

UNIVERSITY OF CALIFORNIA
UNIVERSITY COMMITTEE ON PLANNING AND BUDGET

ACADEMIC SENATE

Minutes of Meeting
Tuesday March 13, 2007

I. Chair's Announcements

- Chris Newfield, UCPB Chair

Academic Council February 28 meeting:

- OP will be making a "benchmark" presentation to the Regents, charting progress in a range of UC activities.
- The recently issued report of the Legislative Analyst's Office recommends lower salary and fee increases than are planned in the Compact, and, as well, does not allow for the 5000 student enrollment growth provided in the governor's budget. It also indicates a \$1B shortfall in the state budget.
- A recent CPEC report recommends including UC benefits and pensions in calculations of comparisons with other institutions.

February 27 Joint meeting of the EVCs and the Academic Council:

- The budget presentation made at the meeting with the EVCs will be reviewed later in today's discussion of the Futures Report Part II.
- A presentation on faculty salaries pointed out the mid-career salary sag as more significantly below market than faculty salaries at either beginning or end of careers.
- There was some pushback on the claim that the step system worsens salary inversion and compression.
- Council members and the EVCs agreed formally on a statement against campus stratification by job-slotting.

Consultation crisis: [Note: this item was discussed after agenda item VII in actual order of meeting.]

On a number of issues this year, consultation with the Senate has been unsatisfactory because of ineffective timing, delayed response, lack of complete or timely information; or non-responsiveness to Senate recommendations. UCPB may wish to look at this more closely and initiate a wider discussion with the Council and the administration. A preliminary list of issues includes these major items:

HHMI/Ludwig benefits proposal; the Mercer report and SMG comp; the Senate's recommendation for a review of DANR review; the Academic Council's request to present the Futures Report to the Regents; the TALX sale of W-2 information via Turbo Tax; DOE LLC structure; OP reorganization; professional school fees; etc.

In addition, the effectiveness of ad hoc groups and special committees is in need of assessment. A number of high level task forces are now in place to look at pressing issues such as faculty salaries, the budget, and diversity that are joint Senate/administrative or regental efforts, but are not somewhat removed from the Senate committee and division structure.

Discussion:

Chair Newfield offered more particulars on the consultation process surrounding some of the issues cited above. Other members also saw some reason for concern because of poor communication among senate bodies, citing delayed and incomplete data access and the need to improve the sharing of information between correlate groups. It was suggested that high level joint groups may inadvertently muffle the voice senate committees.

Action: On behalf of UCPB, Chair Newfield will recommend that Senate Chair Oakley send out a memo to all faculty informing them about the UC / TALX agreement for downloading W2 data into tax preparation software.

Action: UCPB members are asked to provide feedback on issues of Senate communication and consultation, and present ideas on whether or how to formulate this matter as a committee initiative.

Action: Analyst Foust will ascertain the status of the joint work group on growth rates in administrative FTE that was formed last year.

II. Consent Calendar

Action: This item was not addressed. The minutes of the February 13 UCPB meeting will be approved next month.

III. EAP / International Education

- Gerald Lowell, UOEAP Chief Administrative Officer

Report: The Ad Hoc Review Committee on International Education and EAP was to have completed its report last winter. It is expected to be released soon, after which the group will convene with its three new members. Regarding the UOEAP budget deficit, as far as is known, no actions have been taken by OP other than over six months ago hiring former Associate Vice President Jerry Kissler as a consultant to help resolve the problem. At that time, it was suggested that UOEAP management work with Mr. Kissler, and that the campus offices offer input on the budget situation. Direct actions to resolve the budget crisis have likely been put on hold pending the release of the recommendations of the ad hoc committee. Last year, UOEAP proposed a set of budget reduction strategies, which included program and administrative cuts. At the direction of the Provost's office, program cuts were halted, although new programs have basically been on hold and the funding formula is at present unchanged. There has been basic change in the fiscal situation; which is that UOEAP budget has an overall \$3.7 million deficit. The operating budget for FY 06-07 carries a \$1.7 million deficit. The deficit can be floated with revenue collected from pass through funds. The 2007-08 gap will be higher because of outlay for international staff whose salaries are controlled by the local government. Costs will continue to creep up slowly with no added revenue.

UOEAP conducted a comparative study of EAP funding at 13 institutions in the U.S. This study was forwarded to OP and a copy will be made available to UCPB. It showed that schools with high tuition have no problem running EAP basically on tuition. Those with low tuition / fees need additional funds or added fees. There are also successful programs that are completely separate from traditional central funding structures that operate mostly on their

own with some help from an institution's central administration. No other U.S. program, however, is strictly comparable to UC's central program or serves this number of world class programs.

In answer to member questions, these further points were made:

- EAP campus directors receive course release and/or compensation. Fees from EAP students are not necessarily passed through to the EAP campus office. This reflects in part a lack of support for international education at the campus level. The severity of the campus problems varies. Cutbacks affect labor, supplies, and outreach, i.e., marketing and recruitment efforts. If you look at EAP only, there is no overlap or duplication of duties, since roles are clearly defined. Some campus's have separate short programs, which do involve overlap of duties in some areas. One proposal is to have EAP act as a consultant to campuses, especially with regard to safety and security issues.
- The quality of relationships with each campus also varies. This is certainly a budget issue, but also the bigger concern of facilitating international education and reciprocity.
- About half of the total of UC students in study abroad are in EAP, the others in programs run at campus level or by a 3rd party for which they are subsidized or charge extra fees.
- To help, what is needed is promotion and growth of EAP programs with an increase in students and a budget structure that supports that growth. 80 % of EAP enrollment is in non-year long programs. This increases administrative demands without increasing support.

Discussion: UCPB Members registered their concern for and support of EAP and the intention to help address the current budgetary paralysis. UCPB's representative on the ad hoc committee (in its expanded form) commented that the review report may be challenged, which will cause further delay, and that a meeting of the new membership has been planned since September, but not yet held.

Action: CAO Lowell will forward UCPB a comparative study done by his office that looks at funding for study-abroad programs at a number of other U. S. institutions. He will also provide data on student participation.

Action: UCPB will draft a memo to Provost Hume drawing the connection between the current budgetary paralysis at UOEAP and the stall in completing the report of the ad hoc Committee on International Education. UCPB will urge that steps be taken immediately to finalize the report without further delay and submit it for comment to the Senate and UOEAP.

IV. MRU Issues

- Cathie Magowan, Director-Science and Technology Research Initiatives and Programs
- Dante Noto, Director-Humanities and Social Science Research Initiatives and Programs

Report: Directors Magowan and Noto distributed MRU budget figures from 2004-05 (see distribution #1) and offered a few minor clarifications. Also distributed was a list of recent systemwide initiatives, planned initiatives, and programs in the development stage. Regarding the latter, it is possible that RFPs will go out next year, if the MRU advisory board is established and operating by then. It is expected that competition will be healthy and faculty will be prepared to submit proposals. This is a new cycle of support that is intended to build in independence from OP funds. All of the recent and planned programs have limited terms of 3 to 5 years; the Office of Research is asking campuses for matching funds. The entire list represents only about \$200,000 in OP support.

Discussion: Chair Newfield requested that more updated MRU budget figures be made available soon. It was clarified that IGPP funding and FTE questions would be resolved pending the establishment of the MRU advisory board. UPCB members also briefly discussed the recent proposal for re-structuring the Office of Research with Directors Magowan and Noto.

Action: A nominee to sit on the MRU Advisory Board will be selected by email.

V. Draft Proposals on the Relationship Between Vendors and Clinicians

- Rory Jaffe, Executive Director – Medical Services

Report: Research confirms that even small gifts affect behavior. The so-called Brennan article that accompanies the proposal as background, is a call to arms to address vendor influence. It singles out academic institutions because it was thought they could lead a culture shift in this area. In many affected schools, though, the benefit of retaining a relationship is seen as outweighing the harm of the behavior of clinicians. OP was asked to develop proposals to supplement the provisions of the Political Reform Act and University Business and Finance Bulletin G-39 (Conflict of Interest Policy) in order to reduce the influence of vendors on the decisions made by UC health care professionals and establish minimum standards for campus implementation of vendor relationship policies. The three additional proposals are more controversial. It was initially agreed that the Senate review the sets of proposals separately.

Discussion: Chair Newfield noted that because the three additional measures were not presented as a developed proposal, UCPB was confining its review to the “Proposed Guidelines.” Members expressed significant opposition to the proposal based on its being unenforceable, an unnecessary supplement to campus regulations already in place, and an unfair or illogical targeting of health care employees. They also noted areas in the proposal in need of clarification or language changes.

These additional points were made:

- Such regulations should not come from the top down, but rather each school should apply or develop its own policies.
- The implication that clinicians are particularly influenced by gifts is objectionable. If a standard university-wide policy is to be developed it should not be selective, but should apply to all faculty-vendor relationships.

- The conception of the proposal may be misguided, if it is an attempt to address a national problem by unnecessary regulation of UC.
- A zero-tolerance policy is not enforceable, and produces scofflaws. There are always means to get around the intent of regulations.
- This is not a new issue, and campuses have responded to the need to address it. Yet the proposal makes it appear as if no regulation is in place at UC.
- Private practice MDs have much more leeway in prescribing drugs than university clinicians.
- There seems to be no unanimity within the UC medical community on the issue.
- A ban on vendor visits is an enforceable policy and has been effectively implemented.
- Why should faculty be thought of as immune to the influence of gifts or exempt from this kind of regulation?
- If left to individual campuses, there could be loosening of practice for gain of some kind.
- The proposal should take the form of guidelines to UC medical / health care units, rather than strict policy, and would describe a regulatory floor.

Action: UCPB will respond to only the OP proposal. The response will ask for clarification on specific points in the proposal and make suggestions for revision. UCPB will also advise that the three additional measures be re-submitted for formal comment within a fully developed policy proposal. Members are asked to send Chair Newfield suggestions for language changes to the OP proposal for inclusion in UCPB's response, which is to be submitted by April 10.

VI. RE-89 Regents' Proposed Adoption of Policy Restricting University Acceptance of Funding from the Tobacco Industry

Issue: UCPB is asked, as part of a systemwide review, to offer its position on the Regents' proposal RE-89. Regent Moores has sent a letter to Senate Chair Oakley articulating a number of questions he would like the Senate to answer regarding policy and academic freedom issues connected with proposed ban on tobacco funding. An Academic Council subgroup was assigned to respond to the letter. Both documents will be available in the next few days and will be distributed as background for this review.

Discussion: Chair Newfield speculated whether any new insight could be injected into discussion of this issue, which has occupied so much of the Senate's time. He suggested that the Senate consider reverting to the previous policy of allowing individual units to vote to ban certain funding sources. Other members expressed the position that the ban be unequivocally opposed.

Action: The Academic Council subcommittee's response to Regent Moores' questions on the proposed tobacco funding ban, once approved for distribution, will be sent out to members along with the materials from the San Diego campus relating to the history of the issue on that campus. UCPB will deliberate and finalize its position by email, and submit a response by the Council's April 13 due date.

VII. Futures Report Part II: Expenditures

Report: Chair Newfield briefly covered the budget presentation made at the Joint EVC-Council meeting, which included information in the UCPB draft report on costs for meeting regental goals. The next major step is to represent UC's decline and decide what metrics to use in doing that, for example; linking salaries to instructional quality. He also noted that UCPB should review the budget figures for Operation and Maintenance of Plant (OMP), which indicate significant and long term under-funding in that area.

Action: Chair Newfield will prepare a revised draft expenditures document for circulation to the committee before next month's meeting. Meanwhile, UCPB members are asked to 1) suggest examples that can illustrate the concrete effects of UC's budgetary decline; 2) suggest how to rank the Regents priorities.

Action: The presentation Chair Newfield made at the joint EVC / Senate meeting will be circulated to the committee, along with an electronic link to the budget information for Operation and Maintenance of Plant.

VIII. "Structure, Function, Leadership, and Developmental Trajectory for Research Support Functions at the UC Office of the President":

Issue: This report was drafted by the Provost's review panel. The Academic Council has asked CCGA, UCPB, and UCORP to take the lead in reviewing it. The committee's response is due April 13.

Discussion: Members wanted clarification and supplementation of the FTE and other budget data offered in the report. Questions were also raised about the consolidation of IUCRP, DANR and the OP office and what exactly the new structure would look like.

Additional points:

- This is fundamentally a proposal for a new Vice President for Research, who will also oversee graduate studies. The report offers no justification for that change.
- UCPB should not endorse hiring more senior managers until it is seen where the savings or benefits are.
- It is not possible for UCPB to evaluate the research report without current numbers about all operations.

Action: Chair Newfield will consult UCORP Chair Max to find out more about the substance of the report and its development.

Action: A committee response will be drafted that does not endorse creating the position of Vice President for Research at this time, and requests that the budget and FTE data in the report be verified in order to provide a proper accounting of the research functions that would come under the proposed new position. The draft will be circulated for approval by email.

Attest:

Christopher Newfield, UCPB Chair

Minutes prepared by:
Brenda Foust, Policy Analyst

Distributions:

1. 2004-05 MRU Budgets, with accompanying graphs
2. “Multicampus Research Leverages the Promise and Power of the Ten Campuses
Three UC-Affiliated National Labs to Enrich, Extend and Cultivate New
Opportunities for Research and Innovation”