

Minutes of Videoconference Meeting

February 7, 2023

Present: Donald Senear (Chair), Max Auffhammer (Berkeley), Heather Rose (Davis), Alyssa Brewer (Irvine), Andrew Leuchter (Los Angeles), Kevin Mitchell (Merced), Peter Atkinson (Riverside), Michael Provence (San Diego), Jill Hollenbach (San Francisco), Jim Rawlings (Santa Barbara), Dard Neuman (Santa Cruz), David Brownstone (Chair, TFIR), Susan Cochran (Chair, Academic Council), James Steintrager (Vice Chair, Academic Council), David Alcocer (Associate Vice President, Budget Analysis & Planning), Nathan Brostrom (Chief Financial Officer), Seija Virtanen (Associate Director, State Budget Relations), Amy K. Lee (Associate Vice Provost), Aviva Roller (Academic Labor and Employee Relations Director), Gregory Sykes (Director, Academic Data and Compensation), Kaylin Jue (Associate Director, Academic Data and Compensation), Pamela Brown (Vice President Institutional Research and Planning), Ryan Chan (Director, IRAP), Kelsey Heider (Analyst, IRAP), Stefani Leto (Analyst)

I. Consent Calendar

UCPB approved the minutes of the January 3, 2023 meeting and the February 7, 2023 agenda.

II. Chair's Announcements**1. Council:**

- President Drake discussed the recent strike and noted the union approach of negotiating all contracts together was uniquely challenging. The UC may reduce the role of teaching assistants and increase lecturers. OP has identified money to bridge campuses past the initial financial shock of increased salaries for TAs and GSRs. President Drake acknowledged that increased grant costs will affect younger and more diverse faculty disproportionately. Chancellors will likely have discretion to apply OP funds in ways to support those faculty.
- Council approved the joint UCPB/UCFW faculty salary increase letter requesting implementation of the announced increase to faculty salary in July, rather than October. President Drake has previously disagreed with the July implementation date and is likely to do so again. Faculty was divided about applying the increase to off-scale as well as on, so the letter asked that the 4.6 percent increase be applied across the board. The numbers provided by OP seem to suggest that the increase has been calculated on total faculty salaries, both on- and off-scale.
- Council approved UCFW letters calling for a total remuneration study and a benefits survey. David Brownstone, TFIR Chair, notes a University experience study reviewing underlying assumptions for the pension liability. After the last study, the Regents reduced the consultant's recommended 7 percent investment return assumption to 6.75 percent, increasing the unfunded pension liability from roughly 90 to 85 percent. As a result, some Regents advocate for an increase in employee contributions. A total remuneration study assessing UC compensation's competitiveness can inform responses to calls for increased pension contributions resurface.

2. UCPB has spreadsheets provided by Amy Lee, Associate Vice Provost, showing estimates for the increase in labor costs for graduate students. It appears that the calculations only cover

current graduate student workers and salaries over the length of new contracts. Not all sources of graduate student support appear to be covered.

3. A new proposal for rebenching and management of set asides has been released that includes a category for new set asides. UCPB will ask later for principles for set aside termination, continuation, and creation.

III. Consultation with Senate Leadership

Chair Cochran noted that details of graduate student contracts have yet to be finalized. Discussions will continue between the union and the UC. Cost estimates are not fixed as a result.

At the Regent's meeting at UCLA, she commented on the importance of research doctorate training as well as unsustainable funding models for that training. The remarks were well-received by UCOP but the Regents may not be in agreement.

The Senate has been tasked by Assembly Bill 928 to create a simple pathway for transfer at the Intersegmental Committee of the Academic Senates (ICAS). UCPB should think about our segment partners experiencing downturns in enrollment. The legislature has not yet penalized segments for missing enrollment targets but may. Belief persists that UC does not care about or want transfer students. The budget trailer bill targeting UCLA transfers may be only a first effort, with Berkeley and San Diego next targeted.

Council: Council forwarded comments on proposed policy for vaccination requirements and endorsed three letters: the joint faculty salary letter, and the two requests from TFIR for benefits and total remuneration studies.

Post-strike issues: There is a general sense that there will be fewer teaching assistants and PIs will pay more for GSRs and post-docs. There is some one-time money to address shortfalls. Faculty are encouraged to communicate financial needs to the Chancellors. There are reports of shrinking graduate student acceptances. The way forward with graduate student employees is complex and delicate. UCPB is the appropriate committee to raise these issues as labor negotiators may be unfamiliar with academic practices. Negotiators had to deal with a younger group with a wider sense of compensation, beyond wages and time, including issues like policing on campus, complicating the negotiation. At the time of negotiation, cost estimates were not done, and the full extent of the agreement was not clear.

- Faculty workload should not include tracking graduate student hours because academic personnel oversees workers. Chair Cochran encouraged UCPB to ask Vice Provost Lee all questions about new tracking and payroll requirements and scale articulation.
- A committee member noted that the labor unrest was precipitated because of cost of housing, a continuing and widespread issue. Could UCPB be at the front lines of generating a different discussion about housing? Lots of the solutions are inadequate. The University can negotiate new labor contracts every few years, but the housing costs will not change. The current labor agreement is both prohibitive and inadequate, and it and housing continue to impact the UC. Housing must be addressed at a higher, strategic level.

IV. Review: Proposed UC Davis Master of Management

Professor Brewer reviewed UC Davis' proposed Master of Management self-supporting degree program. It is a one-year program using the first-year curriculum of the existing MBA degree in the

Graduate School of Business (GSB). Target students come from any background without management experience. There are in person and online options as well as full and part time schedules. Tuition will be \$50,000, on the low end of in-person programs of this type. It is expected to be net revenue positive in year one. IDC is separated into an online course management fee, an SSGP tax, and a UCOP tax.

Faculty will teach on-load. Three new senate faculty members, as well as lecturers as needed for final enrollment/instructional units, are planned to be hired in the first 3 years of the program to teach in the MM and related SSGPDPs. Senate faculty and lecturers will be housed in existing space in the GSM. Administrative staff space will be shared with the other SSGPDPs in the GSM, and student fees from the MM will help cover these costs. Online students will receive course materials (recorded lectures) created by ladder-rank faculty but be directly taught by lecturers. The program charges in person students an additional on campus fee to cover costs for space and instruction. The GSM has successfully used this model for other one year business degrees.

There is interest from UC Davis undergraduates, and the plan is to market locally then internationally. Recruitment focuses on URMs, as does the broader GSM marketing.

- Discussion noted program flexibility through online and in person options but asked how the same experience for the same price will be ensured with different instructors.
- Additional questions remain about student application strategies. If the only difference is lectures from Senate faculty in person versus recorded, with all discussion sections are led by lecturers, concerns remain that students would prefer the lower costs associated with the online degree. The program compares its price point only with in person programs.
- UCPB noted how difficult it is to compare programs across campuses with different approaches to SSGP taxes. The committee doubts that all costs for on campus programs are adequately accounted for. SSGPs are the only graduate growth area, so questions about a shortfall in graduate enrollment below the compact agreement, the cost to the UC brand of growing self-supported degrees, and how to calculate real costs will continue.

Action: UCBP will give a reasonably positive review to the proposal asking how it will articulate in person/online acceptances and enrollment.

V. Budget Consultation with UCOP

Associate Director Virtanen noted a trailer bill to the budget directing that UCLA will receive \$20M less should they not complete a campus-specific Associates Degree for Transfer (ADT) agreement. Not only do existing ADTs articulate only with CSUs, and not match UC transfer requirements (thus extending time to graduation for students transferring with them to UCs), they are primarily used by well-resourced and majority white community college students. Students admitted via this route to UCLA may displace would-be transfer students from less-resourced community colleges. This is an unprecedented legislative reach into University's distribution of State funds, and SGR is working to blunt its effects, given the governor's public announcement of the bill indicating his support.

Three campuses do not have existing TAG agreements (UCLA, Berkeley, and San Diego). The UC will provide the legislature with information about new program proposals and information about lowered URM transfer numbers with standard TAGs. While UCLA currently admits the most transfers of any campus, Legislators and Regents are urgently interested in transfers to the UC. They continue to believe that the transfer process is extremely complex, and ADTs will solve the problems.

The May revision will take place before tax returns are reported due to disaster-related delays. The LAO predicts lower revenues. Compared to many other agencies, the UC is faring well with the continuation of the compact and the overall positive partnership with the governor. AVP Alcocer notes that shortfalls can cause planned expenditures and funding to be pushed forward. For example, the planned \$200M for the immunology/immunotherapy program at UCLA is now \$100M with the balance coming next year.

Whether faculty salary increases should apply to off-scale as well as on-scale salaries remains contentious. Salary scales are lower than comparator institutions, and the University cannot raise them enough to do away with off-scale salaries. The faculty is not in agreement about the best and most equitable approach. It appears that the proposed increase is enough to apply to on- and off-scale current salaries.

- UCPB noted with dismay lawmakers' reach into internal funding decisions. This approach has been referred to as "a pilot" for ADT at UCs and is unlikely to end with UCLA. The University is early in the process of responding to this action.
- Housing appears to have been the spark that caused the graduate student strike. Questions about lowering housing costs for graduate students led to discussions of possible philanthropical approaches and adding housing allowances using the model of financial aid. Universities all over the nation will face the kind of pressures the UC now faces.

VI. Consultation with OP Changes in Graduate Student Compensation

Amy K. Lee, Associate Vice Provost, Aviva Roller, Academic Labor and Employee Relations Director, Gregory Sykes, Director, Academic Data and Compensation, Kaylin Jue, Associate Director, Academic Data and Compensation, Pamela Brown, Vice President Institutional Research and Planning, Ryan Chan, Director, IRAP, Kelsey Heider, Analyst, IRAP presented information about estimates for increased graduate labor costs. Vice Provost Lee presented cost spreadsheets that were used for collective bargaining purposes. Campuses include different things in graduate support packages, so creating a systemwide model that could be used to analyze various future scenarios is unlikely. The Provost's estimates only reflected bargained salaries.

There are no set rules for scale articulation yet. Campuses had used appointment percentages to match amounts promised graduate student workers in the past. It remains unclear how scale articulation and appointment time will be managed. OP made these estimates before budget calculations. For example, GSRs on fellowship and training grants will need to be placed on scale, but they are not currently visible on UC Path. Tracking the "top-up," or the difference between the student support packages and wages, has been paid through block grants from the graduate division. Now it will be tracked through UC Path for union reporting. Eventually, "top-ups" will discontinue and be incorporated into wages, but those increased wages are not mandated to be paid from grant funds but can come from graduate division block grants. Anniversary dates and experience level calculations will be done by UC Path and not require departmental staff time to calculate or enter. The childcare reimbursement was calculated on past (pre-Covid) use by GSRs and ASEs. That cost should not change for campuses. Most costs do not vary much, but GSR costs will greatly change. Campuses used to change GSR salaries on an individual's anniversary date. Now changes are once per year, either April 1 or October 1. It will be calculated without departmental staff involvement.

OP is beginning to address details such as reviewing agreements for courses, course credits, and separate fellowships. Currently, for example, teaching assistants are hired for a certain number of hours per semester or quarter, with a workload expected to fit into that time. Students are held to the duties but have not had to report hours. Implementation of the labor agreements is in the early stages and staff do not yet have details. The cost estimates presented were only the difference between current and future bargained salaries and were to be used for bargaining rather than budgeting. Currently students are asked to fill out attestations reporting how much time they worked or missed. If credible information surfaces of untruthful reporting pay will be docked. Often, student research effort is outside of reported hours. All approaches have challenges. OP is working on templates to show clear differences between student academic and paid work expectations for graduate students. Stipends and wages will be specified separately in offer letters. The team will return next month to update UCPB regarding this issue.

- The current process for articulation between scales is arbitrary; departments back-plan based on available funds. There is no systemwide rule. The OP representatives noted that while campuses know this process needs to change, in which ways is yet unclear.
- Work expectations for research units, a credit course in which they are performing research for a faculty member, are still being evaluated by OP and guidance will be forthcoming. Template language that departments can use would be appreciated. Vice Provost Lee offered to consult with the Senate once draft language exists.
- A UCPB member asked who will supervise GSRs and fill out timesheets. The UC has not used timesheets because the work was not tracked in that way but capped per quarter or semester. This will be problematic going forward. OP is researching how other universities track this labor.
- Faculty are interested in attestations graduate students have been asked to make. Currently students attest how much time they spent or missed. If there's credible information that a student did not work but claimed to, then pay will be docked. Student work is often done outside of normal business hours making the attestation and pay process quite complicated.
- Summer salary questions included how to structure them. One campus provides summer fellowships funded by the graduate division. Academic Labor and Employee Relations Director Roller indicated that departments could offer funds unlinked to labor and can offer employment. They must abide by prior offer letters.

UCPB followed this consultation with vigorous discussion about the future of graduate education.

Points made included:

- The “emergency” addressed by bridge funding is not the only kind; the University is likely to address a funding emergency by admitting fewer graduate students and creating an educational emergency.
- One member asked what would happen if we no longer assumed that graduate students would receive funding, similar to undergraduate students now. Future employment prospects for PhD graduates are increasingly unlikely to be in academia. What does that indicate for the University ecosystem?
- A new proposal for student loan repayment, with 20 years of income-based payment followed by forgiveness, will change the idea of debt-free education.
- One member asked if there are staff at OP advocating for the role of graduate students at the UC? Is there an office that understands how the R1 university works and can help correct the course the UC is on.

- The current bullish view of the UC is that we have unlimited draw for undergrads, but the press to increase degree granting as quickly as possible loses sight of the prestigious degree resting on the research.
- Again, it was noted that the cost of housing always exceeds pay available. The new labor agreements are both prohibitive for faculty and the UC AND inadequate. A member asked if we had solved housing for students (through subsidy, construction, or some other means), a strike would have been less likely last December. Without housing, wages were adequate. If we do not solve the “liveable” part of wages, we will face strikes again and again. If ZIP loans were increased, perhaps faculty could be moved out of campus housing in favor of students.
- Perhaps good-faith effort to build bond-funded housing, even if it was only in the groundbreaking phases, would be enough to head off future labor unrest.

VII. Proposed Self-Supporting Degrees for Review

Reviewers will be assigned via email.

1. UC Berkeley Master of Climate Solutions
2. UC Davis Master of Engineering in Medical Device Development

VIII. Campus Updates

UCPB members generally discussed expected ramifications of the new contracts with graduate student workers on their campuses.

IX. Consultation about Rebenching

CFO Brostrom and Budget Director Alcocer discussed the future of rebenching – now known as the Budget Allocation Model (BAM). The UC will move from budgeted to actual enrollment, using this year as a “true-up,” following years of disparities in campuses’ actual enrollment from funded enrollment levels. Similar funding adjustment for graduate students remains unsettled after the recent labor action and contract agreement. Campuses can engage in enrollment planning guided by the compact’s agreement to pay for one percent of undergraduate enrollment growth, providing predictability.

When rebenching began, three campuses had doctoral enrollment numbers below planned levels and received extra funding to grow their programs. Two are still below hoped-for doctoral enrollment. Campuses have been asked for actual PhD enrollment numbers to align funding. Maintaining adequate numbers of doctoral students to support the mission of the UC as an R1 institution needs to be a priority. Graduate enrollment needs to be accounted for in any allocation model.

Beginning in 2023-24, a new weight of 1.5 would be introduced for undergraduate students who enroll at UC from high schools designated as Local Control Funding Formula Plus (LCFF+) schools. The higher weight acknowledges that students from disadvantaged educational backgrounds require additional resources for comparable levels of college success. This cost should work against campuses admitting large numbers of these students to secure more funding. Financial aid is socialized across all campuses. The other change proposed to student weights is reducing non-MD health sciences students to 2.5 from 5. Some discussion continues about appropriate weights for dental and veterinary students. The new weights mean the “guardrails” would no longer be used.

Merced would continue to be funded per its most recent MOU with UCOP. That funding is not primarily through set-aside, but was enrollment funded per student. Recently, the base enrollment funding will be kept with a modest cost adjustment per year and increases in enrollment will be funded on the per-student weight as all other campuses. The UCSF corridor would be modified. The annual change in UCSF's funding level would be 50% of either the percentage increase or decrease in undesignated State funding each year. UCSF's per-student funding, over time would align more closely with other campuses. UC Riverside would need to be funded to maintain current funding to make up for not having a medical center.

A planned change to set asides reducing some and ending some was refused by campuses. The group working to reimagine set-asides will form a set-aside commission meeting every two to three years to create a list of set-asides to sunset or otherwise change to bring to President Drake. Changes would be either all accepted or refused. Such a panel would likely include two chancellors, two EVCs, two Senate members, two AVCs and would ideally preclude the kind of lobbying by which campuses eagerly embrace cutting set-asides for other campuses only.

AES remains a challenging set-aside to navigate. It has a statewide mission and presence on many campuses. ANR's role in AES also complicates any revisiting of this set-aside.

CFO Brostrom noted that individual appeals on the part of programs directly to the Legislature could result in programs that receive a mandate by law for continuance, paid for from the University budget. Currently, there is no assured way to prevent this kind of approach.

- UCPB asked if there were incentives to keep campuses from admitting high numbers of LCFF+ students for higher funding. The additional costs of these students would make them cost neutral. Expanded recruitment of LCFF+ students would on balance be positive for the UC.
- A member asked whether changing health sciences weights would increase funding disparities between campuses. Changes in weights should not affect that money generated by medical centers that Chancellors claim stays on campus. The changes in medical school weights might introduce pressure to use medical centers with high returns to fund UC Health expansion plans. UC Health's plans are statewide in nature, and the strategy to support it must encompass all of UC Health. For example, San Francisco's expansion into the Central Valley is a social good and should happen in a planful way.
- A committee member noted that the mission of the university is under duress. Our degree is more sought after than a CSU degree because of the research component and we are training academic PhD students, which benefits undergraduate students. Currently, a few campuses are below the AAU undergraduate/graduate ratio. We need to think about graduate and undergraduate student enrollment when thinking of set asides. Budget Director Alcocer suggests thinking of the University as an ecosystem. If we change our thinking from numbers of students to strengthening our graduate enterprise to serve the mission, we define it in UC terms.
- UCPB suggests that the Senate or Council as well as chancellors vote for set-aside cut lists proposed by any panel to ensure greater buy in.

Attest: Donald Senear, Chair
Prepared by Stefani Leto, Analyst
Meeting ended at 4:02pm