I. Consent Calendar

- December 3, 2013 draft meeting minutes

*Action:* UCPB approved the December meeting minutes.

II. Announcements

- **Don Senear, UCPB Chair**

**Academic Planning Council:** The Open Access policy passed by the Senate in July 2013 is now in effect on a pilot basis at UCI, UCLA, and UCSF. The Academic Planning Council (APC) is developing a “presidential policy” for open access that would extend the provisions of the policy that currently apply only to tenure-track faculty and their publications, to all faculty, postdocs, and students. The APC is also discussing performance indicators proposed by the state that would tie future funding to improved graduation rates, time to degree, and other measures, as well as UC’s efforts to devise cost-of-instruction models to comply with new state reporting requirements.

*Discussion:* It was noted that it will be challenging for UC to improve some performance outcomes for which it is already a national leader. There was a question about whether the “Comparison 8” group of universities used to benchmark UC faculty remuneration will also be used to benchmark the performance metrics. UCPB members requested a detailed briefing from UCOP about potential cost of instruction models.

III. Consultation with Academic Senate Office

- **Bill Jacob, Academic Senate Chair**
- **Mary Gilly, Academic Senate Vice Chair**

**Moreno Report:** The special Administration-Senate working group tasked by the President to respond to the Moreno Report’s recommendations for addressing complaints of discriminatory behavior involving faculty has completed its report. The report will be discussed at a meeting of the chancellors on January 8 and by Academic Council later this month. It endorses some of the recommendations in the Moreno Report, including better recordkeeping systems and a central discrimination office on each campus that can serve as a gateway for complaints and that has authority to conduct investigations on a full range of issues affecting students, faculty, and staff.

**Composite Benefit Rates:** Senate Chair Jacob noted that the Senate does not oppose composite benefit rates, but it does not view any of the three options currently under consideration as viable. “Option B” is the only potentially workable option, but it still charges grants additional
health benefits on the summer salary of employees whose 9-month salary already covers health benefits for a 12-month period. The administration says UCPath programming cannot accommodate the separate rates for summer salary employees Davis and Berkeley have negotiated with the federal government.

**Enrollment Management:** The Enrollment Issues Work Group has prepared a summary of its discussions and outlined a number of considerations and options related to the future of the referral guarantee, transfer admission, and financial issues related to enrollment management such as rebenching and enrollment funding.

**Transfer Action Team:** The Provost has empanelled a 13-member UC Action Team for Enhancing Community College Transfer that will be recommending strategies for increasing the number of transfer students and extending UC’s reach to more community colleges, streamlining the transfer process, and increasing the transfer graduation rate. The Action Team recently met with successful UC transfer students, who discussed various institutional roadblocks to transfer. It has been noted that only a subset of community colleges specializes in transfer preparation, and that the majority of community college students are not on a four-year degree track.

IV. UCPB Memo on Capital Outlay Program

**Issue:** UCPB reviewed a draft memo summarizing the committee’s views on the new capital outlay program and principles that should guide the program.

**Discussion:** There was general agreement about the four principles outlined in the memo, although opinion varied on the extent to which the program should favor capital renewal projects over new construction. Members expressed support for maintaining systemwide management of the program, but also emphasized that there should be partnership between UCOP and campuses in the evaluation of capital needs. They noted that the campuses have different needs for renewal compared to new space, and it would be unacceptable for UCOP to fund only seismic projects on the campuses that have seismic issues, to the exclusion of priorities on other campuses. Campuses should be free to decide how best to support the core academic needs of California students. On the other hand, it was noted that the UC system shares a seismic liability problem, and UCOP should not allow campuses to choose capital priorities at the expense of ignoring safety issues that could affect the system as a whole. It was also noted that UCPB and Council have previously opined that new construction should be a low priority in times of fiscal constraint (with the exception of Merced). With regard to the principle that the program should be a limited, interim mechanism that addresses UC’s most urgent capital needs until the state returns to capital funding, there was concern that it is unrealistic to expect the state to return to capital funding, although it was also noted that a large program could further motivate the state to put off capital priorities and that UC should do all it can to maximize the probability that the state will return to funding.

**Action:** A final revised memo will be circulated to UCPB for review and approval over email.
V. Proposed revised Self-Supporting Graduate Professional Degree Programs (SSGPDP) Policy

**Issue:** UCPB reviewed a draft memo summarizing the committee’s views on the revised SSGPDP policy. Provost Dorr intends to convene a special meeting of present and past Academic Planning Council members to consider all commentary on the policy.

**Discussion:** UCPB members noted that the memo does a good job of summarizing the committee’s specific concerns about the revised policy and its more general concerns about the role of SSGPDPs within the University. They noted that the policy does not provide the Senate with a sound basis for identifying a proposal as an SSGPDP distinct from other graduate degree programs or provide clear guidelines for judging whether a proposal is appropriate. The policy says it expects conversions to be rare, but the lack of restrictions will encourage departments to propose additional conversions that do not require an academic-based justification. In addition, self-supporting programs divert faculty time and talent away from UC’s primary educational mission. They are not being formed to address the university’s central mission, but due to their money-making potential. They will be judged a success if they attract sufficient fee-paying customers, not on the basis of academic quality. It was also noted that the policy does not do a good job of addressing return-to-aid or defining financial “accessibility”; it would not apply to SSGPDPs at medical campuses that are anchored in departments where most faculty are not ladder-rank, and does not address a profusion of new self-supporting certificate programs.

**Action:** A final revised memo will be circulated to UCPB for review and approval over email.

VI. Consultation with UCOP

- Patrick Lenz, Vice President for Budget and Capital Resources
- Debora Obley, Associate Vice President, Operating Budget and Facilities Management

The Governor will introduce his preliminary 2014-15 budget on January 10. He is expected to propose using a portion of the budget surplus to establish a budget reserve and reduce the state’s overall debt obligations.

The Department of Finance has approved UC’s list of $87 million in capital projects proposed for funding in 2013-14 through the new capital outlay mechanism. UC’s list of projects for 2014-15 totals $202 million. UCOP has also identified an additional $182 million in projects for 2014-15 for which it plans to seek approval from the Regents. Major components are construction of two new buildings, a replacement for Tolman Hall at UCB, a seismic remediation project, and a biology & chemistry building at UCSD. UC is assessing UC’s capacity to finance the 2014-15 projects and the impact of new debt on UC’s credit rating, state funding, and other issues. The “last resort” mechanism is intended to be reserved for the most critical needs until the state decides to propose a general obligation bond measure or fund capital directly. UCOP has identified several critical seismic projects that must be addressed immediately to prevent possible impacts on course delivery, although UCOP wants the program to be sensitive to campuses’ different priorities, needs and circumstances, and to strike a balance between seismic and other projects. Vice President Lenz will be updating the Regents in March about the role of seismic
liability issues in the university’s overall strategic approach to capital. UC has discussed with the state the possibility of using a portion of the budget surplus to make a one-time appropriation of funding to UC for specific capital projects, as well as UCRP and other priorities, to reduce overall debt obligations.

Discussion: UCPB members expressed concern that the program was being considered for a major increase in scope for 2014-2015 without sufficient consideration of its long-term impacts, including the possibility that the debt would be better used for UCRP liabilities or other critical needs. They felt there should more consultation with the Senate about the use of debt for these priorities and the appropriate level of the operating budget that is set aside for capital debt service. UCPB’s capital outlay memo will be revised to include these additional concerns.

VII. Tuition Policy

President Napolitano has indicated that she supports a tuition freeze next year, but is interested in a more rational and predictable tuition policy over the long-term and perhaps cohort-based tuition pricing, which would guarantee a certain tuition level or schedule over four years. The Commission on the Future discussed the impacts of cohort-based tuition pricing in 2010. UCPB recommended against it.

Discussion: UCPB members did not support the concept of cohort-based tuition pricing, noting that it is risky to implement “predictable” cohort tuition in the context of an unpredictable state economy and budget. Moreover, cohort tuition involves a level of unpredictability for the incoming cohorts. The price guarantee will come at the expense of a particular freshman class that is burdened by large tuition increases in response to state cuts in a particular year. It would hurt student morale to have four cohorts in the same classroom paying unequal prices. It was noted that some states have implemented various tuition insurance programs that allow families to buy tuition at the current price and use it any time. UC might consider other forms of insurance, but cohort pricing seems to be particularly inefficient. It was noted that the Senate recently reviewed three new financial aid funding models based on a projection that the current model will soon become inadequate as costs increase and more students qualify for aid. Each of the options depends to some extent on increases in tuition or state support. Cohort based pricing could exacerbate the financial aid sustainability problems noted in that review. Finally, members agreed that it is important for the Regents to not rule out fee increases and to take seriously a prior budget analysis indicating that UC needs at least 5% increases from both the state and student tuition each year to meet UC’s needs.

Action: Before opining formally, UCPB will wait to see if UCOP is preparing an analysis of cohort-based tuition pricing.

VIII. Systemwide Review: Professional Degree Supplemental Tuition (PDST) Policy

A special joint Task Force co-chaired by Provost Dorr has released for review a revised policy for the proposal and approval of PDST and changes to PDST levels (Regents Policy 3103) and a
separate set of (Presidential) Implementation Protocols. The new policy also incorporates a set of principles for PDSTs currently in Regents Policy 3104.

**Discussion:** Members thought the policy was straightforward, but the implementation protocol, which requires the collection of enormous amounts of data, seemed overly complicated, unwieldy, and costly. It is unclear what the purpose or goals of the complex procedures are. There was also concern that there does not seem to exist a policy defining the characteristics of a professional degree program, particularly compared to other kinds of programs, as well as what makes such a program eligible to charge extra tuition.

**Action:** UCPB will take up the issue again at the next meeting.

IX. **Campus Issues/Reports**

**Composite Benefit Rates:** Several campuses have analyzed the composite benefit rates options. There is general agreement that it is not reasonable to charge research grants expenses for benefits that do not accrue to the salary component funded by the grant. Several campuses would support Option B, but only if it was presented as an Option E with the health benefit charges removed.

**Action:** UCPB members agreed to send a brief memo to Senate Chair Jacob supporting his position and emphasizing that none of the four rates, expressed as “options A-D,” in the current proposal is acceptable.

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Meeting adjourned at 1:00 p.m.
Minutes prepared by Michael LaBriola
Attest: Don Senear