

Minutes of Videoconference Meeting**March 1, 2022**

Present: Kathleen McGarry (Chair, Los Angeles); Don Senear (Vice Chair, Irvine); Ron Cohen (Berkeley); Heather Rose (Davis); Alyssa Brewer (Irvine); Evelyn Blumenberg (Los Angeles); Kevin Mitchell (Merced); Patricia LiWang (alternate (Merced); Dana Simmons (Riverside); Gedeon Deák (San Diego); Jeffrey Gee (San Diego alternate); Marc Steurer (San Francisco); James Rawlings (Santa Barbara); Dard Neuman (Santa Cruz); David Brownstone (TFIR); Eleanor Kaufman (TF-ANR); Robert Horwitz (Chair, Academic Council); Susan Cochran (Vice Chair, Academic Council); Nathan Brostrom (EVP and Chief Financial Officer); David Alcocer (AVP – Budget Analysis and Planning); Kieran Flaherty (AVP and Director, SGR); Seija Virtanen (Associate Director, SGR); Stefani Leto, Analyst.

I. Consent Calendar

Action: UCPB approved the March 1, 2022 Agenda and the February 1, 2022 Minutes

II. Task Force Updates

Vice Chair Senear noted that the Rebenching working group has met twice since the last UCPB meeting, and has formalized principles for rebenching. While the questions are still being discussed as the working group gathers more information, there is general agreement that enrollment should be the basis for per-campus funding, with set-asides minimized to the greatest extent possible. Simplified student weights are preferred. Models of various changes to student weights have revealed smaller changes than one might expect in campus funding ratios, but the treatment of set asides can make a large difference. The working group plans to evaluate carefully the set asides, agreeing that they should be specific and time-limited.

Chair Brownstone noted that TFIR has requested a copy of the legal opinion regarding recalled employees and employer provided health insurance, but the task force has not yet received it. Should the opinion prevail, RASC and UC Path will experience greater pressures. There has been no information regarding the ad-hoc COLA adjustment for the oldest UC retirees. Problems with pharmacy coverage due to implementation of new software for RASC continue. TFIR is communicating with RASC leadership regarding the situation. Many staff plan to retire, and even though RASC has hired a new executive director, challenges are persistent and slow to remedy. The Senate has a role urging the University to examine its procedure for large software purchases, as many recent ones have been highly problematic. All University staff and faculty are eligible for Public Service Loan Forgiveness (PSLF), and previously-denied applicants can reapply. The program requires extensive documentation and the filing deadline is October 1, 2022. TFIR has asked UCFW to help in publicizing eligibility for the program.

- Discussion included detailed examination of how campus funding would change under various scenarios, and which campuses would receive greater or lesser funding under them.
- It was noted that assigning a weight to graduate students helps underscore the importance of graduate education to outside observers.

III. Consultation with Senate Leadership

Academic Council Chair Horwitz attended the meetings of the Regents' Health Services Committee and the Special Committee on Innovation Transfer and Entrepreneurship. COVID transmission rates on campuses have been much lower than in their surrounding communities. The University has signed contracts regarding affiliation with Dignity Health Services and Adventist Health, with negotiations continuing with the Veterans Administration, Providence, and the Indian Health Services. Most patent issues will devolve to campuses, including tracking patents. UCOP will provide back-up services, with a data warehouse of patents. Chair Estolano's term as Chair has ended, and Regent Leib will become the new Chair of the Board of Regents.

State revenues are projected to be higher than previously thought, and the University plans to ask for \$1.6B in one-time funds.

A court case treating growth in student numbers as a CEQA "project" triggering additional environmental review has resulted in UC Berkeley being enjoined to cap student enrollment at the 2020 amount. The resulting reduction in admission offers will cascade throughout the system. In addition, cities may use the same argument in lawsuits against other UC campuses.

The CEQA case is one of many factors pressuring the UC for fully-online degrees. Vice Chair Cochran presented slides showing that few UC comparators provide fully online degrees; those that do are either through extension (with a degree certificate that is from extension or has a name that signals online - not a BA or BS) or the degree major is clearly adult education. Those offering fully online degrees, such as Arizona State University and Penn State, do not use their main campus, do not experience increased diversity, have low completion rates, have high student/faculty ratios, and use lower-paid non-ladder rank faculty. Furthermore, these campuses spend less on those programs but do not discount costs to students. The Senate has asked the Education Policy Committee to engage in a "get-ready" exercise for UC online degrees, and to provide principle and program ideas.

UC Online (formerly ILTI) has an advisory committee, which has met and is working to define UC Online and its work.

The chairs of the Senate/Administration work group on changing approval for Master's degrees met and received a presentation outlining the benefit of CCGA oversight of Master's degree approval.

Chair Horwitz noted the lack of progress addressing academic integrity issues with the theft of intellectual property and academic dishonesty facilitated by online tutoring sites such as Chegg and Course Hero. At the Regents meeting, he indicated that failure to address the situation will compromise the reputation of a UC degree. Regent Park has asked UCOP to respond to the issue at the March Regents meeting.

The Senate is drafting a structure and a charge for a subcommittee on transfer. ICAS is working toward a singular IGETSC for a general education transfer pathway to both UC and CSU.

Student demands for ongoing accommodations such as universal course recording and hybrid modality continue. UCAF wrote a memo in response to student requests at UCLA, supporting ADA accommodations for individual students while opposing mandated recording for all courses. Council

endorsed individual accommodations. Chair Horwitz noted that this may be part of a larger issue of a fraying social compact between students, staff, and faculty.

The Senate continues to push for socialization of the concept of Achievement Relative to Opportunity (ARO) in faculty reviews. The Mitigating COVID-19 Effects on Faculty Working Group is writing its final report.

Chair Horwitz hopes to move a vote on the proposed Climate Memorial forward at the next Assembly, in order to have time for semester-based campuses to vote.

- A committee member asked if others had become aware of paid surrogates taking online classes. Chair Horwitz responded that academic dishonesty had increased during the COVID crisis, and noted that he would address the issue at the next Regents meeting.

IV. UCPB Task Force On Agriculture and Natural Resources (TF-ANR) Update

TF-ANR Chair Kaufman noted that the task force met in a special session to respond to a report by the Legislative Analyst Office regarding the structure of ANR funding. Cooperative Extension funding is currently through a set-aside, and the LAO is recommending that AES also be funded by set aside, something that the CFO and Office of State Governmental Relations found concerning. She noted further that there has only been one external review of ANR in the last 25 years TF-ANR has drafted a letter calling for a comprehensive external review.

V. Budget Consultation with UCOP

- *Nathan Brostrom, Executive Vice President*
- *David Alcocer, Associate Vice President, Budget Analysis & Planning*
- *Kieran Flaherty, Associate Vice President, Director, State Governmental Relations*
- *Seija Virtanen, Associate Director, State Budget Relations*

The University is requesting that all enrollment (including enrollment above prior caps), student mental health, basic needs support, and capital outlays receive funding this year. The state expects at least a \$475B surplus. How much of the surplus allowed for operational costs is limited by the 1979 State Appropriations Act. The governor has indicated a preference for one-time funding requests. Support for previously unfunded enrollment growth of 2020-21 is possible. President Drake spoke before the legislative budget committee and noted that the UC compact shared their goals of affordability, access, and equity, and that the UC wants to close graduation gaps. There were legislative hearings on climate resiliency and student mental health. The current lawsuit and injunction restricting UC Berkeley's enrollment complicates the University's request for enrollment funding at the legislative level.

State revenues over a certain amount must be rebated to taxpayers, unless spent on K-12 funding or capital projects. The governor has proposed an amendment to the law, allowing surplus funds to be spent for other purposes. The University will align its capital funding requests with state interests, so climate resiliency projects, deferred maintenance and energy efficiency projects will lead the University's requests.

EVP Brostrom noted that Regent Leib is the incoming Chair of the Board of Regents, and there are now five vacancies on the Board, which may lead to problems establishing a quorum for Board business. A large bond issue for UC medical centers is moving forward. A taxable portion of a bond is planned to pay settlements from the UCLA sexual misconduct case, in order to preserve cash reserves.

The University is working to create a debt-free college model including the California Volunteers program and some funding from cohort tuition. Some housing projects are moving forward, even in the face of continuing litigation.

UCPB updated EVP Brostrom and AVP Alcocer on the work of the rebenching subcommittee, and suggested a future meeting and discussion with them. AVP Alcocer will provide data to UCPB from IRAP on student success based on various factors, such as income, high school grade point average, and first generation status.

- A UCPB member asked about interest rate increases' effect on the MOP loan program. EVP Brostrom suggested that there would be no effect for at least several years, because the STIP index is so far below current interest rates.
- UCPB asked about COLA increases for the oldest UC pension recipients. Outside counsel has been asked to weigh in on the claim that their entire pension history would necessitate a recalculation of \$415m benefits to ensure they do not exceed the Covered Compensation Limit. EVP Brostrom would like to pay for a COLA from UCRP funds.
- The rationale for cost adjustments for set-asides was raised by UCOP. At the time rebenching was phased in, there were state-specific line item appropriations. They were then folded into the general funds for University funding, at their value. In an attempt to prevent those set-asides from encroaching on general student funding, a cost adjustment formula was imposed to retain a "fair share" approach to funding. AVP Alcocer noted that it would be timely to rethink this approach.

VI. Items Under Review

1. *Proposed Revisions to the Presidential Policy on Supplement to Military Pay*
2. *Proposed Presidential Policy on UC Research Data - Second Systemwide Review*

Action: Vice Chair Senear will review the Supplement to Military Pay item, and Professor Rawlings will review the UC Research Data item for the next meeting.

It was noted that UCPB did not opine on the first systemwide review but will do so this time. Assignment will be made via email.

VII. Admissions Planning and Implications

Todd Greenspan, Director, Academic Planning, Institutional Research and Planning, Pamela Brown, Vice President, Institutional Research and Planning, and Han Mi Yoon-Wu, Executive Director, Undergraduate Admissions, presented information on the annual enrollment cycle, the enrollment proposal for 2022-23, the multi-year (rolling 4-year) enrollment plan, enrollment expectations in the Governor's budget and the five-year compact, and UC 2030 capacity planning.

The President's plan to grow 20,000 students by 2030 is relatively modest: since 2014, the University has added 20,000 undergraduates, and 80,000 from 2000-2021. The 2008 enrollment growth plan was altered by the recession of 2008-2009. Undergraduate enrollment is projected to grow by approximately 2500 students from 2020-21 to 2021-22. There is continued interest in increasing graduate student numbers on campuses.

The governor's planned budget and compact would add 7,132 more undergraduate in-state students for 2022-23, then 7,000 additional undergraduate in-state students and 2,500 graduate students from 2023-2027. Aligning the four-year growth plans, the President's proposed growth plan, and the governor's compact is the current work for enrollment planning. The UC has begun to emphasize to the legislature the effect on students of continued unfunded enrollment growth. The legislature and the UC both care about graduation gaps, equity, and time to graduation.

UCPB members asked how campus enrollment plans were approved. UCOP consults with campuses and the Council of Chancellors to establish official target numbers. Growth is ideally strategic and organic, including online course growth. Illustrating resources needed to meet growth targets is part of the 2030 Plan. A combination of legislative mandates and higher-than-expected uptake have led to the unfunded growth in students. The President wants to shift to a planned growth process.

Executive Director Yoon-Wu noted that total applications to the UC were higher than ever, with close to one million applications being evaluated across the system. Modeling admission outcomes were accurate until the pandemic and the discontinuation of the use of standardized tests. Campuses vary in the accuracy of their yield models. Wait lists have helped campuses smooth out admission targets. Evaluating applicants has become increasingly challenging for campuses, and subsequent modeling for yield has been complicated.

- Vice Chair Senear asked how the number of unfunded students is determined. Looking at direct appropriations for growth versus number of students yields a number, but it varies by year examined.
- A question about campus strategies for addressing enrollment strategies was answered: campuses are allocated funds through rebenching by budgeted students, rather than actual student numbers. The legislature no longer funds students if the campus over-enrolls. A multi-year budget might help, as campuses could adjust their admission numbers year-over-year.
- UCPB asked about the reduction in non-resident students. The President has decided to trust that the legislature will continue to buy out their mandated reduction, and that the funds may be viewed as a replacement of tuition dollars. Once it becomes base budget, it replaces a revenue source the campuses had given up.

- A question about enrollment planning and impacted majors revealed that there is no systemwide policy for various practices among divisions. It is felt that campuses best know the capacity of their programs.
- UCPB asked if campuses shared information regarding applicants to multiple campuses or the methodology used to predict SIRs. Admissions administrators revealed that sharing of decisions is not done during the admission process, although campuses can see admission data afterwards and are provided with some data on trends in campus overlap for applicants each year. Campuses do share their best practices and methodology, but each campus has its own model.

VIII. Senate Carbon Emission Memorial to the Regents Pro/Con Recap

Professors Eric Halgren (UCSD) and Susannah Scott (UCSB) presented the respective pro and con arguments for a proposed Academic Senate Memorial to the Regents on the climate crisis. The Memorial calls on the Regents to make investments in UC's infrastructure that will reduce on-campus fossil fuel combustion to five percent of current levels by 2030.

Professor Halgren noted that the world is in a climate emergency that demands large and immediate decreases in CO₂ emissions. Real UC emissions have not changed during the past decade. UC's strategies around the use of purchased carbon offsets and "waste-generated methane" are inadequate to address its own climate goals, nor are they verifiable or scalable. UC has a responsibility and ability to lead society's response to the climate crisis and a duty to address its own contributions to the crisis. The Memorial does not mandate immediate capital investments or attempt to prioritize UC expenditures. The University has consistently recognized the need for electrification, but has not allocated any budget for these expenditures. Spending on infrastructure must be balanced against future savings. The Memorial does not interfere with the freedom of each campus to develop an individual plan. However, campuses working together under a clear systemwide plan will increase the impact. Even if the 95% percent target reduction is aspirational, a specific target is a necessity to support sober study and effort.

Professor Scott noted that the question is not whether the climate crisis is real, or if urgent action is needed, but whether the Memorial outlines the best way for UC to lead. The Stanford model for electrification, should it be applied to the UC, would likely represent a \$5B cost. The University must be strategic about where it employs scarce resources. It should replace aging cogeneration plants, but the newer plants' CO emissions cost less than much of grid-available electricity. Scope One emissions are stable because of the cost of outside electricity, so campuses use more self-generated power. The University has a responsibility to allocate funds carefully and thoughtfully. UC's other infrastructure needs are great and it should have a thorough and transparent discussion about trade-offs and sacrifices before taking dramatic action on electrification.

- A UCPB member asked why there has not been a faculty-led feasibility study as an exercise in shared governance and given the expertise of faculty on various campuses. The answer is that for such studies to be useful, they would be extremely expensive and time consuming. It should be a collaborative effort between the administration and faculty expertise.

IX. Campus Updates

UC Berkeley would like a longer horizon for admissions planning and would build Senate structures to respond and manage such planning. The campus found that keeping a change-management fund for new software implementations was key to creating a functional system. Even with allocated funding, changing software systems was not painless. A switch to a centralized budget plan presents challenges to units used to an independent budget planning process. The budget effect of the admissions injunction is a \$100M cut for the campus. Approximately 70 faculty searches have been authorized for next year, keeping the faculty number steady. This reflects a great increase in student/faculty ratios.

UC Davis still has a strikingly low COVID transmission rate. There are structures in place for students, faculty, and staff to request accommodations through the summer. The provost released an outlook letter outlining the budget priorities. Undergraduate enrollment and admissions management will receive greater funding. The CPB is reviewing units' budget plans. Plans are being made about allocation of salary equity adjustments, and CPB will meet to discuss them.

UC Los Angeles continues to work on the new budget model, and CPB is actively involved, providing feedback and input. It is planned to be implemented July 1, 2022. Funding of interdisciplinary programs continues to be challenging under the new model. Proposals for evaluating the budget model are in process. Evaluating the relationship between the medical school and the campus has been hampered by a lack of data. The CPB has just asked the medical school dean for the last five years' budgets and an explicit accounting of funds transferred between the medical campus to the main campus.

UC Merced has switched to Alpha Financials, and the changeover has been difficult. A faculty/administration working group has been formed to respond to the rollout. This group might be a useful communication point for other campuses making such changes. A new Organized Research Unit (ORU), a community labor center, has been approved on campus. The campus is moving a pre-proposal forward for a fourth school, the Gallo School of Management. The next round of academic planning to allocate some discretionary funding for the schools is underway.

UC Riverside has a responsibility-based budget, and enrollment-based funding pits schools and colleges against each other. A credit hour weighing proposal may exacerbate the issue. Academic proposals are being evaluated solely on budget criteria. The campus is beginning to address a planned Oracle rollout.

UC San Diego has made progress with its financial management systems, and wishes to share best practices with other campuses around such changes.

UC San Francisco is expanding bridge funding to meet COVID-caused gaps in research, and is working to identify sources of funding for the effort. The local Committee on Academic Planning and Budget is working to create equity focused approaches to endowed chairships. Retention packages are being evaluated to address "loyalty penalties." The Health Workforce Committee plans to meet with a local health sciences committee to ask for information for their health sciences report.

UC Santa Barbara's CPB has met to determine how to create strategic plans for full-time faculty in response to growth in student numbers. The long-term enrollment plan for 25,000 undergraduate students has been nearly reached in two years, before the housing planned to accommodate the increase has been built. The city of Goleta is suing over the effect of increased enrollment on local housing. Although a budget model has not been completed for them, summer classes will help manage the increase in students on campus. Currently, summer plans are made department-by-department.

The chancellor at UC Santa Cruz has announced a ten-year, 100 faculty hiring program, which will facilitate replacement for separating faculty as well as a small amount of faculty growth. The campus requires exceptions to in-person enrollment to be approved, although students with disability accommodations and students who are afraid to return to in-person instruction are negotiating directly with faculty members. The campus views remote learning differently from online learning or hybrid learning, with remote learning following the declaration of a state of emergency by the administration. Such a distinction protects the integrity Senate's overview of instruction modality. Most graduate students wanted to return to in-person learning, so concerns that widespread refusal to return would spread have not manifested. There is a lack of laboratory space, negatively impacting the hiring of junior faculty.

TFIR noted that there is a new permanent Director of RASC.

TF-ANR Chair Kaufman noted that the LAO suggested that the state exercise oversight over both ANR's Agricultural Experiment Stations and Cooperative Extension by budgeting directly for both programs and it requires that the UC provide budget reports on anticipated operational cost increases, as well as the activities and outcomes of both programs. If the legislature implements this budget model, shared governance will be hampered.

Prepared by Stefani Leto, Analyst
Attest, Kathleen McGarry, Chair
The meeting ended at 3:43 p.m.