UNIVERSITY OF CALIFORNIA ACADEMIC SENATE
UNIVERSITY COMMITTEE ON PLANNING AND BUDGET

Minutes of Videoconference Meeting
June 1, 2021

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 (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 Horwitz (Vice Chair, Academic Senate); Nathan Brostrom (CFO); David Alcocer (AVP); Jason Murphy (Associate Director, Legislative Affairs); Seija Virtanen (Associate Director, SGR); Stefani Leto (Analyst)

I. Consent Calendar and Announcements

Action: UCPB approved the consent calendar.

II. Systemwide Review Items

Actions:

1. Professor Dard Neuman agreed to review the Proposed Presidential Policy: Fee Policy for Graduate Student In Absentia Registration.
2. Professor Holly Doremus agreed to review the Pre-proposal for the UC Berkeley College of Computing, Data Science, and Society.

III. Budget Consultation with UCOP

- *Nathan Brostrom, Chief Financial Officer*
- *David Alcocer, Associate Vice President, Budget Analysis & Planning*
- *Seija Virtanen, Associate Director, State Budget Relations*

CFO Brostrom summarized the Governor's May Budget Revision. The University will receive a $506m increase in permanent funding, including restoration of last year's $302m budget cut. The budget also includes one-time funding increases for seismic upgrades and outlays for deferred maintenance. The Governor also proposed to remove the Office of the President budget from a line-item appropriation and return it to a campus assessment model.

Associate Director Virtanen informed UCPB that the Senate rejected the removal of the line-item budget model for UCOP. Both the Senate and the Assembly approved one-time funds for deferred maintenance. She noted that the Senate wishes to impose a systemwide 10% cap on non-resident enrollment, and proposes to replace lost tuition revenue to fund the enrollment of more California residents, while the Assembly wants to put an 18% cap on nonresident enrollment without in-state student funding. Both houses want to increase California resident enrollment at the UC.

AVP Alcocer discussed a proposal for State funding of student housing. Much of the money would go to community colleges. This appears to change the Master Plan, making community colleges a

residential, rather than primarily local commuter option. The lack of a higher education coordinating body such as the former California Post-Secondary Education Commission (CPAC) makes meaningful approaches to a potential revision of the Master Plan challenging.

- It was suggested that the higher education system is used as a proxy social support system, with projects supporting students' basic needs and housing.
- It was noted that the legislature's concerns about non-resident students center on the three campuses with the highest rates, with a persistent belief that each out-of-state student physically displaces an in-state student.
- It was noted that the UCOP component of the ANR budget has stayed flat or decreased, while the component funded by campus set-asides has increased. The legislature believes that ANR would receive less funding under an assessment model, which explains some of its concerns about the assessment model.
- A UCPB member asked about the UCOP policy on publicizing financial statements. All financial statements are as transparent as possible, and the Campus Financial Schedules are publically available.
- It was noted that the Assembly rejected the Governor's proposal for a 10% increase in online courses, but it might persist in the final budget.
- Vice Chair McGarry asked about insurance cutbacks for traumatic brain injury (TBI) coverage, and possible liabilities. CFO Brostrom noted dramatic changes in insurance coverage, with exceptions for TBI, sexual misconduct, and cyber risk. He suggested that UCPB schedule an item to discuss insurance next year.

IV. Report from the SSGPDP Workgroup

- *Katherine McGarry, Vice Chair UCPB*
- *Andrea Kasko, Vice Chair CCGA*

In 2019-2020, CCGA and UCPB formed a joint working group to analyze the academic and financial impact of self-supporting graduate professional degree programs (SSGPDPs) Vice Chair McGarry and CCGA Vice Chair Andrea Kasko co-chaired the working group, which has generated a report and list of recommendations. The subcommittee explored issues arising from the proliferation of these programs, which campuses see as one answer to diminishing State support.

The Subcommittee focused on five areas:

1. Hidden costs of the programs
2. Faculty compensation and Equity, Diversity, and Inclusion (EDI)
3. Rapid changes in program structure and content
4. Reputational effects of the programs on the University
5. Definitions of program's success or failure

The subcommittee found concerning elements in each area of inquiry, and its recommendations are informed by experiences with existing SSGPDPs. The subcommittee focused on transparency and information sharing and found that revenue information is unclear, even on a campus level.
The draft report recommends that programs report significant changes to CCGA and UCPB prior to the three-year review; discuss explicitly their contributions to the campus at the third year and later review; monitor EDI for instructors as well as students; report both positive and negative

impacts on campus community, including indirect cost increases; and track effects on quality of non-self-supporting programs, including PhD programs. It also recommends that CCGA and UCPB work with campuses to develop a list of best practices; guidelines for the disestablishment of programs; and practices requiring transparency in accounting. CCGA and UCPB should also host an annual orientation for deans, division chairs, and others about best practices for the programs.

- Chair Malloy thanked the Subcommittee chairs for their work, noting how useful the report is for UCPB's concerns with SSGPDPs and how clearly it lays out solutions.
- Professor Kasko noted rapid changes in SSGPDPs based on their innovative subject areas, increasing the importance of rapid evaluation and sunsetting of the programs.
- It was noted that SSGPDPs function as private programs within a public university, and having revenue-sharing models would help. The effects of the 2009 financial crisis and continued State disinvestment can be seen in the proliferation of these and other entrepreneurial programs.
- A suggestion was made by a UCPB member to consider something akin to the Alternative Minimum Tax for payments from the SSGPDPs to campuses, given the complexities surrounding determining their true revenues.

Action: UCPB voted to approve the report and coordinate with CCGA to send it with a cover letter to Council for endorsement.

V. Consultation with Senate Leadership

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

Chair Gauvain noted that Vice Chair Horwitz will chair the Intersegmental Committee of the Academic Senates (ICAS) next year. The Feasibility Study Working Group continues to investigate a possible role for the Smarter Balanced Assessment Test in UC admission as a replacement for the SAT/ACT. The Regents expect a report on this issue in November.

The systemwide Senate issued guidelines and recommendations about issues for campuses to consider in reopening to in-person instruction. They are intended to serve as a reference point for faculty. The Senate has also completed a systemwide survey of faculty experiences with remote instruction. The results, including by-campus results, will be sent to campuses and presented to the Regents in July.

The Accellion data transfer breach is ongoing. Chair Gauvain urged all to sign up for identity and financial information theft protection, offered by the University through a third party.

Cecilia Estolano will become Chair of the Regents in July, and Regent Lark Park will chair the Committee on Academic and Student Affairs.

The President has released a Draft Presidential Campus Safety Plan for review. There is a relatively short review period, and Chair Gauvain urged committee members to share the plan with their campuses and provide feedback.

Vice Chair Horwitz noted that the Working Group on Mitigating the Effects of COVID-19 on Faculty includes faculty and administrators, and is co-chaired by Vice Chair Horwitz and UC Davis Provost Mary Croughan.

Senate leadership met with representatives from the Chegg website to discuss faculty concerns about the website, which some students use to cheat on exams and share copyrighted materials. Leadership and the UC Office of General Counsel continue to discuss a possible institutional response.

The Ethics and Compliance and Audit Services (ECAS) Office at the Office of the President is putting together a help sheet to guide faculty with implementation of ECAS' security guidance.

- A UCPB member asked about the odds of any test being used for admissions. Chair Gauvain noted that since the Smarter Balanced Assessment test students' knowledge of the A-G subject requirements, it may be less prone to the biases impacting tests like the SAT and ACT. One complicating factor is that the previous standardized tests did help students who performed badly in classroom work, but tested well, and that group included a number of URM students. Admissions decisions will continue to be challenging for the University, as long as campuses lack space for all California students who qualify under the Master Plan for Higher Education.

- Faculty are concerned about an "Unleashing Entrepreneurship" plan discussed at the Regents, its effect on the APM, and the possibility that faculty would be rewarded specifically for entrepreneurial activities. There is concern that faculty should not be rewarded twice for the same work, or skew their research toward more-rewarded areas. There is also concern about devaluing teaching and undermining teaching schedules should faculty receiving time off from teaching to pursue entrepreneurial activities.

VI. Future Priorities for UCPB

UCPB discussed topics of interest to the committee for the coming year, including insurance issues, rebenching, SSGPDPs, and budget consultation/transparency. Additional issues are Clarifying expectations for consultation regarding budgets for campuses was suggested. Tuition remains a concern of the committee, especially the implications of a cohort tuition model. State disinvestment, combined with selective re-investment, and its effects on the University, such as increasing the use of programs such as SSGPDPs is an ongoing concern. Chair Malloy believes that until public perception returns to higher education as a public good, all budget discussions will be of limited effect.

Negotiated Salary Trial Program Phase II Report

- *Susan Carlson, Vice Provost for Academic Personnel*
- *Gregory Sykes, Director Academic Data and Compensation*
- *Kaylin Jue, Analyst*

Vice Provost Student Carlson, Director Gregory Sykes, and Analyst Kaylin Jue from Academic Personnel and Planning presented an update on the Negotiated Salary Trial Program Phase II Report.

The NSTP began in 2013 as an experiment to help supplement the salaries of some faculty who brought in money from varied sources. It was seen as a possible retention device for faculty, and a way to provide for faculty while directing State funds elsewhere.

The benefits of the program vary by discipline, with biological and physical sciences and engineering experiencing the greatest rate of return. The number of participants has increased each year, with six campuses currently participating. All campuses except for UCSF are eligible. Most participants are full professors. The latest report adds a breakdown of the gender and race of participants, which is roughly the same as their departments, so fewer women than men participate.

The University has surveyed faculty about their participation, and department chairs who have faculty enrolled in the program. Chairs see the program as an important tool in faculty retention. Next year is the deadline to establish the program formally or end it.

- UCPB members noted concern that the program reflects and exacerbates existing inequalities among disciplines and genders.

- A UCPB member asked about faculty receiving money that they did not directly bring into the University, and Vice Provost Carlson noted new language in Phase II of the program indicating that money has to come from non-State funds brought in by the faculty's activity.

- Chair Malloy asked if the program biased researcher's choices toward varied funded sources, and requested a question about research choices in future surveys about the NSTP. A UCPB member asked about faculty behavior before and after participation in the program, to reveal any concerning effects.

VI. Campus Updates

UCB is exploring auctioning Non-Fungible Tokens (NFTs) to raise money. The campus is asking units to find $65m in cuts. Units are asked to loan money to central administration, but details on repayment are not yet finalized. Monetizing campus-owned real estate is one approach considered for increasing funds. Fall classes will begin fully in-person.

UCD needs to create a new academic plan as the current one is two years out of date. COVID-19 planning has complicated this process. The campus is optimistic regarding fall in-person instruction but concerned about international students and options for their return. A pilot campus bookstore program providing students with ebooks will continue.

UCI has a new Provost. The budget will continue as it has during COVID, but the campus is implementing 2% cuts to academic units and only hiring replacement faculty.

At UCLA, some faculty groups oppose the new campus budget model and hub and spoke administration, which has centralized some functions such as IT support. Although the Senate has been involved, reports were released late in the process, leading to the impression that there was no faculty consultation. NRST caps imposed by the legislature would have a significant negative impact on campus.

UCM has received a record number of applicants but currently projects only 90% of last year's enrollment. Since the campus is funded almost totally through tuition, 108% of prior enrollment is needed to make ends meet. Planned budget cuts remain in place, and the campus financial plan was approved without CAPRA input. The campus' library receives less per-student money than any other campus.

UCR has a new provost who has created a campus finance committee, staffed by deans, vice chancellors, and chairs of the Division Senate, Planning and Budget, and Staff Assembly. This committee will discuss shared governance and consultation. The campus has borrowed from STIP and is implementing short-term budget cuts.

UCSD has been discussing graduate student housing after the controversy over increasing prices. The Planning and Budget Committee wants greater oversight of housing and dining financial planning. The campus is exploring ways to compensate staff for extra work taken on during the financial management system switch-over, which has led to interest in staff equity reviews. Other campuses requested documentation about San Diego's experiences with the transition to the Oracle financial management system.

UCSF has created an COVID Faculty Career Support Task Force, to address the uneven impacts of COVID on faculty members. The Health Modeling Consortium focused on COVID was approved without informing the Academic Senate or consultation with them.

UCSB's budget committee is discussing what campus financial information is shared with faculty publically and to CPB. The campus committee is interested in hearing from other campus budget committees about whether their campus revenue statements are public and routinely communicated to their committees.

UCSC's Committee on Planning and Budget has completed its FTE recommendations and is concerned that off-cycle requests complicate the planning process. There are also growing concerns about the possibility of a strike by lecturers and/or GSAs. The joint working group on graduate student funding has presented to the Senate and has agreed on first steps in response to the report.

TF-ANR hopes to participate with UCPB in budget talks about ANR's budget over the summer.

TFIR is working to improve information for new employees regarding the respective benefits of "savings choice" versus "pension choice." Systemwide HR may hire certified financial planners to counsel employees about both the initial election as well a one-time second choice switch from savings to pension option after five years of employment.

The graduate student representative noted that graduate students have delivered more than 10,000 authorization cards to the labor board, indicating that graduate student researchers will unionize.

The meeting adjourned at 3:52 pm
Prepared by Stefani Leto, Analyst
Attest, Sean Malloy, Chair