

**UNIVERSITY COMMITTEE ON INTERNATIONAL EDUCATION
MEETING MINUTES – OCTOBER 8, 2009**

Present: Errol Lobo (chair), Christine Hunefeldt (UCSD alternate), Paulo Monteiro (UCB), Phillip Rogaway (UCD), Richard Robertson (UCI), Olga Kagan (UCLA), Yang Ye (UCR), Geoffrey Manley (UCSF), Kalju Kahn (UCSB), Debra Lewis (UCSC), Ronald Arruejo (UCLA UG student representative), Todd Giedt (analyst), Martha Winnacker (Executive Director/staff), Henry Powell (Council Chair), Michael Cowan (UOEAP consultant), Bruce Madewell (UOEAP consultant), and Dan Greenstein (guest, Vice Provost)

I. Chair's Announcements – *Chair Lobo*

Chair Lobo remarked that EAP's financial woes have changed the entire way in which it operates, as well as the kinds of issues that UCIE now considers. He also recounted that at one time, it seemed that EAP was slated to be eliminated entirely. However, the new Senate intervened, and the Interim Provost convened both the EAP Task Force and the EAP Governance Committee in an effort to keep it running, albeit on a shoe-string budget. He also observed that in the past, this committee was usually told that the budget was out of its hands; it had been regulated solely to issues of academic oversight. Over the past couple of years however, this has changed significantly due in large part to the budget problems.

II. Consent Calendar

A. Approval of the Agenda

ACTION: Approved.

III. EAP Director's Report – *UOEAP Director Michael Cowan*

REPORT: Director Cowan commented that this will be a very demanding year for UCIE members. He remarked that EAP's major goals, which are outlined in the EAP Five-Year Strategic Plan from February 2009, really have not changed significantly (some of the sub-goals may have changed however). The Joint Task Force report did not seem to reject any of these goals. Director Cowan also commented on the interaction between this committee and UOEAP. Over the past decade, EAP engaged in very rapid expansion under then Director Marcum; this was in response to the perceived impact of 'Tidal Wave II'; it was thought that EAP could relieve pressure on the campuses resulting from the increased flow of new students. Especially during this time, UCIE reviewed all new programs, but it did not often examine (or look particularly closely at) the financials for these new programs. Instead, it limited itself to being a body with the sole purpose of providing academic oversight. While EAP had traditionally built its programs on year-long immersion programs, the major growth in EAP's programs during the late 1990s and early 2000s came in the form of mid- and short-term non-exchange programs. These included the language and culture programs (e.g., the 'Great Cities' programs in Paris, Rome, and London), language-intensive programs (e.g., the Siena program in Italy), and other discipline-specific programs (e.g., Monte Verde program). This also led to an expansion of staffing at both UOEAP and the study centers to accommodate anticipated future growth, which

never fully materialized.¹ At the same time, a significant multi-million dollar deficit emerged, resulting both from insufficient UOEAP financial controls as well as the downturn in the dollar, which impacted enrollments. In August 2008, President Yudof mandated that UOEAP change its funding model to one primarily based on student fees. The pace at which UOEAP has been forced to transition to this funding model has only increased over the past year and an half due to budget cuts. Consequently, this led to a series of rushed consultations between UCIE and UOEAP, especially regarding program and study center cuts.

Director Cowan also reviewed the study abroad model that EAP is based upon, and how this differs from those at other programs. In particular, he noted that a “flag-ship model” exists at such institutions as the University of Texas and the University of Minnesota (among others), in which every campus runs its own programs with very few true exchange and year-long programs, along with a little bi-lateral exchange among graduate students. This model primarily utilizes third-party providers and campus-led programs. On the other hand, UOEAP has traditionally specialized in the use of exchange programs utilizing reciprocity students (and generally more long-term programs). In recent years, UOEAP has expanded its mid- and short-term programs as well. With respect to the anticipated cutting of programs this year, Director Cowan suggested that members select some members who would be responsible for looking at certain programs to cut (in lieu of the entire committee), and who would make recommendations to the committee at large. He also referred members to his list of “at-risk programs”, which was distributed in July. He also noted that the Argentina Belgrano program was presented at the July teleconference. He directed members’ attention to the Q&A document, but said that it is a program that UOEAP will monitor; it is possible for UOEAP suspend it if it is not successful. That said, he remarked that it enjoys considerable support in the campus offices.

DISCUSSION: One member remarked that there seems to be a rationale to cut UOEAP as much as possible. Director Cowan commented that part of this comes from 1) some campus opinion that they should be running academic programs; and 2) the campus resentment over the amount of money that UCOP ‘taxes’ or takes off the top of revenues before it distributes these monies to the campuses. Chair Lobo asked if it would be possible for UCIE to consider the pros and cons of each EAP program in order to decide which specific programs to fight for. Another member remarked that cutting programs should not be the only option on the table. Developing and expanding EAP to serve students at other universities should also be considered. Director Cowan responded that carefully-considered program growth is necessary; solely cutting programs will lead to a downward spiral. Finally, one member expressed some reservation about UCIE becoming involved with budgetary issues, given that its charge is academic oversight. Director Cowan explained that the budgetary issues are so severe that they interfere and threaten the academic goals that this committee sets. Chair Lobo urged the committee to become much more proactive (in matters of the budget) than it has been in the past.

IV. Academic Senate Review of the Report from the Joint Senate-Administrative EAP Task Force

ISSUE: Chair Lobo briefly reviewed the task force report. The task force spent a considerable amount of time on the mission statement—in the end it adopted the Senate’s position that EAP is

¹ UOEAP was actually restricted from growing after the period of initial growth in the early 2000s.

indeed an “academic program” (and not a service provider). However, the task force really concerned itself with the budget model and other tangential issues, which included the formation of an EAP Governance Committee, the EAP fee (and the associated return-to-aid), the so-called “articulation” issue, the costs of reciprocity student support, and the relocation of UOEAP to a campus. A group of individuals were appointed to take on the task of examining the budget in greater detail; they will eventually become part of the Governance Committee.

DISCUSSION: It was clarified that the Governance Committee will not make any unilateral decision related to the closing of programs and study centers; per its bylaw, UCIE will retain this consultative responsibility. Members urged Chair Lobo to make sure that there is adequate Senate representation on the EAP Governance Committee.

ACTION: Members suggested Errol Lobo, John Haviland, Kalju Kahn, Geoffrey Manley (back-up), and Yang Ye as possible UCIE representatives to the EAP Governance Committee.

V. Approval of a New Japan Program Option: Elementary Japanese Language Program, IIL, Tokyo – Director Cowan/Bruce Madewell

ISSUE: UOEAP is proposing to open a nine-week summer intensive Japanese language program option through the Intercultural Institute of Japan beginning in summer 2010. It is designed as an elementary program for students with no prior Japanese language training or experience; it would provide introductory language-intensive instruction equivalent to first year Japanese within the UC system. Admission requirements include sophomore standing or higher and a 2.85 minimum pre-departure GPA. As UOEAP already has an immersion agreement with this partner institution; this represents an additional option with a strong existing partner. The revenue from the program will exceed UOEAP’s expenditures on it.

DISCUSSION: Consultants clarified that this program’s curriculum will be mostly Japanese language instruction, supplemented by some additional cultural studies courses taught in English. This option would allow students to gain some proficiency in Japanese before enrolling in an immersion program. Some members were concerned about the level of consultation with the campuses, and were in favor of bringing it back to their local Japanese ‘experts’ before making a final decision.

ACTION: Members agreed to postpone a vote on this program option until its November meeting.

VI. Approval UCIE Members to serve on short-term subcommittee to evaluate France Study Center Director Extension – Bruce Madewell

ISSUE: Beginning July 1, 2010, EAP will have a single Study Center Director in France, overseeing the three Study Centers in Bordeaux, Lyon, and Paris. Because the movement from two Directors to a single Director offers administrative challenges that can best be addressed by an experienced faculty member, UOEAP Director Michael Cowan has invited both of the present Directors to submit applications for this position. Both have expressed interest. Director Cowan and UCIE Chair Errol Lobo are asking for two UCIE volunteers to serve on a special committee to review the application materials and render a recommendation to Director Cowan as to which

candidate should serve a third year. The UCIE members will review the following: the annual reports, the CVs from each Director, and the statements from each Director.

ACTION: UCIE Chair Lobo and Professor Yang Ye volunteered to serve on this sub-committee.

VII. Consultation with the Academic Senate Leadership – Harry Powell/Martha Winnacker

REPORT: Academic Council Chair Henry Powell noted that historically, the Senate has been particularly supportive of EAP, and recognizes that it is indeed an academic program. He also provided a brief overview of the Senate. This year, the Senate is very concerned about budgetary issues, particularly whether the budget cuts will result in UC faculty being recruited to other institutions. He also mentioned that UCIE will be involved with the EAP Governance Committee through its representatives to that committee. One meta concern of the Senate is the UC Commission on the Future, which is charged with addressing five areas of importance to the University: its size and shape, access and affordability, finance, the educational delivery model, and research. This Commission will be populated with respective work groups in each of these areas. Towards that end, the UCOC has delivered a list of nominations to the Administration. The Senate is under pressure by the Administration to work quickly, but the nature of its work requires thorough consultation. The charge of the Gould Commission does indeed impinge on the delegated responsibility of the faculty in terms of the curriculum and the academic mission of the University. For that reason, it was important for the Senate to enlarge the membership of the Commission's working groups.

Advocacy has become even more critical for the Senate as well. This past year, the State has cut approximately \$1.1B from the University's budget (due in part to about \$300M in delayed funding, in addition to the other cuts). Another controversial issue is the University's so-called "reserves". While there are reserves, these are not discretionary, but have been set aside for specific purposes in accounts that belong to specific units and individuals (e.g., hospitals, buildings, etc.); the University cannot simply raid these accounts. The University has also restructured its debt by issuing commercial paper, which helped to fund staff and faculty salaries over the past several months. He also noted that this is an acute crisis over a very short period of time; by contrast, in the Great Depression, the University lost 25% of its funding over an eight year period. The current decline in support has also been sharper and more drastic for UC than for other institutions. One of the ways that the Senate is coordinating its advocacy efforts is through the Intersegmental Council of Academic Senates (ICAS); within that committee two task forces have been set up on the *Master Plan* and *Advocacy for Public Higher Education*.

DISCUSSION: One member asked about the viability of using ICAS to support international education. UOEAP Director Cowan remarked that the CSU runs very few "exchange" programs. Most of their programs are run campus-by-campus and are often faculty-led programs. He added that institutional partnerships (e.g., with San Diego State, etc.) would be more effective than just opening up EAP to all CSU students. Council Chair Powell closed by noting that advocacy at the State level is important. The Public Policy Institute of California has reported that the State will need at least one million more degrees by 2025 in order to satisfy the anticipated job market; California is not on this trajectory. He also remarked that the prevailing

attitude among state legislators is to simply use student fees as a recourse and replacement for the University's loss in state funding.

VIII. UCEAP Budget Models for 2010-11: An Overview

ISSUE: At this time, UCOP has presented three possible funding scenarios for UOEAP. Briefly, these are Model A, which retains EAP's current General Fund support at \$3.7M (20% of the total budget); Model B, which cuts EAP's funding by \$2M (5% of the total budget); and Model C, which cuts EAP's General Fund support to \$0. Director Cowan remarked that he hopes that the committee could delegate some members to work on specific materials or areas (e.g., budget sheets) and report back to the committee as a whole. There is a question as to whether UCIE should articulate 'principles' by which to cut programs, or simply produce a prioritized list of programs to cut. In Director Cowan's opinion, the best realistic option may be a "B+ model", along with several years of transitory one-time funding.

Dan Greenstein, Vice Provost of Academic Planning, Programs and Coordination, discussed both UOEAP's budgetary prospects as well as the EAP Governance Committee, which will be meeting at the end of October. The agenda of the Governance Committee's first meeting will concern EAP's budget and the implementation of the EAP fee. He noted that this is Michael Cowan's last year as the interim Director of UOEAP. He remarked that it will indeed be a terrible budgetary year for the University. Vice Provost Greenstein explained that historically EAP used to be funded on a model based on a state-funding component and an Ed/Registration fee component; EAP was funded with a larger portion of the state-funding component. In 2009-10, EAP students are being funded on the basis of their Ed and Registration fees plus a small amount of state support. However, EAP Task Force members felt that EAP's tie to the Ed/Registration fee was quite misleading, and should be decoupled. Therefore, the idea of an "EAP Fee" was introduced as a way to transition to that funding model. Vice Provost Greenstein defined the EAP Fee as a special fee that could be differentiated by different programs, and would be paid directly to UOEAP; students would not be required to pay their Ed and Registration fees to their respective campuses while abroad. He added that UCOP will have to set a budget for UOEAP by the end of October for the 2010-11 academic year. A key question for this committee is the return-to-aid component (how much and where should it go?).

Regarding the three budget models, Vice Provost Greenstein does not see any way for UOEAP to continue to receive funding centrally from UCOP simply because the budget is so bad. The good news is that EAP is actually one of those programs that could actually be self-supporting. He advised the committee to plan for Model C, but to hope for the best. He would also like UCIE to provide the Administration with a prioritized list of programs to retain and a prioritized list of programs to eliminate. Director Cowan added that there are a couple of components inherent in UOEAP's expenses and their relationship is complex; these costs include staff to administer the programs and the administrative costs at both the campuses and at UOEAP/study centers. Cutting one program will not significantly reduce staff time on the campuses. Even cutting a single partner or program does not immediately cut administrative costs abroad unless one closes entirely an overseas office or cuts an entire study center director position. Cutting staff at overseas offices is also difficult due to labor relations laws in these countries. Therefore, simply cutting a program may not immediately reduce expenses and may even make it worse,

especially if there are no other options for students going to this program (e.g., reduction in enrollment revenue).

DISCUSSION: Members observed that Model C is simply devastating, especially for the smaller campuses such as Riverside. Many of the larger campuses are pursuing market-based approaches to study abroad, which unfortunately result in high-priced programs, thereby restricting education abroad to upper-income students. One member added that this model reduces EAP to the “mediocrity” that President Yudof recently warned against. Other members expressed the view that even Model A is too low. Chair Lobo recounted how much of the Administration’s thinking has been driven by a view that EAP is more of a service provider than an academic unit; therefore, in line with this mentality, funding would be more appropriately provided through student fees. He added that the Academic Senate has protested each of the budget cuts along the way, insisting that EAP is indeed an “academic” program. Director Cowan expressed his view that the committee may want to discuss the benefits that the University receives from EAP’s status as a university-wide program, as opposed to a series of campus-based programs with different priorities. Other members expressed concern about the increasing program costs; moving to Model C could make EAP too expensive for many UC students. That said, members emphasized that under any of these options, students must retain their UC status, ability to register for courses taken abroad as UC courses, and remain eligible for student aid. Chair Lobo remarked that the one positive is that EAP may be able to become financially independent from the University. That said, some students would simply not be able to afford it. It was also acknowledged that Model C is essentially moving towards a professional schools’ model, in which one charges what the programs actually cost to run.

One member asked Vice Provost Greenstein for the reason behind the extreme cuts; is there not room for investment? He responded that the simple reasons are the sharp decline in revenue from the State and a diminishing tolerance for EAP’s debt. He advised the committee to think carefully on where EAP’s future growth would come from; significant marketing costs will need to be factored in. He urged the merging of entrepreneurial and academic activities/strategies to ultimately grow EAP, rather than continuing to cut its programs over time. Vice Provost Greenstein expressed the view that if EAP was completely suspended, UC students would still be able to go on education abroad programs via third-party providers. Members countered that view by noting that many of these third-provider programs are not equal to the academic quality that EAP typically provides. He responded by urging members to spell out, in a sophisticated way using actual data, the impact of the loss of EAP, especially to the smaller campuses, and why students could not just go on other third-party programs. He also provided members with a sense of the process used to cut programs in his unit, which includes EAP, the Digital Library, Libraries, UC Press, UCDC, Sac Center, among others. EAP is in a category of programs (along with UCDC and Sac Center) that can fund itself and even grow on student fees. On the other hand, libraries and the UC Press do not really have this option. The vehicle by which to sustain EAP is the “EAP fee”, which will give EAP the fee flexibility that it did not enjoy before. In the past, there really wasn’t any way to tie revenues to quality of service; now there is. Members also asked for an appropriate time-frame to implement these changes; Vice Provost Greenstein said that a three-year time frame would be appropriate, which may include loans or one-time grants to UOEAP for investments in key areas crucial to such a transition (e.g., marketing). In closing, Vice Provost Greenstein specifically asked the committee for the following: 1)

comparative data on alternatives; 2) tangible and evidence-based arguments about the impact of diminishing EAP on the campuses; and 3) alternatives to delivering a high quality education abroad program at UC.

Members also asked Director Cowan if a market study has been done on the education abroad market. He said that other universities differ from EAP in that they send almost all of their students on short-term programs; they have virtual no exchange programs (most such programs involve small bi-lateral exchanges of graduate students); and they send a much smaller proportion of their students on study abroad programs than does EAP. He added that while it is true that Berkeley or UCLA could in some sense take over UC's study abroad programs, they would likely resemble the study abroad portfolio of schools like the University of Michigan, not EAP's current portfolio of study abroad programs. He also noted that one of the challenges is developing partnerships with other universities is that many of these institutions are already locked into other relationships with third-party providers and other university partners. EAP would have to show that it offers a competitive advantage over these existing partners and third-party providers. In short, the competition in study abroad is very fierce; while it is not impossible for EAP to break into this market, it will take some time and considerable study.

ACTION: Analyst Todd Giedt will draft a letter commenting on these three budget models that will be sent to Academic Council Chair Henry Powell.

IX. Proposed UCIE-UOEAP Consultative Protocols

ISSUE: UOEAP Director Cowan offered committee members full access to budget and programmatic data as the committee moves forward in making a number of program and study center cuts this year. He specifically suggested assigning each of UOEAP's four different "regions" to a couple of committee members (e.g., one region per member). This may allow the committee as a whole to make better sense of the complex programmatic and financial data.

X. UOEAP's Outreach and Retention Strategies

ISSUE: UOEAP Director Cowan stated that direct outreach and marketing to UC students is a very important area of investment if EAP wishes to grow its enrollments in its programs. His view is that EAP is a universitywide program, and not a collection of campus-based programs. Recruitment for these programs is therefore a prerogative of UCIE. The numbers of students that the campus international offices generate for EAP on an annual basis are not sufficient to keep EAP viable going forward. Therefore, he would like to supplement what the campus offices are already doing. That said, there is a potential turf issue between direct outreach by UOEAP and recruitment by the campuses, which he must negotiate with the campus office directors. He emphasized that one consequence of not doing direct marketing may be the closure of certain EAP programs that could otherwise be saved.

DISCUSSION: One member noted that UOEAP is physically-removed from the campuses, which may make direct outreach and marketing difficult. Director Cowan responded that third-party providers are not located on the campuses, but they do an extraordinary job in the recruitment of UC students. He urged UCIE to make a statement on this sensitive issue.

XI. New Business: Reciprocity Issues

ISSUE: Members briefly discussed the possibility of some campuses not accepting reciprocity students as a response to the budget crisis. Director Cowan said that the exchange nature of EAP’s immersion programs do indeed make them affordable to the vast majority of UC students while giving UC access to a large number of quality foreign universities that other Research 1 universities do not enjoy. If UC campuses chose not to host reciprocity students, EAP would only be left with its non-exchange programs. When UOEAP has closed programs and study centers last year (e.g., Göttingen, Germany, Grenoble, France, and Padova, Italy), UOEAP suspended the operation of these agreements (but did not eliminate them entirely), thereby leaving the door open to reopen these programs in the future.

DISCUSSION: There was considerable disagreement over the numbers presented in the draft report on reciprocity—specifically in terms of the revenue that each campus receives from reciprocity students. Director Cowan related that individual departments do not receive any funds when reciprocity students enroll in their courses. The campus may retain the monies associated with the FTEs, but departments do not see it. This is not a lot of money, but it is significant. Concurrent enrollment (through University Extension) would be analogous.

XII. Executive Session

[Note: Minutes, aside from action items, are not prepared for this portion of the meeting.]

The meeting was adjourned at 4:00 p.m.

Attest: Errol Lobo, UCIE Chair
Prepared by: Todd Giedt, Committee Analyst