



Robert Horwitz  
Telephone: (510) 987-0887  
Email: robert.horwitz@ucop.edu

Chair of the Assembly of the Academic Senate  
Faculty Representative to the Regents  
University of California  
1111 Franklin Street, 12th Floor  
Oakland, California 94607-5200

July 29, 2022

**MICHAEL DRAKE, PRESIDENT  
UNIVERSITY OF CALIFORNIA**

**Re: Impacts of New Oracle Software**

Dear President Drake:

At its July 2022 meeting, the Academic Council endorsed the attached letter from the Coordinating Committee on Graduate Affairs (CCGA). The letter details serious problems associated with the transition to the Oracle Alpha Financials software at UC Merced and UC San Diego. The transition at those campuses has caused ongoing financial and business process problems that are disrupting the training, research progress, and personal finances of graduate students and postdocs. The letter recommends solutions to mitigate additional negative impacts at UCM and UCSD and to prevent such challenges on other campuses if and when they transition to Oracle Alpha. I also attach an October 2021 memo from the University Committee on Research Policy (UCORP) to the Council chair discussing similar concerns.

These are serious issues that must be addressed in a timely fashion to avoid further damage to the University's graduate education and research missions. Council believes the problems also highlight the need for UCOP to engage UC faculty experts in decision-making around the University's procurement of new software or other technology resources. Software structural needs for the investigator-driven research enterprise are often substantially different from the more corporate-like structures of the Administration, and it is important for these former needs to be reflected in our operational planning. We encourage UCOP to work quickly to investigate these issues and implement the CCGA recommendations.

Please do not hesitate to contact me if you have additional questions.

Sincerely,

A handwritten signature in cursive script that reads "Robert Horwitz".

Robert Horwitz, Chair  
Academic Council

Cc: Provost Brown  
Chief Operating Officer Nava  
Vice President Williams

Associate Vice President and Chief Procurement Officer Williams  
Academic Council  
CCGA  
UCORP  
Chief of Staff Kao  
Chief Policy Advisor McAuliffe  
Senate Directors  
Executive Director Lin

Encl.

**COORDINATING COMMITTEE ON GRADUATE AFFAIRS (CCGA)**

Andrea Kasko, Chair  
[akasko@g.ucla.edu](mailto:akasko@g.ucla.edu)

**ACADEMIC SENATE**

University of California  
1111 Franklin Street, 12<sup>th</sup> Floor  
Oakland, California 94607-5200

July 19, 2022

**ROBERT HORWITZ  
ACADEMIC SENATE CHAIR**

Dear Robert,

UC Merced and UC San Diego have been the first campuses to transition to the new Oracle Alpha Financials software. The transition has not gone smoothly, to put it mildly, and has been exacerbated by the switch to chart strings and the staffing issues facing all UC campuses; substantial problems continue to challenge University operations and there does not appear to be any effective solution in sight. These challenges have resulted in negative and ongoing impacts to graduate student and postdoctoral training at UC Merced and UC San Diego that even exceed the impacts of the pandemic<sup>1</sup>. Specific impacts include:

- Negative impacts on graduate student enrollment and enrollment targets due to impacts to campus PI grant getting and grant spending, slowdowns in procurement, and follow-on effects on research slow down, completion rates and new recruitment.
- Negative impacts on graduate student and postdoctoral training progress and equity due to delays in reimbursement, research slowdowns and negative campus climate.

Since other UC campuses will be transitioning to this product, we believe it is imperative that there is a system-wide effort to:

1. Delay the transition to Oracle Alpha Financials at all other campuses until the implementation challenges and business processes are improved,
2. Learn from the experiences of UC Merced and UC San Diego,
3. Coordinate collaboration for solutions, and
4. Mitigate the local impacts to graduate student and postdoctoral training at the two campuses that have served as the sacrificial lambs for this transition.

We stress that the dramatic negative impact of the current financial reporting on the functioning of research at UC San Diego and UC Merced, and thus our graduate students, is a direct effect of

---

<sup>1</sup> <https://ucmerced.box.com/s/b9hc0crrcd8q2bmx64cvuosx588g15a8>

the transition to Oracle Alpha Financials and these disastrous results cannot be shrugged off as pandemic difficulties.

### Background

The transition to Oracle was promised to generate significant savings. However, the transition has led to a severe disruption to business processes, as the campuses have been forced to adapt to a solution not suited to University operations. This transition occurred at the height of the COVID-19 pandemic when University students and personnel (staff and faculty) were already undergoing significant strain and hardship to maintain our research and educational missions.

Delayed procurement, delayed funding, and delayed reimbursement have particularly pernicious impacts to graduate student and postdoctoral fellow research progress and personal finances. Graduate students and postdocs are highly vulnerable because of their low income levels and much shorter time of engagement at UC compared with faculty and staff—they must advance in a just few years and regularly face immediate and absolute deadlines to wrap up their research efforts in order to move on to the next stage of their careers. These facets of graduate and postdoc training make the delays caused by the Oracle transition enormously stressful and potentially devastating to their careers

### Impacts to Graduate Student Enrollment

- The campuses are experiencing caution in PI spending from contracts and grants, especially from junior faculty, due to the intolerably high degree of uncertainty and the inability to accurately track balances in a timely fashion. This lack of information is beginning to manifest itself in overly cautious recruitment and admissions strategies deployed by faculty across multiple academic units, thus impacting enrollment targets.
- Enrollment targets are further hampered by the impacts to purchasing and procurement, which have slowed the acquisition of supplies essential to advance research projects, thus impacting the timeliness of graduate student and postdoctoral research progress. These delays, coupled with COVID-19-related impacts, have led to increases in time to graduation. This in turn is limiting the ability of PIs to use grant funds on new students, further contributing to reduced enrollments.
  - In the case of postdocs, who do not have the luxury of additional months due to the nature of their position, delays result in deleterious impacts in their ability to compete in the academic and industry workforce.
- The disastrous nature of the transition coupled with large staff attrition due to stress caused by the transition has led to decisions to delay or forgo grant submissions, as confidence in contracts and awards account management is at an all-time low. The transition is also eroding relationships with grantors, who are dismayed by late annual progress reports, untimely invoicing, low expenditures, and awardee uncertainty. All these challenges further impact the ability of PIs to acquire and use grant funds for graduate student enrollments and recruitment of postdoctoral fellows.

### Impacts to Graduate and Postdoctoral Progress & Equity

- The significant delay in reimbursements presents a substantial equity concern for graduate students and postdocs by imposing a particularly acute financial burden. To put the matter in

perspective, \$500 in outstanding reimbursements represents more than ten percent of a typical postdoctoral scholar's monthly salary. This fraction is even higher, around twenty percent, for a graduate student. Students and postdocs simply cannot afford to engage in activities central to their research focus and career development in the absence of prompt reimbursements. The harm the extreme delay in reimbursement causes to students and postdoctoral scholars can extend from financial stress to mental stress, compounding the effects of an already-stressful career stage and the pandemic.

- Due to the inability to rapidly access information coupled with staffing shortages, PIs are not able to recruit and hire postdocs in a timely fashion to successfully advance extramural funding objectives, impacting the institution's ability to provide a robust research environment for training graduate students and postdocs.
- The switch to Oracle and the challenges it has presented has strained staff resources, and increased tensions between campus communities. This, coupled with research slowdowns caused by the transition have eroded trust across the campus, and has inevitably extended to graduate students and postdocs, negatively impacting their sense of belonging and overall learning and training.

#### The Request:

- For this transition to work for any campus, we must collectively find ways to best use the product, improve processes, and staff-up to fill service and support gaps. As other campuses are slated to transition to this product, we need to be working collaboratively to solve the extensive problems associated with its implementation and use. UC Operations should organize and fund such a collaboration and stakeholder campuses should be leaders in the process. This includes a mandate to share solutions amongst the campuses and bring in consultants and/or establish a system-wide consortium to help with process mapping and bespoke solutions suitable for University business operations under the new system.
- The transition to Oracle Alpha financials has resulted in significantly greater staffing needs. More permanent funding to impacted campuses to support staffing in business operations and IT infrastructure is needed. Addressing the staffing challenge also requires realignment of HR policies that frequently work against retention of dedicated and talented staff. Higher compensation is needed for staff tasked with interfacing with the new systems to accept and take on the many challenges brought about by their implementation. Two and a half years into this situation, it has to be acknowledged that there is not a 'quick fix' and staffing has to increase to reflect the permanent inefficiencies introduced by Oracle and its downstream work flows.
- While the experiences of UC Merced and UC San Diego will improve the rollout at other campuses, the fact remains that this came with significant negative impacts to graduate students and postdocs at these two campuses. The campuses should receive support for having taken point on this transition. Such support should include relief funds for graduate students and postdoctoral scholars to alleviate the strife to personal finances, remove stressors, and mitigate negative impacts to their career advancement.
- Given the disastrous nature of this transition and its extensive negative impacts, OP must do a better job of consulting with a broader range of constituencies prior to making similar

decisions in the future. There has been no cost savings achieved and there has been a significant destructive effect on the training and research missions, whose lifeblood are graduate students and postdoctoral fellows, at two major UC campuses.

CCGA asks that Council endorse this letter and send it to President Drake, COO Nava, and Provost Brown.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Andrea M. Kasko".

Andrea M. Kasko  
CCGA Chair

c: Susan Cochran, Academic Senate Vice Chair  
Monica Lin, Academic Senate Executive Director  
Michael LaBriola, Academic Senate Assistant Director  
CCGA Members  
UCACC Members

October 14, 2021

To: Robert Horwitz, Academic Council Chair

From: Karen Bales, UCORP Chair

**Re: Financial accounting software problems on the campuses**

Updates to campus Oracle financial systems were mandated by UCOP to be completed by July 1, 2023. These updates are proceeding at different paces on different campuses, and with different levels of impact. The software changes, if not handled well, have the potential to generate quite negative effects on faculty's ability to conduct funded research activities (and in some cases, have already had these negative impacts). These impacts are in addition to the hurdles to research already experienced due to COVID, UC Path, and recent passage of new requirements affecting procurement (requirements to use small businesses and conduct extended review of software).

Perhaps most impacted has been UC Merced. Introduction of the new Oracle financial system has led to the slowing of procurement, inability to accurately determine grant balances, late invoicing, lost funding opportunities and even return of unexpended funds. Problems are exacerbated by lack of budget analysts and other financial accounting staff.

Similar problems have been experienced at UC San Diego, which is apparently the host for UC Merced and UCOP. At UCSD, frustration and unhappiness with the Oracle financial accounting system (referred to locally as Enterprise Systems Renewal) led to a petition drive among affected researchers to the Chancellor. The Chancellor convened a task force to find root causes of the problem and recommend a path forward.

Problems with the financial software have impact on domains beyond research. It is nearly impossible for researchers to complete their OATS certification because they are unable to access the necessary financial information on their grants without assistance from already overburdened budget analysts. Another unit that suffers from the balky financial accounting software is UC Press. The Press struggles to gain access to basic financial information.

In contrast, at UC Berkeley the new systems were implemented with fewer issues, due to the recognition that the problem was a management one involving needing additional staff and careful alignment tools, process, and goals.

Several other campuses are in the midst of planning processes and keeping a close eye on the campuses that have already implemented the change. UC Davis is planning to move to a new financial system called Aggie Enterprise in July 2023. The system is an Oracle Cloud-based solution and UC Davis is working with Deloitte, which is helping with its design and implementation. UC Riverside is working with Deloitte as well and plans to finalize software contracts and officially start implementation this fall. UCLA is moving to Oracle Financials Cloud and Enterprise Financial Cloud, and after some reported problems, is relaunching these projects in October 2021. UC Santa Barbara is still in the scoping phase and the timeline for conversion is mid-2023. Division chairs at UC Irvine and UC Santa Cruz were unable to obtain any information on the intended plans for their campuses.