UNIVERSITY OF CALIFORNIA   ACADEMIC SENATE
UNIVERSITY COMMITTEE ON PLANNING AND BUDGET
Minutes of Meeting
December 4, 2018

I.   Consent Calendar

   ➢ Approval of UCPB December 4, 2018 agenda
   ➢ Approval of UCPB November 13, 2018 minutes

ACTION: UCPB approved the consent calendar.

II.   Announcements
   o *Jim Steintrager, UCPB Chair*

November Council Meeting: Council discussed the 2019-20 UC budget proposal outlining the University's revenue needs and expenditure priorities, and a draft four-year framework for full funding of the University that describes the University's commitment to increasing degree completion and reducing time to graduation. (UCPB will discuss the framework at today's meeting.) Members of the UC Publisher Negotiation Task Force briefed Council on the progress of negotiations with Elsevier for subscription contracts that expire December 31. If UC's current licensing agreement collapses, the University may lose immediate access to some Elsevier publications for some period of time. The University has a contingency plan for alternative access to journals that relies on existing Interlibrary Loan arrangements.

SSGPDP Review: The chairs of CCGA, UCPB, and UCAP met to discuss Chair May's request for a review of the overall success and effectiveness of the Self-Supporting Graduate Professional Degree Program (SSGPDP) program.

III.   Campus Reports

One UCPB member noted that campus leaders have asked for feedback on a multi-year budget and enrollment framework template from UCOP that requests information about campus efforts to improve degree attainment and the capital investments that are needed to achieve their enrollment and degree attainment goals. Outside of this request, there has been little or no Senate consultation on campuses about the framework.

The UCSC CPB is collaborating with CEP on a study of impaction. CPB is seeking best practices on other UC campuses for preserving access to impacted majors. CPB is also preparing for the upcoming review of the campus' first SSGPDP proposal, and will participate in a campus faculty work group discussing ways to mitigate the effect of increasingly frequent labor actions on campus operations.

The UCI CPB is discussing an effort by the UCI School of Business to establish a fully online undergraduate degree program, the first of its kind in the UC system. The proposal, along with the university's more general push to increase online education, raises questions about the nature

of the education UC provides and about the effectiveness and quality of online education.

UCB is discussing the potential move to a Responsibility Center Management (RCM) budget model, a method of internal budgeting that allocates revenues and costs to individual departments and devolves budget decision-making responsibility to them. Riverside and Davis recently adopted RCM models. UCR finds that RCM has increased transparency, but there have also been unintended consequences: 1) Since funding follows students, new undergraduate majors were developed to increase funding; and 2) Because Ph.D. students did not figure into the RCM, there was no financial incentive to include PhDs in overall planning.

IV. Consultation with UCOP
- *Nathan Brostrom, Executive Vice President and Chief Financial Officer*
- *David Alcocer, Associate Vice President and Director, Operating Budget*

<u>Multi-Year Framework</u>: The framework describes a four-year partnership with the state focused on full funding of UC and on increased degree attainment. Its key elements are: 1) produce 200,000 more UC degrees by 2030; 2) ensure the California Dream is available to all by eliminating graduation gaps; and 3) invest in the next generation of faculty and research. The 200,000 figure refers to degrees, not students, and includes both undergraduate and graduate degrees.

Part of the framework's impetus is a 2015 report from the Public Policy Institute of California estimating that California will need 1.1 million more college graduates by 2030. It is impossible for UC to meet its 200,000 share through growth alone. However, the University calculates it can come close through a variety of strategies, including improved time-to-degree focused on outreach for disadvantaged populations. Other potential strategies include: increasing CCC transfers; expanding Cal Grant eligibility to summer session; promoting more pathways to graduate degrees; and doubling the number of online classes. The framework also expresses a commitment to share best practices and institutional research with the CCC and CSU.

UCOP has asked campuses to submit preliminary plans identifying barriers to timely student progress and estimating costs related to higher degree production. UCOP recognizes that campuses have different needs and capacities. In addition, the framework should not deter students from exploring new educational paths or create other perverse incentives. The goal is to improve outcomes for the students UC currently enrolls, not change the profile of admitted students. The UC budget will set aside $60 million in each of the four years (2019-20 to 2023-2024) to support efforts to improve degree attainment and student success. The framework also stresses the importance of faculty research to the state, and of renewing and expanding the ladder-rank faculty.

To achieve these goals, the University will need state support for core operations, new academic infrastructure, and capital growth. UC hopes to work with the new Governor on a plan for returning to the mechanism of general obligation bonds to help fund the capital growth and renewal that will help it meet the goals of the framework.

➢ UCPB members noted that campuses are already constrained by a lack of classrooms, dorms, teaching labs, and other facilities, after absorbing dramatic, unfunded enrollment growth the

last few years. In addition, some campuses face serious resistance to growth from local communities. An expansion of summer session will put additional pressure on student housing. Campuses would also need to increase faculty hiring significantly to maintain the current student-faculty ratio and also meet the goals of the framework.

➤ Members suggested focusing efforts on students struggling in STEM majors, where drop-out rates are high. It was also noted that UC should emphasize the value of the full range of disciplines beyond STEM, particularly the arts, humanities, and social sciences. Some members were concerned about perverse incentives such as discouraging double majors, which can have a negative impact on humanities and arts in particular.

➤ A UCPB member noted that a lack of support for faculty in the in-residence series and other health sciences titles funded from non-state sources, is affecting morale. Chair May noted that the Academic Council has just requested a study of faculty morale and turnover in the Health Sciences.

Proposed ANR Funding Model: UCPB requested more information about the proposed ANR funding scheme combining the "set-aside" and "corridor" models. CFO Brostrom noted that the "corridor" model was first introduced in rebenching to recognize the unique needs of UCSF, which like ANR does not benefit from undergraduate tuition increases that tend to occur in response to state general funds cuts. In the corridor model, UCSF does not receive full growth funding when state general funds increase, but it is protected from budget cuts when they decrease. Similarly ANR would receive 100% of the first 2% of growth and then a 50% share for any further increases. It would take 100% of its share of cuts for the first 1% decrease and 50% of any decreases beyond the 1% cut. The "set-aside" portion of funding refers to the State AES allocation. The proposed ANR Governing Council will advise the president on strategic plans, budget, and integration with the AES and non-AES campuses.

V.   UCPB Task Force on Agriculture and Natural Resources
     o **Eleanor Kaufman, UCPB Vice Chair**

UCPB's Task Force on Agriculture and Natural Resources (TF-ANR) met November 20 to discuss the report of the President's Advisory Committee considering options for the structure, governance, and funding of the UC Division of ANR. The Task Force endorsed several recommendations in the report and proposed a 5th recommendation: to consider a more fundamental rethinking of ANR's mission and relation to the other UC campuses, particularly the non-AES campuses, which targets the need for greater integration between ANR and all campuses. At the November Council, Chair May asked the TF-ANR to make some specific recommendations to Council about how to connect non-AES UC faculty directly with ANR facilities and personnel.

Vice Chair Kaufman noted that the Nov. 20 TF-ANR meeting was (of necessity) hastily arranged. A UCR representative had not been identified in time for the meeting, and there were no representatives in attendance from any of the three AES campuses. (UCOC has since nominated a UCR representative to the TF-ANR: Professor Mikeal Roose.) In addition, the meeting focused on the integration of non-AES divisions into ANR, more than planning and budget issues and the concerns about the structure and oversight of the ANR budget. Vice Chair

Kaufman will be encouraging the TF-ANR to focus on these matters going forward, in addition to Chair May's request concerning recommendation 5. A more general question is the value of maintaining a Senate ANR task force in its current form, under UCPB.

➢ It was noted that the work of ANR is largely invisible to the general UC community, particularly faculty on non-AES campuses and even those who work in agriculture issues, some of whom feel that increased interaction with ANR would add value to their research.

➢ UCPB members agreed that it will be important for the Senate to have the ability to appoint its own representatives to the proposed ANR Governing Council, with no veto power from the President or ANR.

➢ Chair May noted that he would like the TF-ANR to continue to exist independently of the proposed Governing Council.

➢ A motion was made and seconded to approve Professor Roose as the UCR representative to the TF-ANR. The motion passed unanimously.

VI.   Consultation with Academic Senate Leadership
   o *Robert May, Academic Senate Chair*
   o *Kum-Kum Bhavnani, Academic Senate Vice Chair*

Journal Negotiations: The UC Negotiating Team has proposed a plan to combine subscription charges and open access fees and move all UC-authored articles to a default open access publication model with Elsevier journals. The subscription-based model is preferred by publishers and provides them with large profit margins earned through the free labor of faculty. Other research universities are following the progress of UC's negotiations. Earlier this year, colleges in Germany and Sweden lost access to Elsevier journals after subscription fee negotiations in those countries broke down. The University Librarians are organizing Town Halls on UC campuses to inform faculty about the issues.

Task Forces: UCOC is constituting an Academic Senate Standardized Testing Task Force to examine UC's use of tests like the SAT and ACT in undergraduate admissions. The Task Force will include broad faculty representation and seek input from expert consultants.

Transfer Guarantee: BOARS is developing a systemwide transfer admission guarantee policy for California Community College students that offers a guarantee of transfer admission in any of the 21 UC Transfer Pathway majors and relies on existing campus-based Transfer Admission Guarantees (TAGs) and their application procedures.

Faculty Salaries Plan: The UC Administration shares the Senate's commitment to eliminating the 6.4% faculty salary gap through augmentations to the published salary scales. Under discussion is a plan to augment the published scales in each of the next four year to eliminate the gap.

Air Quality and Campus Closures: Several campuses cancelled classes in November due to unsafe air quality caused by California wildfires. The President has empaneled a group to develop systemwide guidelines for closures in comparable emergencies, following concerns that campuses implemented closures inconsistently.

Posthumous Degrees: Council Chair May has asked UCEP to follow-up its [recommendation](#) that campuses adopt policies on posthumous baccalaureate degrees, with a more specific proposed systemwide policy.

VII.   Self-Supporting Graduate Professional Degree Program Reviews

1.   UCI Self-Supporting Master's in Presentation Design (MPD)

Lead UCPB reviewers Schumm and Kinney noted that the proposed MPD would be the first graduate-level degree program focused on the development of presentation skills. The 12-month program is targeted to working professionals and will be hosted primarily online. The program is unique, has clear value, and will not compete with existing Master's programs. Irvine's analysis of market need and demand is sound, and the projected path to profitability seems logical and realistic.

Reviewers also identified several concerns. First, it is unclear that the program's workload expectations meet those outlined in Senate Regulation 760 for course credit. If they fall short, the MPD might be better proposed as a certificate program. In addition, the proposal should clarify the obligations of ladder rank faculty in the program, particularly in relation to overload teaching, and should be updated to reflect the revised budget UCPB received, to ensure the official document of record is clear and current. In addition, the 7.5% return-to-aid is less than the 33% imposed upon undergraduate tuition for state supported programs. While the 2016 SSGPDP policy only requires programs to have a financial accessibility plan and does not specify a return-to-aid amount, the low amount set aside for aid reflects a more general concern about access to SSGPDPs for economically disadvantaged students.

ACTION: UCPB will withhold its endorsement of the proposal and ask CCGA to request clarifications.

2.   UCI Self-Supporting Master of Engineering (MEng)

Lead UCPB reviewers Constable and Finn noted that the proposed MEng is modeled on similar programs at UCLA and UCB and designed for aspiring technical managers and entrepreneurs. The program anticipates enrolling 80 students in fall 2019, with a gradual ramp-up to 360 over eight years. Courses will be taught by a combination of lecturers, LSOEs, and faculty teaching both on-load and off-load through course buyout/stipend/research funds. The program expects to become profitable in year 2 with a projected surplus of $1.5 million that is projected to rise to $7.9 million by year 7. There is a plan for using excess revenues to support graduate students, financial aid, and faculty hiring. It budgets a 10% return-to-aid, with the goal of increasing enrollment of underrepresented and female students.

Reviews found the proposal comprehensive and well-documented, with sound academic, business, and facilities usage plans. The market justification is also strong given the high demand for UCI's other Engineering Master's programs, and a separate study showing a domestic and international market for the degree at the desired tuition price point. The School of Engineering makes a satisfactory case for offering the MEng as an SSGPDP, rather than through an expansion of existing state-supported master's programs. Moreover, it would be difficult to

withhold support for a program modeled so closely on programs already in place at UCLA and UCB.

ACTION: UCPB endorsed the proposal and will forward the full report to CCGA.

3. UCR Master of Supply Chain & Logistics Management (MSCLM)

Lead UCPB reviewers Gross and Bhargavi noted that the proposed MSCLM will be administered by the UCR School of Business Administration. The program is timely and well-considered, and includes a reasonable justification based on academic value, need, and demand; however, reviewers recommended that UCPB request clarifications about several concerns:

➢ Given that many required courses in the MSCLM curriculum are already offered by the School, a question arose about how the School will maintain a separation between the state-funded vs self-supporting components of those courses. The proposal should clarify if the firewall between the two is in fact not breeched because courses are taught only to students enrolled in other self-supporting program, as well as the extent to which the program use of state-supported infrastructure may influence the calculation of indirect costs

➢ It is unclear how successful the program will be at generating revenues, and there is no discussion about how the School will use any excess revenues generated from the program.

➢ More clarity is needed about how the market analysis was performed and whether the program as proposed sufficiently expands the capacity of UCR's graduate programs.

➢ The program should clarify its commitment to diversity and inclusion is unclear. The School proposes a 15% return-to-aid, but it is unclear that this will be sufficient to promote and fund access to diverse populations. There were also concerns expressed about the small numbers of projected students and why the incoming classes would remain so small if there was so much anticipated demand.

ACTION: UCPB agreed to withhold endorsement and send its report to CCGA.

VIII. Self-Supporting Graduate Professional Degree Program (SSGPDPs)

Chair Steintrager will send a draft list of data asks to members over email.

Meeting adjourned at 4:00 pm
Minutes Prepared by Michael LaBriola, Principal Committee Analyst
Attest: James Steintrager, UCPB Chair