

UNIVERSITY OF CALIFORNIA

ACADEMIC SENATE

UNIVERSITY COMMITTEE ON PLANNING AND BUDGET

Minutes of Videoconference Meeting

February 2, 2021

Present: Sean Malloy (Chair, Merced); Kathleen McGarry (Vice Chair, Los Angeles); 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 (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 Horowitz (Vice Chair, Academic Senate); David Alcocer (AVP); Kieran Flaherty (AVP, SGR); Seija Virtanen (Associate Director, SGR); Stefani Leto (Analyst)

I. Consent Calendar Items:

1. Approval of January 5, 2021 Minutes
2. Welcome and introduction of the undergraduate student representative

ACTION: UCPB approved the consent calendar

II. Considerations for Review of Dual Degree Proposals

UCPB responded to a request from CCGA for feedback on CCGA's draft "Considerations for Review of Dual Degree Proposals." There were no comments or objections raised by the committee, and Chair Malloy will respond to CCGA.

Action: Chair Malloy will communicate UCPB's response to CCGA

III. Budget Consultation with UCOP

- *David Alcocer, Associate Vice President, Budget Analysis and Planning*
- *Kieran Flaherty, Associate Vice President, State Governmental Relations*
- *Seija Virtanen, Associate Director, State Budget Relations*

Associate Director Virtanen reported that President Drake recently attended a meeting of the California Assembly budget subcommittee to update the subcommittee on the University's response to the COVID-19 crisis and transfer student matriculation. The legislature is considering legislation to limit non-resident enrollment at UCs, and State Governmental Relations (SGR) staff has been emphasizing the benefits of nonresident enrollment for the California resident financial aid system.

UC SGR staff are focusing on decoupling the UC budget from trailer bills aimed at changing University policy, including a proposal requiring a 10% increase to online courses, and urging full restoration of last year's cuts to the University's core budget. The Legislative Analyst's Office has recommended against mandatory increased online courses pending study of their cost and educational impact.

The Legislature has proposed a “cradle to career” educational data system that would track students from kindergarten through university. UC is concerned about the security of student data and the cost of such a program, although it might yield useful student data.

AVP Alcocer noted that the University has committed to keeping undergraduate tuition flat in 2021-22. For Fall 2022, the Regents will consider a proposal for cohort-based tuition, which will provide predictable costs for students and families, and more predictable revenue for the University.

The University is exploring a proposal for a “debt-free” degree pathway, requiring greater student self-help for those students with an expected family contribution of \$0. This may appeal to highly debt-averse students. 20% of all UC students would meet proposed eligibility, although not all eligible students are expected to participate in the program.

- UCPB requested the opportunity to provide feedback on any upcoming proposals related to student debt.
- UCPB asked for better statistics on student employment on and off-campus, and COVID impacts on student employment. AVP Alcocer noted that UC Path has student employment data.
- AVP Alcocer suggested that the program could provide meaningful work to students. Chair Malloy also advised that time to focus solely on education was also valuable.
- UCPB requested an update on rebenching and non-resident student tuition (NRST) at the next meeting, and AVP Alcocer agreed.

IV. Consultation with Senate Leadership

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

Regents Meeting. At their January meeting, the Regents adopted the recommendation from the Feasibility Study Working Group to investigate the potential use of the Smarter Balanced test in UC admissions, as a replacement for the SAT and ACT.

President Drake continues to prioritize restoration of the general fund budget cuts. Chair Gauvain noted that the Governor’s 2021-22 budget contains line items which both infringe on the University’s academic autonomy and reduce the amount of general funds.

COVID update. The vaccine rollout committee continues to monitor vaccination efforts, as campuses begin planning for a return to in-person instruction in fall 2021. In-person instruction will depend on continued progress in vaccinations.

The President has received the joint UCFW/UCAADE letter recommending ways to mitigate COVID impacts on faculty. The Senate is mindful that some suggestions may create unfunded mandates. Academic Senate leadership will discuss the letter with the President.

UC Health Affiliations. In anticipation of a Regents discussion of UC's potential affiliations with external healthcare providers in March, the Academic Council will receive a briefing on the topic at its February meeting.

- UCPB asked for clarification regarding the President's power to reduce faculty salaries as follow up to earlier discussions about proposed curtailment actions. UCOP maintains that a formal declaration of emergency by the Regents is not required to give the President this power. Chair Gauvain indicated that this discussion is ongoing, and a document explaining how this process works would be helpful.
- It was noted that using ILTI to create a virtual eleventh UC campus, with a separate degree program, would respond to the Legislature's request to increase accessibility without diluting campus offerings. This suggestion was received favorably, but faculty noted that responding to a mandate from the Governor may accede to overreach into University self-governance.
- Committee members urged caution in evaluating online instruction. Multiple ongoing lawsuits by students argue for reimbursement of campus fees and reduction in tuition based on perceived lower quality of online teaching.
- It was noted that the Senate should monitor legal issues concerning vaccination requirements, and their impact on in-person teaching and attendance. UCPB expressed interest in having a representative from the Office of General Counsel speak on this topic.
- Vice Chair Horowitz noted that a second survey of student and faculty experiences with online teaching and learning would be useful. UCPB members emphasized the need for clarity in defining the kind of online courses under discussion, (synchronous, asynchronous, or packaged), as the current ILTI discussion does not always make these distinctions.

V. Campus Updates

TF-ANR Chair Kaufman reported that ANR Vice President Humiston and UC Riverside Chancellor Wilcox, Chair of the ANR Governing Council, attended the TF-ANR meeting last week. The Governing Council reports to the President. Two TF-ANR members also sit on the Governing Council. VP Humiston provided an overview of ANR's budget and two concurrent strategic plan updates, and there was a productive discussion about the role of the Senate representatives on the Governing Council. In the future, those representatives will be explicitly tasked with representing the Senate. A subcommittee of the Task Force continues to explore seed grants to increase integration between Agricultural Extension Station (AES) campuses and non-AES campuses, and presented its proposals to VP Humiston.

UCFW's Task Force on Investments and Retirement (TFIR) met with the head of Systemwide HR to inquire about the status of a planned Health Care Task Force survey of benefits, as TFIR hoped to survey faculty narrowly about benefits. TFIR has another meeting planned with AVP Lloyd on this topic.

UC Berkeley has postponed possible curtailment at least until July. The campus faces a \$164m deficit, but projects a balanced budget by FY 2024, and needs to grow revenues to ensure long-term stability. Some deferral of non-urgent capital projects may be imposed.

The Davis budget committee held its annual retreat with the the Provost and Deans. During the retreat, the Deans and Provost were encouraged to prioritize graduate student and graduate program funding. The campus structural deficit will continue without additional state funding or a tuition increase. The campus Senate plans to survey campus faculty directors, to increase their position's effectiveness and find funding for faculty hiring. UC Davis has extended its COVID response to the City of Davis, so that all city residents and everyone on campus can be tested twice weekly at no charge.

Irvine is receiving \$54.7m to help offset COVID costs. While helpful, the funding does not cover structural deficits. The campus had borrowed \$125m in the first round of funding to offset losses from auxiliary services, and the repayment will be assumed by the auxiliaries, which had been self-supporting. The greater portion of additional cuts will be absorbed by administrative services. Faculty hiring, especially in various diversity initiatives, has continued at a modest pace. The \$2.1 billion in borrowed capital tied up in ongoing construction projects limits the ability of the campus to borrow additional funds. A campus vaccination site was providing 250 inoculations per hour, but after an attempt to expand through UCI Health crashed the website with between 1.2-2m requests, the campus is restricting registrations.

UCLA plans online classes in the summer, with a return to in-person instruction assumed for fall. The campus budget committee plans to provide input into a proposal to evaluate faculty salaries. Vaccine distribution on campus is going well, and the health center appears to have moved past the worst peak in COVID cases. The current campus budget focuses on reserving funds for central administration despite using an activity-based model. The committee would like a systemwide review of total compensation for faculty.

UC Merced received a record number of applicants for fall 2021 admission, and the Chancellor and Provost are reaching out to local community colleges to encourage transfer applicants. The campus hopes to begin a new School of Management and an Organized Research Unit called the UC Merced Community and Labor Center. Despite efforts to raise the Carnegie status of the campus by graduating more Ph.D. students, informal caps on graduate student admission have been imposed because the campus lacks adequate funding mechanisms. Reductions in graduate students would impact undergraduate programs, given the role of TAs in undergraduate education. The campus faces ongoing budget shortfalls.

UC Riverside has reserved \$100m from short-term borrowing to cover auxiliary losses, but faces borrowing limits. The campus projects a \$75m gap over the next two years, and \$66m in cuts have been identified by deans. The campus budget committee plans to report on the impact of budget cuts.

The Santa Barbara budget committee is seeking clarity regarding the campus budget process, and UCSB continues to experience structural budget shortfalls. A lack of information about campus revenues impacts the willingness of units to address changes in expenditures. Units are exploring borrowing from STIP. The campus has agreed to a 10-12% budget cut.

UC Santa Cruz continues to invest in faculty hiring and development, despite budget constraints, and is evaluating the impact of COVID on funding streams for graduate student research. The campus is soliciting information from other UCs about budget practices to create a systemwide “best practices” approach. The campus community is concerned about the planned return to in-person instruction, as vaccination availability remains low and the campus has no health center to centralize vaccine distribution.

UC San Diego is planning a budget based on “no cuts and no new investments,” despite system hopes for an increase in State funding. The campus expects to return to 100% in-person instruction in Fall 2021, while simultaneously preparing to serve students unable to return with some form of remote teaching. UCSD Health Center workers have experienced a large drop in Coronavirus positivity rates after vaccinations.

The Regents have approved the Parnassus expansion at UC San Francisco. The CFO has left for a new position and the UC Health CEO will retire next year. The campus is partnering with the City of San Francisco to vaccinate community members.

The undergraduate student representative reported that the “Double the Pell” campaign is advocating for an increase in Pell Grants. Students are also lobbying the State Legislature to increase funding for the University, with hopes to eliminate the need for any tuition increase.

The graduate student representative asked UCPB to revisit the discussion about student employment data in future meetings. He also reported several concerns about distribution of student grants from federal stimulus funds. The first round of funds was distributed as general grants, rather than to students with the greatest need.

VI. Systemwide Senate Review Items for Optional Comment

1. Innovative Learning Technology Initiative (ILTI)

Professor Ng noted that the Innovative Learning Technology Initiative (ILTI) report was originally produced in 2018. Lessons from the prior budget crisis informed the recommendations, and the State had asked UC to create more online courses, including Massive Open Online Courses (MOOCs). In this way, it was argued, the University could compete with all universities for a wide audience. However, very few non-UC students took these courses.

ILTI serves as a promoter and negotiator of cross campus enrollment for online courses. The report advocates for the elimination of non-matriculation MOOC courses. The new approach would be rebranded as “UC Online,” and expand cross-campus enrollment. It calls for increasing the amount and proportion of funds distributed to campuses.

The report fails to support the expansion of the cross-campus enrollment system. The number of undergraduates taking online courses varies widely by campus, but campuses with high numbers enrolled in online courses are enrolling their own students. Cross-campus enrollment in online courses has increased, but not as much as same-campus enrollment.

ILTI's future is unclear. If the majority of courses are remote, or "R" code, courses on campus, they appear to be beyond the reach of ILTI. Discussion of ILTI's future should take into consideration data from the shift to online learning during the pandemic.

- It was noted that most ILTI resources are grants to support the development of new online courses. Since knowledge of online instruction has grown during the pandemic, block grants for campuses could help improve online instruction. In addition, the report does not separate costs for on-campus and cross-campus courses, which have two very different purposes.
- is the report notes that at least 65% of cross-campus enrolled students do not finish their courses. If this reflects dissatisfaction with the courses, it could be hurting the UC brand.
- One committee member asked if similar online courses are shared across campuses, which course prevails and how will these decisions be made? Will campuses spend their block grant monies on similar courses?
- It was reported that the incentives available to develop online courses have fallen from \$100k to \$5-6k. Faculty are less eager to develop courses with this level of financial support. In addition, the funding strategy for courses is opaque. Professor Ng noted that development has moved from MOOCs to a more modest supplemental approach.

Action: Chair Malloy will draft a memo to Council summarizing comments.

2. Academic Planning Council Faculty Salary Scales Task Force Report and Recommendations

Professor Senear summarized his review of the Faculty Salary Scales Task Force report for UCPB. The report makes recommendations for achieving competitive salaries with the Comparison 8 group of institutions, while maintaining equity, transparency, and routine adjustments, and around the use of off-scale salary components to respond to UC salaries falling behind market comparators. Off-scale components now comprise almost a quarter of overall salary. All proposed options would require substantial budget augmentations. The report notes that off-scale salary increases are often at the discretion of administration, which produces an opaque environment in which inequities can prevail. The proposed remedy, starting with new hires, might exacerbate the "loyalty penalty," whereby new faculty are hired at much higher salaries than current faculty, who do not receive pay increases to bring them up to market level.

- Several UCPB members noted that differences in pay by discipline and within discipline are not well-addressed by the report.
- It was noted that differences in cost of living, primarily housing, vary widely by campus, and housing allowances could be calibrated by campus and would address another area of inequity.
- UCPB members expressed concern that not all off-scale compensation receives faculty review. Providing a formal role for CAP in off-scale compensation decisions might help address inequity concerns.

Action: Chair Malloy will draft a memo to Council in response.

3. Self-Supporting Program Working Group

Vice-Chair McGarry updated UCPB on the Self-Supporting Program Working Group. The working group is meeting with CCGA this week, and is requesting feedback from UCPB regarding Self-Supporting Degree Programs on their campuses, both the official documents as well as how the program works in practice. She requests faculty provide information about the level to which feedback from the local budget committees is received, both at inception and at the three-year review period.

Meeting adjourned at 4:04 pm
Prepared by Stefani Leto, Analyst
Attest, Sean Malloy, UCPB Chair