

**Minutes of Videoconference Meeting  
January 4, 2022**

Present: Kathleen McGarry (Chair, Los Angeles); Don Senear (Vice Chair, Irvine); Heather Rose (Davis); Alyssa Brewer (Irvine); Evelyn Blumenberg (Los Angeles); Jayson Beester-Jones, alternate (Merced); Dana Simmons (Riverside); Jeffrey Gee, alternate (San Diego); Marc Steurer (San Francisco); James Rawlings (Santa Barbara); Dard Neuman (Santa Cruz); David Brownstone (TFIR); Eleanor Kaufman (TF-ANR); Susan Cochran (Vice Chair, Academic Senate); David Alcocer (AVP – Budget Analysis and Planning); Seija Virtanen (Associate Director, SGR); Stefani Leto, Analyst.

**I. Consent Calendar and Announcements**

**Action:** UCPB approved the agenda of the January 4, 2022 meeting and the minutes of the December 7, 2021 meeting.

**II. Chair's Announcements**

Chair McGarry reported that she and Vice Chair Senear discussed rebenching with UCOP budget administrators. UCPB hopes to be part of the efforts going forward.

Chair McGarry noted that UCPB's working group on UC Health is examining the flow of funds between medical centers and campuses; that effort should inform upcoming rebenching discussions.

### **III. Senate Leadership Update**

Academic Senate Vice Chair Cochran briefed UCPB on issues before the Senate:

Labor: Graduate Student Researchers' status is a key remaining issue in negotiations with the union. STEM students working in labs are likely to be considered union members, with profound implications for graduate training.

Senate Membership: Unit 18 lecturers, health sciences clinicians, and ANR Specialists have expressed interest in Senate membership. The recent contract agreement with the Unit 18 lecturers has set aside the question of their Senate membership until their next contract negotiation. The Senate is examining health sciences clinicians' classifications, believing that a number of these faculty are misclassified.

Climate: The Climate Crisis Working Group approved a memorial which will go to Assembly next month, then to campuses for a vote of the full faculty.

COVID: The Recommendations for Mitigating COVID-19 Impacts on Faculty have not been as widely disseminated as hoped. All faculty should be aware of the recommendations.

IT Transfers and Entrepreneurship: Council has received recommendations for improving the climate for faculty engaged in patent development and/or startups.

UCIE: A proclamation suspending visas for faculty working with Chinese Universities involved with organizations involved with the Chinese military's strategy is considered overly broad. Council has voted to approve a letter stating concerns.

Teaching Modalities: Adapting teaching modalities in response to COVID as well as varying student needs varies widely across campuses. Disabled students at UCLA have asked for ongoing accommodations, and concerns exist that some extend far past ADA requirements.

ICAS: The Intersegmental Council of Senates has been working to change how pathways of transfer are handled across the three systems. Complicating the efforts is the reality that the community colleges and California State Universities receive their funding directly from the legislature, so they have less flexibility than UC.

Joint Administrative/Senate Master's Degree Work Group: The group believes they have come up with a charge that the administration has agreed to, and meetings will begin. The group will discuss how master's degree reviews will proceed.

Online Education: Some new proposed undergraduate degrees are fully online, others hybrid. The Senate will discuss what the elements are central in a degree from UC and whether or how these elements might exist for the proposed fully online degrees.

Nominations for Academic Senate Vice Chair: Senate members are asked to nominate themselves or other faculty to serve as systemwide Vice Chair for next year.

- Discussion noted that while much attention is paid to health sciences clinicians' desire for Senate membership, the issue remains important to ANR Specialists.

#### **IV. Budget Consultation with UCOP**

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

Director Virtanen reported that the legislature has reconvened. Redistricting and term limits will create high turnover in the legislature. Many new members will enter in 2024. She noted that some members of the legislature are asking about fully online education for purposes of expanding access to a UC education, but also in hopes that it will be more cost-effective than traditional UC education. Predicted record surplus funds for the state may result in additional one-time funds for the University. The Regents will be asked to approve a supplemental request for funds. A final number for University allocations will not be reliably available until the end of August.

AVP Alcocer discussed enrollment growth, focusing on the pandemic era, noting enrollment's impact on budget negotiations. The State has mandated an enrollment target, which has routinely been exceeded, without additional funding from the state, for students in excess of target numbers. Summer, 2020 had high enrollment, for all-remote classes. In addition, a higher yield rate and smaller "melt" (when students indicate that they will enroll but do not) meant that for 2021-22, student enrollment was approximately five thousand more than the 4,680 funded by the legislature. Predicting future enrollment should become more accurate as admissions officers refine a post-standardized test admissions process and the impact of COVID subsidies.

The COVID surge may impact University revenues if students receive refunds for housing contracts should they be required to remain remote at the beginning of January, 2022. The University hopes impacts will be time-limited.

- TFIR Chair Brownstone asked if ad-hoc COLA adjustments for pensions came from UCRP funds; AVP Alcocer replied that they did.

#### **V. UC San Diego Proposal for an Eighth College**

Professor Dana Simmons presented a review of the proposed eighth and residential college at UC San Diego. The college would rebalance the student body on campus, and provide a liberal arts living and learning experience, centered around community engagement.

While the proposal echoes the campus' experience as it established the seventh college, she noted concerns regarding staffing and staffing cost estimates. There will be a relatively larger increase in administrative and supervisory staff, compared to student serving staff. Student serving staff will be moved from existing colleges, which may negatively impact their levels of student services.

Academic staff for the proposed college consist of almost all non-Senate faculty. While acknowledging staffing constraints on existing colleges, the proposal does not articulate a plan to mitigate strain on those colleges engendered by reassigning staff. One of the core requirements is a capstone project, which requires enormous faculty time investment, and long-term faculty-student relationships. There was concern expressed about mentoring for the capstone.

Discussion included a sense that the proposal, sent without a pre-proposal cycle, seemed to need greater refinement. Concerns regarding a high reliance on Unit 18 lecturers were noted. Committee members expressed positive reactions to the college's focus on community engagement.

**Action:** UCPB will write a response memo noting both their support for the purpose of the college as well as concerns.

## **VI. Graduate Student Issues**

Professor Dard Neuman noted growing awareness of graduate student issues caused by increased housing costs and COVID. The strike at UC Santa Cruz was driven by graduate student pay that was insufficient to meet housing costs.

Changing laws around union membership will affect how PIs structure lab work for graduate students.

Professor Neuman indicated that extensive work was needed to produce the Joint Working Group on Graduate Education report at UC Santa Cruz, and asked UCPB members to use the indexes of the report to gather data from their own campuses about graduate student pay, workload, and faculty experiences. Cross-campus comparisons are needed to address pressing and potentially disruptive issues with graduate education. Campuses vary widely in areas such as indirect cost recovery, teaching loads, and views about the purpose of graduate stipends. Disciplines also vary along these axes.

TAs, towards which 65 percent of core funding goes, can be viewed either as ways to support graduate students financially and educationally, or as a way to support undergraduate education. Faculty vary in their perception of the work TAs do.

Professor Neuman noted that UC Santa Cruz is implementing recommendations from the JWG, so that comparative work on other campuses may produce equally successful outcomes.

Discussion included the impact of graduate student funding on cost of instructional models, as there is not great clarity. Other discussion touched on the differences in funding STEM vs non-STEM graduate students, and the high cost of non-resident tuition perhaps depressing employment opportunities for international graduate students.

## **VII. Overview of UC Health**

Professor Marc Steurer briefed UCPB on the progress of the UCPB UC Health Working Group. The work group includes Professors Brewer, Blumenberg, and Chair McGarry (ex officio). They proposed to examine funds flow between UCSF Medical Center and the School of Medicine (SOM) as a beginning and then expanding to include an examination of all six UC Health systems.

The group proposed a timeline for the work, with presentation of a report by May. Areas of interest concern funds flow for all six medical centers, primarily to the SOMs; a high-level collection of data such as total funds, and FTEs for FYs 19-21; and qualitative feedback from local Dean's offices and budget committees.

The work group has a list of questions intended to understand local models of funds flow, assuming that differences exist among various campuses.

Based on the UCSF model, Professor Steurer explained that UC Health receives all clinical revenues, such as professional fees, facility fees, technical fees, capitation funds, and various payments from governments such as CARES Act funds. In return, UC Health manages expenses, through payments to departments for clinical work, mission, and overhead; payment for buildings and other structural needs; and operational costs.

High-level inquiry areas for the group include the magnitude of the payments to SOMs/departments; the financial bottom line for UC Health revenue; effects of the significant growth of the UC Health enterprise; and the highly symbiotic relationship between SOMs and medical centers.

UC Medical Centers engender billions of dollars in revenue, although accounting choices make precise measurements challenging. Great opportunities exist in numbers of this magnitude.

Discussion topics included the need for greater stakeholder input in the amounts used to depreciate revenue for each center. Professor Steurer noted that there may be local variation in assumptions for depreciation. Concerns regarding pressure for academic faculty to perform more clinical services than they had contracted for. The issue of correct classification for clinical faculty is challenging as the clinical enterprise engenders the bulk of revenue, but committee members agreed that questions about representation and workload for clinical faculty were beyond the scope of the work group. UCPB noted that decisions about hiring and other issues ultimately affect the academic mission and would be a fertile area for future inquiry.

UCPB members were invited to join the work group.

## **VIII. Discussion of Rebenching**

AVP Alcocer and Vice Chair Senear presented a detailed presentation on the history and future of rebenching. UCPB expressed interest in the student weighting formula, determination of cost of instruction, the importance of budget set asides and the proposed guardrails—components that appear to mitigate the intent and effectiveness of the weighting formula.

Student weights were established to account for the differing costs of educating various groups of students. Guardrails were added to avoid treating campuses too differently based on formulae alone and specifically, that no campus on an unweighted basis is considerably underfunded than any other.

Set asides have increased since the original work of rebenching. They are budget dollars outside of enrollment-based funding. They reflected areas the legislature or OP thought needed direct funding. State funding changed to a lump-sum model under former Governor Brown. The University continued to allocate those funds as though they were under their own budget line items, in order to not completely change budget approach.

These approaches were each designed to address a need and provide internal coherence. Rebenching was a way to think about state funding and to uphold principles of equity between

campuses. However, campus funding is not simple. One way to evaluate rebenching is to compare campuses and investigate if funds are more equitably funded than prior to rebenching. Cuts in state funding still mean that per-student funding is not enough to fully fund the provision of undergraduate education.

The Budget Office would be happy to model any suggested approaches brought to it by UCPB.

- TF-ANR Chair Kaufman asked about the merits of ANR Agriculture Experiment Station (AES) funding being a line-item rather than a set aside, or another format. AVP Alcocer indicated that funding can come from the campus, out of enrollment funding, or as a set aside before allocating enrollment funding, or out of the OP assessment, as a shared responsibility among campuses.
- Questions arose about how accurately weights reflect “true” costs of instruction, given how difficult it is to truly parse out what constitutes those costs. Differing views about the purpose of TAs for graduate students are one example of this problem. AVP Alcocer noted that the legislature would like an accurate cost of instruction, and the University is tasked with an annual report stating the cost.
- Vice Chair Senear raised the possibility of a “blended” rate – for example, PhD students ideally are taught by professors also teaching undergraduates, health sciences disciplines vary in actual cost of instructions – so a model that reflected some measurement of faculty numbers might be more accurate. The state has not been funding graduate enrollment, so if all students were funded at the same rate, campuses can make their own decisions regarding the appropriate number of graduate students. Being extremely clear about which dollars go to which type of student invites micromanagement of the University’s process. AVP Alcocer noted that the fungibility of dollars means that unless all campus funding sources were taken into consideration, it greatly complicates the message that the state should fund students at fixed rates across all campuses, without prioritizing one over another.
- In response to a question from UCPB, AVP Alcocer noted that guardrails are not temporary, but phased, so that campuses would move closer to parity.
- Vice Chair Senear noted that no funding model matches any of the varied models of actual costs of instruction – the University is spending more per student than calculated. AVP Alcocer agreed that costs may exceed state allocations but the legislature is eager to find new models of instruction (online and summer session instruction) which may cost less than traditional instructional delivery. The University is concerned that having a conversation about how the state is not paying enough would result in a less positive outcome.
- Adding to the OP assessment is unpopular with the legislature
- Graduate student funding varies among campuses. In addition, all campuses contribute to financial aid at the same rate, while student need for financial aid varies among campuses.
- AVP Alcocer agreed that a combination of weights and programmatic funding may be the most rational approach to achieve the University’s aims. He asked UCPB to bring any suggestions forward, noting that his office was available to model almost any scenario. The rebenching work group agreed to work closely with the Budget Office throughout the process.

## **IX. Items for Optional Senate Review**

UCPB agreed to discuss the *Proposed Revisions to APM 025 and APM 671, Conflict of Commitment and Outside Activities of Faculty Members* via email and decide whether to provide a letter to the Academic Council.

## **X. Campus Updates**

UCD: CPB is finalizing the agenda for the budget retreat at which faculty executive chairs meet with the administration.

UCI: The Chair of CPB earns a stipend which can be applied to a teaching buyout or used as a research stipend but must be negotiated.

UCLA: UCLA provides a course release for Senate service, but the course has to be negotiated by individual faculty. The transition to a new activity-based budget model is ongoing and substantial. CPB will continue to provide input to the model and its implementation. CPB is also examining funds flow between the medical center and campus.

UC Merced: The first budget call for the campus is being worked on. Committee service receives no course release, but chairs receive a stipend.

UCR: The campus is negotiating about measuring cost of instruction across various disciplines and schools. UCPB members were asked to report if their Senate service was rewarded with course releases or research funds.

UCSD: Implementation of the new financial situation is ongoing, and CPB had a promising meeting with the Chancellor which clarified responsibilities for different portions. There is still no resolution for issues with graduate student housing, and any information from other campuses for solutions is welcome.

UCSF: COVID protocols are being adjusted and concerns about workforce management for the clinical enterprise continue as more healthcare providers are becoming infected. Service does not receive course release or research funds.

UCSB: The executive leadership of CPB met with the EVC and asked for more input into strategic FTE management. Plans for greater involvement in future were made. Senate service can be recompensed but there appears to be no fixed policy.

UCSC: The campus plans to begin with remote instruction and will watch COVID impacts going forward. CPB members get a policy-based course release or \$8000 research stipend, and the chair receives two course releases. This does not apply to all Senate committees. They have weekly meetings with the EVC and budget director.

Chair Kaufman noted that TF-ANR met and would like to raise the issue of Senate status for Specialists again, if the status of clinical faculty is being reconsidered. TF-ANR discussed the structure of the ANR Governing Council and its sufficiency for shared governance in the ANR system. The task force is considering recommending an external review of ANR, especially as the Governing Council plans to propose an expansion of AES divisions to include UCs Merced and Santa Cruz, and will work on drafting a letter to bring this recommendation before UCPB.

The meeting adjourned at 3:42 p.m.  
Prepared by Stefani Leto, Analyst  
Attest, Kathleen McGarry, Chair