Minutes of Videoconference Meeting
December 8, 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); David Alcocer (AVP); Chris Newfield; Adam Aron (San Diego); Eric Halgren (San Diego); Stefani Leto (analyst)

I. Consent Calendar Items:

1. Approval of December 8, 2020 Agenda
2. Approval of UCPB November 3, 2020 Minutes
3. Simple name change – UCLA Master of Applied Economics (MAE) to Master of Quantitative Economics (MQE)

ACTION: UCPB approved the consent calendar.

II. Introductions and Announcements

- Sean Malloy, UCPB Chair
- Kathleen McGarry, UCPB Vice Chair

Committee Overview: Chair Malloy updated the committee on the proposed campus curtailment plans, noting that in response to feedback from the Academic Senate and campus Chancellors, among others, the University modified the plan to protect employees’ highest average plan compensation (HAPC) with respect to pension calculations. In addition, flexibility in implementation of the plan has been extended to campuses, so that some are participating on a “zero” level, with no curtailment days; while others are imposing curtailment plans with more curtailment days than allotted in the proposed plan.

Vice Chair Kathleen McGarry reported that there was no new information regarding employer contributions for participants in the UCRP Savings Choice Plan, and that discussion is ongoing. Chair Malloy detailed his efforts to obtain relevant information from UCOP administrators regarding UCPath and varying effects of curtailment.

- Discussion concerned how varying implementations of curtailment across different campuses would affect the perception and functioning of UC as a system. Chair Malloy also referred to the idea that imposing unnecessary pain on staff and faculty through pay reductions in order to show unity throughout the system would produce disunity instead.

III. Consultation with Professor Chris Newfield
Chris Newfield, a former professor at UCSB, former long-time chair of UCPB, and current Director of Research at the Independent Social Research Foundation, provided a review of the budget and political history of the University from the early 2000s, and the Compact for Higher Education, through the 2006 UCPB report “Current Budget Trends and the Future of the University of California”, (the “Futures Report,” https://senate.universityofcalifornia.edu/_files/reports/futures.report.0706.pdf). This report demonstrated how careful research can and ought to drive policy regarding the University. The later “Cuts Report,” (https://senate.universityofcalifornia.edu/_files/reports/cuts.report.04.08.pdf) demonstrated how modeling policies’ effects can influence administration decisions within the University and in relations with the State Legislature. He said three “budget fictions” impacting discussions on state funding are 1) the University budget goes up when State revenues rise; 2) Multiple revenue streams can replace State funding; and 3) Reductions in per-student funding has not hurt teaching and research, even though students are funded at half the level they were a generation ago. “Core funds” as a budgeting concept grew from these efforts.

He encouraged UCPB to approach the University’s budget situation as a research problem, asking questions such as “how do we make up for a future where structural budget deficits are the norm?” In this manner, faculty are able to make plain the connections between budget policy and effects on students.

He said the Senate can rebuild its constituency for budget discussions when different committees work together to connect their various concerns to budget issues. Bringing research (which UCPB is best suited to perform) before the Board of Regents provides them with information to take to the Legislature. Explicit linkage of defunding the University and racial justice issues can change approaches to University funding.

IV. Budget Consultation with UCOP

David Alcocer, Associate Vice President, Budget Analysis & Planning

AVP Alcocer updated the committee on budget decisions, noting that the University will not raise tuition in fall 2021. The University’s 2021-22 budget request to the Legislature include full restoration of the $318m cut in the 2020-21 budget, as well as $158m in new funding to support cost increases, and $150m for capital projects. In addition, new requests include funding to enable the University to reach goals outlined in the 2030 Framework such as closing performance gaps among various student groups and increasing funding for mental health services.

The University is also asking the Legislature to end the practice of directly funding the Office of the President (OP), and allow the University to return to its prior assessment model, in which campuses return money to UCOP for services rendered.

- The graduate student member of the committee asked if cohort tuition remained in the plan. AVC Alcocer responded that cohort tuition is not planned for fall 2021; however, flat tuition rates have had a negative effect on the University, and President Drake had a positive experience with cohort tuition at his prior university.
The UCFW-TFIR chair noted that the current curtailment proposal would lead to inequities between Pension Choice and Savings Choice participants. AVP Alcocer confirmed this.

Much discussion centered on borrowing from the Short Term Investment Pool (STIP) as a potential fix for pension underfunding as well as funding the curtailment wage gap. Faculty mentioned that this shifts the burden onto campuses as STIP money comes from campus funds.

One critical concern was to ensure that no harm comes to H-B visa holders as a result of curtailment. UCPB members noted that prior UC furloughs explicitly protected such visa holders and asked that broad publicity ensuring that H1-B visa faculty and staff were not penalized.

Guidance is needed on proposed curtailment implementation for faculty on “soft money” salaries. The evolving messaging around curtailment based on feedback from Chancellors who wanted greater flexibility to administer savings goals has led to some confusion. The committee expressed concerns that this would lead to intra- as well as inter-campus inequities. AVP Alcocer noted that savings targets were explicitly framed as minimum levels. Campuses can impose higher cuts as needed.

The AVP and committee chair agreed that a granular discussion of STIP, its makeup and constraints, would take place at the next UCPB meeting.

V. Online Degree Program Task Force Discussion

Committee member Neuman reported on the results of the Academic Senate’s Online Undergraduate Degree Task Force’s work. He noted the difficulty of separating the work of the Task Force from the current remote learning landscape caused by the COVID-19 crisis. The report examined the implications of possible full-time, online, undergraduate degree programs at UC. The Task Force’s work predated the COVID-19 crisis.

The Task Force report resisted two stated motivations for pursuing online education – that it will provide substantial cost savings, and that it will increase access to high-quality University education.

The report evaluated three options related to fully online undergraduate degrees:

- Policy 1 (UC-Quality On-campus Degree) would prohibit fully remote undergraduate degree programs and require at least one-third of all major units and also one-third of total units to be earned in non-remote courses;
- Policy 2 (UC-Quality Remote Degree) would support the formation of entirely remote degree programs, but require that programs meet all ordinary expectations for a UC degree;
- Policy 3 (Instruction-Only Remote Degree) would allow fully remote degree programs that satisfy the same coursework expectations as UC’s face-to-face programs, but may not guarantee equivalent out of classroom opportunities.

Online Undergraduate Degree Task Force (OUDTF) members rejected a proposal of remote degrees taught by a separate set of faculty. There were mixed opinions on the other options, members of the Task Force neither wanted to stifle creativity and innovation nor accept less
than UC quality, while emphasizing achieving sort of quality would not provide cost savings. The report raises concerns about budget impacts on campuses. If money is diverted to programs to develop online offerings, from where is the money diverted?

Additional concerns include faculty retention of intellectual property rights, impact on faculty working conditions, and student privacy concerns, in addition to budget and quality concerns.

- Discussion included repetition of the Task Force’s concerns from members’ campuses. The difficulties of ensuring and maintaining quality in remote instruction concern faculty as they evaluate Option 2. A number of committee members noted that current experience with remote teaching provides opportunity to do research into the impacts of online education at the UC before approving any of the Task Force’s options.
- Members references a UC Irvine program which created siloed online-only students and raised concerns about creating second-class students.
- The committee also noted differences between online graduate programs and online undergraduate programs. Students who had completed (presumably) in-person classes as undergraduates may be better positioned to thrive in online programs.
- Committee members declined to endorse any of the presented options because they believe more research is needed. They expressed concerns and called for research into costs, educational quality, and effects on faculty as well as other investigatory avenues before money is allocated to any programs, with insistence that quality not be compromised.

**ACTION:** Chair Malloy will draft a memo and gather committee feedback in response to send to Academic Council.

**VI. Campus Reports**

UC Berkeley just announced the appointment of a joint administration/faculty task force to address the campus budget shortfall. In addition, the campus has announced furloughs progressively scaled by earnings.

UC Davis has proposed options including pay reduction or furloughs. Final decisions have not yet been made. Any decision will apply progressively to all employees, including those on soft money and medical center employees.

UCLA is concerned about their hospital being overwhelmed by the vast local infection rate, although the rate on campus remains low. Instead of imposing curtailment, the campus is adding an additional year to the timeline to address budget shortfalls. In addition, the campus is adopting a new budgeting model and attempting to centralize some functions.

At UC Merced, local COVID-19 cases are quickly increasing. The campus is using curtailment to meet the $900,000 savings goal. Looking forward, the campus budget deficit can only be addressed by greatly increasing the numbers of enrolled students.
UC Riverside’s budget plans include cutting the NCAA program and extending the curtailment program.

There is a freeze on capital projects at San Diego, although the campus is not using curtailment as part of their budget plan.

UCSF is not using curtailment and has received philanthropic support to extend childcare opportunities for faculty and staff and to support lower-paid staff. The campus is dealing with the fallout of a ransom for data attack, and is exploring more secure data storage.

The Vice President for research at UCSB has supported opening labs for research, with extended COVID-19 protocols. Graduate students and faculty working in those labs are on campus, and one hundred undergraduates have been invited back. There are no curtailment plans on campus. Budget discussions are ongoing.

The UC Santa Cruz administration had announced curtailment but then rescinded it. Target budget cuts are being discussed but the budget committee would like to carefully examine the effects of any proposed cuts. The campus is working to come up with a baseline metric for funding graduate students, and there is a joint working group on graduate student strikes.

Jazz Kiang, graduate student representative, emphasized that work-study students have been unemployed and that there is as yet no systemwide plan to address the lost employment for students.

ANR Task Force Chair Kaufman noted that a special ANR Task Force subcommittee chaired by Karen Bales (UCORP Vice Chair) has formed to focus on creating a seed grant proposal to increase collaboration between AES and non-AES campuses. This may also be a mechanism for coordinating with ANR's and Senate leadership's involvement in the President's Global Climate Leadership Council. The Task Force also remains interested in exploring the ongoing issues presented last year by Cooperative Extension (CE) Specialists, and will reconsider in a future meeting. ANR VP Glenda Humiston and ANR Governing Council chair Kim Wilcox will be speaking to TF-ANR at the next meeting on January 29.

The chair of TFIR noted that there has been no renewed push for higher employee contributions to pensions.

VII. Systemwide Senate Review Items for Optional Comment

1. Proposed Revisions to Leave-Related Policies of the APM 700 series

   ACTION: Vice Chair McGarry will present a review of proposed changes to APM 700 at the January UCPB meeting.

**ACTION:** Professor Kwai Ng will review the ILTI initiatives at the January UCPB meeting.


**ACTION:** Chair Malloy will review the proposed IS-12 IT Recovery Policy

4. Faculty Salary Scales Task Force Report and Recommendations (Comments due February 17, 2021)

**ACTION:** Professor Don Senear will review the recommendations from the Task Force.

VIII. UC Insurance Partners and Climate Change

- Adam Aron (UC San Diego)
- Eric Halgren (UC San Diego)

UC San Diego Professors Adam Aron and Eric Halgren discussed a memo evaluating the University’s current insurance partners, noting that insurance companies both invest in fossil fuel companies and insure their infrastructure. Some insurance companies are less involved in the fossil fuel industry.

The committee discussed writing a memo to the Academic Council for transmittal to the President, asking that the same Environment, Social and Governance (ESG) principles be applied to insurance partners as are used in University investments. UCPB Chair Malloy offered to draft a memo regarding insurance carriers and also follow up on memos the Academic Council sent to CFO Brostrom regarding investments in fossil fuels.

**ACTION:** Chair Malloy will draft a memo about UC insurance partners to circulate to UCPB for comment.

IX. Consultation with Senate Leadership

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

Feasibility Working Group Report: Leadership is sending the June 2020 Feasibility study regarding potential replacements for suspended standardized tests to the President next week.

Faculty Salary Scales Task Force Report and Recommendation: Chair Gauvain requested input on the report from UCPB. She expressed concern about financial inequalities between campuses and their impacts on the cohesion of the UC system.
Regents November Meeting: The Regents heard a presentation on the UC Pathways program for California Community College transfer students. Presenters and Regents expressed support for streamlining the path to the UC for transfer students, without addressing capacity and the current achieving of the 2:1 transfer ratio.

The Regents heard calls for greater staffing to support American Indian and Native Alaskan (AINA) students as they are underrepresented and graduation rates lag for those matriculated.

Affordable housing was added to the Davis campus’ plans for the Aggie Square development, and Vice Chair Horowitz pointed out that carbon offsets are the mechanism by which the Regents claim carbon neutrality goals.

Curtailment discussions at the meeting reflected the input that the Academic Senate, especially UCPB, had on the President’s ideas. Now HPAC is protected and the flexibility displayed by the President reflects well on the Academic Senate and their relationship with the President.

Fossil Fuels Update: Leadership asked about “rebundling” the memos about fossil fuel divestment and resending them, noting that a memo regarding the University’s relationship with banks and fossil fuel investments is with the CFO already.

- Discussion included low morale among clinical faculty at UC Health Care Centers, which are often in satellite locations away from campuses. Faculty noted that this has been a systemic issue, and further discussion will be needed.
- Committee members raised concerns about strains on UC as a system arising from budget flexibility across campuses. They noted that Chancellors need flexibility to administer their own campuses, but that the curtailment changes may reflect strains on the idea of the UC as a unified system. Chair Gauvain noted the critical nature of the faculty-student relationship to the idea of a university, and expressed concern about damage to faculty morale due to inequitable effects of curtailments. More guidance from the Office of the President is needed regarding curtailment and faculty paid on soft money.

Meeting adjourned at 3:39 pm
Minutes Prepared by Stefani Leto, Principal Committee Analyst
Attest: Sean Malloy, UCPB Chair