

Minutes of Videoconference Meeting**July 6, 2021**

Present: Sean Malloy (Chair, Merced); Kathleen McGarry (Vice Chair, Los Angeles); Holly Doremus (Berkeley); Bruno Nachtergaele (Davis); Donald Senear (Irvine); Aimee Dorr (Alternate, Los Angeles); Patricia LiWang (Merced); Katherine Kinney (Riverside); Kwai Ng (San Diego); Dard Neuman (Santa Cruz); Marc Steurer (Alternate, San Francisco); Jazz Kiang (Graduate Student, Los Angeles); Bailey Henderson (Undergraduate Student, Berkeley); David Brownstone (TFIR); Eleanor Kaufman (Chair, TF-ANR); Mary Gauvain (Chair, Academic Senate); Robert Horwitz (Vice Chair, Academic Senate); Michael Brown (Provost); Nathan Brostrom (CFO); David Alcocer (AVP); Seija Virtanen (Associate Director, SGR); Stefani Leto (Analyst)

Guests: Amr El Abbadi (Chair, CCGA); Andrea Kasko (Vice Chair, CCGA)

I. Consent Calendar and Announcements

Action: UCPB approved the consent calendar.

II. Consultation with the Provost

- *Michael Brown, Executive Vice President and Provost*

Provost Brown updated UCPB regarding his proposal that the President delegate his authority to approve proposed Master's degrees from the current systemwide process involving CCGA and UCPB, to divisions. Issues relating to Master's degree program approval include limits on faculty members' time, interest, and energy, as well as the effects of Master's programs on Ph.D. programs. The Provost characterized the proposed changes as a partnership with the Senate that would strengthen review and oversight of proposed Master's proposed programs, and increase effectiveness and efficiency.

The Provost noted that campuses are concerned with the degree to which self-supporting programs are truly self-supporting, and how to address the wider needs of resource support for other programs.

He said he wants the new approach to be innovative, and that stronger campus reviews would adequately address the concerns he has heard from the systemwide Academic Senate. He suggested that the Senate, under the new proposal, could provide systemwide delegates to campus-level reviews. The Provost noted that the Senate used to review all undergraduate programs, but no longer does. In the same way, the Senate is not required to review Master's programs, beyond articulating and reviewing systemwide standards.

- UCPB members asked the Provost what problem his proposal was meant to address. A UCPB member noted that it would be unusual to have a review process that was designed by the Senate, but in which final approval authority rested with the Chancellors.

- UCPB asked for a more robust campus review process, but objected to it being the only review.
- It was noted that that division-level review would require possibly burdensome resources from campuses. The systemwide approach has the added benefit of institutional memory regarding past Master's programs.
- A UCPB member stated that SSGPDPs are primarily market-driven, and that systemwide review enables evaluation of the market niche to which each program is aimed. SSGPDP's market-driven approach can create situations where they are competing for the same students. In addition, systemwide review of such proposals enables a best-practices approach, where lessons derived from one program can be brought to bear on other proposals.
- A UCPB member asked why a campus using outside experts to provide a systemwide view would be more effective than the current systemwide process.
- A question about authority for resolving problems in proposed programs surfaced, related to the concern that campuses face financial pressure to approve SSGPDPs. A UCPB member noted that systemwide values and principles could be negatively affected by these pressures.
- UCPB suggested that a task force involving Senate, administration, and campus representation would be the best mechanism to resolve the issues in contention around Master's level degree program approvals. The proposed change is a large departure from current practice, so a deliberative approach seems prudent.

III. Budget Consultation with UCOP

- *Nathan Brostrom, Chief Financial Officer*
- *David Alcocer, Associate Vice President, Budget Analysis & Planning*
- *Seija Virtanen, Associate Director, State Budget Relations*

The final state budget contains the largest funding increase in University history. The budgets for the UC Office of the President and UCPath will return to an assessment model, with budget reporting requirements from the University to the legislature. The ANR budget will remain a separate line item.

The University will receive a permanent funding increase of \$550M, which is \$254M plus the restoration of \$302M budget cut from last year. Of that total, \$175M is an unallocated increase, and nearly \$75M is set aside funds. The largest portions of the set aside funds are: a \$31M increase for ANR, a \$15M increase for student mental health, and \$13M for the UC Programs in Medical Education (PRIME).

The budget provides additional one-time funds of \$663M, with approximately half of that allocated for campus programs, including facilities. The pre-allocation of one-time funds hampers the University's ability to apply money to self-identified needs.

The legislature included "intent language" in the budget asking the University to increase California undergraduate enrollments beginning next year. However, funding for this enrollment growth would not be provided until the 2022-23 academic year. There is similar language asking the three campuses with non-resident enrollment over 18 percent to reduce enrollments to 18

percent by 2026-27. The state would also provide funding to replace nonresident supplemental tuition (NRST) beginning in the 2022-23 academic year. The University will watch the governor's January budget proposals carefully to plan for these required changes in enrollment. The lack of up-front funding for enrollment growth is concerning because the admission cycle does not temporally align with the state budget process. The University has to offer admission to students without knowing the number of students who will be covered by state budget funds.

- A UCPB member asked how the University would allocate state funding to buy out NRST. Would they be sent to the three campuses reducing enrollment? In addition, any increase in California students would change the weights for the rebenching process. The University may need to rethink many budget agreements, both set-asides, rebenching, and student weights; all of these topics will continue under discussion in the fall.
- UCPB members expressed concern about changing enrollment without guaranteed funding. CFO Brostrom said that the University would wait to see what the Governor's January proposed budget says, but admitted that the timing of the admission cycle versus funding information makes managing enrollment challenging.
- The undergraduate student representative asked about proposed cohort tuition plans, noting that the UC student association opposes any plan making tuition hikes permanent. AVP Alcocer noted that the proposed plan closely matches what students would experience should an inflation-based model be implemented, and that any expectation that state funds would grow to make tuition increases unnecessary is not well-founded.
- The chair of UCPB's Task Force on ANR asked how to best advocate for continued review of ANR's budget as a line-item. CFO Brostrom agreed that oversight of the ANR budget is increasingly important, and ANR will thrive if it works symbiotically with AES campuses. As long as ANR funding is a set-aside in the UC budget, it impacts the ability of the University to provide the core funding that supports basic education.

IV. Consultation with Senate Leadership

- *Mary Gauvain, Academic Senate Chair*
- *Robert Horwitz, Academic Senate Vice Chair*

Chair Gauvain reported that the Feasibility Study Working Group continues to investigate a possible role for the Smarter Balanced Assessment Test in UC admission as a replacement for the SAT/ACT, and expects to finish their investigation by the end of the summer.

The systemwide survey of faculty experiences with remote instruction is complete and a presentation of the result will be given to the Regents in July. The results will be available to inform instructional planning in the future.

Chair Gauvain reported on the special Regents meeting regarding UC Health's affiliations with hospitals using Ethical and Religious Directives (ERDs) that include policy-based restrictions on health care. At the June 23 Regents meeting, Regents Chair Pérez introduced an amendment requiring all affiliated hospitals to offer non-discriminatory care, and to allow procedures the hospital does not provide if the patient is unable to be safely transferred. The proposal was approved as amended, and the new Regents' policy is much closer to the position taken by the Academic Senate on affiliations.

The Regents requested a presentation on Community College transfer issues at the July meeting of the Regents Academic and Student Affairs Committee, now chaired by Regent Park. The Regents will also discuss cohort-based tuition at their July meeting.

Vice Chair Horwitz noted that the Working Group on Mitigating Effects of COVID-19 on Faculty is continuing its work.

Incoming Senate leadership met to discuss Senate priorities; the intention is to have at least one in-person Academic Council meeting per quarter.

Senate leadership met with UC Legal to discuss a possible institutional response to intellectual property infringements and academic integrity violations enabled by websites such as Chegg and CourseHero.

The University has performed a forensic analysis in response to the Accellion data breach. As a result, changes have been made in IT responses to increase flexibility and speed when responding to future cyber breach attempts.

- UCPB members summarized the Provost's earlier presentation on Master's degree program approval for the benefit of the Senate chair and vice chair. Chair Malloy noted that the Provost was informed he would be receiving a joint UCPB/CCGA letter on the matter, that no changes in either the Provost's nor UCPB's positions were apparent, and that the Provost and UCPB agreed about the importance of improving the robustness of external review at the campus level.
- It was noted that financial pressure increases pressure on campuses to approve SSGPDPs.

V. Campus Updates

UCB no longer plans a merger with Mills College. A joint budget task force, focused on beyond COVID recovery, has been meeting, and is focusing on revenue generation, rather than cuts.

UCD's Provost has decided that no additional budget cuts will be imposed in 2021-22. The campus has put cybersecurity software in place, in consultation with the Senate and others. There has been some identification of security breach attempts, subsequently addressed, and communication regarding the process has been good.

UCI has a \$45M structural deficit, but is expecting \$69M in new funding. The remaining budget appears flat, but the Provost has announced a two percent cut to units, which will then be bought out with one-time funds. In order to realize investment returns to fill deficits in the campus budget, UCI made a one-day transfer of money from TRIP to STIP, which allowed them to account funds to cover the deficit. The campus plans to finalize a method for continuous review of SSGPDPs. Through the SSGPDP review process, one program has been enjoined from admitting more students.

At UCLA, the auxiliaries still have a deficit, hospital revenues are rebounding, and student applications remain historically high. The campus has postponed implementation of a new budget model for one year because the Senate created a set of recommendations to evaluate both its financial impact as well as any impact on education. Campus evaluation of SSPGDPs includes a requirement that the programs demonstrate a benefit to the campus. The campus is concerned about the effects of a reduction in nonresident enrollment, and skeptical that supplantation funds will be ongoing.

UCM received a \$20M unrestricted donation from MacKenzie Scott, and the Merced Senate hopes to employ shared governance in the disposition of the gift.

UCR's new finance committee is working well. The campus plans to pay for some housing deficits through Higher Education Emergency Relief Funding (HEERF) instead of raising housing costs for students. There has been no discussion about planning to return cut funding to academic units on campus.

UCSD faced a projected \$12M deficit a year ago. At that time, a four percent cut was imposed across all operating budgets and divisions, as well as proposed salary cuts. The campus, however, is finishing the year with a positive operation budget. There was stronger-than-anticipated undergraduate enrollment, there was historically high summer enrollment, and there was also increased research indirect cost recovery, close to 58 percent. The budget cut will remain.

UCSF is cautiously optimistic about post-COVID finances. Patient care volumes are increasing, and research efforts are going well. Auxiliaries are still financially challenged, and costs are increasing for cyber security and diversity, equity, and inclusion efforts. Seismic improvements are challenging both logistically and financially.

UCSC will work on two budget initiatives, including an academic resource model, in the fall. There is concern about the effects of the ending of the temporary authorization for students to work overseas. There are new deans in the School of Arts and for graduate students. The Task Force on Graduate Student Education is pressing forward to implement its recommendations. The campus' Master's Incentive Program has produced growth in professional programs, but some programs are not spending the money so accumulated. Concerns about assessing the use of these funds is ongoing.

TF-ANR has been debating about how to proceed after the last meeting with leadership. The subcommittee working on AES/Non-AES campus integration plans to continue its discussion and work next year. Since the ANR budget is continuing as a line-item, the Task Force would like to consider big-picture views of ANR's budget. The Task Force continues to have interest in an outside review of ANR, and would like to continue considering different approaches. It was noted that a faculty member is rotating off of the Governing Council, and TF-ANR would like to consult regarding a replacement member.

TFIR has asked UCOP for a report on post-COVID mortality rate calculations among UCRP members. The Annual Valuation Report for the pension will be presented in a fall Regents' meeting. The UC pension fund continues to be in good shape. Systemwide HR has offered well-

received webinars by Fidelity money managers regarding differences between pension choice and savings choice plans; TFIR has asked that they place recorded webinars on their website for new employees.

The undergraduate student representative reported that student leaders remain opposed to cohort tuition, primarily because the plan put forward by UCOP normalizes ongoing tuition increases, and does not show how the plan benefit low-income and/or underrepresented students. In addition, student leaders would like to consult on any test considered as a replacement for the SAT/ACT in the admissions process.

The graduate student representative noted that the Public Employee Relations Board (PERB) has accepted authorization cards submitted by UC graduate student researchers (GSRs), and the University is submitting its list of certified students. These are last steps before the GSRs are unionized. He noted that he and Chair Malloy have been working on a report on the impact of COVID-19 on student employment. When campuses moved to remote instruction, most student workers lost their jobs. Work-study was among the type of job affected, impacting students' financial aid packages. Federal funds intended for students were administered on a campus level, without a systemwide strategy for their disbursement. UCPB asked for a memo summarizing the findings, and the graduate student representative said he would present one to UCPB.

VI. Self-Supporting Graduate Professional Degree Program Proposals

- A. Professor Kinney reviewed the UC San Diego Master of Data Science (Online) degree proposal. The program offers a path to a data science degree to otherwise non-qualified students from any field. A “micro masters,” consisting of four open-access classes, leads to a low-cost certificate. Successful completion of the “micro masters” provides an entry into the larger MS, which has a capstone project assigned by the program.

There are high indirect costs, with 7 percent going to the dean, and the rest to campus. The indirect cost percentage in the first three years of the program is projected to increase from 18 percent, to 29 percent, to 41 percent. The program hopes to eventually enroll 500 students, with a projected per-student profit of \$8500. Ten percent of gross revenue is set aside for financial aid. The money would be distributed to units according to their participation in the program. Forty percent of teaching would be on-load.

The “micro-masters” is designed to address concerns about students completing the program, and the relatively low price point and flexible course scheduling are designed to increase flexibility for students to complete the degree.

- It was noted that UC Irvine has a very similar program, though not online, and without the “micro-masters.”

- B. Professor Dorr reviewed UCLA’s proposed Masters of Applied Chemical Sciences (MACS), preparing students for research and management in applied chemistry with two concentrations, focused on medicinal and material chemistry. It is a two-year full-time program. The program encourages an internship and has a capstone project requirement. It

is designed to add to the teaching assistant pool and provide new laboratory equipment usable by undergraduate chemistry classes. New courses would be created for the MACS. The program would make classes available to graduate and undergraduate students in state-supported programs. The program specifically anticipates preparing students for non-academic work settings.

Once established, the program anticipates that it will return \$440,000 to engineering annually, with other funds going to the other participating units. Ten percent of gross tuition will be used for financial aid.

It is not clear where the program will get faculty. A wide range of student types, and lack of clarity about faculty compensation raise some concerns over the program. A steady state is projected as 20-25 students, costing \$35,000 per year. The campus' proposed new budget model and its tax of revenues from programs may change the anticipated return from the MACS.

- It was noted that the details of teaching load and payment to faculty proportional to MCAS students enrolled need to be carefully worked out so that all UC and UCLA policies are followed.

Action: UCPB will write memos supporting the approval of the programs and send them to CCGA.

VII. Joint Working Group on Graduate Education Report

UCPB discussed Professor Neuman's June presentation on the report of UC Santa Cruz Joint Working Group on Graduate Education, based on each UCPB member's local context. The report was discussed at UCI's most recent budget meeting and will be discussed further in the fall. The UCLA representative suggested that the UCLA budget committee discuss the report in the fall. She noted that rebenching will pose challenges for graduate student support.

Members discussed UC Riverside's cohort support for graduate students and its effects on budget planning. Cohort funding generally works for the students, but graduate admissions officers must carefully calibrate numbers admitted.

Chair Malloy requested a "toolkit" for other campuses to do the same kind of analysis and reporting of graduate student support.

VII. Systemwide Senate Review Items for Optional Comment

Professor Neuman presented a review of the Proposed Presidential Policy: Fee Policy for Graduate Student *In Absentia* Registration. Currently students doing research outside of California have the option of registering *in absentia*, paying fifteen percent of tuition, and maintaining access to University services. On a case-by-case basis, students still in California but outside of their local campus area have had to appeal to graduate deans for *in absentia* status.

The proposal gives graduate deans the ability to decide whether or not to normalize this practice so that it is equitably applied. Professor Neuman stated that from an equity lens, this seems like a reasonable proposal. However, there is tension in the original purpose of *in absentia*. On one hand, graduate education is a key enterprise for the entire UC program, but on the other hand, revenue generation is explicitly cited as a reason for careful application of an *in absentia* policy.

Graduate students generally apply for *in absentia* status when they are finished with their coursework and are no longer employed as ASEs. Especially in cases where a graduate student no longer has funding or an academic employment, that stage may be the wrong time to keep them tethered to a full tuition system. In addition, the notion of a “local area,” when a graduate student has no compelling reason to be on campus, presents issues. There are cases when a leave of absence would make better sense, financially, to students.

Maintaining some connection between students, campus, and their advisors may be a compelling reason for making *in absentia* more available to students.

ACTION: Professor Neuman will write a memo for UCPB to review and send to Council.

The meeting adjourned at 4:06 pm
Prepared by Stefani Leto, Analyst
Attest, Sean Malloy, Chair