UNIVERSITY OF CALIFORNIA, ACADEMIC SENATE

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Assembly of the Academic Senate, Academic Council
University of California
1111 Franklin Street, 12th Floor
Oakland, California 94607-5200

June 24, 2004

M.R.C. GREENWOOD
PROVOST AND SENIOR VICE PRESIDENT

Re: **Academic Council's Report on Restructuring the MRU Review Process and CCGA's Letter of Review**

Dear M.R.C.:

At its June 23, 2004 meeting, the Academic Council endorsed both the report, "Restructuring the MRU Review Process" drafted by the University Committee on Planning and Budget (UCPB) in consultation with the University Committee on Research Policy (UCORP), and a review of the report submitted by the Coordinating Committee on Graduate Affairs (CCGA). Both documents raise important issues and offer useful recommendations on ways that the MRU review process might be revamped to maximize available resources and enhance research opportunities for faculty.

The Academic Council recommends that these reports could most usefully serve as the basis for discussions that would take place within the context of a joint Senate-administrative task force formed to consider and recommend an improved method for reviewing MRUs. It may be that this task force would discuss the best review process for the Cal ISI's in keeping with their mission and structures. On the Senate side, such a task force would include representatives from UCPB, UCORP, CCGA and several faculty members who are currently active participants in an MRU, since they would be the ones most affected by the new review schema. The Council leadership would be pleased to begin working with you and the Vice Provost for Research, Larry Coleman, on forming this group.

For the immediate term, as you know, the Council of Research will be meeting early next week, and the Academic Council suggested that these reports might of interest to the Vice Chancellors for Research. With that in mind, the Academic Council requested that they be distributed to the Vice Chancellors, in advance of their meeting, for consideration as a possible agenda item.

Cordially,

Lawrence Pitts, Chair
Academic Council

Copy: Academic Council
         Lawrence Coleman, Vice Provost for Research

Encl.:   Report on Restructuring the MRU Review Process and CCGA's letter of review

Restructuring the MRU Review Process
Approved by the Academic Council
June 25, 2004
(Submitted for Council's approval UCPB Subcommittee on MRU Review and Funding May 2004

The University of California has only a very few administrative tools at its disposal in order to promote academic activities —including both teaching and research— that bridge several campuses or the campuses and the DOE National Laboratories. Such tools are essential to the University if the concept of "One University" —as opposed to a collection of ten campuses and three National Laboratories— is to have substantial meaning in practice. In addition, UCPB notes that only a very small fraction of the resources of the University is allocated to the support of multi-institutional research and teaching. It is therefore of great importance to the University that these resources be clearly identified, and be carefully protected against natural erosion caused by the passage of time and by the pressures of competing budgetary uses.

As highlighted in the 3/8/2004 testimony of President Dynes to the Senate Budget and Fiscal Review Subcommittee on Education, state-supported research at UC has been under enormous fiscal pressure over the past decade. Cuts of 20% in the early 1990's have never been restored; further cuts of 10% were imposed in 2002-03, and again in 2003-04; and the proposed 2004-05 budget includes another cut of 5% or more. As a consequence, the MRU budget of the UC Office of Research is now down to $32M to support 42 MRUs in disciplines ranging from literature to astronomy. In accordance with the ORU/MRU policy, all these units have been reviewed on a quinquennial basis, and 2005-06 will see completion of sesqui-decennial reviews for all of them.

Perhaps not surprisingly, this process, which involves substantial participation of non-UC academic reviewers, paints a picture of overall excellence in research and teaching, worthy of continued support from the State. As MRUs respond to successive reviews, and implement panel recommendations, they are often assessed even more positively in subsequent evaluations. The ultimate outcome is that the very review process that is intended to guide the continued evolution and rejuvenation of the MRU system tends to promote a static situation, and to limit the re-allocation of central resources as new opportunities arise.

The UCPB Subcommittee on MRU Review and Funding examined the process by which UC Multi-campus Research Units (MRUs) are currently reviewed periodically according to the Administrative Policies and Procedures Concerning Organized Research Units (hereafter "ORU/MRU policy") in place since 1996. The matter is of considerable importance, since such peer-review is the touchstone commonly accepted by the academic research community to guide funding priorities, and since the policies spell out specific circumstances in which MRUs may be "phased out" as a result of the review process.

As background for the recommendations that follow, the subcommittee reviewed the following documents:

- A summary of the committee's discussions last year (Appendix A: "Discussion Paper for Draft Recommendations on Restructuring the MRU Review Process" (10/03)

- The Office of Research Organization Chart, 2003 (Appendix B): http://www.ucop.edu/research/programs_units/mru/documents/orgchart.pdf

- Previous UCPB and UCORP reports on MRU reviews and funding (dating from 1997)

- The Universitywide Research Center Database: http://www.ucop.edu/research/search_page.php

The subcommittee also held two in-depth discussions with the Director of Science and Technology Research Programs and Initiatives, and the Director of Humanities, Arts and Social Science Programs and Initiatives.

Recommendation A: reclassification/realignment of the current MRU portfolio

It is clear that all existing MRUs are far from similar (see Appendices A and B) and there is not a clear understanding about this name. Therefore, *we recommend the term MRU be abandoned and multi-campus programs be reclassified within distinctive categories based on their principal function, as follows:*

1) *Research based operations.* Programs that generate extramural support and meet the three standard and current criteria of: 1) having a critical core of faculty dedicated to the research mission; 2) having space dedicated to the research effort; and 3) having core "leverage support" from the Office of the President -- will be reassigned as **System-wide Research Organizations (SRO)**. (These are the traditional MRUs as originally conceived.)

2) *Grants-facilitating Operations.* These programs principally provide funding in support of research, scholarly and creative works through grant application processes and will be reassigned as **System-wide Grant Programs (SGP).**

3) *Conference/Workshop Operation*s. These programs principally foster scholarly and creative endeavor through focused Workshops, Colloquia, Symposia, Conferences, etc. and will be reassigned as **System-wide Conference Programs (SCP)**.

4) *Facilities*. Operations that principally exist to provide highly specialized research facilities such as Observatories, etc. that are available to faculty, researchers and students from all UC campuses, from other universities and laboratories, and from the commercial sector. Such facilities —may have a local, regional, or statewide scope, or even are facilities with national or international scope— will be reassigned as **System-wide Core Facilities (SCF).**

It is reasonable to anticipate the entire current portfolio of operations currently designated as MRUs can be reassigned to one of the four categories above as SRO, SGP, SCP, or SCF. The intent of this reclassification is to facilitate and make transparent the process for review and funding and set policy for each of these distinctive categories. All the operations that are current under the MRU umbrella can fit into one or more of the new categories/designations.

The Subcommittee recognizes that some of the current MRUs actually conduct operations in several of these categories as components of their overall operation. One example is IGPP, with its significant complement of research related activities. IGPP is clearly a comprehensive SRO, and its scope is unusually extensive compared to programs whose primary mission is that of a Facilities Program, a Grants Program or a Conference Program.

Recommendation B: base budgets

The current budget assignment/allocation from the Office of Research (after adjustment due to the two recent 10% cuts) will determine the base budgets for each of the four new categories/designations.

Recommendation C: review cycle

The re-categorized programs will continue to be reviewed at five-year intervals according to current policy, with the emphasis for the review placed on their primary mission, function and purpose. Each five-year review is to be thorough with the knowledge and intent it could imply termination or complete withdrawal of State support as an outcome. The Office of Research, the Constituted Review Panel, or any the Senate committees responsible for the Review of the Review by the Constituted Review Panel can deem it necessary to re-examine a program when circumstances dictate this exigency.

Recommendation D: competitive funding model

Based on the process and outcomes of MRU reviews performed to date, it is unlikely the current review process can be expected to provide significant opportunity to permit a return of funding to the Office of Research for use in promotion and initiation of new programs. To maintain a dynamic and active portfolio of sponsored research activity from the system-wide Office of Research, it is necessary to re-craft the funding paradigm in a way that allows the opportunity for new program initiatives to emerge and be considered for funding. It is important to create and nurture such opportunity even in a time of limited resources and budget erosion. Even in fiscally difficult periods there will arise targets of opportunity that can be of great future value to the University and will call for a response. The current funding paradigm is essentially stagnant with respect to new ideas and initiatives such that little if any credit accrues to the Office of Research, a position that makes it much more difficult to compete for increased resources over the years. Therefore, *UCPB recommends that*

1) a finite-term funding principle —comparable to multi-year funding programs implemented by Federal agencies such as NSF or NIH— be applied to existing and new programs in the system-wide research portfolio, where applicable, to restore vitality and provide a Universitywide resource for launching system-wide initiatives. The transition to finite-term funding will require appropriate notification, consultation and staging.

2) currently funded programs with three or more years of operation since their last review be required to compete for the renewal of funding in three years. The three-year period is intended to be a time frame to allow new initiatives to emerge based on a timely development

of appropriate RFAs to the system-wide programs. Programs with less than two years before their next review can be extended to permit a full three years of operation to allow their adjustment, so that they be in a position to engage a competitive funding renewal process.

Statements and sub-recommendations pertaining to the essence of recommendation D

- It has always been the expectation that truly successful programs have great potential to become self sufficient from the leveraging of "base start up seed-funding" provided by OP. Such funding is not intended to be permanent funding in the traditional sense, nor should such funding be considered an entitlement in perpetuity.

- Programs re-designated as System-wide Research Organizations (SROs) are to be subject to competitive renewal of their funding. Criteria for arbitrating this competition should be fully stated in the RFA, and should include, but not be restricted to, research quality, teaching and mentoring effectiveness, intercampus and interdisciplinary collaborations, as well as effectiveness in leveraging State support, with due regard for differences between disciplines.

- Programs re-designated as System-wide Grant Programs (SGPs) may not necessarily be subject to competitive renewal of their funding. These programs are to be reviewed at the customary five-year interval for their integrity and function as funding agencies in support of the University's research mission. On their review if it is recommended through the review process that their mandate be restructured/reconstituted, then an RFA for specific system-wide competitive grant programs can be initiated.

- Programs re-designated as System-wide Conference Programs (SCPs) are to be subject to competition. It is anticipated that the balance between disciplines/specialties —from science and engineering to the humanities and social sciences— can be maintained through careful management of the RFA mechanisms.

- Programs re-designated as System-wide Core Facilities (SCFs) may not necessarily be subject to competitive review for funding, but should be evaluated on the basis of their overall value to the University. Subjects for consideration within the regular review process can include a discussion of conditions for revenue enhancement, general vitality, need within the UC community and opportunity and investment/cost sharing from extra-UC relationships to enhance revenue. The expectation is that the permanent burden on the resources of the Office of Research be diminished, or that these resources be suitably augmented, as the State should see fit to augment its investment in fruitful and successful facilities. In particular, it is expected that the Office of Research and UCOP should facilitate the raising of extramural funding (including gifts or other contributions from private sources) to help support facilities that enjoy a broad user base.

- Within the various programs there exist currently fiscal arrangements that constrain the management of the funding available within the Office of Research. One class of such fiscal arrangement is that research FTEs from the OP central funds are located within programs on various campuses. In line with the need to refocus and revitalize the resources of the Office of Research, *the Subcommittee recommends that these FTEs be returned to the central*

administration over time at the most appropriate opportunity, subject to negotiation with the campuses as to the value of the FTEs vs. the value of various upgrades provided by the campus since the initial allocation.

Appropriate opportunities might include, among others:

(i)   When a centrally funded FTE is vacated through retirement, transfer or termination of the appointment, the FTE is not filled, but returned to OP.

(ii)   Centrally funded FTE are to be subject to a negotiated swap as new campus FTE are assigned by campus, principally based on workload purposes such that OP recoups the centrally funded FTE over a five year period.

(iii) (i and ii) may function in concert.

Recommendation E: deployment of budget cuts

Should research budgets be targeted for reductions, the cuts are to be made selectively and not in an "across the board" manner. Important criteria should be that no undue injury should result to the affected personnel, particularly where students and junior researchers are concerned.

Recommendation F: Revision of Policy and Implementation Guidelines

In the 1990s after the policy for MRU and ORUs was revised, the System-wide Senate committees (UCORP and UCPB) developed frameworks by which the policy was interpreted and implemented at the various levels of the review process. The first section dealt with what was expected of the MRU Director in preparation for the review; the second section addressed the scope and expectations of the review by the duly constituted review panel, and the third section, addressed the scope and expectations of the Senate Committees primarily responsible for the review of the review.   The existing policy on the "review" of System-wide Research Programs and the guidelines to implement the "review" policy would need to be revisited to make their content applicable to each of the four categories, SRO, SGP, SCP, and SCF, to bring forth policy specific to each, and to include where appropriate the substance of present recommendations.   Following establishment of policy, guidelines for reviews that bring transparency, focus, simplicity, clarity of purpose, and accountability can be implemented for each policy.

Finally, the Subcommittee notes that the foregoing recommendations do not obviate the fundamental need for a future re-infusion of funds to the Office of Research in order to restore the cumulative cuts suffered generally over the past decade, and more particularly over the past two years. In all disciplines, ranging from the "hard" Sciences and Engineering, to Humanities and Social Sciences, research should remain one the University's highest priorities, since this is the foundation for its international reputation, and ultimately its ability to bring the best educated and best qualified work force to the State of California. This is the coin by which its value to the State of California is reckoned. Therefore, UCPB urges that, rather than simply accommodating as best we can the budget cuts in research, the State and the University should instead be searching aggressively for a way to enhance research support as part of a mid- to long-term strategy.

Discussion Paper for Draft Recommendations on Re-structuring the MRU Review Process (10/03)

A.   Introduction

Central to UCPB discussions of revamping the MRU review process has been the goal of enabling re-circulation of funds. This aim can be accomplished either by using the review process to encourage MRUs to progress beyond MRU status (in which case the initial MRU funding would be seed money), or by making continued funding competitive, or both. At the same time, it should be recognized that there are some MRUs for which a change in status or competition-based funding may not be appropriate. Research units differ widely in functions, purposes, and level of funding, and this presents a challenge in creating a workable review structure for all.

The term MRU itself is applied variously.   For this discussion paper and the final set of recommendations, the term MRU is used to refer to the array of programs sponsored by the Office of Research that are in current practice established and reviewed by Senate approval. (The committee might consider a recommendation within this report to better define the terminology for research units.) The following catalog of points is inclusive and meant to serve as a basis for making final recommendations, some of which may be in response to changes the Office of Research is putting into place. It lists suggestions from previous UCPB discussions, along with changes the Office of Research has implemented or plans to implement, plus some points taken from UCORP's discussions last year (redacted from UCORP meeting minutes).

 B.   Review criteria and structure

Changes that have been or will be implemented by Office of Research:
1. Eliminate 15-Year review and replace with 5-year reviews that are potentially "sunset" reviews. (UCPB recommendation)
2. Discontinue the comparative structure of reviews.
2. Institute a 2-year follow-up on review. (UCPB recommendation)
3. Amend the review Guidelines to be more specific and include a set list of questions.
4. Increase the number of review committee members from 6 to 8 or 9 to net a greater number who can make site visits.
5. Solicit evaluations from the academic community outside of UC.
6. Give review committee more central control over the site visits and gain better access to facilities.
7. Conduct closer, better follow-up on reviews.
8. Change the composition of review committees to be all outside reviewers. * (This is still being deliberated.)

UPCB recommendations:
1. Pose fundamental questions:
    -   Is the MRU's mission being met? (is statement in review guidelines adequate?)
    -   Is the unit facilitating multi-campus research? (implied in the review guidelines – is this adequate?)
    -   Are resources being deployed to support that mission?
    -   Do other campuses benefit from the unit's activities?
    2. Include development of outside funding (if appropriate) as a criterion for re-funding.
    3. Review funding practices separately from research.

4. State the terms of the funding agreement up front, to build in the possibility of funding termination and make clear the expectation that significant outside funding be developed in the first 5 years of UC support.
5. Develop valid criteria for termination of funding.
6. If competition is established, arrange the review cycle so as to be practical and fair in terms of disciplines.
7. Determine what number of MRUs will need to change status in order to free up sufficient funds for establishment of new MRUs.
8. Using only external reviewers isn't advisable: they would not necessarily be impartial, and including some internal reviewers would help to identify problems and interpret the workings of UC.

UCORP Discussion Point:
Include in each five-year review the two previous five-year reviews as information.

B.   Differentiation among types of MRUs
 UCPB Recommendations:
1. Structure the reviews of MRUs that are facilities or campus resources, or that carry FTEs in such a way that takes those factors into account.
2. Accommodate those MRUs for which a transition to outside funding may be neither advisable nor possible.
3. Growth should not be a criterion for all MRUs.
4. Structure parallel reviews for larger facility-type MRUs structure -- one addressing administrative aspects, and one programmatic aspects.

 UCORP's Concerns (redacted from meeting minutes)
▪ The term "Multicampus Research Unit" or "MRU" should be changed so that it is not confused with the Regent's term "multicampus research unit" or "mru." By using the same label in the Office of Research review policy as is in the Regent's language it is not clear that there are other mru's that have different review policies. There should be a paragraph in the review policy that delineates all the different kinds of things that are reviewed under some different kind of policy.
▪ It needs to be determined what "thing" it is that we are trying to regulate. Is it the use of the UC's name, is it the use of some small set of reserved words, or is it the source of the money and resources? What is it we are trying to regulate? This is what we need to get a handle on first.

[Note: The Office of Research keeps a database of all the organized research units throughout the UC system: (http://www1.ucop.edu/research/search_page.php) (The term ORU here incorporates MRUs.) The information for this list is obtained through an annual query to the Vice Chancellors for Research. The list contains a large number of units designated as "Non-formal Research Programs" or "NRP's." It is probable that many of the units on the campuses are not being reviewed by anyone. Vice Provost Coleman suggested that the campus CORs should evaluate whether or not these research units need to be reviewed.]
See also "Administrative Policies and Procedures Regarding Organized Research Units"
http://www.ucop.edu/research/policies/orupolicy.html

D.	Disestablishment, Competition, Transition/growth

UCPB Observations and Recommendations:

1. In order for reviews to be serious, they have to imply the possibility of sunsets or disestablishment.
2. Most research units are very good at what they do and their reviews are strong, so the mechanism for disestablishment should, in addition to being a measure of success, point to a meaningful next step for the majority of units that are successful. Funding as an MRU for five years could then function as seed money for a certain number of new MRUs or older ones that are reviewed with these expectations.
3. Develop possible funding schemes, for example, funding 40% of the budget with MRU funds, with the unit competing for the remaining 60%.
4. Determine disestablishment threshold(s).

COORDINATING COMMITTEE ON GRADUATE AFFAIRS
Chair Kent Erickson

June 15, 2004

LAWRENCE PITTS
CHAIR, ACADEMIC COUNCIL

Re: UCPB Report "Restructuring the MRU Review Process"

Dear Larry,

At its June 8, 2004 meeting, CCGA reviewed UCPB's report "Restructuring the MRU Review Process". Most members recognized that the proposal is a positive step towards addressing the static nature of the current MRU review process, but members also expressed concerns and questions about a number of components of the recommendations.

Among the questions, members wanted to know how legislatively mandated MRUs would be classified. Since a number of MRUs are line-item funded by the state, it was unclear how these types of programs would fit in the new framework. CCGA members also did not understand how funds would be allocated to programs that conduct operations across multiple categories. Would programs be forced to identify themselves under one category, or separate themselves into multiple components in order to compete for funding? Would there be a multifunctional category? Members also wanted to know the rationale for determining how financial resources would be allocated to each category. Several members were also very concerned about the recommendation that vacated FTE positions be returned to UCOP rather than filled. Without a comprehensive review of the program, a financial decision will have been made. It was noted that this could fundamentally impact the operation of the MRU.

Other suggestions include conducting comparative reviews against like entities, rather than as individual reviews. A comparative or competitive review may better allow for the identification of an outstanding MRU versus a fair one. Moreover, the review committees could be instructed to evaluate programs in a manner that would help UCOP prioritize funding allocation. The charge of review committees should include a discussion on the impact of the MRU. CCGA members agreed that 15 years was too long between reviews, but could not reach agreement about whether five years was too frequent or reasonable between review periods.

Overall, CCGA members agreed that there is calcification in the MRU system and that alteration of the review process may help the problem. UCPB's recommendation is an important step in establishing a better process for external and competitive review, which in turn will ensure that limited funds are used for the most meritorious research.

Sincerely yours,
/s/
Kent Erickson,
Chair, CCGA