

Minutes of Videoconference

July 11, 2017

I. Announcements

Bernard Sadoulet, UCPB Chair

Update: Chair Sadoulet reported on two items of interest:

- State Budget: 1) The UCOP-line item may be short-lived, but it is much a political decision as a business one. The Senate has asserted that the UCOP-line item will give auxiliaries a free ride by exempting them from contributions to system well-being, and a proposal with internal tradeoffs to make funding the center revenue neutral may be developed. 2) The legislature has attached strings to \$50M: implementation of the audit's recommendations, expansion of the Activity-Based Costing pilot, and achievement of the 2:1 freshman:transfer enrollment ratio at each campus (regardless of the systemwide ratio). The Senate and UCOP are preparing arguments to push back against these strictures. 3) The legislature has requested that \$5M in new funding for graduate students be targeted at California residents.
- Agriculture and Natural Resources Task Force: Vice Chair Schimel reported that the task force met last month with ANR leaders and had a good discussion centered on a budget overview. The task force is concerned over the continued conflation of ANR faculty with Senate faculty at the campuses. Other issues to pursue include transparent accounting for cross-campus projects and clearer communications across the system. Better integration of ANR programs and research projects with similar campus efforts is also needed.

II. Consent Calendar

Note: Item deferred.

III. Review Items

1. Self-supporting Program Proposals

a. UCB Masters of Molecular Science and Software Engineering

Russ Pieper, UCSF Representative and Lead Reviewer

Issue: This will be an online program, and start-up costs will be covered by an NSF grant and a loan from the Operational Excellence program of \$1M for course development. Enrollment is expected to off-set the loss of the NSF grant in time, but repayment of the loan to Operational Excellence is not discussed. Facilities agreements with libraries and other units were submitted. The market analysis seems strong, and need-based return to aid of 10% was specified. The largest concern is faculty retirement and the shifting of instruction to lecturers after only a few years.

Discussion: Members noted that faculty turnover is a concern in most academic planning areas, but specifically with SSPs. The need to refresh content in these areas highlights the concerns of losing ladder faculty in these programs.

b. UCB Masters of Information and Cyber Security

Mukesh Singhal, UCM Representative and Lead Reviewer

Discussion: (continues from June) Members noted that business plan concerns remain, in addition to the process questions relating to the two lead schools. Members worry that prioritizing revenue generation may have led to lax academic review. Members reiterated concerns about the role of an external, for-profit partner and transparent auditing.

Action: Analyst Feer will draft a memo to CCGA for electronic approval.

c. Self-supporting Summary

Discussion: In addition to faculty turnover concerns, many members noted that three proposals for Doctor of Nursing Practice were received this year – the impacts of each on the market were not taken into account by subsequent proposers. Systemwide academic planning may need a stronger role. Members also noted that not all proposals included guaranteed budget projections, but some proposals may have been started before that requirement was issued. Members also noted that no reviews of any SSPs have been received for evaluation. Clear guidelines for the involvement of external parties are also needed.

Action: Chair Sadoulet will convey these concerns to CCGA and the Academic Planning Council.

2. Proposed Presidential Policy on Electronic Information Security

Andrew Kahng, UCSD Representative and Lead Reviewer

Issue: The proposal is both too vague and too technical to be implemented by rank and file faculty and staff. As written, the faculty administration onus would increase drastically. Given the complexity of these issues, implementation guidelines and decision trees must be issued. Systemwide standards are needed, not another 10 campus piecemeal approach.

Action: Analyst Feer will draft a memo for electronic approval.

IV. Consultation with Academic Senate Leadership

Jim Chalfant, Academic Council Chair

Update: Chair Chalfant updated the committee on several items of interest: 1) A proposal to change employer contributions to retiree health has been deferred from the July Regents meeting to the September meeting. The Senate is asking for the data underlying the proposal and a review of the strategic goals reflected in the proposal. 2) The Regents will discuss augmented review this month. 3) UCOP-State relations require a greater nuance of understanding that can only be achieved through better communications and relationships. Whether good faith efforts are sufficient to achieve state mandates is unknown. 4) The Senate will continue to push back against activity-based costing models as they do not account for academic quality. Assistance articulating the philosophical and pedagogical objections is welcome.

V. Consultation with the Office of the President – Finance

Kieran Flaherty, AVP and Director, State Government Relations

Cain Diaz, Associate Director, Operating Budget

1. State Budget and UCOP Line-item

Issue: AVP Flaherty reported that after the state budget became final, his office met with COO Nava, Director Alcocer, and Regent-Designate Park to begin brainstorming how to reverse the UCOP line-item for 2018-19. UCOP opposed the line-item, and several Regents and chancellors appealed directly to Sacramento contacts. The fact that UC budget cycles do not align with state budget cycles is one obstacle still to be overcome.

Discussion: Members asked if Sacramento would believe UCOP, after all the contentiousness this year. AVP Flaherty noted that relations with the Department of Finance and the state Senate are considerably better than relations with state Assembly at present. The governor tends to allow his departments autonomy, but legislative support is still necessary.

Members asked about the new strings to state funds, and AVP Flaherty noted the four issues cited by the legislature as targets for scrutiny: UCOP's response to the audit, out-year enrollment growth of California residents, transfer ratios, and activity-based costing pilots. In the past, the Department of Finance has offered a good faith standard for adjudicating UC efforts at redress, but the current budget language requires that "all possible action" be taken; how this will be operationalized is still to be determined. Members asked about the language asking UC to prioritize California residents in graduate admissions, and AVP Flaherty noted that this was still trailer bill language at this time and could be amended. A final decision is expected by the fall.

2. Off-the-Top Assessments

Discussion: Members noted that current data are needed, and clearer tracking of funds flow would help all stakeholders understand the process better. The audit similarly asked for how funds are allocated to Presidential Initiatives, and UCPB echoes this call, seeking how the campus funds intermingle operationally, not just at the distribution level of analysis. Associate Director Diaz reminded members that the local UCOP budget office processes would be presented to the Regents this month.

3. Retiree Health Liability, UCRP Borrowing, and Debt Capacity

Note: Item deferred until such time as CFO Brostrom can be present.

VI. Further Discussion and New Business

1. Carry-over Issues for 17-18

Discussion: Members noted that topics for consideration by next year's UCPB include analysis of resources per student by campus, continued development of metrics for assessing academic quality, capital planning transparency, and SSP process improvements.

Meeting adjourned at 12:15 p.m.

Minutes prepared by Kenneth Feer, Principal Analyst

Attest: Bernard Sadoulet, UCPB Chair

Attendance:

Bernard Sadoulet, Chair

Josh Schimel, Vice Chair

Cathryn Carson, UCB Alternate

Steve Gross, UCI Alternate

Eleanor Kaufman, UCLA Alternate

Christian Shelton, UCR

Russ Pieper, UCSF

Ann Jensen Adams, UCSB

Abel Rodriguez, UCSC

Andrew Kahng, UCSC