

**UNIVERSITY OF CALIFORNIA**  
**UNIVERSITY COMMITTEE ON PLANNING AND BUDGET**

**ACADEMIC SENATE**

**Minutes of Meeting**  
**Tuesday May 8, 2007**

**I. Chair's Announcements - Chris Newfield, UCPB Chair**

*Meetings with UCOP management:*

- Chair Newfield and member Cal Moore will join members of UCORP this afternoon to discuss indirect cost recovery with Vice President Hershman. Information and clarifications are being sought that will feed into UCORP's current inquiry into how ICR is allocated. UCORP expects to issue a report on ICR next year.
- Chair Newfield met with Human Resources Director Randy Scott and representatives from Mercer Human Resources Consulting, who were interested in how their planning assumptions and projections on pay, benefits, and retirement costs might intersect with UCPB's "Futures Report." Information from that quarter may be useful in completing the UCPB expenditures report, in particular with regard to calculations or projections of total costs of compensation.
- The Workgroup on Faculty Salary Scales - The Provost and the group are proposing re-structuring the scales as salary ranges rather than points, eliminating language in the APM referring to off-scale salaries as exceptions; and providing a multi-year plan for salary raises that is to begin this year. This can be discussed in more detail during consultation with the Provost.

*Main topics from the April 25 Academic Council meeting, Cal Moore, UCPB alternate to the 4/25/07 AC meeting*

- The Provost stressed the urgency of recruiting for the proposed new position of Vice President of Research and Graduate Studies. Council members pointed out the lack of a full analysis and consultation on the position as well as on the plan to reorganize the Office of Research. Concern was also raised that this new position could be management bloat. The Provost reported it would be an academic position and that the Senate would be consulted ongoingly as the position evolved.
- Growing out of a discussion of unfunded mandates and the need for fuller information on the budgetary implications of proposals, a Council subgroup was formed to propose a means of effectively addressing that need.
- The general Senate review of RE-89, the Regents' proposed ban on tobacco funding, showed a strong Senate majority against the measure. All responses from the review will be forwarded to the Assembly, which will vote on RE-89 at its May meeting.

**II. Consent Calendar**

1. The Minutes of the April 17, 2007 Meeting
2. UCPB chooses not to submit comments on these proposals:
  - Intersegmental Committee of Academic Senates (ICAS) Proposed Resolution on the Proper Use of the California High School Exit Exam (CAHSEE)
  - UCAF Proposed Student Freedom of Scholarly Inquiry Principles

**Action:** The Consent Calendar was approved as noticed.

### **III. Consultation with Rory Hume, Provost and Executive Vice President Academic and Health Affairs**

#### Plan to reform the faculty salary scales.

This plan is meant to: increase faculty salaries to a competitive position; reduce the proportion of faculty who are paid off-scale; and make appropriate adjustments to the salary ranges and amend procedural changes. This would entail amending APM 620 to eliminate language defining off-scale salaries as exceptional and changing the faculty salary scale from a “point” system to a “range” system so that “on-scale” will mean being within the range of salaries between the defined level of a step up to the level of the next step. A COLA adjustment would be provided this year to all faculty, but the plan would call for the COLA to be less than it would otherwise be this year in order to accommodate the planned salary raises. Provost Hume said the key point is bringing the new scales up to 24% - 26% above where they are now. The funding source for the increase is not yet identified, but the plan could be accomplished within 4 years. The first two years would have significant increases (in order to make progress quickly) and the other two would have more moderate increases. Raising salaries within three years is also being considered.

#### **Comments and Questions:**

**Comment:** It is difficult to be enthusiastic about the plan without there being a clear means of funding it. Switching to salary ranges is just a semantic exercise and won't achieve anything.

**Comment:** The plan should not be sent to the campuses as an unfunded mandate. One possibility to create additional funding is to put half of the short term investment pool in higher risk equities.

**Q:** If the COLA is decreased then the faculty are paying for the plan, it seems. Without new money coming in, this would be a redistribution of existing funds. How is this fair for those who are off-scale?

**A:** If the range is lifted, then there are no losses but a general win for faculty. The increases will be relatively more for those not off-scale. We are trying not to disadvantage either group.

**Q:** What is the plan for campuses?

**A:** We will instruct the campuses by changing the scale. Individual salaries will still be at campus discretion.

**Q:** Are we leaving the staff behind?

**A:** The plan is to increase salaries for staff 5% per year.

In further discussion UCPB members raised these points that could go into a formal committee memo on the issue of the plan to reform the faculty salary scales reform and the associated APM changes:

- Reduced COLAs should not be seen as the means to fund salary increases.
- The plan needs to be spelled out as far as what its impact will be in specific cases, and show concrete numbers

- Salary increases for staff should be included in the plan; UCPB, in its budget priorities from 2 years ago expressly gave faculty raises and raises for staff the same priority, so the committee should maintain that position.
- The four-year plan is too long and won't make up the reported salary lag with four yearly increases. A shorter time is needed, say, 12% increases for two years.
- In addition, the resumption of UCRS contributions will bring down the net effect of the raises.

**Action:** UCPB will issue a statement calling for a clearer explanation of the proposed plan to increase faculty salaries. UCPB recommends that a simple table be developed showing projected increases for a representative set of faculty at different ranks and salary levels on the current scale, and which would include at least one off-scale example. The explanation should also clarify whether the plan is to increase salaries over 2, 3, or 4 years, and indicate exactly what the percentage increases would be in each year.

#### **IV. Updates from UCPB Liaisons to Systemwide Groups**

##### **1. S-3818 Patent Reform Act of 2006: UCPB comments to the Technology Transfer Advisory Committee(TTAC)- *Norm Oppenheimer***

**Issue:** Member Oppenheimer and Chair Newfield have drafted a committee position on the proposed legislation to change the patent structure to a 'first to file' system. The draft notes that while the first to file system, which is used in Europe and Japan, is easier for determining the inventor and may involve less litigation, the 'first to invent' system offers superior protection for academic research and also promotes innovation. UCPB, therefore, would encourage UC to oppose these changes.

**Action:** UCPB approved the draft comments regarding the S3818 Patent Reform Act of 2006, which will be brought to TTAC for consideration.

##### **2. UC Joint Ad Hoc Committee on International Education Ad Hoc Committee: The review committee's Winter 2007 Report and update on recent activities - *Pat Conrad***

**Report:** The first meeting of the expanded Ad Hoc committee was held on April 17 in Davis. UCPB's interest is recognized by the group and is also reflected in the charge to the new committee, as stated in Provost Hume's letter of last November, which asks the group to look at: 1) adequate funding and administration of UO EAP to ensure that all UC students can participate; and 2) a new funding structure for EAP for both the short and long term. The previous configuration of the committee has finalized its report, which, however, does not include much substantive advice on EAP aside from comments on how it should be part of the greater effort to internationalize UC more fully. Most of the report's recommendations are broad. Only a small percentage of UC's students study abroad through EAP, and an equally small number use other programs. It is not clear why the numbers are low or what the impediments to study abroad are for UC students. UCPB's input will be brought to the group, especially with regard to budgetary questions. One direction is to develop means of better coordination among all international programs and to facilitate a greater presence in campus planning for international

education and research. Most of these matters could come under the auspices of a new OP senior manager for international affairs, a position that is being developed. A second report - from the expanded committee - will be issued in the coming year.

**Discussion:** Some members registered disappointment with the previous committee's report because of what they saw as a lack of substance. One member suggested that EAP may not be needed these days, especially since the study abroad model is moving away from the one year programs of intensive study toward short-term programs. Others argued the value of EAP, and noted that there should be no institutional barriers to students who want to study abroad. The need for a revamped model for campus funding was again noted, and it was hoped that the administration would provide a draft funding proposal for comment soon.

**Action:** Chair Newfield will send UCPB members draft points in response to the ad hoc committee's report on EAP and International Education.

### **3. Industry-University Cooperative Research Program (IUCRP) Steering Committee – Cal Moore, UCPB Representative to the Steering Committee**

**Action:** This report was deferred to the June meeting.

## **V. Proposed UC Open Access Policy**

**Issue:** UCPB is responding in the systemwide review of this proposed policy on open access publication and faculty copyright rights. A draft committee position agrees with the goals of the policy, but notes possible difficulties with implementation and recommends adoption of the simplest of the three listed opt-out choices (option C).

**Action:** The draft committee comments were approved and will be submitted to the Academic Council.

## **VI. Consultation with Larry Hershman, Vice President-Budget: Budget Update**

*UC Budget.* The May revision of the budget has not been officially issued yet, but it looks as though the Compact is not in danger. Basic general revenue is doing better than expected. The UCRS has recently done better in the stock market; at present UC's efforts with regard to the resumption of UCRP contributions are focusing on inserting language into the budget that gives UC a contribution split with the state similar to that of PERS.

Hearings in the Legislature have addressed the entire UC budget, but no decisions will be made until after the May revise is issued. Those hearings that were most difficult concerned research programs, such as the Cal ISIs, and the Helios project, because of resistance to giving UC what was perceived as 'extra' money for research. The Assembly hearings were generally good, but some capital funding was pulled relating to AFSCME's \$8.6million request for low-paid workers.

*Faculty salaries.* The President's Workgroup has developed a plan for revising the faculty scales and bringing salaries up to market levels within 3-5 years. Most of the progress will be realized in the first 2 years. Campuses have been given additional funds for recruitment and retention, and this money can be reallocated to fund the plan. Other discretionary funds can also be used to help realize the plan. One complication is that there are differences among campuses as to number of off-scale faculty. Those with a lot of off-scale faculty salaries have used their own money to fund them, so the plan needs to achieve a balance that will ensure that the funding burden will be shared fairly.

UCPB Chair Newfield brought to the committee's attention a *Resolution of the State Assembly in Honor of Vice President Hershman* that was drafted on the occasion of his retirement. Members joined the Chair in acknowledging VP Hershman for his outstanding service to UC and thanking him for his valuable contributions to UCPB's deliberations over many years.

## **VII. California Institutes for Science and Innovation (Cal ISIs): Budget Information**

**Issue:** In response to UCPB's request, the Cal ISIs have submitted information on their individual budgets to the budget office. The data is, however, incomplete, and the budget office has not offered an analysis of the data. Chair Newfield will request completed spreadsheets for the committee's consideration at a later date.

**Action:** Information on the Cal ISI budgets that fully responds to UCPB's questions will be requested through the budget office.

## **VIII. Presentation of the Futures Report to the Regents**

**Issue:** Chair Newfield is slated to make a presentation to the Regents' Committee on Finance based on the report "Current Budgetary Trends and the Future of the University of California (the 'Futures Report')," which was drafted by UCPB last year. Members are asked to offer comments on the draft version of the presentation.

**Discussion:** A number of specific comments were made on the draft presentation that addressed both substance and format.

**Action:** Chair Newfield will circulate a revised draft of the Futures Report presentation for further comment from members.

## **IX. Procedures for intra-Senate communication**

This item was not addressed.

## **X. DOE Labs Contracts**

**Issue:** For more than a year UCPB has been trying to ensure that full information on the terms of the lab management contract for the LANs LLC and now also for the LLNS LLC is made available, and that the faculty in general be more fully apprised of this information. Also, UCPB has asked in its latest memo to the Academic Council on this

matter that the Senate be active in the formation of new policies and orders with regard to the labs. That memo was submitted to the Council, but not discussed at its April meeting.

**Discussion:** Chair Newfield reported that ACSCONL, the Senate labs committee, has produced a charge for its successor committee, which will be called the Academic Council Special Committee on Lab Issues (ACSCOLI). The committee will be re-formed to include more representatives from standing committees, one of whom will be from UCPB. There is still no information on what the lab management fee is or will be, nor has there been a response to UCPB's request that the Senate participate in the writing of orders and policies concerning lab governance. ACSCONL has agreed to draft and disseminate an explanatory guide to the terms of the LANS and LNNS contracts.

**Action:** UCPB will re-submit its memo of April 24, 2007 to the Academic Council with a request that it be endorsed and forwarded to ACSCONL.

**XI. Proposed Amendment to Senate Bylaw 181 – Information  
Technology and Telecommunications Policy (Committee)**

**Issue:** At its May 8, 2007 meeting, the University Committee on Planning and Budget (UCPB) considered ITTP's proposal to change both its name and its charge to better reflect the work undertaken by that committee. UCPB views the proposed changes as reasonable and endorses the proposal without comment.

**Action:** UCPB will submit a response approving the proposed amendment to Senate Bylaw 181, with no comment.

**XII. Recharge of Faculty Salaries to Grants**

**Issue:** The Academic Council has asked UCPB and UCAP to inquire into a practice being implemented at UC Davis, which, for those faculty who elect to have a portion of their salaries covered by extramural funding, splits their appointments into part Senate and part non-Senate titles.

**Action:** A subgroup of Cal Moore, Pat Conrad, and Susan Gillman will draft a committee report on policies/practices relating to faculty salaries covered by extra-mural grants.

Meeting adjourned at 4:00 p.m.

Attest: Christopher Newfield, UCPB Chair  
Minutes prepared by Brenda Foust, Policy Analyst