

UNIVERSITY OF CALIFORNIA

ACADEMIC SENATE

**UNIVERSITY COMMITTEE ON PLANNING AND BUDGET  
MINUTES OF MEETING  
TUESDAY, MARCH 8, 2005  
UCOP ROOM 5320**

**I. Vice Chair's Report**

- Stan Glantz, UCPB Vice Chair

Vice Chair Stan Glantz chaired the meeting due to Chair Parrish's planned absence. The committee expressed appreciation for Chair Parrish's thorough reports on the February 16, 2005 Committee on Research meeting, and the February 23, 2005 Academic Council meeting (Enclosures 1 and 2).

**II. Consent Calendar**

- A. Minutes of the February 8, 2005 UCPB meeting

**ACTION: UCPB unanimously approved the minutes of the February 8, 2005 meeting with two amendments.**

**III. Consultation with UCOP – Budget Update**

- Larry Hershman, Vice President, Budget
- Jerry Kissler, Assistant Vice President, Planning and Fiscal Analysis

**REPORT:** Vice President Hershman reported to the committee by teleconference on the status of the UC budget and other topics as follows:

President Dynes' testimony before the CA Legislature: VP Hershman reported on the President's recent testimony before the State Assembly and Senate Budget Committees. The Legislature appears supportive of UC and committed to full funding of the Compact.

Legislative Analyst's budget report: The Legislative Analyst's Office (LAO) recently released its 2005-06 budget report, which includes good news that state income tax revenues and corporate profits are up by over two billion dollars. However, the LAO also reports its opposition to the Compact for reasons including: (1) disapproval of the long term agreements made between the Governor and the UC; (2) claims that the Compact's projections in enrollment growth are too high, along with the marginal growth formula; (3) claims that UC fee revenues should belong to the state, and that student fees should be higher (40 percent of instruction cost); (4) maintains that no state funding should be provided for financial aid, and that all money should funnel into Cal grants; and (5) says that the state should not fund research space.

VP Hershman believes that the Legislature will most likely not agree with the LAO's report, and will continue to abide by the terms of the Compact.

Governor's proposal on retirement: Regent Parsky recently testified before the Legislature, showing no support for the Governor's proposal to restructure the state retirement plans. VP Hershman reported that UC officials are continuing to negotiate a compromise retirement proposal with lawmakers which could include raising the contribution cap above the currently-proposed six percent cap, and which would also appease critics who say public pension plans are too generous. One committee member expressed concern that the university is subject to increasing restrictions and is in danger of losing control of its autonomy.

**DISCUSSION:** The committee then commenced a discussion with AVP Kissler:

First, AVP Kissler distributed President Dynes' prepared testimony before the Assembly Budget Committee's Subcommittee on Education (March 1, 2005), and highlighted the following key elements of the President's presentation: (1) California is losing its comparative advantage in per capita personal incomes; (2) emphasis on the shift to a knowledge-based economy; (3) California's fastest growing occupations are professional and managerial jobs; (4) UC's enrollment plan figures help to lay the groundwork for addressing the crisis in graduate education in the next fiscal year; (5) the cumulative effect of four years of budget cuts; and (6) the funding gap of \$2650 per UC student resulting from state budget shortfalls.

Second, the committee addressed the university's current and future budget strategies concerning the crisis in graduate education. AVP Kissler reported that there are many internal proposals to address graduate students and the impact of graduate education on the state's economy, but a funding problem prevents moving forward at the moment in light of ongoing budget cuts. Some members stressed the immediacy of the problem, which if not resolved soon, will lead the university towards being merely a good public university; and that damage incurred will be hard to overcome. AVP Kissler suggested that the committee continue this discussion with Kate Jeffery at UCPB's April meeting, and the committee agreed, along with inviting Vice President Michael Drake. A list of discussion topics includes: (1) how to fully fund graduate and professional school students; (2) how to prioritize graduate and professional school student funding in the budget; (3) UC vs. national average in funding of graduate and professional school students; (4) projections of anticipated fees for the life of the Compact (through 2011); (5) students' debt load upon graduation; (6) study following students who decline admission to UC to go elsewhere: comparison of aid packages, reasons for declining admission to UC; and (7) the special case involving international graduate students: limited diversity of this population = reduced ability to attract diverse faculty = reduced competitiveness and quality of UC.

**ACTION:** The committee will address issues involving the crisis in graduate and professional education, including internal priorities and budget strategies, at its April 12, 2005 meeting with invitations extended to Kate Jeffery, Director of Student Financial Support, and Dr. Michael Drake, Vice President of Health Affairs, to join the discussion.

#### **IV. Consultation with UCOP – Academic Affairs**

- Linda Guerra, Acting Asst. Vice President, Academic Strategic Planning & Analysis

##### **A. Realignment of the Division of Academic Affairs**

**REPORT:** Linda Guerra provided the committee with an update on the recent realignment of the Division of Academic Affairs at UCOP. She suggested that members consult Provost

Greenwood's email announcement for the details of the realignment structure, and also distributed new and old organization charts for the committee's information. Linda Guerra announced that she is the interim leader of Academic Strategic Planning and Analysis, one of the four new units within Academic Affairs. She will be working to articulate the future of the university and lay out where the university is headed in the long term. An executive search will be conducted this year to fill leadership positions of the four new units on a permanent basis.

**B. Long-Range Planning Activities**

**ACTION: The committee agreed to amend the agenda to allow for an extended discussion of the Excess Units Fee Policy with Linda Guerra, postponing the report on Long-Range Planning Activities to the April 12, 2005 UCPB meeting.**

**C. Excess Units Fee Policy**

**ISSUE:** In February, the committee reviewed the proposed Excess Units Fee Policy and submitted a letter to Council expressing general disapproval, with detailed concerns regarding the proposal's unintended negative academic effects. After hearing of the Academic Council's initial discussion of the proposal however, the committee requested a follow-up discussion to reevaluate its position, and perhaps submit additional comments to Council.

**DISCUSSION:** Vice Chair Glantz expressed the view that the proposal perpetuates the myth that the university is overflowing with lazy students and that pressing such students to graduate on time, and ridding the university of waste, fraud and abuse in general, will appease all of the state's budget problems; and that this is simply not the case. Most members agreed that Council's tentative stance – that the policy is inevitable, despite serious concerns about its intellectual and financial consequences – is not strong enough and does not accurately reflect the sentiment of UCPB and the majority of Senate committees. Most members also agreed that it was important for Council to strongly oppose such blatantly bad policy in order to maintain the Senate's credibility and relevance within the system of shared governance, and that the Senate should argue for broader control over monitoring efficiency concerns, tracking problems, and offering its own solutions especially when academic pursuits are involved. The committee also doubted that the proposal's intended financial benefits would outweigh the intense administrative burden required to implement and monitor the policy.

Jerry Kissler provided the committee with some background information regarding the origin and drafting of the proposal, which generally regards the California State University's problems with graduating students on time and UC's fight against its inclusion in these specific requirements in the Compact. One member pointed out data in President Dynes' testimony before the Assembly Budget Committee (March 1, 2005), which shows UC's rising graduation rates and reduction in time to degree among all students, proving the proposal's futility. One member expressed the view that the proposal sends a negative, unwelcoming message to those students who are most affected, namely the under-prepared and also the high grade point average, over-achieving students. Another member said that despite the political mandate behind the proposal, the university should reject the proposal because it is a poor idea, it is founded on misinformation, and it perpetuates the existence of false problems to lawmakers and the public.

Linda Guerra then distributed two data packets showing time to degree rates, and estimates and analysis of those students who would be affected by the proposed policy, including approximately five percent of UC undergraduates. This data reinforced the committee's negative view of the proposal. One member disagreed, saying that the proposal is a foregone conclusion,

and pointed out that it affects very few students and that similar policies are already successfully in place at some campuses.

**ACTION:** With one member opposed, the committee agreed to submit additional comments to Council reflecting UCPB's strong opposition to the proposed Excess Units Fee Policy as reflected in the discussion, above.

### **UCPB Executive Session**

#### **V. UCPB Draft Resolution on Maintaining the Public Status of the University of California**

- Chris Newfield

**ISSUE:** The committee is continuing its discussion of UCPB's draft Resolution written by Chris Newfield on behalf of UCPB in support of maintaining UC as a public institution, and to reaffirm UC's dedication to public funding and serving the entire population of the State of California.

**DISCUSSION:** After distributing version 2(a) of the draft Resolution to the committee, Chris Newfield explained that this most recent draft incorporates comments received at the February 8, 2005 UCPB meeting, and reflects a shift from making statements about the evils of privatization towards studying real reasons for concern about the university's future. Members then reviewed the draft, and offered additional suggestions and editorial comments. Some members questioned the rationale for the seventh "whereas" clause, and the committee debated whether to include data showing "those public universities that have successfully replaced public with private funding have seen alterations in their academic and public service missions." The committee agreed to retain the point made in the clause, but rephrase it as a concern and not a fact. Lastly, members agreed to include only one "resolution" clause, calling for the formation of a joint Senate-administration task force to study the draft Resolution's concerns.

Discussion ensued concerning the committee's expectations in passing the draft Resolution and seeking its implementation by Council, agreeing that the Resolution's benefit lies in placing the issue on the table, and also forcing consideration of the long term implications of the Compact. The committee also agreed that the draft Resolution serves an important role as a formal document that will prompt an intense study of the issues, which could eventually be made public and debated, and prevent the continued erosion of public support for higher education.

**ACTION:** The committee unanimously adopted the UCPB Resolution on Maintaining the Public Status of the University of California, with amendments, and with intent for future action by the Academic Council.

#### **VI. Reconsideration and Review of the Council Resolution on Restrictions on Research Funding Sources**

- Stan Glantz

**ACTION:** The committee approved Vice Chair Glantz's proposal to remove this item from the meeting agenda since the related enclosure was intended as an information item only, and not a topic for discussion.

## **VII. UCPB Proposal to Establish a Graduate and Professional School Financial Aid Steering Committee**

**ISSUE:** On February 14, 2005, UCPB submitted to Council a proposal to establish a Graduate and Professional School Financial Aid Steering Committee, modeled after the Educational Funding Model Steering Committee, to review present formulas and make recommendations for the allocation of return to aid as well as the funding of teaching assistant fees. The committee requested an update on the progress of its proposal.

**DISCUSSION:** Vice Chair Glantz questioned whether the committee should submit an additional letter to Council pressing the importance of this proposal, and urging Council's swift action. Council Vice Chair Brunk then reassured the committee that the proposal is moving forward, the issues surrounding graduate and professional school students and financial aid are of primary concern to the Senate and Provost Greenwood, and that another letter would be unnecessary. The committee emphasized that its proposal must go forward as written, and that the Steering Committee is not intended to be ad hoc, but rather a standing committee closely paralleled to the charge and membership of the undergraduate-level Steering Committee.

**ACTION:** Acting in reliance, the committee agreed not to submit an additional letter to Council at this time urging support and action on UCPB's proposal to establish a Graduate and Professional School Financial Aid Steering Committee.

## **VIII. Electronic Communications Policy**

**ISSUE:** The committee must decide whether to approve the proposed update to the Electronic Communications Policy, which "clarifies the applicability of law and University policy to all forms of electronic communications and upholds the principles of academic freedom, shared governance, freedom of speech, and privacy that originally were articulated in the 1998 University Electronic Mail Policy."

**DISCUSSION:** The committee agreed that the updates appeared wholly innocuous, and were an accurate reflection of pressing legal and privacy issues as well as continually changing electronic and information technology concerns.

**ACTION:** UCPB unanimously endorsed the proposed update to the Electronic Communicates Policy.

## **IX. UCPB Members' Reports on Budget Cuts Affecting Campus Mental Health Services**

**ISSUE:** Council has requested that UCPB inquire into: (1) the origin of and justification for directed cuts to student services; (2) how they were implemented on campuses, and (3) how they affect mental health services in particular. UCPB's report will be considered at the April 27, 2005 Council meeting.

**REPORTS:** Members presented their findings, and a similar picture emerged concerning the dire state of campus budgets for mental health services for students, faculty and staff. Findings include: more students are being referred to off-campus psychotherapists where a majority do not receive the care they need; national accreditation goals include one FTE counselor per 1500 students, and UC campuses have approximately one FTE per 2500 students; and an alarming number of students are arriving to the university medicated and requiring access to services, yet

at the same time campus counseling and psychological services offices have had to reduce staff and services due to budget cuts ranging from 20 to 25 percent over the past couple years

Also, members noticed that Council's charge letter did not specifically request information on budget cuts to mental health services for faculty, but agreed to include available information on this issue regardless. On a related note, the UCSF report focused on mental health services for faculty, where benefits have been cut in terms of the number of outpatient visits allowed per year. Also, a UCSF focus group has discovered faculty concerns due to heightened academic stress and massive curriculum change, that faculty are unlikely to go to their colleagues or their department chair when they are experiencing stress because of competition and concerns of being labeled, and a general lack of support for faculty in terms of exercise equipment, flexible hours, etc.

**ACTION: With consultation from Patty Robertson and Stan Mendoza, Analyst Michelle Ruskofsky will compile UCPB members' findings into a report for the committee's review and submission to Council.**

#### **X. Financial Aid Issues – Report on Teleconference**

- Cal Moore

**REPORT:** Cal Moore provided an overview of the topics discussed during the recent teleconference of the Educational Funding Model Steering Committee, concerning the substantial variation in campus-based fees, the resulting cross-subsidization of fees across campuses, establishing a future return to aid component for campus fees, and the uncertain future of legacy fees. No actions were taken during this teleconference, but Cal Moore wished to express the Committee's continued study of these complex and hotly debated issues.

#### **XI. National Merit Designation in UC Admissions and Financial Aid/Scholarship Awards**

**ISSUE:** BOARS has requested, through Council Chair Blumenthal, that UCPB examine the appropriateness of UC's participation in the National Merit Scholarship Program, and inquire into the use of National Merit Status in UC admissions and financial aid and scholarship awards. Compelling validity and adverse impact concerns have been raised, which were further investigated by BOARS.

**DISCUSSION:** Cal Moore provided the committee with a brief overview of the issue, and asked the committee for input concerning the wisdom of using local campus funds for non-merit, non-need based student aid awards. Committee members expressed general surprise and dismay regarding the university's participation in the National Merit Scholarship Program, and doubted that campuses should continue participating in the program due to all of the concerns raised by BOARS. Vice Chair Glantz advocated for UCPB to request that Council take a unified approach to these serious concerns, and to urge the campuses and the university as a whole to relinquish participation in the program altogether. However, most members noted that the committee should express that its concerns are aligned with those of BOARS, and honor campus autonomy by referring the issue to the campuses and encourage them to reevaluate their participation in the program.

**ACTION: The committee agreed to express the sentiment that UCPB joins with BOARS in its concerns regarding the university's participation in the National Merit Scholarship**

**Program, and would like to encourage the campuses to reevaluate the use of National Merit Status in the distribution of financial aid and scholarship awards.**

**Meeting adjourned at 3:00 p.m.**

Attest: Stan Glantz, UCPB Vice Chair

Prepared by: Michelle Ruskofsky, Committee Analyst

**Attachment:**

Appendix A: UCPB 2004-05 Attendance

## Appendix A: UCPB 2004-05 Attendance

UNIVERSITY COMMITTEE ON PLANNING AND BUDGET (UCPB)									
Attendance 2004-05		Key: X = In attendance; Abs = Absent; Alt = Alternate attended							
		10/5/04	11/9/04	1/11/05	2/8/05	3/8/05	4/12/05	5/3/05	7/12/05
<b>MEMBERS:</b>									
Michael Parrish, Chair	San Diego (History)	X	X	X	X	Abs			
Stan Glantz, Vice Chair	San Francisco (Medicine)	X	X	X	Abs	X			
Calvin Moore	Berkeley (Mathematics)	X	X	X	X	X			
Patricia Conrad	Davis (Pathology, Micro, Immun.)	X	X	X	X	X			
Derek Dunn-Rankin	Irvine (Mech'l, Aerospace Eng.)	X	X	X	X	X			
John Edmond	Los Angeles (Biological Chem.)	X	X	X	X	Abs			
Steve Cullenberg	Riverside (Economics)	X	X	Abs	X	X			
Stan Mendoza	San Diego (Pediatrics)	X	X	X	Abs	X			
Patty Robertson	San Francisco (Ob-Gyn, Repro.)	X	X	X	X	X			
Chris Newfield	Santa Barbara (English)	X	X	X	X	X			
Paul Koch	Santa Cruz (Phys, Bio Sciences)	Alt	X	X	X	Alt			
<b>EX-OFFICIO MEMBERS:</b>									
George Blumenthal	Chair, Academic Council	X	Abs	Abs	Abs	Abs			
Cliff Brunk	Vice Chair, Academic Council	X	X	X	X	X			
<b>STUDENT REPRESENTATIVES:</b>									
Peter Gee	Undergrad Representative (UCB)	X	X	X	Abs	Abs			
Paul Page	Grad Representative (UCSF)	Abs	Abs	X	Abs	Abs			
<b>GUESTS:</b>									
Christopher Viney	UC Merced	X	X	X	X	Abs			
Susanne Huttner	Assoc Vice Provost			X					
Leslie Sunell	Spec. Asst to the Provost			X					
Joseph Mullinix	Sr. Vice Pres. - Bus&Finance				X				
<b>ALTERNATES:</b>									
David Gardner	UCSF Alternate								
Don Rothman	UCSC Alternate	X							
Maggie Morse	UCSC Alternate					X			
<b>CONSULTANTS:</b>									
Maria Bertero-Barceló	Exec. Dir., Academic Council	X	Abs	Abs	Abs	Abs			
Larry Hershman (UCOP)	Vice President, Budget	X	X	X	X	X			
Jerry Kissler (UCOP)	Asst.VP Budget, PIng, Analysis	X	X	Abs	Abs	X			
Linda Guerra (UCOP)	Int.Asst.VP PIng & Analysis	X	X	X	X	X			
Larry Coleman (UCOP)	Vice Provost, Research	Abs	Abs	X	Abs	Abs			
Cathie Magowan (UCOP)	Dir., Science & Tech Research	Abs	Abs	X	X	Abs			
Dante Noto (UCOP)	Dir., Humanities, Arts, Soc.Sci.	Abs	Abs	Abs	Abs	Abs			
<b>STAFF:</b>									
Michelle Ruskofsky	Committee Analyst	X	X	X	X	X			