive Session

Minutes were not taken for this portion of the meeting.

1. Proposed Assembly Constitutional Amendment

ACTION: Council unanimously endorsed UCFW’s position opposing ACA 5.

2. UCFW Recommendations regarding Contributions to UCRP and a Proposed Funding Policy

ACTION: Council unanimously endorsed UCFW’s statement supporting the proposed policy.

3. UCRP Administration Outsourcing

ACTION: Council unanimously supported sending a statement to the Administration with the following five points: 1) The outsourcing of benefits seems unjustified on the basis of either efficiency or effectiveness; outsourcing of UC benefits administration should be justified on the basis of cost, efficiency, and/or effectiveness; 2) Current quality provided to employees is very high and there should be no diminution; 3) Employee information provided to a third party may increase security risks—there should be no increased security risks; 4) Benefit services are funded out of the plan, itself, and there should be no cost increases associated with outsourcing services; and 5) Outsourcing should in no way affect UC’s role in the design of benefits plans, which should not be outsourced.

4. Default Fund for Retirement Savings Plans (DC, 403(b), 457)

ACTION: Members unanimously approved UCFW’s letter that supports changing the default fund for future employee contributions to retirement savings plans to Pathway funds.

XI. Restructuring UCOP Central Services—Executive Session

Minutes were not taken for this portion of the meeting.

ACTION: Members were asked for additional input on this issue.

XII. UCPB Comments regarding the Budget at UC Merced

ISSUE: UCPB is concerned that UCM is being ‘started and starved’; the campus is in deficit spending for the foreseeable future. UCPB made three recommendations: 1) UCM students (through the first 5,000) should be fully funded at the higher cost of instruction appropriate for a new campus, \$12,500 per student; 2) Capital construction at Merced should be given highest priority among UC’s capital projects; and 3) UCOP should work with UCM to design a strategic growth plan that clearly articulates the total quantity of resources required for the campus to achieve equal quality with the other UC campuses.

DISCUSSION: Given fluctuations in student population, it is curious that MCOI is recommended as a funding model instead of a temporary allocation to provide a stable funding base. UCPB Chair Newfield clarified that this model puts UCM on the same basis as other campuses. One member objected to using the phrase “the highest priority” with regard to the capital budget; UCPB Chair Newfield clarified that Merced should not be prioritized over other campuses; UCPB is only prioritizing two specific capital projects. Subsequently, revising the letter to say “the following capital construction projects,” and listing the two specific projects, was accepted as a friendly amendment.

ACTION: Members unanimously approved sending UCPB’s letter to President Yudof with the revision noted above.

XIII. Task Force on Academic Senate Membership

Members did not have time to discuss this issue.

XIV. Proposal for Universitywide Centralization of Funding Allocation and Distribution to Divisions

Members did not have time to discuss this issue.

XV. Ongoing Agenda Item: “Senate Issues/Topics of Concern”

Members did not have any special issues of concern.

XVI. New Business

1. Education Abroad Travel Policy Restrictions and the Study Abroad Industry

DISCUSSION: UCEP added a comment, with the intent of adding flexibility to the travel restriction policy, which endorses travel in ‘safe’ regions within countries that the State Department considers dangerous, as the travel restriction policy would not be able to change rapidly enough to respond to changing political conditions. However, it was noted that this comment weakens the intent of the letter, and UCEP Chair Keith Williams agreed that it was not necessary to include it. In the last sentence of the second to last paragraph of the letter, ‘policy’ should be replaced with ‘travel restriction policy’ to clarify the meaning of this sentence.

ACTION: Members unanimously approved the letter, pending the changes noted above.

2. Proposed revisions to Academic Personnel Policy 220-85-b, Professor Series; Academic Personnel Policy 335-10-a, Cooperative Extension Advisor Series; and Academic Personnel Policy 740-11-c, Leaves of Absence/Sabbatical Leave; and Proposed Rescission of Academic Personnel Policy 350, Postgraduate Research (e.g., Physicist)

DISCUSSION: Proposed revisions to APM 740-11-c did not include any mention of the Council recommendations that emerged from its review of [the Proposed Transitional Leave Policy for the SMG](#) in March 2008.

ACTION: This item was moved to the July agenda.

Meeting adjourned at 4:30 p.m.

Attest: Michael T. Brown, Academic Council Chair

Minutes prepared by Clare Sheridan, Policy Analyst and Todd Giedt, Associate Director