I. Chair’s Announcements

Bernard Sadoulet, UCPB Chair

Update: Chairs Sadoulet reported that at the November Regents’ meeting: 1) The Regents discussed a proposal to increase tuition by 2.5%, but student protests shut down the meeting. The likelihood of its passage is unclear. 2) The Regents are also considering a 20% cap on non-resident enrollment in response to the legislative mandate that the University develop a policy on non-resident enrollment. The Senate and some in the administration have concerns that any cap on non-resident enrollment will exacerbate funding shortages throughout the system.

II. Consent Calendar

1. DRAFT Minutes of November 1, 2016
2. DRAFT response to Proposed Presidential Policy on International Activities
3. DRAFT response to Proposed SSP – UCI Business Analytics
4. DRAFT response to Proposed UCI School of Nursing

Action: The consent calendar was approved as noticed.

III. Consultation with Academic Senate Leadership

Shane White, Academic Council Vice Chair

Update: Chair White reported on the November Regents meeting. First, the Board has adopted a new structure in which different committees will meet simultaneously, rather than in sequence; President Napolitano and Chair Lozano feel this will improve the flow of business and shorten the meetings. Chair White attended the Finance and Capital Strategy Committee and the Public Engagement Committee. In the former, discussion focused on the difficulty of paying for California resident undergraduates. The state demands additional enrollment, but persists in not providing the full marginal cost of instruction. Internal UC cost shifts and further “efficiencies” are limited. UC will again ask for additional graduate student funding, even though the governor vetoed such funding last year. Some in UC worry that the legislature views non-residents as “cash cows” that can be milked in perpetuity; UC worries that it will price itself out of competition, thus delimiting non-resident voices, and negatively impacting academics and diversity considerations on the campuses. The UCRP funding ratio decreased after poor returns, which is prompting a new consideration of the discount rate among Senate bodies such as UCFW’s Task Force on Investment and Retirement and the Office of the Chief Investment Officer. The retiree health funding ratio fell still further behind due to accounting changes in GASB regulations. The future of federal funding for research, education, and health care under the next presidential administration is unclear.

In the Public Engagement Committee, it was reported that UC secured a record $2.1B in giving, including funds for 146 endowed chairs. Donor restrictions, however, limit funds for direct student support to only $167M.

The current thinking on the non-resident policy is a cap of 20% for the system, with no option to “cap and trade”. Whether campuses currently over 20% would be provided a glide path is not yet known. UC continues to struggle to show the fiscal impacts of cutting non-resident enrollment,
especially to external audiences. Electoral politics and public perception weigh against UC’s assertions that non-residents do not displace California undergraduates and that their tuition dollars enhance the educational experience.

IV. Review Items
1. Self-Supporting Graduate and Professional Degree Program Proposals
   a. UCI Conservation Restoration
      *Raveevarn Choksombatchai, UCB and Lead Reviewer*
      **Report:** The proposal was well-prepared and reflected the comments in the previous campus reviews. The proposal is faculty-led and unique. The access and aid provisions follow previous guidelines and stipulate 5%. Campus concerns remain regarding overlap with the state-supported programs have been addressed.
      **Action:** UCPB will recommend to CCGA approval of this program.
   b. UCLA Business Analytics
      *Note: Item deferred.*
   c. UCSF Dr of Nursing
      *Tim Lane, UCLA and Lead Reviewer*
      **Report:** The proposal identifies market viability, but raises concerns about financial aid being syphoned from the neediest applicants. The proposal does not specify how/when the startup loan is to be repaid. The proposal suggests that administrative staff will be responsible for admission reviews, evaluations, and other duties traditionally reserved for faculty.
      **Action:** UCPB will recommend to CCGA opposing this proposal until the identified issues are addressed/resolved.

2. Proposed Revisions to Senate Bylaw 182 PDF
   **Action:** Analyst Feer will solicit feedback electronically.

3. Proposed Revised Policy on Professional Degree Supplemental Tuition PDF
   *Note: See discussion under Item V.2 below.*

4. Proposed Revised Presidential Nondiscrimination Policy and APM - 015 PDF
   **Action:** Analyst Feer will solicit feedback electronically.

V. Consultation with the Office of the President – Academic Affairs
   *Aimee Dorr, Provost*
1. Overview of the Office of Research and Graduate Studies
   *Art Ellis, Vice President, ORGS*
   **Update:** VP Ellis noted that he started in this position in mid-August, and he has been able to visit each campus the three national labs with which UC is affiliated. ORGS consists of four units: the Research Grants Programs Office, Research Policy Analysis and Coordination, Graduate Studies, and the Natural Reserve System. “Innovation” has been assigned to the new Vice President for Entrepreneurship, following President Napolitano’s directives. A new strategic plan for the office is being developed for submission to the provost. Early thinking for new strategic directions include big data for research and education projects, expanded undergraduate involvement in emerging technological areas, greater internationalization, and collective excellence.
   **Discussion:** Members wondered how these strategic areas could be operationalized for CAP review, and VP Ellis noted that these are all preliminary ideas. Members also suggested that these strategic areas may not distinguish UC from CSU clearly enough in the eyes of external audiences. VP Ellis answered that improved communications and workshops could be just the first steps to increasing the profile of undergraduate research at UC.
2. **Professional Degree Supplemental Tuition**

   **Issue:** Provost Dorr reminded members that the proposal is for action at the March Regents’ meeting, and this is the standard 90-day review period. The goals of the proposal are to 1) maintain the multi-year tuition plans, 2) use both public and private competitors for price indexing, 3) ensure access, capacity to handle debt after graduation, and ensure quality. The differences from the status quo are that 3-5 year tuition plans can be approved at a single sitting, and while there is no cap on the increases, each requires a justification and the guidelines limit increases to incremental growth only.

   **Discussion:** Members asked if professional degree programs were being viewed as profit centers, similar to the self-supporting programs. Provost Dorr indicated that profit is not the goal of professional degree programs, but within certain parameters, profit is possible. Any profit is expected to be socialized to off-set mandatory increases, for example.

VI. **Consultation with the Office of the President – Budget**

*David Alcocer, Director, Operating Budget*

1. **Proposed Tuition Increase**

   **Issue:** Director Alcocer noted that tuition increases actually increase the amount of aid available to needy students, but EVP Brostrom was not able to present those slides to the Regents due to audience disruption. UCOP is reaching out to student groups to illustrate the cash flow. Most student groups have responded by calling for the state to buy-out the tuition increase, but that outcome seems unlikely in the current political climate.

   **Discussion:** Members suggested that the messaging would be enhanced if it addressed room and board, not just tuition and fees. Director Alcocer noted that UC tracks external costs on a three-year survey that measures expenses for clothes, gas, food, and the like. Members wondered how the deleterious effects of foregoing an increase could be illustrated convincingly, and whether a profile of impacted students could be generated to show the real world impacts of proposed tuition increases. Director Alcocer referred to common metrics, such as increased time-to-degree for impacted majors. Members observed that absent construction, time-to-degree will soon increase for all majors.

2. **Non-Resident Enrollment Cap**

   **Issue:** The Regents are considering a 20% cap on non-resident enrollment. The specifics of the proposal are still emerging. The loss of revenue from such a cap, perhaps as much as $50M/year to the system, would lower the amount of cash available for financial aid to California resident undergraduates.

   **Discussion:** Chair Sadoulet noted that a rapid response is essential, and that alternatives must be submitted if the Senate rejects what is currently on the table. Members noted that the positive impacts of non-residents on the education and research missions need to be stressed as much as the fiscal imprudence of imposing such a cap.

   **Action:** Chair Sadoulet and Analyst Feer will draft a memo for electronic approval.

3. **Enhanced Long-Range Enrollment Planning Exercise**

   **Issue:** Chair Sadoulet reported that a proposal to ask the campuses to begin an enhanced long-range enrollment planning exercise will be going to the chancellors for approval. The exercise would ask campuses to look at a 20 year horizon, instead of the standard 5 year horizon, and work backwards to develop a route to achieve the vision. The Senate is concerned that aspiration will overtake reality, and these plans will lead to confusion in multiple audiences and divert resources from critical issues facing the University. The plan also leaves Senate participation at the chancellor’s discretion and does little to encourage systemwide thinking.
Action: Chair Sadoulet and Analyst Feer will draft a memo opposing this exercise for electronic approval.

VII. Consultation with the Office of the President – Agriculture and Natural Resources

Glenda Humiston, Vice President

Issue: VP Humiston provided an overview of the operations and scope of ANR, as well as a history of the land-grant nature of UC. She noted that the campuses administer the Agricultural Experiment Stations (AES), so their FTE numbers tend to fluctuate. The campuses also spend the AES funds largely at their discretion after the UCOP pass-through. Since the agriculture footprint is so significant, and since it so successfully leverages federal funds, ANR is working with the new VP for Innovation and Entrepreneurship to patent and monetize ANR work.

ANR and AES face the continuing concern of equivalent status. This topic has received renewed interest given recent changes in the pension program, which are felt to negatively impact ANR and AES researchers.

Discussion: Members suggested that greater branding integration with UC would benefit both parties. Members asked if the grants were unique to ANR, and VP Humiston indicated that several were shared with campuses due to split appointments and similar arrangements. Members asked if ANR/AES were involved in the food insecurity efforts underway at the campuses, and VP Humiston said yes, it was in fact an ANR study that formed the basis of the project. The project is being spearheaded by the President’s Global Food Initiative. Members noted that a clearinghouse website would be useful for the project.

Members asked for a breakdown between the ANR budget and the AES budget and a closer tracking of fund flow, longitudinal funding data, and an FTE summary reflecting split appointments and campus versus county affiliations. VP Humiston said she would invite her CFO to the next consultation to provide further details, but the ANR budget setting process includes a council review with stakeholder representation. Members asked if the Senate or UCPB could be involved in the process, and VP Humiston said she would welcome appropriate participation.

Members then asked how endowed chair selections were made in ANR. VP Humiston noted that the ANR process involves a steering committee and review by the ANR academic assembly. Members observed that the ANR academic assembly is not the Academic Assembly of UC recognized by the Regents.

VIII. Consultation with the Office of the President – Public Affairs, Institutional Advancement

Geoff O’Neill, Assistant Vice President, External Relations
Health Kopeck, Director, Development Policy and Advancement Relations

Issue: AVP O’Neill presented a short history of endowed chairs at UC, and reported that there is a call to more clearly standardize practices with a new emphasis on philanthropy. In part, the impetus is the receipt of a significant corporate gift for 100 new endowed chairs. The proposal is to now include Lawrence Berkeley National Lab and ANR with five chairs each that include presidential matching funds up to $500K.

Discussion: Members asked how the selection of endowed chairs at LBNL and ANR was to work, and AVP O’Neill indicated that was still being determined. There is one process for accepting funds, and a separate process for filling the chair with an individual. UCOP may shift the matching funds obligation to the campuses down the road.

IX. Review Items (continued)

Note: see above.
**X. New Business**

*Note: Not addressed.*

Meeting adjourned at 3:45 p.m.

Minutes prepared by Kenneth Feer, Principal Analyst
Attest: Bernard Sadoulet, UCPB Chair

**Attendance:**
- Bernard Sadoulet, Chair (UCB)
- Raveevarn Choksombatchai UCB
- Bob Powell UCD
- Jim Steintrager, UCI
- Tim Lane, UCLA
- Mukesh Singhal, UCM
- Christian Shelton, UCR
- Russ Pieper, UCSF
- Ann Jensen Adams, UCSB
- Abel Rodriguez, UCSC
- Andrew Kahng, UCSD
- Aaron Dolor, Graduate Student Representative