

University of California Academic Senate
University Committee on Planning and Budget (UCPB)
Minutes of Meeting – December 9, 2008

I. Chair's Announcements – Patricia Conrad

Report: Chair Conrad summarized highlights of the November Academic Council meeting. The Senate's eligibility reform proposal is currently before the Regents. The President has expressed support for a revised version of the proposal that requires a minimum GPA of 3.0 weighted/capped, while Council favors the 2.8 unweighted GPA.

President Yudof's 2009-2010 budget asks the State to fully fund UC's priorities, despite the budget crisis, because he wants to inform the Legislature about UC's actual needs and send a message that educational quality will suffer without adequate funding. This is a position that UCPB has supported for the past 3 years.

Council briefly discussed UCPB's resolution regarding Regents "Discussion Item J1," a proposed \$2 billion bond issue intended to finance seismic upgrades and other construction projects. Council did not act on the resolution because the Regents postponed their discussion of the item, but Item J1 is now out for systemwide Senate review. Council also discussed a proposal from the Davis division to grant the dependents of Senate faculty a 50% reduction in undergraduate fees. There was general support for the proposal, but also acknowledgement that it would be difficult to fund this proposal in the current budget environment.

Chair Conrad attended the November meeting of Academic Council's Special Committee on Lab Issues (ACSCOLI). She said the Senate that the contracts UC signed as part of the LLC agreements for the national laboratories at Livermore and Los Alamos are binding for longer than the seven years advertised in the RFP. She also mentioned a past concern that the labs might increase production of plutonium "pits," beyond what UC may have envisioned, but this is actually not the case. She wants UCPB to become more informed about the functions of the national laboratories with which we are involved, the LLC agreements for the laboratories at Livermore and Los Alamos, and the Senate's role in shared governance relating to these and the national laboratory at Berkeley.

II. Consent Calendar

1. Approval of the December 9, 2008 UCPB Agenda
2. Approval of the November 7, 2008 UCPB Minutes

Action: UCPB approved the consent calendar.

III. Budget Consultation with the Office of the President

– Associate Vice President for Budget Operations Debora Obley

Enrollment: California's fiscal emergency is worsening; the undergraduate population at every UC campus exceeds what the state has budgeted for enrollment; and there is little chance that new funding will be forthcoming. Even if UC enrolls the same number of students next year, total enrollment will still grow by 2500 students as continuing lower division students move up through the pipeline. The President is considering a proposal to curtail California resident freshman enrollments by 2000, with specific targets set for campuses. He also wants UC to increase the enrollment of community college transfer students by 750 systemwide, for a net

reduction of 1250. Over four years, the plan will bring UC 5000 students closer to the goal of having its budgeted enrollment match resources, assuming there are no new cuts in the State budget. Campuses will be expected to hold to their reduction targets, although enrollment outcomes are more difficult to predict this year because of factors like the economic downturn and plans by CSU and the California Community Colleges to cut their own enrollment.

UCRP Funding: The UC Retirement Plan is on the verge of falling below fully-funded status, so employee contributions must resume by July 2009. The exact employer-employee mix is still to be determined, but the goal for the first year is an employee contribution of 2% and an employer contribution of between 4 and 9%. The Regents will review a formal proposal in February.

New Program Planning: UCOP is asking campuses to examine their plans for new schools and programs with a more critical budgetary eye and to deferring all proposals that do not have a strong long-term self-supporting funding outlook. Proposed medical schools at UC Riverside and UC Merced are probably not viable right now without significant additional state investment, which will not be forthcoming in the near future.

Discussion: Members noted that the Senate should have a chance to review the final UCRP funding proposal. There is a clear need to restart UCRP contributions, but the faculty also needs to reiterate Academic Council's July 2008 [policy](#) statement that employee contributions to UCRP must be accompanied by equivalent salary increases to avoid a reduction in UC's competitive position in total faculty and staff remuneration. Redirecting the Defined Contribution plan amount (about 2% for most employees) would not reduce take-home pay, but it would result in a net loss of total remuneration at a time when UC salaries are falling further behind comparison institutions. UCPB also discussed concerns about a possible state ballot initiative that would transfer control of UCRP from the Regents to an outside board, and ongoing budget problems at the Merced campus, which expects enrollment of 3400 students next year but budget support for only 2000.

Associate Vice President Obley said Council's stance would be reasonable in a normal budget environment but the state financial crisis makes it difficult to support. She said she does believe that the state will fund the employer side of UCRP contributions.

IV. Template of Planning Questions for the Compendium Review Committee

Issue: A Senate/Administration subcommittee is being assembled to review and revise the Compendium. UCPB wants the subcommittee to consider a template of possible questions campuses should address in any proposal for a new program or entity. UCPB reviewed a draft set of questions, along with Council's [August 2007 policy](#) that all proposals UCOP submits to Council be accompanied by an estimation of fiscal impact.

Discussion: It was noted that having these questions and concepts in advance will help campuses develop better proposals and aid the Senate review process more generally. Proposals should include a range of budget scenarios instead of a single or best case scenario, particularly those that depend on unpredictable factors such as fundraising and enrollment support for funding. Proposals should define their benefits and costs, broadly defined; the expected synergies, strengths, and weaknesses; secondary effects – i.e. “mission creep;” and how impact, achievement, and improvement will be measured. They should address questions of space and support for facilities build-up and maintenance, including appropriate IT and library

infrastructure; define how the program differentiates itself from work that might be undertaken at CSU; define the “need” – i.e., state, societal, or campus-goal related; the case for state funding; and what additional student support services – e.g., advising, will be necessary.

Action: A revised set of questions will be circulated for more input. UCPB will forward notes to Professor Bristow who is UCPB’s designated representative to the Compendium Review Committee.

V. Campus Reports

Several campuses provided reports on the impact of local budget cuts and other issues.

Merced. The campus recently implemented a staff hiring freeze and is considering layoffs. The EVC halted the creation of new faculty lines for next year, and several faculty searches currently underway may be stopped. Merced is expecting a net gain of 700 students next year.

Santa Cruz. The Budget Committee was consulted about reductions last year and recommended differential cuts of up to 10% for all campus units. Although no ongoing faculty searches will be cancelled this year, several divisions are slowing down or limiting recruitments, and deans are discussing the closure and consolidation of academic programs. The first year of the faculty salary scale plan had the effect of widening the UCSC faculty salary gap relative to other UC campuses.

Santa Barbara. UCSB is operating under an enrollment cap until it negotiates its long-range development plan with the Santa Barbara community, and a joint Senate/administration committee is discussing how to implement proposed cuts of 10% this year and 10% next year. There are no new faculty FTEs at present; instead, the campus is releasing its pool of previously allocated FTEs along a prioritized timeline over the next three years.

Davis. The campus has met this year’s budget cut target, but expects next year’s anticipated cuts will be more difficult to implement. A number of joint Senate-Administration task forces are forming to discuss budget planning, and Davis faculty have criticized a suggestion that the campus follow Berkeley’s policy of capping endowment payouts at \$25k.

V. UC Davis School of Nursing - With Director of Academic Planning and Budget Carol Copperud

UCPB reviewed a draft Committee response to the revised UC Davis School of Nursing proposal prepared by Professors Joseph Bristow (UCLA) and Warren Gold (UCSF).

Report: Director of Academic Planning and Budget Carol Copperud noted that while the administration does not participate closely in the review and approval of new programs, it takes a great interest in proposals for new Schools. The Senate and administration are learning through experience how best to review new Schools and what a good proposal looks like. The Compendium review process does not currently require the administration to vet proposals before they are forwarded to Senate committees; however, that should change.

She asked UCPB to consider the difference between vetting and approving the existence of a School and approving less crucial implementation details. She said although the proposal may lack detail about curriculum and other areas, she believes the UC Davis Nursing School is, in

general, consistent with the Master Plan and the academic plan and trajectory of the campus, and has a viable budget and organizational structure. Proposals for new degree programs will be submitted separately for approval by CCGA, once the school is approved and has hired faculty to develop the programs.

The nursing shortage is a national problem. Most nurses have an Associate's degree, but many clinical training programs at the AA, baccalaureate, or master's level cannot expand because they do not have enough faculty to teach and train new nurses. Moreover, nursing is more than bedside patient care. The innovative approach of Davis and the Moore Foundation, which is supplying a \$100 million start-up grant, is to address the problem by training new faculty. The UC Davis medical center already has an infrastructure for nursing faculty in place, and the grant gives Davis an additional advantage in recruitment. The goal is to bring the student faculty ratio to 8:1, but the PhD students and 3rd and 4th year BSN students will be funded at the 18.7 to 1 ratio. The University will continue to press the State for more funding for the baccalaureate clinical program to address the need for adequate faculty supervision of students. Funding for graduate academics at 18.7:1 is not ideal, but should be addressed separately from the approval process itself.

Discussion: Members noted that the revised proposal is a major improvement over the original proposal submitted last year, but UCPB should not ignore several problematic implementation details. The biggest concerns included a sense that \$100 million would not be sufficient to build and maintain the School over the long-term, and a fear that the funding plan depends too much on faculty-generated income. Expectations for faculty must be realistic, and Davis should provide different funding scenarios and a stronger, more realistic contingency plan that takes into account the current economy. The document also makes unrealistic assertions about recruitment and does not address where the School will find qualified faculty candidates, postdoctoral fellows, and PhD students. There were other concerns about implementation of the proposed curriculum; concerns about Davis recruiting faculty away from other UC campuses; and concerns about the proposed student-faculty ratio. The state's most urgent need is for university RNs, not postdoctoral fellows. The bachelor's component of the proposal seems supplemental to the PhD production component. Is the school developing the faculty in the right order to guarantee success?

Members noted the difficulty of arriving at a perfect budget plan or providing guarantees about funding that take into account unknowable economic and academic variables, before the school exists. The proposed school is unique and will fill a niche. The existing graduate group program at Davis could take in PhD students even before many nursing faculty are hired. The seed funding from the grant will help provide an infrastructure that will help generate more money and the nursing shortage is a Legislative priority. It was noted that Davis should describe contingency plans that include more state support or additional foundation money. The state must be approached to properly adjust the resources so that these considerations can be dealt with. It is more accurate to refer to graduate students as mentored scientists and scholars.

These points must be addressed as the campus implements the proposal. UCPB will express that its support is contingent on having this new information.

Action: Incorporate observations from the meeting into the draft. Director Copperud will forward additional analysis from UCOP about the proposed budget and fall back plans.

VI. UC Education Abroad Program (UCEAP) Business Plan

Issue: UCPB reviewed a draft committee response to the proposed EAP Business Plan and a modified revision of the EAP budget that extends projections from three to five years, to 2012-13. Bjorn Birnir drafted both documents. UCPB also reviewed a memo from two EAP Study Center Directors and former UCPB chairs strongly opposing cuts to EAP.

Discussion: Professor Birnir noted that his drafts represent a compromise position outlining a path to fiscal health for UCEAP along a less dramatic, more reasonable timeline. This plan gives EAP a better chance to preserve academic quality while achieving a sounder fiscal basis. He said the systemwide EAP office (UOEAP) has been subsidizing the campuses with \$1 million per year for the reciprocity students. With the shift to campus-based, student fee funding for EAP, this is a cost campuses should assume. His revised plan also imposes a 10% budget cut on the international operations of UOEAP from year three to five.

Members expressed broad support for modifying UCEAP's current agreements with its overseas partner institutions, including reciprocity formulas. There was a concern that the fungible monies provided to campus EVCs for EAP may not be used for international education. There should be a mechanism to guarantee that this funding is provided to the campuses with an international education/EAP tag. The issues of central office and campus office operations should be distinct.

The UCPB letter should include a section expressing general support for the principle of international education and the participation of a broader population of UC students in EAP; particularly, more science and engineering students and more graduate and professional school students.

Some members expressed concern that the "Cowan Plan" that was submitted for Senate review abandons the old principle that EAP's cost to the student should be equivalent to the cost of a year on campus regardless of the specific costs associated with the study abroad location, and opens up the possibility of charging more for some programs, which will make it more difficult for some students to access the opportunities for education abroad. One member noted that EAP is one of many UC programs fighting for fewer resources and should not be considered a special case. It should move to a self-supporting model where students pay more for the opportunity to study abroad. Members noted that it may not be feasible to operate the same quality EAP program UC currently has without charging more for the opportunity, and that programs administered remotely from Goleta without UC faculty oversight at the host institution cannot retain their current academic excellence. Others noted that EAP is being asked to take a much larger cut than other programs. EAP is not a student service but an academic program that is enormously important for the University. EAP should become more streamlined and efficient, but it should have adequate time to make these improvements most effectively while still ensuring a sustainable future for EAP. The plan to place the program on a sound financial basis should use a budgetary model that preserves existing academic quality, access, and affordability.

It was also noted that the budget is a zero sum game and UCPB should be conscious that the University is operating within a larger budget context. UCPB should urge UC to set the bar higher for new and continuing expenditures.

Action: The memo will be submitted to Council after further modification and review. Bjorn Birnir will draft an explanation of the spreadsheet.

VII. Systemwide Senate Reviews

1. Proposed Sanctions for Faculty who Fail to Comply with Required Sexual Harassment Training

Issue: UCOP released a set of proposed sanctions for faculty members who fail or refuse to comply with the state-mandated sexual harassment prevention training of at least two hours once every two years.

Discussion: UCPB found most of the proposed sanctions to be incommensurate with the infraction, but decided that if sanctions are necessary the most fair and effective are those that punish only the individual faculty member rather than his or her students, colleagues, staff, and/or department. As such, the first and fourth proposed sanctions – “Removal of supervisory responsibilities over TAs, RAs and Postdocs,” and “freezing budgets of departments with non-compliant faculty” – are unacceptable and should be removed from consideration. The proposed sanction to “Delay the implementation of COLAs, merit increases or promotions until training is received” – was seen as the best option because it focuses on the individual, as long as the effective date of the merit increase remains the same and the promotion is retroactive.

UCPB felt the suggestion to report the names of the non-compliant to chancellors, EVCs, deans and regents should be a last resort only after the faculty member is advised about non-compliance, given an opportunity to respond, the department chair is notified, and it is determined that no exigent circumstances such as a family emergency or a technical issue is behind the failure to comply.

It was also noted that the suggested sanctions seem more suitable for faculty members who have actually engaged in sexual harassment. Some members wondered whether the punishment for not complying with the training is actually harsher than the punishments imposed for harassment itself. Members also recounted that some faculty, including themselves, have attempted to take the training, but have faced technical difficulties. No sanctions should be imposed on faculty until these issues are resolved and accessibility to the training is improved.

Irvine offers the training in the form of an interactive dramatic performance. Creative alternatives like this might not only encourage more compliance but also be more effective teaching tools.

Action: UCPB endorsed the memo for submission to Council pending the stated addition.

2. Regents Item J1 - Proposed revenue bond issue

Action: Mary Gauvain and Susan Gilman will draft a response for the January meeting.

The meeting adjourned at 4:00 pm
Minutes prepared by Michael LaBriola
Attest: Patricia Conrad