UNIVERSITY OF CALIFORNIA ACADEMIC SENATE UNIVERSITY COMMITTEE ON PLANNING AND BUDGET

Minutes of Meeting April 2, 2019

I. Consent Calendar

- > Approval of UCPB April 2, 2019 agenda
- > Approval of UCPB March 5, 2019 minutes

ACTION: UCPB approved the consent calendar.

II. Announcements

o Jim Steintrager, UCPB Chair

Academic Council Meeting: Council endorsed a report and recommendations from UCACC and UCOLASC concerning campuses' use of research information management systems (RIMS) to assess UC faculty. RIMS such as Academic Analytics collate data on faculty research productivity. A systemwide Working Group found that at least 16 RIMS are used on individual UC campuses. However, it was limited in its ability to collect meaningful data about the extent to which they are used in academic personnel decisions and other areas of concern for the Senate. Council asked the Provost to commission a systemwide review of the use of RIMS across UC.

<u>Nonresident Tuition</u>: A proposed 2.6% increase in nonresident supplemental tuition passed the Regents Committee on Finance in March, but was tabled by the full Board after several Regents expressed concern about its effect on diversity.

<u>TFIR Update (Steven Gross)</u>: The UCFW Task Force on Investment and Retirement is discussing the UCRP discount rate (the assumed rate of return on investments; 7.5% per current policy), how the rate is set, whether 7.5% is a realistic assumption, and how a lower rate could affect the UCRP funding ratio and contribution requirements.

<u>UCHRI Review</u> (*Jessica Trounstine*): As UCPB's new representative to the UCORP-led five-year review subcommittee for the UC Humanities Research Institute, Professor Trounstine found that the former representative's recommendations and questions were incorporated into the review, including those regarding the systemwide character of UCHRI's grant awards. She voted to approve the subcommittee's recommendation to renew UCHRI as an MRU and to increase budget reporting transparency.

III. Consultation with Academic Senate Leadership

- o Robert May, Academic Senate Chair
- o Kum-Kum Bhavnani, Academic Senate Vice Chair

<u>Proposed APM 011</u>: The Joint Task Force on Scholarly Obligations and Protections for Non-Faculty Academic Appointees has released a proposed APM 011 for systemwide review. The policy clarifies that the academic freedom protections outlined in APM 010 adhere only to faculty who engage in teaching and research, and who are obligated by corresponding

responsibilities in the Faculty Code of Conduct (APM 015). The policy also commits UC to recognizing the professional standards of non-faculty academic appointees who contribute to the academic mission of the University; and it outlines grievance procedures for those individuals.

<u>Admissions Scandal</u>: Chair May has asked the Academic Council to consider a response to the recent scandal involving individuals accused of cheating on the SAT and accepting bribes to gain admission to universities, including UCLA. A group of California assembly members has proposed several reforms related to preferential treatment for donors and alumni, special admissions for student athletes and others, and the use of standardized tests.

<u>UCSF/Dignity</u>: Council is discussing a proposed affiliation between UCSF and four hospitals managed by Dignity Health, a religiously-affiliated healthcare system. Many UCSF faculty, staff, and students oppose the affiliation over concerns that Dignity restricts some healthcare services in ways that do not align with UC's public mission and philosophy. UCSF posits that the campus has reached a space threshold, and the affiliation will increase access to affordable healthcare for both UCSF patients and Dignity patients who want to access UCSF services. A UCFW Task Force is conducting a broader review of UC's relationships with health services chains and hospitals.

IV. Consultation with UCOP

- o Nathan Brostrom, Executive Vice President and Chief Financial Officer
- o David Alcocer, Associate Vice President, Budget Analysis and Planning
- o Kieran Flaherty, Associate Vice President & Director, State Governmental Relations
- o Seija Virtanen, Associate Director, State Budget Relations

State Budget: The Governor's 2019-20 budget proposes a \$240 million increase for the University, short of UC's full \$422 million ask, which included a request to convert \$140 million in one-time funding from the 2018-19 budget into permanent funding. That funding supported a tuition buy-out, over-enrollment, and enrollment growth. The 2019-20 budget also includes three separate line items for UCOP, UCPath, and ANR. UC is asking the state to fund the balance of its full request; make small adjustments to the ANR and UCOP budgets; and allow UC to fund UCPath based on a campus assessment.

<u>Budget Hearings</u>: In early March, President Napolitano and EVC Brostrom appeared at California Assembly and Senate budget committee hearings to address the UC budget. A set of follow-up hearings on March 19 and 20 touched on UC enrollment trends as well as the national admissions cheating scandal. Proposals from UC for funding student mental health, student basic needs, and capital outlay projects were well-received at a March 21 hearing. A State Assembly committee will discuss CalGrant reform on April 30, and the remaining UC budget items on May 1. A State Senate committee will discuss financial aid on May 2, and the Governor is expected to release a budget revision in mid-May.

<u>Nonresident Enrollment Report</u>: Last year, the State asked UC to develop a theoretical plan for gradually reducing nonresident undergraduate enrollments to no more than 10% of the freshman class at every campus by 2029-2030, as well as revenue replacement options. UC's final report estimates that \$4.2 billion in State funds would be needed over ten years, to fill the resulting gap

in the university's budget, support enrollment growth of additional California residents, and fund financial aid for the additional residents.

<u>Legislation</u>: Senate Bill 291 (Leyva) would expand California Community College students' access to Cal Grants by basing financial aid on total cost of attendance (including tuition, housing, transportation, and textbooks). Full funding of the bill could cost as much as \$2 billion annually, and UC is concerned that it could reduce access to financial aid for UC and CSU students. The University is also following several labor-sponsored bills that have budget implications, including one that would restrict UC's ability to contract for services. Finally, SB 14 (Glazer) passed out of the Senate education committee; it would place an \$8 billion General Obligation Bond on the March 2020 ballot to fund construction and maintenance of facilities at UC and CSU.

<u>Tuition</u>: The Regents tabled a proposed 2.6% increase in nonresident tuition over concerns about its effect on socioeconomic diversity. Rejecting the increase will create a \$29 million gap in the 2019-20 budget. UCOP is modeling several cohort-based tuition pricing scenarios (for both nonresidents and residents) that guarantee entering undergraduates a tuition level or schedule over four years. A cohort plan would provide more cost predictability and stability for students, families, and campuses. However, it would also give UC less flexibility in responding to a budget crisis and could differentially impact students who take longer to graduate, unless it was structured to defray those impacts. The University's progressive financial aid program ensures that tuition increases are fully covered by financial aid for 57% of resident undergraduates.

<u>Multi-Year Planning</u>: In March, the Regents received an <u>update</u> on the multi-year planning framework that outlined plans for growing the professoriate, increasing graduate degree attainment, and improving the academic infrastructure.

- ➤ UCPB members recommended the University emphasize that additional state investments in UC will produce returns not only in terms of improved access and completion rates, but also improvements to educational content and quality. It was noted that the Regents item rightly states that faculty want to take on more graduate students, but the item does not fully address how the University will pay to support those students.
- ➤ UCOP consultants noted that UC's current four-year enrollment plan calls for annual growth of 1,000 graduate students; however, that growth will not consist solely of academic doctoral students, who are the most expensive to support. They also noted that the Regents presentation highlights metrics related to the deterioration in the student experience (e.g., a growing proportion of students who could not access their first-choice major).
- ➤ Chair Steintrager noted that UCPB is interested in how the Academic Senate can be more engaged in budget and planning discussions at both the campus and systemwide level.

V. UC Path

- o Mark Cianca, Associate Vice President, Operational Services
- o Dan Russi, Executive Director, UC Path Center

AVP Cianca and Executive Director Russi discussed the implementation of UC Path, the University's new systemwide payroll, benefits, and HR system that replaces UC's outdated and inefficient PPS system. UC Path was deployed for UCOP employees in November 2015; at UCR

and UCM in December 2017; at UCLA and UCSB in September 2018; and at UCB on April 1. Deployment at UCD has been delayed to October 2019, and UCI, UCSC, UCSF, and UCSD will go online in the first half of 2020.

They noted that UCOP was chosen as the first deployment site due to its highly uniform population of staff with consistent payroll outcomes. The UCR and UCM deployments were the first on campuses with faculty, staff and students. Each deployment includes a four-month stabilization ("hypercare") period focused on identifying and correcting technical and business problems. UC Path's quality management system tracks each problem, identifies its root cause, and incorporates preventative measures to inform the next deployment. Technical stabilization has gone well, but business stabilization has been more difficult than expected because of data conversion challenges related to complicated pay statuses and a steep learning curve at campuses. During stabilization, the UCPath Center conducts 30 minute "stand-ups" 2-3 times each week with campuses to ensure that acute issues are quickly identified and resolved, and to share experiential information to improve the accuracy of transactions.

To better prepare campuses for deployments and to more effectively address the "bubble" of problems concentrated in the early weeks of a deployment, UC Path has made several improvements to UC Path programming and operations. UC Path Center employees are embedded at campus and medical center locations prior to and after deployments. They train and work with staff in academic personnel, human resources, and payroll, to ensure that UC Path and campus procedures are correctly aligned. UC Path also offers more in-depth training for campuses that need it, and has formed a quality care unit to quickly address escalated issues. Campuses have also made adjustments to their training and learning processes. These improved partnerships have helped improve overall pay accuracy and customer service. Stabilization activities will continue for 3-4 years after all the deployments are complete, and optimization of processes and staffing will require additional time and work.

- ➤ UCPB members noted that some students, faculty, and staff have complained about a lack of effective communication from UC Path in resolving problems. In addition, the transition to UC Path has been particularly stressful for MSOs and other front-line managers, and some graduate students paid from multiple payroll sources worry about the accuracy of their paychecks. Members encouraged UC Path to communicate with front-line managers at campuses, and, when possible, to draw on established knowledge, behaviors, and processes.
- AVP Cianca and Executive Director Russi noted that feedback from students and staff has played an important role in informing process improvements. UC Path employees have a strong service ethic and are committed to resolving problems. The UC Path Center will continue to develop effective partnerships with the campuses to ensure a smooth transition.

VI. Self-Supporting Programs

- 1. Reports on Proposed SSGPDPs from Lead UCPB Reviewers
- a) UC Irvine Master of Data Science (MDS)

Lead reviewer Professor Trounstine noted that the MDS is a 15-month professional master's program that will train graduate students in the science of data analysis. Enrollment is projected to rise to 111 students by 2021-22, with a break-even enrollment point of 24 students per year; international students are projected to comprise 75% of enrollments. She noted that the proposal includes a well-developed academic justification; however, the budget would be improved with more detailed cost estimates that better account for international populations, as well as more information about the intended uses of the \$2 million projected net surplus. The proposal should also discuss the substitution of lecturers for Senate faculty in state-supported programs; the sustainability of overload teaching as a core program component; potential mechanisms to increase diversity; and comparative cost data for similar programs.

➤ Chair Steintrager noted that UCPB has not asked SSGPDP proposals to account for the use of projected revenues, but one function of SSGPDPs noted in the 2016 policy is to supplement State-supported programs. Members noted that that using SSGPDPs revenues to buy out ladder-rank faculty teaching could affect state-supported teaching negatively, although this use of revenues is not unique to the MDS. Even if overload teaching is a sustainable budget model, it is not necessarily a healthy academic model.

<u>Action</u>: UCPB will send comments to CCGA noting that it will withhold endorsement of the proposal until its questions and concerns are addressed.

b) UCSF Supplemental Studies in Advance Practice in Nursing Certificate

Lead reviewer Professor Schumm noted that the proposed UCSF Graduate Academic Certificate (GAC) in Supplemental Studies in Advance Practice in Nursing provides a path to obtaining advanced, post-masters training for nurses desiring high-end credentials.

Action: UCPB endorsed the proposal and will forward comments to CCGA.

- 2. Proposed SSGPDPs
- a) UCI Proposed Conversion of MA in English to Self-Supporting Master of English

Action: Katherine Kinney volunteered to be lead reviewer.

VII. UCI Proposed Fully Online Major in Business Administration

- o Maia Young, Associate Dean of Undergraduate Programs, UCI
- o Vidyanand Choudhary, Senior Associate Dean, Paul Merage School of Business, UCI

Guests from UC Irvine joined UCPB to discuss a proposal from the School of Business to offer a BA in Business Administration to transfer students as a fully online undergraduate degree program. The program is proposed as a three-year pilot. The systemwide Senate has deemed the BA a "first of its kind" program requiring systemwide Senate review. UCEP is leading the review. (The School notes that the degree has already been approved through individual course approval requests of mirror online course versions of traditional face-to-face courses.)

Associate Dean Young noted that the pilot program aligns with UCI's commitment to access and affordability. Many community college students interested in a UC-level business degree do not live near a UC campus offering the degree. Online education provides more access to knowledge

than ever before, and the program will allow UCI to offer courses to a remote transfer population that includes primary care-givers, first generation and low-income students, and working adults.

Demand for the UCI business major is strong; the major has strong educational outcomes and high levels of satisfaction across diverse student groups. UCI has invested heavily in online course development and technology, and its proven track record of success in online course delivery includes a fully-online business minor. UCI is committed to fostering the student experience in online courses; it meets or exceeds Online Learning Consortium's Quality Framework and offers active learning opportunities that connect students to course content, each other, and instructors. The program will analyze learning outcomes to assess course effectiveness and compare them to outcomes in the face-to face-course equivalents. The program will help UCI maintain the student-faculty ratio in both online and face-to-face courses. Students enrolled in the program will pay the same tuition and fees as traditional students. Tuition revenues will come to the chancellor at the campus-wide level and be distributed to the School of Business to cover costs.

- ➤ UCPB members noted a concern that the online transfer students will not have access to the same campus services supported by the student fees they will be paying. Associate Dean Young noted that online students require different, but similarly valued services such as proctoring. UCI is also considering how to incorporate online students into the UCI community beyond the online classroom.
- ➤ UCPB members encouraged UCI to monitor learning outcomes for potential disparities across socio-economic groups. They noted that online classes have in some cases been much more expensive to develop and maintain. They observed approvingly that the UCI program will be run entirely in-house, and its staffing budget includes only three additional technical staff directly related to online course design and distance learning; this is in contrast to a recent SSGPDP proposal reviewed by UCPB, in which a private vendor acting as Online Program Manager will earn millions in profits.

VIII. Compendium Reviews

1. Proposal for Seventh Undergraduate College at UC San Diego

Action: UCPB unanimously endorsed the proposal.

2. UC San Diego School of Public Health (SPH) Full Proposal

UCPB reviewed comments from its lead reviewers about the proposed UCSD School of Public Health. Last year, UCPB reviewed a Pre-Proposal for the School and sought clarifications about several budget and planning issues. Reviewers found that UCSD had addressed most of these questions and put forward a well-considered Full Proposal that made a convincing case for need. However, there were also a few lingering concerns related to a lack of details in the budget, particularly the staffing and the space resources that would be needed to support the school and avoid a "start and starve" budgeting scenario.

Action: UCPB will send comments to Academic Council noting its support with caveats.

IX. New Template and Guidelines for SSGPDP reviews

UCPB members reviewed Chair Steintrager's proposed revisions to UCPB's template for SSGPDP reviews, which elaborate on questions in the current template to better align with the 2016 UCOP SSGPDP policy and more completely address UCPB's concerns about topics such as the indirect cost (IDC) rate proposed for an SSGPDP and how it was determined; the planned use of net revenues; the disposition and compensation of faculty serving the program; the program's impacts on state-funded programs and the research mission; and how it will ensure accessibility and diversity.

Chair Steintrager noted that the revised template leaves open the precise scope and nature of "diversity." In addition, UCOP requires SSGPDP proposals to include a cost analysis template detailing projected revenues and costs, including costs subject to UCOP-determined IDC rates that vary by campus; however, the IDC set by UCOP and used to approve fees for new programs and thereafter on an annual basis is not necessarily the same one used by the program to set fees. Members agreed that UCPB should encourage a clearer and fairer notion of IDCs based on what SSGPDPs contribute to campus costs and that the relation between the cost analysis template and actual budget needs clarification.

<u>Action</u>: Chair Steintrager will incorporate comments for review and approval at the May meeting.

Meeting adjourned at 4:00 pm

Minutes Prepared by Michael LaBriola, Principal Committee Analyst

Attest: James Steintrager, UCPB Chair