

**Minutes of Meeting  
December 1, 2015**

**I. Chair's Announcements**

*Shane White, UCPB Chair*

**Update:** Chair White reported that the Academic Council met on November 21, 2015, and continued discussions on the work of the Retirement Options Task Force, the Regent's workgroup investigating a statement against intolerance, the revised sexual violence and sexual harassment policy. Other topics discussed included commercializing University research and graduate student enrollment planning. Proposed amendments submitted by UCAAD and BOARS were approved.

**II. Consent Calendar**

1. Draft Minutes of Teleconference of October 26, 2015

**Action:** The minutes were approved as noticed.

2. Draft Minutes of Meeting of November 3, 2015

**Action:** The minutes were approved as noticed.

**III. Consultation with the Office of the President – Government Relations**

*Nelson Peacock, Senior Vice President, Government Relations*

**Issue:** SVP Peacock noted that one of the goals for the new legislative session is to secure long-term funding. New Assembly leadership should help in this area, as should improved relations with the President Pro Tem. Non-resident enrollment will continue to be an issue in Sacramento, and UCOP will continue trying to illustrate the budget utility of their tuition as well as the academic and social value of their diverse cultural perspectives. Messaging in Sacramento is increasingly tricky, though, as some comparisons are viewed favorably while others are not. Other obstacles include California's initiative system, which limits the use of state discretionary funds. Familiar political obstacles also remain, such as term limits and sometimes labor unions. The frequent response of spending to improve low graduation rates but starving those with higher graduation rates is another unsolved problem. The release of the state's audit of UC could be troublesome, too. It is scheduled to be released near the May budget revision, and depending on its findings, UC could face another long budget battle.

**Discussion:** Members asked if UC's union partners had indicated a position on the PEPR cap being discussed elsewhere in UC, and SVP Peacock said he had not heard of any final positions yet. The most effective voice advocating for UC's resources in Sacramento continues to be that of students. UCOP is working with student advocacy groups, and UCOP can do more to understand the Sacramento perspective and use their language to make pro-UC arguments. For example, the legislature likes to hear about local entrepreneurship, so UC should find ways to leverage that message for general support.

**IV. Consultation with Academic Senate Leadership**

*Jim Chalfant, Vice Chair, Academic Council*

**Update:** Vice Chair Chalfant updated the committee on several items of interest, including enrollment funding discussions that focus on maintaining support from the state after UC has increased its enrollment so rapidly and steeply. At their November meeting, the Regents approved additional UCRP borrowing, changes to a new health oversight committee, and the Merced 2020 capital plan. The Academic Council is considering how best to interface with the Division of Agriculture and Natural Resources (ANR). A new Vice President for ANR opens new opportunities for a more cooperative relationship. Furthermore, the task force appointed by President Napolitano to investigate ANR should issue its findings in the spring. The ANR total annual budget is near \$70M, and their work is among UC's most visible.

## **V. Consultation with the Office of the President – Chief Operating Officer**

*Rachael Nava, COO*

*Gary Schlimgen, Executive Director, Retirement Programs and Services*

### **Issue: Retirement Options Task Force**

COO Nava reminded members that the task force would submit its report to President Napolitano on December 15. The task force has been focusing on strategems to overcome the limits of the PEPR cap, such as a DC "tandem" model, a stand-alone DC model, and various methods of structuring a supplemental plan for impacted employees. The report will enumerate both the pros and the cons to each possible path forward.

Executive Director Schlimgen highlighted some of the design features being discussed, including the addition of a surcharge to DC plan participant's funding sources to help lower the plan's unfunded liability; whether to plan on borrowing beyond the current 3 year plan; how to score service credit for retiree health calculations; and whether revocability should be included if the approved option includes both a DB and a DC plan. The Ohio PERS can serve a revocability precedent, but the impact to the plan's funded status if employees move even once between options is not yet known. Analysis must include IRS implications, and General Counsel and external counsel are being consulted.

**Discussion:** Members asked if the task force was addressing the ill-advised nature of the pension deal, and COO Nava said that UC had agreed to the deal and energy should be focused on making it as good as possible. Governor Brown has been clear that he feels all state employees should be subject to the PEPR cap, but the issue remains bargainable in union contract negotiations. Members noted that lowering the maximum salary upon which the Highest Average Plan Compensation (HAPC) can be calculated to the PEPR cap of \$117K has devastating consequences to faculty competitiveness. Executive Director Schlimgen noted that external observers are comparing UC's plan to the current offerings of the Comparator 26, not to versions of UC in the past.

## **VI. Self-supporting Program Proposals**

### **1. UCI Master of Law in American Law**

**Action:** UCSB Representative Schimel will serve as lead reviewer.

### **2. UCSD Master of Chinese Economic and Political Affairs**

*Sonia Ramamoorthy, UCSD Representative and Lead Reviewer*

**Discussion:** Members noted the unclear academic parameters of the proposal, specifying that only the capstone course was new. The proposal included adequate return to aid provisions, but it is unclear how the remainder of the tuition delta will be spent. It is possible that this change could negatively impact the similar state-supported program's marketability and competitiveness.

**Action:** Rep. Ramamoorthy will revise the analysis for transmittal to CCGA.

3. UCI Master of Embedded Cyber-Physical Systems

*Mukesh Singhal, UC Merced Representative and Lead Reviewer*

**Discussion:** The academic justification includes some gaps, and some of the market assumptions need further fleshing out. New facilities will be needed, and the large jump in expected enrollment is not explained. The external market demand seems to be in flux. Access and return to aid are included, but faculty teaching commitments on an overload basis need more support.

**Action:** Rep. Singhal will revise the analysis for transmittal to CCGA.

4. UCI Master of Pharmacology

*Russ Pieper, UCSF Representative and Lead Reviewer*

**Discussion:** This program is targeted at pharmaceutical professionals who need continuing clinical education/training. The faculty workload is a modest increase since many classes build on status quo syllabi. The program should be fully financially independent after three years. Facilities are limited to library services, and the external market analysis is strong. The cost of online course development and instruction may have been underestimated.

**Action:** Rep. Pieper will revise the analysis for transmittal to CCGA.

5. UCI Master of Human-Computer Interaction and Design

*Mitchell Sutter, UC Davis Representative and Lead Reviewer*

**Discussion:** The return to aid is inconsistent, and there are several academic questions for CCGA to investigate further. The price of tuition seems odd given the market analysis.

**Action:** Rep. Sutter will revise the analysis for transmittal to CCGA.

6. UCLA Master of Teaching Asian Languages

*Francesco Chiappelli, UCLA Representative and Lead Reviewer*

**Discussion:** This proposal is not for a self-supporting program, but rather is a proposal for a program that is expected to convert to self-supporting status in 4-5 years' time. It does not seem to represent a unique academic program, and it seems limited in scope.

**Action:** Analyst Feer will coordinate with CCGA on how best to proceed on this proposal.

## **VII. Consultation with the Office of the President – Institutional Research and Academic Planning**

*Todd Greenspan, Director, Academic Planning*

### **Issue: Enrollment Allocations**

Director Greenspan reported on the latest discussions at UCOP regarding how to allocate the increase in California undergraduate students agreed to in the budget deal. Converting summer sessions to a trailing quarter, rather than a leading quarter, could help UC

meet the target number, and winter and spring admits will count, too. UC will also ask for new funds for graduate student enrollment, but it is not known how Sacramento will react to the request.

### **VIII. Campus Updates**

*Note: Item not addressed.*

### **IX. UC Mexus Academic Review**

*Kathleen Erwin, Director, UC Research Initiatives, Office of Research and Graduate Studies*

*Chris Spitzer, Program Officer, UCRI, ORGS*

**Update:** Director Erwin summarized the changes to the review protocol, including the directive changes to the director's report. An expanded academic review and solicitations to those who interacted with the program are expected to add much needed perspective. The Mexus director will join UCORP on February 8 for a Q&A, and UCPB leadership and members are welcome to join, too. Questions in advance are appreciated.

**Action:** Analyst Feer will collate questions for transmittal to UCORP.

### **X. New Business**

#### **1. Retirement Options Task Force**

*Note: Item occurred in executive session; no notes were taken.*

#### **2. Total Remuneration**

*Note: Item occurred in executive session; other than action items, no notes were taken.*

**Action:** Members will investigate how their EVCs are spending in the Reinvestment in Quality areas specified in the Regents budget.

Meeting Adjourned at 3:40 p.m.

Minutes prepared by Kenneth Feer, Principal Analyst

Attest: Shane White, UCPB Chair

Attendance: Shane White, Chair (UCLA)

Bernard Sadoulet, Vice Chair (UCB)

Mitchell Sutter, Davis

James Steintrager, Irvine

Francesco Chiappelli, Los Angeles

Mukesh Singhal, Merced

Ken Barish, Riverside

Sonia Ramamoorthy, San Diego

Russ Pieper, San Francisco

Josh Schimel, Santa Barbara

Abel Rodriguez, Santa Cruz

Paul Monge, Graduate Student Representative

Gerardo Ochoa, Undergraduate Student Representative (phone)

**Minutes of Videoconference  
December 8, 2015**

**I. Chair's Announcements**

*Shane White, Chair*

**Update:** Chair White reviewed the agenda.

**II. Consultation with the Office of the President – Enrollment Planning**

*Debbie Obley, Associate Vice President, Budget Analysis and Planning*

*Todd Greenspan, Director, Academic Planning, Institutional Research and Academic Planning*

**Issue:** AVP Obley noted that UC is currently trailing targets for freshman enrollments, but the number of transfer students applying is up and that deadline has been extended. Nonetheless, the number of new enrollments to make the 5000 new California undergraduate goal is still in flux. Possible campus-by-campus enrollment targets are being discussed internally and with the chancellors; each location will be asked to take more students than their initial estimates. Obstacles include housing capacity, classroom capacity, faculty and lecturer hiring, as well as issues related to student life and support services, such as mental health counseling and the like.

**Discussion:** Members noted that student services personnel will require offices, too. Others noted the difference between class size and classroom size, and “town-gown” relations was cited as another possible obstacle.

Members also asked if non-resident tuition would be “isotope tracked” in the state audit, and while such detailed tracking is not possible, there is also a difference of interpretation regarding the mere presence of non-resident funds in the system. AVP Obley noted that changes to the non-resident aid policy might close the funding gap over a period of years, it is not likely to do so immediately.

Members asked if long-range enrollment planning was still a useful exercise, citing especially graduate student and academic PhD students as needing more institutional support. AVP Obley indicated that the target ratio for undergraduates to TAs has not changed and that adjusted projections with the rebenching weightings would be ready soon. However, since non-resident tuition was omitted from rebenching, any shortfalls from rebenching will be made whole from one-time funds after the aid cuts are implemented.

AVP Obley also reported that there are no enrollment plans beyond 17-18 at present. Hopefully in the spring, updated 5-year plans can be adjusted to reflect rapid undergraduate enrollment growth.

AVP Obley noted that her office is switching to balance sheet models, which entails not just state general funds, but total revenue as well as liquidity calculations, asset management expectations, debt capacity, etc. The goal is to marry the state budget process with on-the-ground experiences on the campuses; it should be viewed as oversight and assistance with budget details.

### **III. Further Discussion**

*None.*

Call ended at 3 p.m.

Minutes prepared by Kenneth Feer, Principal Analyst

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