



UNIVERSITY
OF Academic
CALIFORNIA Senate

UNIVERSITY COMMITTEE ON PLANNING AND BUDGET (UCPB)

Notice of Meeting

4 November 2025

Present: Robert Brosnan (Chair), Alyssa Brewer (Vice Chair), Pheng Cheah (Berkeley), Rena Zieve (Davis), Maria Pantelia (Irvine), Henry Friedman (alternate, Los Angeles), Michael Beman (Merced), David Ogelsby (Riverside), Oliver Schmidt (San Diego), Torston Wittman (San Francisco), Barry Giesbrecht (Santa Barbara), Raphael Kudela (Santa Cruz), Sarah Bacon (Graduate Student Representative, Santa Barbara), Kayla Cheah (undergraduate student representative, San Diego), Ahmet Palazoglu (Chair, Academic Council), Susannah Scott, (Vice Chair, Academic Council), Seija Virtanen (Associate Director, State Budget Relations), Caín Diaz (Associate Vice President, Budget Analysis and Planning), Amy K. Lee (Deputy Provost), Melissa Matella (Associate Vice President of Employee and Labor Relations), Maynard Jenkins (Senior Executive Director, Benefits Programs and Strategy), Holli Griffin Strauss (Executive Director, Finance and Planning, Systemwide Human Resources), Stefani Leto (Analyst)

I. Consent Calendar/Introductions

Action: UCPB approved the 4 November 2025 agenda and the 7 October minutes

Chair Brosnan announced that UCPB has been asked by the Academic Council Chair to provide feedback on the Degree Plus program. The committee will provide a list of questions and suggestions regarding data collection beyond that planned by the Institutional Research and Planning Office to analyze the success of the pilot program such as employability, matriculation, starting salary, and comparison cohort as well as actual costs of administering and maintaining the program.

II. Consultation with Senate Leadership

Both Council and Assembly have met, and President Milliken has engaged with the faculty. Regent Riley also met with Council in October; both she and President Milliken focused on broad priorities for the upcoming year, primarily the ongoing UCLA and Department of Justice (DOJ) letter issue. There are no current negotiations with the DOJ, and Council issued a statement affirming faculty's commitment to academic freedom and opposing intrusion into the academic mission, and both President and Regent affirmed their support through a response letter.

The Draft Settlement Proposal from the DOJ was made public and appears to be overreach into university functioning. The compact proposed to other universities represents a different approach for eligibility for federal funding and has been almost universally rejected. This activity

provides the UC time to engage with other communities and do other work; perhaps this will change the tone of interactions with the federal government going forward.

The president addressed the disclosure of personally identifying information to the Office of Civil Rights Incident at Berkeley at Assembly. He sent a community letter on October 3, explaining the choices the administration made. Council sent a statement in return on October 28.

The Senate has been engaged and notified before the new health care benefits plans were released, as opposed to last year's substantial increase without Senate engagement. The engagement primarily came through HCTF and the Health Benefits Advisory Committee. Many staff and faculty will face increased healthcare costs.

UCAD Plus is the successor task force to UCAD. The interim report of UCAD has undergone systemwide review. There has been substantial response. Council will address the review at its November meeting. UCAD will continue through fall to complete its report while folding into UCAD Plus. The new group has 13 Senate members and 13 Administrative leaders, including ten EVCs. The steering committee issued a letter announcing the task force and its charge and the subgroups and their purview. The subcommittees will report in February; UCAD Plus will present a final report in March.

The UCPT workgroup on faculty discipline is organized into groups focusing on three items: Evaluating APM 015-016; aligning senate bylaws to revisions; evaluate the guidelines in Attachment B about extramural speech. The workgroup is collaborating with UCAF to propose new language for Attachment B. The workgroup will present new language to the Regents before the January meeting during which the Regents will vote on the policy. A new workgroup was added to discuss case management procedures which will finish its work by January.

The Executive Budget Committee is looking for operational efficiencies and cost savings on the administrative side, but the Senate has not been involved in these discussions. The Systemwide Budget Management group is trying to harmonize budget processes and guide campuses towards best practices. UCPB informed Chair Palazoglu of their work reviewing the draft report of the Systemwide Budget Management Group.

UAW bargaining is ongoing with senate representation on the negotiating team. Continued effort is being expended by the team to preserve the distinction between work for hire/work for education. A settlement has split the two sides' positions so that rotations are academic, but every student has a 25 percent GSR, with duties defined by supervisory faculty that is work for hire. Two sets of criteria will be phased in and preserve the ability of units to alter the rotations without union claims of changed nature of work. Union guidance will prevail on performance and discipline. GSR appointment is for all first-year grad students, rather than only those on rotations. Labor relations hopes for an agreement but is making contingency plans for a strike.

- Questions were raised by members asking how standing committees can work with subcommittees. Workgroups should not impinge on the work of standing committees, and this kind of situation requires a triage process. UCPB was encouraged to invite subcommittee chairs to a meeting to discuss identified overlap.
- Members continued to ask about data being subpoenaed from Trellix. Members opined that it provides a simple way for the Federal government to identify individuals and their

search histories and to facilitate targeting individuals doing research of special interest to government officials. They asked about plans to protect UC employees against intrusion and targeting by the federal government. The senate posed this question to CIO Williams, and his response that the government has better ways than Trellix to access information. The senate continues to meet with CIO Williams and COO Nava about Senate oversight and accountability for the software, attempting to come to agreements about how the senate can provide input and learn specifically what data is collected and for what purpose.

III. Updates from committee representatives

1. **HCTF:** A new set of healthcare rates has been revealed including a UCOP ten percent employer contribution increase to stem the most dramatic rises in premiums. The new rates reflect a change in calculation method from fixed dollar tiered by income to percent of actual cost of plan, with the percentage tiered between groups. Costs of the PPO plan are calculated differently from pharmacy costs to an assessment of pool risk.

UCPB raised questions about the new pricing scheme and possibilities of a fairness issue in which employees using a cost-effective plan receive less input from the employer, thus transferring UC dollars to higher cost plans. There is potential vulnerability of retirement health, especially for people post-1990s; the UC could recover those dollars spent should they cease covering retiree health for those not vested. HCTF will pose these questions to Dr. Rubin.

2. **TFIR:** The total remuneration study to check UC's competitiveness remains concerning the task force. Deloitte was hired to perform the study, but controversy remains about how to measure the inputs. There is no new employee contributions planned to UCRP, nor a contribution holiday contemplated. The MOP plan's liquidity is good but the university can not resell the loans as they previously could.
3. **ASCOLI:** DOGE-caused layoffs created savings that the labs plan to spend until the dollars are gone. There are no requirements for back pay for contractors. Some essential personnel must come in to maintain safety. Some believe that the UC should not realize profit from national lab oversight but should run it as a public service. The fees paid to the UC go back into the lab fees research program, so UC doesn't make a profit. LANL wants funds used to primarily benefit the labs. UC Austin will bid for lab management, and the lab would like to use the fees to do research to more closely bind them together. There is no formal UC policy about restricted research, and doing more would benefit the labs.
4. **UCEAP:** I have no notes on this discussion

IV. Self-Supporting Graduate Program Degree Proposals

1. UC Davis Master of Engineering in Water Resources Engineering. UCPB generally approved of this program but noted substantial overlap between the SSP and the state-supported program. They discussed the potential cost savings of shifting duplicative programs to self-supporting status to preserve core funds for programs that cannot be self-supporting. For the presented program, faculty developed materials for the state supported program and are choosing to use their

intellectual property for the proposed program. Members asked about online quality for some programs noting a need to adhere to UC quality for every modality.

2. UC Davis Master of Engineering in Sustainable Transportation. UCPB noted no serious concerns with the proposal and approved as long as the proposed structured monitoring takes place.
3. UC Davis Master of Engineering in Biomedical Engineering for Healthcare Technologies. Focuses on filling a gap in understanding in recent graduates of the technology changes in health care such as tissue engineering, bioinformatics, and regulatory systems. Most programs focus on device development or biological processes; this one focuses on regulatory processes and administration of the technology itself. UCPB agreed that the specificity of the program justifies the higher price. Members noted a missed opportunity and suggested that the program add AI components. The program should align the title with the program's aim.
4. UC Riverside Online Master of Business Administration Degree (OMBA). This proposal has been reviewed six times on campus from 2021 to approval in 2025. It presents a fully online flexible MBA, focused on southern California. It is a counterpart to Davis's fully online MBA. The tuition matches the professional MBA but with a lower unit count, which UCPB agreed to note in their review. The campus has had positive experiences with revenue from other business school programs and plans active recruitment and financial support to increase diversity and accessibility. The committee asked that the program require students to document prior work experience if they use that component to justify a lower unit count from the existing MBA.
5. UC San Francisco Master of Science in Global Regulatory Science and Innovation. UCPB discussed this proposal and found confusion in the budget. They asked the campus for additional information before writing a formal review

V. Consultation with OP

The Regents will approve the systemwide operating budget at their next meeting. The tuition stability plan may change at that meeting. Proposed changes to that include raising the cap, banking inflationary raises, and a proposed reduction in incremental RTA from 45-35 percent, which is still higher than it has historically been. An additional one percent increase is proposed over inflation, dedicated for capital needs across the system.

The university is asking the legislature to restore state funds, as well as full funding of the 2025-26 compact installment. The UC exceeded growth expectations and the legislature needs to fund that growth to support the students who are here and will continue to be here.

A \$440M increase to core funds reflects costs including funding for faculty merit, increase in UCRP employer contribution, higher growth on employee and retiree health costs, plus represented academic staff and employee's salary increases that have been bargained for as well as policy covered staff. This year the university will ask for \$5.5M to help students in PRIME programs support underserved communities.

The UC has had \$925M growth in core expenditures, some reflecting deferrals from previous years. Income. The current large ask of \$700M is consistent with what the state said they would fund, and the difference is asking for no deferral. The proposed budget represents \$980 in revenues, \$930 in

expense, leaving \$60M to apply to the existing structural deficit. The meeting will be the first time the Regents see this proposal.

Again, the university will request one-time support for capital to cover the \$1.4B needs identified by campuses. The UC will provide a detailed list of projects campuses. This \$400M ask is framed as a refund of the 2025-26 deferral as well as asking to build it into the base going forward.

Associate Director Virtanen updated the committee on legislative budget processes. The UC will have many opportunities to make its case to the legislature. There is a state deficit projected, but if revenue continues at the current pace, it will not manifest. The legislature wants to protect health care and will cut educational funding if needed to do so. Revenue strongly depends on tech performance.

- A member asked if there is routine financial stress testing for the hospital systems. Yes, there is but the CFO and Vice President for Health would have details.
- Healthcare costs were discussed and the budget staff deferred to HR.
- The committee may share the Budget Management Workgroup Report widely when it is made public and was asked to publicize it specifically at the department level as all levels need to change to a common good mindset.

VI. Systemwide Review Item

Systemwide Review of Proposed Presidential Policy on Education Loan Practices

The committee assigned a reviewer for this item.

VII. Consultation with SAP and HR

Senior Executive Director for Benefits Programs and Strategy, Maynard Jenkins, briefed the committee on the shift from the former risk-adjustment pricing approach to a portfolio-based methodology. He noted that UC's employee contributions had become uncompetitive—sometimes more than twice those of peer institutions—due in part to “smoothing” adjustments made since 2022 to mitigate extreme results produced by the prior risk-adjustment model. These adjustments unintentionally distorted plan relativities, increased price disparities across pay bands, and led to over subsidization of Kaiser and the CORE plan.

To restore competitiveness and align plan prices more closely with actuarial value and medical inflation, UC adopted a portfolio rating model. Under this approach, all non-Kaiser plans (Blue & Gold HMO, HealthSavings+, UC Care) receive equal dollar subsidies to their premium rates, which are based on each plan's actuarial value and efficiency; the resulting employer subsidy percentage applied to the Blue & Gold HMO, is then applied equally to the Kaiser HMO. This produces more rational and consistent pricing across plans over time.

Jenkins reported that UC increased its aggregate employer contribution for 2026 from 82.2% to 83.4%. This reinvestment was achieved based on a combination between increasing the budget to 9.5%, while holding UC Health unit cost increases to 1% across all plans in 2026. Jenkins also introduced HealthSavings+, a new low-cost HDHP replacing CORE and UC HSP plans, and noted standardization of weight-loss benefits (BMI >40) across plans. Market comparisons show the

revised 2026 pricing structure places UC closer to the 50th percentile among peer academic institutions.

He explained that pay band 4 remains the least competitive but is now positioned nearer the market median; earlier competitiveness issues appeared to stem primarily from prior smoothing tactics rather than the intended pay-band design. UC will reassess pay-band design in 2027.

Jenkins concluded with an overview of employee communications, projected medical trend (8%+ over the next two years), enhancements to the ALEX decision-support tool, and ongoing change-management efforts with campus HR leaders.

VIII. Campus updates (CPB and CAPRA Chairs)

Berkeley: The UCAD interim report was discussed, specifically the suggestion that campuses cooperate to offer languages. Faculty wondered how campuses with different academic calendars would be able to do that. Complying with federal policy regarding accessibility is creating challenges for individual faculty courses, known as B courses, and the campus disability office is not helpful.

Davis:

Irvine:

Los Angeles:

Merced:

Riverside:

San Diego:

San Francisco:

Santa Barbara:

Santa Cruz: The previous budget model penalized language departments because they use lecturers to teach languages. The current funding is a short-term fix; long term remains in discussion. The campus is promoting international programs to support higher level Spanish. The campus has asked for a task force to discuss options, noting that in previous downturns other language programs were lost or reduced. A rapid increase in summer online offerings was proposed to shore up the budget but no faculty wanted to teach, so the campus asked faculty to create the class and supervise a teaching GSI. This raised questions of quality control and union opinion. The Chancellor is up for review; there is an open period for feedback and comments on the report. One approach to address the budget shortfall is to not replace 66 retiring faculty by 2030. This would result in a student-faculty ratio of 36-37. There is no way to control for equal retirements across departments. Deans have been asked to model 5, 10, 15 percent cuts. No discussion of whether they were looking at shared programs.

Meeting ended at 4:01

Prepared by Stefani Leto, Analyst

Attest, Robert Brosnan, UCAP Chair