UNIVERSITY OF CALIFORNIA   ACADEMIC SENATE
UNIVERSITY COMMITTEE ON PLANNING AND BUDGET
Minutes of Meeting – November 3, 2020

Present: Sean Malloy (Chair, Merced); Kathleen McGarry (Vice Chair, Los Angeles); Holly Doremus (Berkeley); Bruno Nachtergaele (Davis); Donald Senear (Irvine); Tim Groeling (Los Angeles); Patricia LiWang (Merced); Katherine Kinney (Riverside); Kwai Ng (San Diego); Doug Steigerwald (Santa Barbara), Dard Neuman (Santa Cruz); Jennifer Grandis (UCSF); Jazz Kiang (Graduate Student, UCLA); David Brownstone (TFIR); Eleanor Kaufman (Chair, TF-ANR); Mary Gauvain (Chair, Academic Senate); Robert Horowitz (Vice Chair, Academic Senate); Nathan Brostrom (CFO); David Alcocer (AVP); Kieran Flaherty (Director, SGR); Seija Virtanen; Mark Cianca (Associate Vice President, Operational Services); Peggy Huston (Interim Executive Director, UCPath); Stefani Leto (analyst)

I.   **Consent Calendar Items:**

1. November 3, 2020 UCPB Agenda
2. Minutes of October 6, 2020 Meeting

Action: UCPB approved the consent calendar.

II.   **Introductions and Announcements**
   - *Sean Malloy, UCPB Chair*
   - *Kathleen McGarry, UCPB Vice Chair*

Committee Overview: Chair Malloy thanked UCPB members for their work reviewing the proposed campus curtailment program. He noted that he had sent a summary of the October 28th Academic Council meeting to UCPB by email prior to today's meeting. The summary stated that Council members were nearly unanimous in their concerns regarding the curtailment proposal.

President Drake, Provost Brown, and CFO Brostrom attended the Council meeting and addressed curtailment issues. Administrators stated that the program is within the president's authority, and an emergency declaration is not needed.

Chair Malloy represented UCPB at the the October 29, 2020 meeting of the Academic Council Special Committee on Lab Issues (ACSCOLI). He noted that the UC-managed national laboratories are not currently experiencing financial difficulty, as they can carry over funding from year to year, that joint half time faculty appointments to lab positions require academic departments to release half time FTEs, and clear instructions for recovering those on the close of a lab appointment are unavailable.

Vice Chair Kathleen McGarry reported on efforts by a joint Coordinating Committee on Graduate Affairs (CCGA)-UCPB subcommittee to evaluate the Self-Supporting Graduate Professional Degree Programs (SSPDGPs) program. CCGA will cooperate with the subcommittee as both groups evaluate SSGPDs although CCGA's focus is more academic than budgetary. Campuses do not measure many SSGPDP program costs, such as crowding in

classrooms or laboratories, the number of students who take state-supported classes as part of their SSGPDP coursework, and staff time. The subcommittee will continue its narrow focus, concentrating on questions such as when programs should sunset, how much profit is "enough" to justify a program's continuance, and how a reluctance to lose startup costs for programs may discourage their elimination. Both the pandemic and current immigration issues pose challenges for international student enrollment in SSGPDPs, which affects the budgetary calculations for each program.

TFIR Report: TFIR Chair Brownstone reported on an upcoming UC community survey regarding health care, and noted some improvements made by Senate members to survey questions. He noted that he may approach UCPB in the future with plans for developing a Senate-only survey focusing on benefits as well as health care.

Online Undergraduate Degree Program Task Force: Chair Malloy asked UCPB to review the Online Undergraduate Degree Program Task Force report, currently under systemwide Senate review. Professor Newman agreed to facilitate discussion and draft a committee letter for review by UCPB

Graduate Student Report: UCPB's graduate student representative Jazz Kiang noted concerns about the University's possible move to cohort tuition; graduate student enrollment and funding in uncertain budget times; and challenges facing students who had lost work study and other campus employment during the pandemic. He urged a fresh examination of the University's Education Finance Model, that accounts for the additional difficulties students are facing finding work, especially those dependent on work-study and on-campus jobs, and contributing to the cost of their education.

UCPB Task Force on ANR: Task Force Chair Kaufman is preparing for the November 13 Task Force meeting, and expressed thanks to UCPB members who are representatives to the Task Force. UC Riverside Chancellor Wilcox, the chair of the ANR Governing Council, and Vice President of ANR Humiston will attend the January task force meeting.

III.   Campus Reports

UC Berkeley faces both short- and long-term budget shortfalls, although increasing revenue through philanthropy and enrollment are options. The campus is planning impact assessments for budget cuts.

At UC Davis the long-term budget shortfall is approximately $20m a year, and is projected to grow to $100m by 2023-24. The campus is planning to cut $25m from the permanent budget. The campus has already initiated its own curtailment plan, with no reference to the proposed Presidential curtailment plan. To date, no savings projections are available, and classes will begin immediately after staff curtailment periods, leading to concerns about disruptions to services provided to students during registration.

UCI – The campus has been fiscally conservative and is in a relatively strong position financially. Auxiliary losses will be covered through reserved campus funds, until the return of students to campus will once again provide a source of revenue. The Executive Vice Chancellor is looking at opportunities to cut $40m to meet the permanent cut in State funding. Faculty involvement in budget discussions is strong. The campus hopes that the proposed campus curtailment plan will include flexibility for campuses to opt for zero curtailment days

UCLA has begun a program of wide scale Coronavirus testing. Enrollment numbers remain strong with the exception of international students. The campus is exploring all available methods to address a $140m projected shortfall.

The UC Merced budget relies heavily on tuition revenue, and the campus is hoping to find a way to bridge its projected budget shortfall.

60% of UC Riverside's budget comes from core funds. The campus plans to borrow to respond to losses from auxiliary services, and hopes that repayment will follow the resumption of those services. A $70m cut to the core budget may not be enough to address the shortfall. Many cuts will be in administrative units, and cuts to entire departments, such as athletics, are also being considered. The Budget Advisory Committee has suggested further cuts to staffing, although the campus is already approximately 500 staff short from adequate levels. There is some confusion regarding communication from campus leadership to faculty about the cuts, the distribution of cuts, and the location of budget decision-making.

San Diego remains in relatively strong fiscal shape, with an enrollment increase projected. Pro-active measures have cut the campus budget by 4%, and there is no need for curtailment savings to meet needs. Although the hope had been that 30% of students would return to campus, is the campus is populated at under 10% now. The campus is planning a "long-haul" approach to COVID-19, and taking steps to adapt to its presence for at least another year.

UCSF – The Equitable Recovery Task Force is developing principles and recommendations to inform UCSF's response to the financial losses and structural changes brought on by the pandemic. The campus is in a strong financial position, and the UCSF Foundation is providing resources to faculty.

UCSB faces a $16m one-time shortfall, primarily from campus services and student housing, and a $31m structural deficit. Curtailment savings were to be used to address the one-time shortfall, with borrowing used to meet the remainder. However, the proposed curtailment plan will produce savings of only $3 to 8m. Since this is much less than needed for the one-time shortfall, the budget committee opposed the curtailment plan and is planning additional meetings to discuss alternatives approaches to reducing the structural deficit.

The UC Santa Cruz Chancellor's Office absorbed 60% of the projected $20m shortfall, with the remaining 40% by division and unit. The committee plans to comment on the campus-wide curtailment plan through the lens of impacts on campus. There is a local curtailment plan, with questions regarding the interaction between the campus plan and that proposed by the President.

IV. UC Path Report
   o Mark Cianca, Associate Vice President, Operational Services
   o Peggy Huston, Interim Executive Director, UCPath

Senior leaders were invited to provide perspectives on the ongoing UC Path project and expected curtailment effects on UC Path.

UC Path Update: It is no longer appropriate to consider UC Path a "project," as it is fully deployed across the University, including Lawrence Berkeley National Lab this past July. Every UC employee's pay, benefits, and human resources interactions are administered through UC Path. UC Path is one part of the three that work together, with centers of expertise who are SMEs in the Office of the President to interpret policies, and campus "initiators," who initiate interactions with UC Path. These three parts work together.

AVP Cianca noted that current UC Path priorities include stabilization, and moving beyond responding only to urgent issues into other areas identified during the full deployment of Path, to simplification and standardization. UC Path is moving toward a fully fee-for-service model, and away from a partially Legislatively-funded model. Bond payments for the project will increase to $18m next year from the current $3.5m. In response to a question as to why fee-for-service was not the original model, AVP Cianca noted that following the State Auditor's Audit of the Office of the President, the Legislature passed specific language to directly appropriate money to the UC Office of the President, which prevented campuses from using general funds to pay for things like UC Path.

Efficiency is projected to increase as simplification eliminates extra steps, with all three parts working together to optimize the structure.

   ➢ Committee members asked questions about the timeline for implementation of simplification plans, expected savings projections, and potential reduction in on-campus personnel numbers following full implementation. AVP Cianca said he does not have specific estimates of cost savings because they depend on the amount of simplification of campus processes, and staff reduction can be difficult. Committee members emphasized that while campus units have been cited as cost overrun generators, there has not been enough clarity on pay and benefits structure, nor has UC Path consistently provided the information campuses need. Staff often have to work around UC Path to address unfixed issues.
   ➢ Interim Executive Director Huston reported that all parts of the system – UC Path, Centers for Excellence, and the campuses have met to begin addressing ways to make the system work better.
   ➢ UCPB Chair Malloy noted that the proposed curtailment plan could add complexity and increase the likelihood of mistakes in pay and service credit calculation. In addition, for employees without vacation accrual the curtailment will be a straightforward pay cut.
   ➢ AVP Cianca noted ways UC Path has been asked to model curtailment, including managing service credit calculation and smoothing pay cuts over pay periods until June 2021. The recommendation has been that service credit accruals will be held harmless,

but this does not apply to the highest average plan compensation (HAPC) calculation or pension contributions. Committee members noted that all of these elements were held harmless in 2009 and should be again, and that this matter would come before the Regents.

UC Path and Graduate Student Pay: Interim Executive Director Huston reported that UC Path has addressed the systemic causes of prior problems with graduate student and post-doctoral pay. Graduate student pay is complicated to set up initially, and campus-level mistakes can be made. Efforts to make sure campuses correctly input student information are ongoing. A proposed pilot program eliminating the June 30th auto-termination setting for student workers in UC Path at UCLA and UC Berkeley was not funded.

V. Consultation with Academic Senate Leadership
   o *Mary Gauvain, Academic Senate Chair*
   o *Robert Horwitz, Academic Senate Vice Chair*

Curtailment Proposal: Senate Chair Gauvain thanked the committee for its letter on the proposed curtailment plan, which helped focus the Academic Council's discussion with senior leadership. During the Council meeting, discussion regarding the curtailment proposal was useful, and feedback is continuing to the President. Nothing suggests that the plan has been finalized, and Chair Gauvain expects a vigorous open comment period at the November Regents meeting.

ILTI Group Report: The review of the Innovative Learning Technology Initiative will circulate for systemwide review, even though it was completed in 2018, and ILTI has changed substantially since then. Questions of cost, cost efficiency, and how and whether the University will invest in remote learning need to be addressed.

Climate Change Task Force: President Drake attended meetings with the University of California Office of the President (UCOP) climate change group, perhaps signaling increasing seriousness regarding the climate crisis. The Vice President of Agriculture and Natural Resources will attend the UCOPE meeting and opportunities for collaboration should be pursued.

➢ UCPB members asked how UCOP plans to proceed with curtailment absent a declaration of a financial state of emergency, and how the proposed plan interacts with ongoing campus curtailment programs. Chair Gauvain emphasized that the plan may still undergo changes, but that the long institutional memory of the Senate is helpful in guiding next steps.

➢ Chair Gauvain suggested that in its review of the ILTI report, UCPB should highlight the budget implications of remote instruction. UCPB may wish to emphasize that online instruction is not less expensive than in-person instruction and that students need additional support in this model.

VI. Systemwide Senate Review Items for Optional Comment

ACTION: Professor Kinney volunteered to review proposed revisions to leave-related policies of the APM 700 series for the December UCPB meeting.

VII.   Self-Supporting Graduate Professional Degree (SPGPDP) Proposal Reviews:

<u>UC San Diego Proposed Master of Science in Computational Social Science (CSS M.S.)</u>

UCPB reviewed a report from lead reviewer Professor Senear on UC San Diego's proposed Master of Science in Computational Social Science, a self-supporting Type 2 master's degree with a comprehensive exam professional degree program. The report was positive about the proposal, but it also expressed concern that save for the boot camp component of the program, all classes are pre-existing State-supported programs, and encouraged proponents to clarify the interaction between self-supported and State-supported programs, especially the accounting for teaching time.

ACTION: UCPB will forward its report to CCGA.

_____
Meeting adjourned at 2:37 pm
Minutes Prepared by Stefani Leto, Principal Committee Analyst
Attest: Sean Malloy, UCPB Chair