

**Minutes of Videoconference
July 5, 2016**

I. Announcements

Dan Hare, Academic Council Chair

Jim Chalfant, Academic Council Vice Chair

Shane White, UCPB Chair

Update: Chair Hare reported that the Regents bylaw revisions are acceptable from the Senate perspective. The Senate will closely monitor developments regarding the state-requested limit on non-resident enrollment. Senior manager participation on outside boards will be regulated more closely and limited to two compensated outside boards. The Senate will likely be called upon to consider divestment in the fall. Recent incidents have illustrated the importance of updating and understanding the University's electronic communications policies. Council is disbanding its special committee charged with advising on the Division of Agriculture and Natural Resources, and instead empower UCPB to empanel an advisory task force for the purpose.

II. Consultation with UCOP: Campus Budget Presentations to the Regents

Peggy Arrivas, AVP for Financial Accounting and Systemwide Controller

Pamela Brown, Vice President, Institutional Research and Academic Planning

Issue: AVP Arrivas reminded members that the reports now include student achievement data and diversity data, at the president's request. Pension expenditures are based on 14-15 data, and operating budget figures include three years of historical data and projections for three years into the future. Campuses are crafting their own narratives.

Discussion: Members suggested that longer time trends would be more helpful as a diagnostic tool. Members asked how diversity data would be framed, and VP Brown indicated the campuses would make the determination whether they compared themselves to AAU competitors, sister campuses, or other. Members wondered how the data would be used, since they cannot be considered predictive. AVP Arrivas noted that these measures are intended to serve as new baselines. Members noted that UCRP payments should be explained in full context, not as a line-item expense. Members also asked whether the data could be used to show that rebenchmarking has worked, and AVP Arrivas indicated the outcomes have been differential, and that more data will be available soon.

Members wondered how the presentation on Berkeley has been used to analyze that campus's situation, noting that the template remains relatively vague. Some suggested that the purpose of the presentations was not academic analysis but a more political goal. More specific and targeted data can be requested from UCOP for UCPB's consumption.

The state budget just signed by the governor includes \$7400/student; up from \$5000/student but still lagging the \$10000/student figure UC has calculated. The campuses will receive the full \$10000/student, and UCOP and the campuses will identify further "efficiencies" to fund the gap. Members noted that being a good citizen has historically not benefited UC.

III. Consultation with UCOP: Provost

Aimée Dorr, Provost

David Alcocer, Interim AVP Budget Analysis and Planning

1. SSP Proposals

Issue: The committee continues to discuss how to best request and review information for new self-supporting graduate and professional degree programs (SSPs). UCPB would like access to the budget template proposers submit to the campuses, but concerns have been raised that such review could delay the process.

Discussion: Members asked if different models for cost analysis had been tried for this purpose. AVP Alcocer indicated that the extension version has slight differences but was not preferred by proposers since extension cannot award degrees; it is more of an administrative model than an education model. Provost Dorr added that the current SSP budget template is submitted annually as part of the process of illustrating self-sufficiency by year three of operations. Members encouraged inclusion of all relevant materials at the time of proposal and review.

2. Professional Degree Supplemental Tuition (PDST) Concerns

Issue: Provost Dorr reported that a new PDST proposal is being drafted for the Regents. Stakeholder review groups include CCGA, Academic Council, EVCs, and VCPBs. Three options are being considered: 1) remove the cap, 2) redefine the cap as a standard where exceptions can be made with adequate justification, or 3) derive the cap annually from an average of selected comparators. Cost increases will reflect a holistic evaluation including mobility, access, and the like.

Discussion: Members noted that the cost of a program is not just the cost of tuition.

IV. Consultation with UCOP: Budget

David Alcocer, Interim AVP, Budget Analysis and Planning

Issue: AVP Alcocer reported that the governor signed the state budget last week, and for UC, it includes: a 4% base budget increase of \$125M, and a collection of one-time funds, such as \$171M for UCRP and earmarks for deferred maintenance, entrepreneurship, student services, faculty diversity, and even marine mammal rescue services. \$18.5M was included for 17-18 enrollment growth, conditional upon a further increase of 2500 more California undergraduates. This yields \$7400/student. The governor removed the \$6M in funding requested for graduate students.

Discussion: Members noted that academic quality is not being funded, and removal of the graduate student funding is particularly disappointing from an academic point of view. AVP Alcocer noted that the governor thinks further “efficiencies” can fund graduate students. He added that the budget could have been more restrictive, such as regarding limiting non-resident enrollment. Members asked how UC covered the enrollment funding gap last year, and whether it could be repeated this year. AVP Alcocer noted that most of the gap last year was covered by fund shifts from non-resident tuition, but that other options will need to be

found this year. Beyond exhausting the non-resident tuition funds, “efficiencies” are increasingly harder to identify. Furthermore, enrolling first generation and under-represented minorities increases the marginal cost of education since these groups typically need greater student service support. Members noted that a comprehensive enrollment plan could help mitigate external interference and further help stabilize enrollment funding. AVP Alcocer indicated that developing an enrollment plan is a fall priority and that a new office of financial planning is being formed in part for this process.

V. Further Discussion

Action: UCPB will schedule a mid-August teleconference to monitor budget developments and further plan for fall 2016.

Call ended at 1:15 p.m.

Minutes prepared by Kenneth Feer, Principal Analyst

Attest: Shane White, UCPB Chair

Attendance:

Shane White, UCPB Chair

Bernard Sadoulet, UCPB Vice Chair

Mitch Sutter, Davis

Mukesh Singhal, Merced

Ken Barish, Riverside

Sonia Ramamoorthy, San Diego

Russ Pieper, San Francisco

Josh Schimel, Santa Barbara

Abel Rodriguez, Santa Cruz