I. Announcements  

Gary Leal, UCPB Chair  

Update: Chair Leal updated the committee on several items of interest:

- **UCPB will meet in-person on August 4, 2015.**
- **Academic Council meeting of June 24, 2015:**
  
  **With Mary Gilly, Academic Council Chair**
  
  Nelson Peacock, SVP for State Government Relations, and Provost Dorr discussed with the Council the enrollment funding in the budget and the strings associated with those funds (5000 new California undergraduates must be enrolled in Fall 2016 for UC to receive $25M in additional enrollment funding). Some think UC should refuse the funds and the enrollment increase because the level of funding is half what UC has costed out as the price per student. Further, the suggestion from the state legislature that UC could rely on out-of-state students to make up the cost differential seems ironic given the proscriptive nature of their enrollment directives. SVP Peacock thinks UC should accept the funds as a matter of political expediency and look to change the terms down the line. Physical capacity of the campuses and workload capacity of the faculty are also implicated in this decision. Because the governor has decided that enrollment funding should be provided in a block grant form, rather than on a per-student basis, UC must change its negotiation tactics and position. Enrollment decisions must be made by May 1, 2016 for the $25M to be released.

- **Agriculture and Natural Resources:**
  
  **With Dan Hare, Academic Council Vice Chair**
  
  The out-going Vice President of ANR made a proposal to change radically the ANR funding process, and in response, President Napolitano appointed an investigative committee consisting of EVP Brostrom, AVP Obley, and Irvine EVC/P Michaels. The committee’s findings are due by the end of the year. ACSCANR has reported to Council their assessment of the situation to date; the Council communicated to President Napolitano that ACSCANR is ready to consult of the future of ANR overall, not just its funding. A new Vice President is expected to be appointed over the summer. UCPB 15-16 will remain abreast of this issue.

- **Pension Changes:**
  
  Also as part of the budget deal, UC is required to open a new “tier” by July 1, 2016, in which new employees may select the traditional DB plan or a to-be-designed DC plan or DB/DC plan hybrid. Regardless of plan, new employees’ pensions would be subject to the state PEPRA cap; a supplemental option for the highly compensated may be available. Some fear that young employees may make selections not in their best long-term interest, which would also deprive UCRP of contributions needed to lower the accumulated liabilities. A working group is being appointed, and the Senate expects 2-4 participants.

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

II. Consent Calendar

1. **DRAFT Minutes of June 2, 2015**
  
  Note: Item not addressed.
III. Consultation with the Office of the President – Budget and Enrollment Planning

Debbie Obley, Associate Vice President, Budget Analysis and Planning
Todd Greenspan, Director, Academic Planning
Nina Robinson, Associate President/Chief Policy Advisor

Update: AVP Obley reported that the budget nearly met UC’s needs, as outlined in the November Regents presentation. Several negative outcomes were avoided, such as state determination of faculty salaries. One-time funds for UCRP and deferred maintenance were welcome, even though some of the strings associated with the funding has caused concern with some stakeholder groups. The 4% base budget increase will continue for the next two years, as well. The enrollment funding is problematic: The state seems to recognize that $10K/student is needed, but they are only offering $5K/student. UC is asked to make up the difference with non-resident tuition increases, but such an increase will likely lead to adverse selections. Time remains to discuss this question more fully, and UC may decide this money is not worth the costs.

Discussion: Chair Leal asked how cap-and-trade funds could be spent, and AVP Obley noted that most must be spent on sustainability-related projects. UC has a carbon-neutral goal of 2025, and many projects require up-front investments. Members also asked if the conditional nature of UCRP funding suggested that the State still feels they do not have responsibility for UC’s pension funding, and AVP Obley said she felt the opposite; a promise of nearly half-billion in funds (over time) represents an affirmative statement. Combined with expected future borrowing for UCRP’s liability, the core funds campus assessments will be lowered sooner than previously expected. Members suggested that the administration develop specific communications to explain why this funding is a good deal to UC. AVP Obley added that the budget is a multi-year plan, and it should be evaluated on a multi-year basis.

Chair Leal asked how the “reinvestment in quality” funds from the November Regents budget were to be spent following the deal, specifically the faculty 3% salary increase. AVP Obley indicated that only the $25M for enrollment is in question. How that $25M may or may not be spent, however, carries many implications.

Chair Leal also asked how enrollment management plans were expected to fare in an era of “block grant” budget allocations. Director Greenspan indicated that campus-by-campus decisions would be needed, and that for 15-16, some locations had been asked to cap their non-resident undergraduate enrollment at current levels. At other locations, though, non-resident “yield” is still calculated on a non-sophisticated algorithm, which complicates enrollment planning.

Action: Analyst Feer will poll members for availability for a late August/early September teleconference.

IV. New Business

1. SSP Review for Assignment:
   a. Master of Law in American Law (UCI)
      Action: Item deferred.

2. SSP Proposal Guidelines:
   Issue: UCPB is concerned that SSP proposals do not include adequate budget and planning information, especially regarding classroom space and faculty workload. Pushback to increased stringency in the guidelines has argued that such details are a local responsibility to mandate, but UCPB asserts that systemwide academic planning and approvals for state-supported programs require standardized proposals.
   Action: The draft statement will be edited off-line.

3. Shared Governance:
   Issue: This year’s budget negotiation process left UCPB on the outside looking in; updates were received after the fact, and strategic and technical input was not sought in advance. External
politics and concerns about confidentiality were cited by the administration as reasons for their recalcitrance, but the Senate has an unblemished record in these areas.

Discussion: Members reported similar concerns on some of the campuses.
Action: The draft statement will be further edited off-line.

Meeting adjourned at 4:30 p.m.

Minutes prepared by Kenneth Feer, Principal Analyst
Attest: Gary Leal, UCPB Chair