I. Chair’s Announcements

Stanton Glantz UCPB Chair

Council and Assembly

- President Dynes received UCPB’s analysis of FTE growth at UC and has asked that this issue be looked into more deeply. A joint work group was set up to do so, whose members are: Provost Hume, Council Vice Chair Michael Brown, UCPB Chair Stan Glantz, and UCPB member Henning Bohn.

- UCPB’s “Proposed Principles for Private Funding of Salaries for Deans and Above” was approved by Council with some language changes, and is going to the Assembly this month for endorsement.

- Council is discussing the validity of the UC faculty salary scale in light of the proportion of off-scale salaries across all campuses. UCAP will be making preliminary recommendations, and a task force may be set up next year to conduct a full inquiry.

- Council forwarded to President Dynes, for presentation to the Regents, a point-by-point response to the Report of the Task Force on Compensation, Transparency and Accountability.

- A further communication is forthcoming from Council regarding the Regents’ senior management compensation actions; it will include the view of UCPB, UCFW and Senate division chairs that the interim slotting scheme effectively stratifies campuses according to senior management salary levels. UCPB’s discussion with Regent Hopkinson was also effective in bringing this concern to the fore.

Graduate Support Advisory Committee

GSAC is still debating the wording of its report. The plan is to phase out NRT over two years, but the wording under consideration is equivocal – saying that NRT will be eliminated in the second year “if possible.” Chair Glantz will work to strengthen the recommendation in the final version of the report. He reminded GSAC that the faculty Memorial to the Regents reflects an 83 percent majority in favor of eliminating NRT for academic doctoral students.

DOE Lab Issues – Update from Academic Council Chair Oakley

- Recent salary packages approved by the Regents included four positions for the labs, the funds for which will come from the management fee.

- Under a recent reassignment of authority at UCOP, the Provost’s Office is now overseeing UC-DOE Lab relations.

- The LANS-DOE contract is public; but the Bechtel-UC documents are not.

- A final RFP for the LLNL management contract will come out in the fall, after which UC will decide whether or not to bid for the contract. ACSCONL will be a key agency in exerting faculty leverage relating to the LANL bid.
Discussion: Members discussed the cost/benefit to UC of its role vis a vis LANL. In response to the question of how the management fees will be handled, Vice President Hershman clarified that the funds are currently budgeted based on the old management agreement, but that there are accounting questions. Council Chair Oakley made the point that UC’s traditional role with the defense labs is to ensure the conduct of good science done in the public service and as stewards of the U.S. nuclear warhead stockpile certification program, which is maintained in order to avoid the resumption of nuclear testing. A concern is that the industry partnership with LANS/LANL may change this role to one of UC being mostly a brand name. Members noted that many questions posed by the committee in its communication to President Dynes remain unanswered. UCPB members expressed interested in keeping abreast of any developments having to do with LANS and LLNL that may come in summer month.

Action: UCPB will ask for representation on the Task Force that may be set up by Council to study off-scale faculty salaries.

Action: UCPB Chair Glantz and Vice Chair Newfield will check back with Council Chair Oakley later in the summer for a further update on developments with LANS and the LLNL bid.

II. Consent Calendar

Approval of the May 9, 2006 Minutes

Action: Minutes will be distributed to the committee by email for approval.

III. Budget Update

Larry Hershman, Vice President- Budget

06-07 budget process - outstanding issues

The goal is to have the budget passed by the 15th of June. Capital gains and stock options revenues are up. In the past, the state has made permanent commitments based on one-time income, but it seems that this budget will not allocate funds in that manner. The Legislative Analyst Office estimates an ongoing structural deficit of 3.5 billion, which will likely carry over to 07-0-8, and argues caution. The wisest path is to focus on paying down debt and building up a reserve.

UC Budget

The state budget will fund cost of living increases, enrollment growth, the student fee buyout, and most of the proposed capital outlay (assuming passage of the bond issue). However, the debate continues on what the level of marginal cost of instruction (MCOI) should be. $11M will go to targeted research programs - i.e., the Labor Centers, the alcohol research program and obesity research. Both houses are now supporting an additional $17.3 M for academic preparation. Funds will also be provided for community college transfer programs for those schools with low transfer rates and will allow a debt-free path for transfer, and funding for medical school expansion is on track. Still under discussion is the language that will be used in the proposed legislative actions relating to UC compensation policy, although legislators are mainly in agreement with the recommendations and language of the Kozberg-Hertzberg report. Compromise language is being developed for the proposed performance review of the Office of the President.
07-08 Budget

The terms of the Higher Education Compact will fund salary increases, the targeted enrollment growth of 2.5%, and allow for student fee increases up to 10%. A further increase in the MCOI and a significant research initiative may be the most realistic avenues of receiving increased funding. The discussion of how to move beyond just increased student fees should start now and be well developed by the time of the Regents budget in the fall, and also in preparation for the November election.

Discussion: Chair Glantz made the point that the alternative to raising student fees is to restore the cuts that were made to UC’s budget, and that this should be presented as a viable option in upcoming discussions. He suggested that UPCB’s “Futures Report” be used to help frame the public discussion of UC’s state support.

IV. Consultation with Acting Provost Hume

Campus stratification. At the last meeting of the EVCs it was clear they share the Senate’s concern that the current interim salary slotting is divisive and will have the effect of stratifying campuses. The joint task force set up recently by the Academic Council will be looking at alternative slotting structures.

Education Abroad Program. The ad hoc Committee on the Future of International Education has completed a significant amount of work and is issuing an interim progress report. This may be a good juncture at which to augment the group, as UCPB has recommended. It is important to form a solid vision of the academic future of the Education Abroad Program. Also, efficiencies in transactions and the formula for funding campus EAP offices need to be addressed.

California Institutes for Science and Innovation. The Cal IT2 review is being launched based on the Senate’s recommended review protocol. The reviews will be conducted with an awareness of the individual trajectories of each of the Institutes, of their roles within the university system and integration with the host campuses, and of their industry component.

Long Range Planning. The Long Range Guidance Team will be finalizing a report that will be sent to President Dynes by the end of July and which will then go out for general comment and discussion. It will focus on how UC can think and plan as a system without negative competition among the campuses, but rather through understanding differences; and on how UC can better serve as an asset to California that can elevate and enrich the state. The report will have no specific proposals. It will call for deep reflection and for energetic attention to be paid to our interactions with the other segments of education in the state.

Discussion: Chair Glantz reported that a forthcoming letter from UCORP and UCPB will make additional comments and recommendations on the Cal ISI review process. Members reiterated the committee’s interest in knowing what plans are in place for long-term core funding of the Cal ISIs, if state money is not available, noting that the committee will be following up on that issue and on the Cal IT2 review next year.
V. Review of the Cal ISIs: Additional Recommendations for the Review Protocol and Input on the Cal IT\textsuperscript{2} Review Process

**Issue:** UCORP is suggesting the issues raised in the 2002-03 mid-launch review of the Cal ISIs should be brought to the attention of the Cal IT\textsuperscript{2} review panel and subsequent review panels. In addition, UCORP recommends that next year’s evaluation of the ISI review process exemplified by the Cal-IT2 review include consideration of the need for a standardized format for the director’s report, which would include the standardized and quantified metrics necessary for assessing the future success of each ISI.

**Discussion:** UCPB members concurred with UCORP’s suggestions, and agreed that UCPB should join UCORP in forwarding these additional recommendations to Council and the Provost.

**Action:** UCORP’s letter of May 23, 2006, re: California Institutes for Science and Innovation Review Protocol Addendum will be re-drafted to reflect UCPB’s support of UCORP’s recommendations and sent to the Academic Council for approval and forwarding to the Provost.

VI. 15-Year Review of Biotechnology Research and Education Program (BREP), Eric Stanbridge, Paul Koch

**Report:** UCBREP operated originally as a seed-funding program for faculty research in biotechnology; however it was re-structured in 2003 to what is now primarily a grants program supporting graduate student research. Because of this recent change, the review panel was not able evaluate the long-term impact/success of the program in its current configuration. It appears, though, to be a strong, meritorious program Draft recommendations from UCPB would include: continued funding, but with the expectation that the program would work to double in size and produce rigorous accountability and performance data; significant leveraging of funds; and greater integration of the fellowship program with the outreach program.

**Discussion:** Members agreed that the new UCBREP seems to be academically sound and to provide good support for graduate students. Concerns were raised about the outreach program – the proportion of funds it uses, its efficacy, and its lack of integration with the graduate fellowship component. It was also felt that UCOP should work to remove any administrative barriers to UCBREP’s ability to receive external funding. All of this notwithstanding, members came to a strong consensus that, on principle, the program that now exists is a new entity and that as such it should be phased out and should have to compete for UCOP funds on the same basis as other initiatives.

**Action:** Professors Koch and Stanbridge will revise the UCPB report on UCBREP based on today’s discussion. UCPB will primarily recommend that, in view of the fundamental change UCBREP has undergone, it should compete for funding based on its current function and strengths as a graduate fellowship program. The draft revised position will be circulated by the end of the week for UCPB approval.
VII. Technology Transfer Advisory Committee (TTAC) – Update, Norm Oppenheimer

Action: UCPB will discuss TTAC activities at the beginning of next year.

VIII. Systemwide Library and Scholarly Information Advisory Committee (SLASIAC)- Update, Steve Cullenberg, UCPB representative on SLASIAC

Report: SLASIAC recently deliberated the request of the University Committee on Library (UCOL) to broaden its charge to include scholarly communication, and approved the proposal. Additionally, SLASIAC met with the Committee on Copyright to discuss the proposed change to the copyright policy that was drafted by the Senate’s Special Committee on Scholarly Communication and approved in principle by the Assembly, a final version of which is being developed by a joint Senate – administrative work group. SLASIAC is also concerned that the library budget will not, according to the terms of the Compact, receive any increased funding until 2009.

IX. Formal Review of Proposed Revisions to System-wide Academic Personnel Policies (APM) related to paid sick leave, reasonable accommodation, medical separation and constructive resignation—APMs 700, 710, 711, and 080

Issue: These proposals have been developed to clarify policy governing paid sick leave for academic appointees who do not accrue sick leave, and to develop new policies for reasonable accommodation, medical separation, and constructive resignation. Last year, the Senate took part in the preliminary review of the proposals, and many of the Senate’s suggestions have been incorporated into the current proposed changes.

Action: UCPB chose not to opine on this issue.

X. UCPB 2006-2007 – Priorities, Goals and Carry-over Issues for Next Year

Discussion: The following were identified as issues of significance for UCPB to address in the coming year:

1. Follow up on the Futures Report – next steps / related policy recommendations.
2. Cal ISIs:
   a. Permanent core funding for operations
   b. formal comment on the Cal IT2 review
   c. participation in the refinement of the review process, once the Cal IT2 review is concluded.
3. DOE lab issues, including follow up on questions on the UC-LANS relationship and the LLNL bid.
4. Monitoring / commenting on outcome of inquiry into growth in FTE categories at UC.
5. Participation in Senate inquiry into off-Scale salaries
6. UCRS – the resumption of contributions
7. Executive compensation – comment on changes to slotting structure and the Mercer Analysis
8. UCRS and LANL
9. EAP issues – participate in review of ad hoc committee; comment on forthcoming revised funding formula
10. Maintain input into GSAC deliberations, if that body continues to exist.
11. Enrollment issues
12. Comment on LRGT report, possibly on this July or August

**Action:** Analyst Foust will draft a letter to the 2006-07 Chair of UCPB, Christopher Newfield, outlining the issues identified for UCPB’s attention in the coming year.

Attest: Stanton Glantz, Chair
UCPB

Minutes prepared by Brenda Foust, Senate Policy Analyst

Distributions:
1. Draft UCPB report on the 15-year Review of UCBREP.