

The Regents of the University of California

COMMITTEE ON EDUCATIONAL POLICY

January 16, 2003

The Committee on Educational Policy met on the above date at UCSF-Laurel Heights, San Francisco.

Members present: Regents Atkinson, Johnson, Kozberg, Lansing, Lozano, Marcus, Moores, Sainick, and Sayles; Advisory members Bodine, Murray, Seigler, and Binion

In attendance: Regents Blum, Davies, Hopkinson, Lee, Ligot-Gordon, Montoya, Parsky, and Preuss, Faculty Representative Pitts, Secretary Trivette, General Counsel Holst, Treasurer Russ, Provost King, Senior Vice Presidents Darling and Mullinix, Vice Presidents Drake and Gomes, Chancellors Berdahl, Bishop, Carnesale, Cicerone, Córdova, Dynes, Greenwood, Tomlinson-Keasey, Vanderhoef, and Yang, and Recording Secretary Nietfeld

The meeting convened at 8:48 a.m. with Committee Chair Kozberg presiding.

1. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of November 14, 2002 were approved.

2. **ONE UNIVERSITY, ONE LIBRARY: ACHIEVEMENTS, OPPORTUNITIES, AND CHALLENGES**

Vice Provost Zelmanowitz recalled that for 25 years, the University of California libraries have worked together to realize a vision that is encapsulated in the phrase *one university, one library*. Pursuing this ideal, they have built ten campus libraries of distinction while supporting world-class research and instruction across the University. They have also won an unparalleled reputation for innovation and service. In its simplest form, the one university, one library vision has been realized at UC where faculty, students, and staff at every campus have access to nearly all of the 31 million items that make up the libraries' collective holdings, which form the largest university research library in the world.

Speaking as a member of the faculty, Vice Provost Zelmanowitz noted the transformation that had occurred over the past decade as a result of innovations in technology. Faculty no longer need to go in person to the library to obtain the resources they need. The California Digital Library gives UC scholars access to more electronic information than is available at any other university, and this access is available worldwide wherever there is the capability to connect to the internet.

Vice Provost Zelmanowitz introduced University Librarian Daniel Greenstein and called upon him for his presentation. He noted that prior to joining the University of California,

Mr. Greenstein had directed the Digital Library Foundation in Washington, D.C., which is a consortium of 28 of the leading research university libraries in the country. Mr. Greenstein observed that great universities achieve their standing in part because of their libraries. Libraries assemble and conserve the world's scholarly knowledge and its societies' cultural record, and they make it available in support of research, teaching, learning, and of cultural and civic enrichment. Just as advances in the biomedical sciences are built upon a comprehensive assembly of information about the human genome, advances on other frontiers of knowledge require the comprehensive collections that only great research libraries can supply. Maintaining the breadth and depth of those collections is the single greatest challenge confronting university libraries today. The failure successfully to confront this challenge threatens the core mission of the University, which is to maintain and extend excellence in instruction, research, and public service. The threat to library collections stems from the fact that the buying power of their budgets is undermined by runaway inflation in the cost of scholarly publications. Mr. Greenstein displayed a graph that compared inflation in the cost of U.S. periodicals with that of higher education and the consumer price index, noting the sharp rise in the price of periodicals over the period since 1985. The buying power of libraries is also influenced by the rapid increase in the number of publications. At UC as elsewhere, adverse budget environments in the early 1990s and again today only exacerbate an already significant problem.

Mr. Greenstein recalled that in an earlier presentation on the libraries the presenters had outlined the strategies that would be used to confront the challenges they faced. These strategies were based on extensive cross-campus library collaboration, on resource sharing, and on the application of advanced technology. The California Digital Library, established in 1998 as the tenth university library, was a fundamental part of that strategy. The CDL was intended to supply leadership in the application of technology, facilitate library collaboration and resource sharing, and to develop a shared digital collection that would enhance the campus collections. The University's libraries collectively hold 31 million volumes, more than twice the number available to Harvard libraries. Ensuring faculty, staff, and student access to the entirety of this collection has been a major emphasis of UC libraries over the past few years.

Mr. Greenstein described Melvyl, which is an online catalog that records information about all the UC libraries' holdings by author, title, subject, location, and current availability. Melvyl is an essential tool for making library holdings available systemwide. Mr. Greenstein displayed a series of slides to illustrate how a user on one campus can access Melvyl to perform an interlibrary loan request. This year "scan on demand" facilities are being introduced. Users requesting journal articles or book chapters can have these materials digitized and delivered to them online. With these systems in place, the totality of the libraries' holdings will be readily accessible to faculty, staff, and students, who are encouraged to use the library holdings of all campuses as if they made up a single, uniform library.

The shared digital collection is larger than any that is available to a university community of this size. Its extent testifies to the high level of library collaboration and interdependence. Priorities are determined by library collection development officers acting in concert, and items are acquired through co-investment. Nothing is acquired for the shared collection that is not agreed to and paid for by the libraries acting together. Acting collectively in this way, the university libraries are able to negotiate deep discounts from publishers and to avoid \$25 million in annual subscription costs. By supplying technical leadership and coordinating strategic investments in technologies, the libraries, through the CDL, have been able to develop leading-edge services that enhance research and teaching. Mr. Greenstein displayed slides that illustrated how the facilities in place help users navigate the libraries' vast electronic and print holdings. By supplying technical leadership and coordinating strategic technical investment, the CDL has also enabled libraries to make the contents of their special and archival holdings available online. The Online Archive of California includes in one place catalogs, indices, and inventory lists of what is housed in 7,000 special and archival collections across the state. Material that was little used comes more immediately to light and informs research as well as instruction. Mr. Greenstein discussed how a K-12 student conducting research on Native American religion would use the archive to access relevant data, taking full advantage of the rich visual materials that are available online.

Coordinating technology investment has also enabled the libraries to build whole new collections that support teaching and research. For example, the CDL is assembling one of the largest collections of images of architectural and art historical work. The images will be drawn from UC library and museum collections and from other comparable collections nationwide. The construction of the art image collection is a major undertaking for the CDL and the UC libraries. The libraries are exploring how the same system being used for digital images of works of art may be applied to biomedical images that are used extensively in teaching. The CDL is exploring a means by which individuals and departments could contribute their images at low cost to create a uniform collection for use in teaching systemwide and perhaps beyond in the biomedical fields.

Mr. Greenstein commented that the libraries are able to mitigate to some extent the effect of bad budget years in combination with inflation through extensive resource sharing, collaboration, and investments in leading-edge technologies. The costs that are avoided through collaboration are soon eaten up by inflation even in good budget years. At the current rate of inflation, the 8,000 serial subscriptions that now cost the university libraries some \$22 million a year will cost nearly \$75 million in ten years. Along with the broader library and academic community, new models for scholarly publishing must be found that do not carry such debilitating access costs. Through the eScholarship program, the University has become a leader internationally in the search for new models of scholarly communication. The eScholarship program, in collaboration with the UC Press, is also working on new means of distributing monographs. Books on the Press' backlist are available online, many at no cost to users.

The CDL has developed the means to make the faculty's working papers readily available online; this repository is available to UC's academic departments, centers, and organized research units, providing them with a means of distributing these vital scholarly works worldwide and at no cost to users. It also publicly highlights the research accomplishments of the University. The repository has been available for only a few months but has already attracted participation from nearly 100 departments who have contributed over 1,000 papers. UC's lead in this area is being followed by other research universities that are developing a similar capacity, thereby broadening and deepening the scholarly corpus that can be made available.

A new website has been launched which makes digital materials that are not restricted by license available to the public. This website brings together hundreds of digital collections that have been developed by UC libraries, museums, and academic departments.

In concluding his remarks, Mr. Greenstein spoke of new levels of cross-campus collaboration among the University librarians, thus enabling the University of California to accomplish what other research universities can only dream of. These achievements also owe a great deal to the vision and enthusiasm of President Atkinson.

President Atkinson commented that the California Digital Library was intended as a library for the entire state and in fact the world, not merely for the University of California. He continued that access would soon be provided to the CDL for high schools in the state. Universities in Mexico will also have access to the California Digital Library.

Regent Preuss raised the issue of copyright protection. Mr. Greenstein explained that the CDL's licensing arrangements with publishers are based on secure servers. Faculty may access these secured sites through the use of a password. He continued that a broader issue is how the University would defend fair-use exclusion under the U.S. Copyright Act.

In response to a question from Regent Johnson, Mr. Greenstein stressed that public materials may be accessed by anyone in the world, while commercially licensed content may be accessed only by members of the University of California community. Vice Provost Zelmanowitz added that the University's libraries are open to use by members of the public. Mr. Greenstein commented that the business model of scholarly communication undermines the ability to provide scientific and medical journals to the public. Scholars are beginning to recognize projects such as the online faculty working papers as another means to distribute their research. He noted, however, that scholarly journals do play a vital role in the academy.

Faculty Representative Binion commended Mr. Greenstein for his success in conveying to the faculty the enormous potential that is represented by the eScholarship program.

Regent-designate Murray asked for further comment on the challenges that the CDL faces. Mr. Greenstein outlined what he saw as the three major challenges, the first being the

business model of scholarly communication discussed above. A second challenge is digital preservation. Third, there are greater efficiencies to be built through shared collaboration among the campus libraries. The University's infrastructure should be used to manage collections more effectively. The challenge arises from the fact that universities are judged on the basis of the number of books in their collection. Vice Provost Zelmanowitz added that the practice is impeding shared collection strategies such as the ones being developed at UC. Mr. Greenstein continued that the University Librarians are addressing these challenges; he anticipated that within six to eight months they would have a better understanding of what steps need to be taken in order to develop a shared print collection. He added that State budget cuts would force campus libraries to reduce the number of print journals in their collections and to reduce their staffs.

In response to a question from Regent Moores, Mr. Greenstein explained that at present the CDL must pay high licensing costs to acquire the software that it requires to operate. There are technical people in house who have the capacity to develop software if the trend toward open-source software continues.

In response to a question regarding the digital submission of dissertations, Mr. Greenstein explained that they are submitted to the department in written form and then put into digital form by an outside vendor, after which the University buys them back. Regent Moores suggested that the chancellors should require that all dissertations be filed on line.

Regent Hopkinson observed that the University of California is bearing the cost of making information readily accessible to the public via the internet, and in particular private institutions that compete with UC. She believed that this was another challenge that the CDL would need to address. Mr. Greenstein agreed that this issue is of great importance; however, because the library's success is measured by how much it is used, public access is actually beneficial to the University and its faculty. The ability to post research findings on line provides a faculty member with a much broader readership than does publication solely in an expensive scholarly journal. Universities are competing with one another to build eScholarship programs in order to make their own publications widely accessible. The Association of Research Libraries (ARL) is encouraging its members to follow this model.

Faculty Representative Pitts observed that one challenge for the faculty is the tradition of "publish or perish" which established print journals as the standard by which their work is judged. UC faculty make up approximately 10 percent of the editorial boards of major journals, resulting in a large repository of skilled experts in the relevant fields. If faculty can accept that it is possible to have a high level of editorial review for journals that are published electronically, these digital journals will begin to have a credibility similar to print journals.

In response to a comment by Regent Marcus, Mr. Greenstein pointed out that historically libraries have been judged by the number of books that they are able to acquire. This approach is unfair in a world where access does not require physical proximity to the object.

Vice Provost Zelmanowitz observed that this is a national issue that is being addressed by the ARL and other higher education organizations.

Regent Kozberg raised the issue of interaction with the State Librarian. Mr. Greenstein responded that the State Library distributes federal funding to libraries in the state through the Institute for Museum and Library Service. The CDL provides guidance and best practices to the California State Library.

Chancellor Tomlinson-Keasey underscored the importance of the CDL in recruiting faculty to the Merced campus, which has no library. She noted that access to digital information has fundamentally altered the way in which a library is built. The Merced library will provide scholars with multiple ways to access the material they need.

In response to a question from Regent Preuss, Vice Provost Zelmanowitz noted that the American Mathematical Society publishes a digital-only journal which rejects a higher percentage of papers that are submitted to the AMS than does its published journal. Many high-quality journals have migrated to the open-source environment.

Regent-designate Bodine asked whether a library's effectiveness could be judged by the number of online "hits" it received. Mr. Greenstein noted that this approach would not be supported by libraries whose rankings would slip if such a system were implemented.

3. **AN OVERVIEW OF THE UNIVERSITY OF CALIFORNIA SCHOOLS OF MANAGEMENT**

Provost King recalled that the University of California Schools of Management and related programs offer a variety of degree programs alone and in concert with other programs such as law, engineering, medicine, environmental science, and agriculture. Over 3,500 students graduate from these programs each year with the MBA degree and other degrees including the A.B., B.S. and Ph.D., with training in areas such as accounting, finance, management, health management, information technology, marketing, information systems management, real estate, business economics, human resources and organizational behavior, marketing, environmental management, production, and operations management. Programs for both full-time students and working professionals are offered. Exchange programs with universities around the world give an important international perspective to the University's management programs. Undergraduate degrees in business are offered at Berkeley and Riverside; at the other general campuses, undergraduates may select business as an emphasis when majoring in fields such as economics, environmental sciences, or engineering.

The University's five Schools of Management and Business are as follows:

- Haas School of Business, Berkeley
- Graduate School of Management, Davis,

- Graduate School of Management, Irvine
- The Anderson School, Los Angeles
- A. Gary Anderson School of Management, Riverside

The Graduate Management School at San Diego will enroll its first class in fall 2004. Santa Barbara's Bren School of Environmental Science and Management offers a master's program that focuses on Corporate Environmental Management, and the Santa Cruz School of Engineering offers a program in Information Systems Management.

Provost King reported that the University's business schools are well regarded nationally. There are 352 accredited masters programs in business in the country. **US News and World Report** has consistently ranked four of UC's schools among the top 50. In 2003, Berkeley ranked Number 10 and UCLA ranked Number 15, with Davis coming in at Number 39 and Irvine at Number 51. Among public institutions, Berkeley tied this year with Michigan and Virginia for Number 1, and UCLA's Anderson School was ranked at Number 4.

The vast majority of the University's MBA students receive employment immediately after they graduate. The average starting salary ranges from \$74,000 to \$94,000 not including signing bonuses, which add another \$9,000 to \$17,000 on average.

Although only Berkeley and Riverside formally offer baccalaureate degrees through their business schools, all campuses offer minors in business or business-related programs. All five of the business schools offer the State-supported Master of Business Administration, and Berkeley, Irvine, and Los Angeles offer a Business Ph.D. degree. In addition to their State-supported MBA programs, UC Schools of Business offer self-supported programs for individuals already established in the business community who are seeking specialized skills and training. Most campuses offer Fully-Employed MBA and Executive MBA programs for working professionals, many of whom are employees of the country's leading corporations. Berkeley has collaborated with Columbia University to offer executives the opportunity to take courses at both locations while they continue to pursue their professional obligations.

Provost King observed that the business schools have the common goal of providing the knowledge and skills necessary for graduates to become leaders in any kind of organization, from start ups and multinational firms to consulting organizations and nonprofits. The academic programs at each campus focus on the fundamentals of management and on exposure to new trends in business. For example, the Corporate Environmental Management Program is available to students from all five UC MBA programs. Students combine study at the home campus with environment-based course work and research at the Bren School of Environmental Science and Management, led by business school faculty from within and outside UC.

Collaboration with business and industry sectors throughout California is an essential role for UC business faculty. Frequently, companies in a business sector work with one of the

business schools to put on workshops or conferences for professionals that focus on advancing the latest developments in the industry. Likewise, each business school has an advisory board made up of faculty and business leaders in the region. These boards meet regularly to discuss industry directions and the curriculum adjustments that may be needed to facilitate those directions.

Provost King reported that total fees for State-supported MBA programs at the University of California range from \$10,900 to \$12,300 a year, which is about \$7,000 below the average of what the comparison public institutions charge and approximately \$20,000 less than the fees of the nation's top-10 ranked schools. UC fees for the specialized self-supported programs range from about \$20,000 a year for the Fully Employed MBA programs to \$63,000 for the Haas School's Berkeley-Columbia Program. Financial aid to students enrolled in the State-supported MBA programs typically comes in the form of loans. The vast majority of students in the self-supported programs have their fees paid by the companies who are sending their employees back to school. In the State-supported MBA programs, approximately three-quarters of the students are U.S. citizens or permanent residents. About 70 percent are male, and two-thirds are white. The average student age is 29, which reflects the requirement of all MBA programs that applicants must have several years of work experience to be eligible for admission.

Turning to the faculty, Provost King noted that the business schools employ a mix of regular-rank faculty, lecturers, and visitors. Among the latter are practicing professionals who share the most current business practices with students and faculty. There is considerable turnover in the teaching faculty. Within the professorial ranks, over a quarter of the faculty have been hired in the last five years, which is higher than in other disciplines.

Provost King then called upon Chancellor Carnesale to provide opening remarks on the Anderson Graduate School of Management at UCLA. Chancellor Carnesale observed that the School is a leader in business education and is noted for a collaborative learning environment, technological innovation, and a strong international focus. It is also involved in interdisciplinary problem solving that requires participation by the private sector. The School serves as an important conduit between the University and the community at large, with a wide range of programs that assist in such areas as early childhood education. The Chancellor believed that it was important for the dean of a professional school to not only understand the study of the profession but also to understand the practice. He noted that Bruce Willison, Dean of the Anderson School, had served for 26 years in the banking industry prior to coming to UCLA.

Dean Willison explained that the Anderson School defines its mission as creating intellectual capital and entrepreneurial leaders for the global information age. The school is consistently rated among the top ten business schools, while its incoming MBA students are ranked first in the country in terms of their undergraduate grade point average and number eight for their GMAT scores. They come to the school with an average of 4.5 years of work experience. These students have a strong sense of community and an awareness of personal and

corporate social responsibility. Dean Willison commented that one of the school's primary objectives is to reach out to the public and private sectors, primarily through its research centers, which include the Anderson/UCLA Forecast. All of these centers involve faculty, students, and members of the business community. The Price Center for Entrepreneurial Studies fosters faculty and student interaction with executives and their firms both inside and outside of the classroom. Dean Willison observed that graduate management education is a highly competitive business; universities compete for faculty based upon the research funding they receive and their ability to pay market-based salaries. He discussed a *pro bono* study that was performed by McKinsey & Co. for the Haas School of Business at Berkeley and the Anderson School. The study found that relatively low spending hinders the programs' competitive position. The schools are low both in per-student spending for faculty and curriculum development and other programmatic spending. McKinsey & Co. recommended an increase in the professional fee as the best mechanism to fund growing needs. The firm found that such an increase would not put the programs at a disadvantage, nor would it create student access issues that are not already being addressed. The Dean displayed a chart of the top-tier business schools as determined by **Business Week** which demonstrated that 13th-ranked Berkeley and 16th-ranked UCLA have fees that are significantly lower than all of their competitors. He believed that top-tier status could be maintained only if the University's business schools are permitted to charge and retain sufficient differential fees to compete with the private schools for faculty and students. He added that a majority of the state schools were moving to the private model. He confirmed for Regent Preuss that the school provides ample scholarship support.

Chancellor Dynes recalled that when he became chancellor, there were strongly held opinions by faculty and students that a school of management was needed that would leverage on the strengths of the campus. In addition, local business leaders made the point that San Diego was a prime candidate for a new model of graduate management education. He recalled that the 2001 Council on Competitiveness had designated San Diego as a national cluster of innovation and cited UCSD as having a unique entrepreneurial spirit. After careful planning, UCSD is seizing the moment by launching a start-up school that will target unmet needs and anticipate future trends. Various newspaper articles about the new school referred to it as "truly innovative" and "a new blueprint for business schools." Chancellor Dynes then called upon the school's founding dean, Mr. Robert Sullivan, for his remarks.

Dean Sullivan commented on the instrumental role that had been played by faculty across the campus in moving the school forward. The new school has been designed to follow in the campus traditions of excellence and innovation while having the potential for a significant impact on the San Diego business community and beyond. Prior to his more specific comments, the Dean explained that he had joined the campus on January 1, 2003. He recalled that the establishment of a school of management at UCSD had been approved by The Regents in October 2001, and the MBA degree proposal was approved by the campus' Representative Assembly in October 2002. Detailed architectural drawings for the new school are completed, and private fund raising is in progress. It is anticipated that the

first executive MBA class will matriculate in September 2004, with the first full-time class entering in September 2005. Dean Sullivan anticipated that at build out the school would have 600 full-time MBA students and 500 executive MBA students, which is similar in size to the Anderson and Haas schools. The new school will have a substantial non-degree component as a part of its outreach to industry. The school will also have a doctoral program enrolling approximately 55 students; this program is essential for the recruitment and retention of faculty. The faculty will consist of three synergistic groups. The first group will be a small core of nationally recognized scholars who will form the basis of the program, while the second group will consist of outstanding faculty from across the campus with an interest in the school. The third group will be lecturers and adjunct professors who, by virtue of their experience, have value to contribute to the school. The new school's focus will be on science and technology, with an emphasis on going from an idea to the marketplace. Because of this emphasis, a typical class will consist of a younger student body with less work experience, and a high percentage will have a degree in science or technology. In concluding his remarks, Dean Sullivan observed that some may suggest that the poor economic times do not support the launching of such an endeavor. He believed that it may be the best time for a new school of business, given the needs that have been identified and the strong support of the community and the campus.

Several Regents commented on the many contributions that the Anderson School makes to the Los Angeles community.

Regent Sayles asked about the marginal cost of instruction for the business schools. Chancellor Carnesale explained that the campus receives the same amount of funding from the State for each student, regardless of where he or she is enrolled. Committee Chair Kozberg asked that the Chancellor provide Regent Sayles with more information about the cost of instruction per student in the business school.

In response to a request from Regent Sayles that he comment on the enrollment of underrepresented minority students, Dean Willison noted that such enrollment had been declining over the past few years. Historically, the percent of African Americans enrolled at the Anderson School has ranged between three and five percent; the school is working to increase applications from underrepresented minority students in order to increase the percentage who enroll. He stressed the importance of outreach to high school students in order to familiarize them with business education. The faculty also visit colleges and universities that have high minority enrollments to encourage these students to apply to business school.

Regent Lee expressed the opinion that the University's business schools should each have its own areas of specialization in order for all of them to become world class. Dean Willison agreed, noting that the Anderson School concentrates on areas of importance to southern California, including real estate, technology, and entrepreneurialship.

Regent Marcus was concerned by the fact that UC's schools of management do not rank in the top ten nationally. He encouraged all of the deans and chancellors to do more specialization and develop ways to improve these rankings. Chancellor Carnesale stressed that low fees are what separate the Anderson and Haas schools from their competitors and noted that the same thing is happening at the undergraduate level, where the top 19 schools as ranked by **U.S. News and World Report** are all private universities, with the Berkeley campus being ranked as 20th, or one ranking below Notre Dame. In response to a comment by Regent Hopkinson, he noted that campuses are ranked by this survey based on donations from alumni and not by overall fund raising.

Chancellor Berdahl added that the Berkeley campus is able to recruit the best faculty to its business school but often loses them to private competitors due to the inability to provide competitive compensation. He reiterated the need to increase the differential tuition and to allocate the increased revenue to the schools.

Regent Ligot-Gordon raised the issue of students who are admitted to a particular campus but not to the major to which they apply. In particular, he commented on the burden which is placed on other departments to absorb the students who are not admitted as undergraduates to Haas. Committee Chair Kozberg suggested that he had raised a substantive point that deserves attention.

As a San Diego resident, Regent Preuss commented on the strong support of the community for a new school of management at UCSD and the intention of the campus to create a world-class research center.

Regent Blum reported that the accounting faculty at the Haas School of Business had been decimated by outside recruitment. He noted the substantial support in the business community for the school. He predicted that the quality of the school would continue to decline if the issue of professional school fees is not addressed.

In response to a question from Regent Montoya, Dean Sullivan explained that the decision to open the new school first to students interested in obtaining an executive M.B.A. was made due to the response from businesses eager to enroll their employees and in order to generate the revenue that is required to seed the M.B.A. program.

Regent Davies recalled that when the differential fee structure was adopted by The Regents, it was with the intention that the increased revenue would be captured by the professional schools in order to assist them to compete with the top private schools. He asked whether there were any initiative under way to increase the differential fees for all of the professional schools. Provost King confirmed that this was a high priority for the administration; however, it is subject to the University's budgetary negotiations with the State. Regent Davies suggested that the Regents should register their support for such a fee increase.

Regent Marcus emphasized that the Board of Regents has the power to increase fees and to state how they should be used. He urged the President to form a committee that would consider how professional fees might be raised.

Faculty Representative Pitts pointed out that the situation described by the deans with respect to schools of business also pertains to the University's professional schools in the health sciences, creating substantial problems in the recruitment and retention of faculty.

4. **UNIVERSITY OF CALIFORNIA POLICIES ON SEXUAL HARASSMENT AND FACULTY-STUDENT RELATIONSHIPS**

Provost King recalled that, as background for today's discussion, the University Policy on Sexual Harassment and Complaint Resolution Procedures and a Resolution on Faculty-Student Relations adopted by the Academic Assembly on November 30, 1983 had been distributed to all Regents in advance of the meeting. He introduced Ms. Sheila O'Rourke, who has the principal responsibility for these issues within the Office of the President. The Provost noted that consensual relationships between faculty and students had been the subject of much deliberation at each UC campus as well as at universities across the country. At UC policies that address such relationships fall under the Faculty Code of Conduct.

Senior Vice President Mullinix commented that the University's most recent sexual harassment policy had been adopted in 1992. The policy has been under review since last summer as part of an ongoing process; the review should be final prior to the end of the fiscal year. Each campus has enacted implementing policies and procedures for responding to sexual harassment complaints, and the review will look at them as well. All campus procedures include informal resolution options as well as a more formal process involving a fact-finding report and applicable disciplinary procedures. In addition, each campus, laboratory, and the Office of the President has one or more individuals identified as having responsibility for compliance with federal and State laws, as well as University policies and procedures. Each campus and laboratory has education and training resources targeted toward sexual harassment issues. The campuses also train advisers and operate sexual harassment information centers where printed materials are available. These materials are distributed at new employee orientations. In addition, the information is available to the public on each campus' website. The Office of the President recognizes that managers who understand their responsibilities are more likely to comply with University policy, and a training initiative is being developed for supervisors which will cover this issue.

Provost King discussed the policies that govern faculty-student relationships, which are derived from both academic and administrative sources. The language in the existing Code, dating back to 1971, states that faculty must "...avoid any exploitation, harassment, or discriminatory treatment of students," and that prohibition is recognized to include sexual harassment. Also according to the Code, faculty members are not permitted to "[U]se the position or powers of a faculty member to coerce the judgment or conscience of a student or to cause harm to a student for arbitrary or personal reasons." He recalled that the

Academic Senate had adopted a resolution on faculty-student relations on November 30, 1983, which outlines the Senate's position as to appropriate and inappropriate actions. The Senate's Committee on Privilege and Tenure has been engaged in renewed efforts to develop an amendment to the faculty Code of Conduct that would directly address the issue of consensual relationships between faculty and students. Any such amendment developed by the Academic Senate ultimately must be approved by the Board of Regents

Faculty Representative Binion observed that for most faculty members, a sexual liaison with a student is deemed to be inappropriate. The University needs to adopt a formal policy in order to establish as an institution sanctions when there are transgressions. The Senate is in the process of reviewing draft policies as well as studying what other universities have done. Last year the Academic Council, as a starting point, reaffirmed the 1983 resolution and called upon the Committee on Privilege and Tenure to develop a new policy, the draft of which will be submitted at the Council's January 2003 meeting and then reviewed at the campus level. Professor Binion anticipated that, during this process, she would consult with the Office of the General Counsel to ascertain whether the policies under consideration are consistent with California law and the State Constitution. She was hopeful that the process could conclude within the academic year. She believed that the most difficult issue to address would be the breadth of the coverage of the policy. Questions will also arise with respect to undergraduate versus graduate students. Faculty Representative Binion stated her intention of keeping the Regents apprised of the progress being made with respect to developing a policy for presentation to the Board.

Regent Johnson believed that the information provided to students on campus websites regarding whom to contact with a complaint tended to be confusing. Provost King stated that the administration was quite sensitive to the issue of having clear, concise written materials. Ms. O'Rourke added that there is an important distinction between the systemwide policy and the implementing policies on each of the campuses that designate the responsible officer, in conformance with federal regulations. She stated that this issue would be reviewed to ensure that each campus was providing the appropriate information.

Regent Montoya recalled that when the University's new whistleblower policy was presented to the Committee on Audit, the question was raised as to whether an individual's privacy could be protected and the answer was that it could not. She asked for comment as to the issue of secrecy with respect to claims of sexual harassment. Senior Vice President Mullinix acknowledged the challenge that arises when a student discloses a relationship with a faculty member once it is determined that action should be taken to investigate the claim. Provost King added that the process involves the appointment of a faculty member to perform such an investigation, which begins with interviews with the parties involved. Mr. Mullinix noted the importance of having a wide range of individuals to whom students feel comfortable reporting such incidents.

Regent Lozano urged the administration to ascertain whether confidentiality is protected in the campus processes. Senior Vice President Mullinix commented that an external review

is under way on the Berkeley campus, and the results of that review may provide a window into other issues within the system.

Regent Hopkinson observed that the current policy statements are inadequate, complex, and unclear. It was unimaginable to her that each campus operates under different sets of procedures. She urged the Academic Senate to develop clear and concise documents that define consistent policies and procedures. Regent Hopkinson stressed that any policy on student-faculty relationships should prohibit such interaction between a faculty member and an undergraduate student. She believed that the free environment of a university campus creates unique challenges which should be identified and addressed. She hoped that the review being undertaken was as comprehensive as possible.

In response to Regent Hopkinson's comments, President Atkinson observed that the University has the view that the individual campuses should have the flexibility they need to achieve their goals. The Academic Senate will need to convince the faculty that there must be a uniform policy on sexual harassment across the system.

Chancellor Vanderhoef pointed out that, in order to avoid termination by The Regents, most faculty members involved in such allegations choose to resign. With respect to the procedures at the Davis campus, the Chancellor noted that his office informs the faculty of legal liabilities that may arise when a relationship involves a power differential.

Regent-designate Bodine suggested that the policies that are adopted need to be both realistic and enforceable. She believed that a sweeping ban on all faculty-student relationships would be unrealistic given the size of the University's campuses. The need to conceal a consensual relationship could put the parties in a difficult situation. With respect to privacy, she believed that the accused should have the right to know who the accuser is.

In response to a comment by Committee Chair Kozberg, Provost King stated the intention to present a communications strategy to the Regents.

5. **PROGRESS TOWARD IMPLEMENTING RECOMMENDATIONS OF THE COMMISSION ON THE GROWTH AND SUPPORT OF GRADUATE EDUCATION**

Provost King recalled that in January 2002 he had informed the Committee that the Commission on the Growth and Support of Graduate Education had found that by 2010 the University of California will need an additional \$215 million annually in 1998-99 dollars to provide the graduate student support needed to add 11,000 graduate students and to be competitive for the best students. Although much of the necessary additional support will come from traditionally available sources, the Commission concluded that there would be a \$65 million shortfall unless new funding initiatives were implemented. As a result, the Commission recommended six core initiatives to increase external funding for graduate student support. In addition, the Commission endorsed four recommendations related to the University's own practices in order to improve support for graduate students and foster

success in graduate education. Following discussion of the Commission's report, the Committee asked President Atkinson to provide a follow-up report in January 2003 on progress made toward implementing the Commission's recommendations. Provost King explained that he would describe some of the actions that had been taken over the past year in line with these recommendations.

The University appears to be on target overall in increasing graduate student financial support, both in expenditures per student and in total expenditures to support expanded enrollment and to make graduate student support more competitive. Through 2001-02, UC graduate enrollment growth roughly kept pace with planned growth, and graduate enrollments in engineering and the sciences exceeded plans. However, UC fell short of achieving its graduate enrollment target in the broad area of humanities, arts, and social sciences.

Changes in Graduate Student Financial Support and Enrollments

To compete successfully for the top students, the Commission developed a per-student stipend benchmark level equal to the National Science Foundation's stipend level in the life and physical sciences, adjusted for California's cost of living and differing levels of support in other academic disciplines. Subsequently, a more appropriate benchmark was developed based on a comparison of net stipend levels offered by the institutions with which UC graduate programs compete. Based on the most recent available data, the University appears to be on target overall in meeting graduate financial support goals in expenditures per student, as well as in total expenditures for research assistantships, teaching assistantships, and fellowships or grants. Overall, graduate students received \$15,668 in support in 2000-01, compared to \$14,962 two years earlier (in 2000-01 dollars), with a wide range between fields and types of funding. Growth in financial support dollars per student has exceeded the plan in every area. Overall, the biggest increase was in funds for research assistantships, reflecting the faculty's success in competing for grant funds.

An important measure of the adequacy of UC graduate student support is how well graduate programs compete for top students. As reported in September 2002, there was an estimated gap of over \$3,000 per academic doctoral student in 2000-01 between the net stipend, after fees and tuition are paid, that UC graduate programs offered to students they admitted and the level offered by those with whom they compete. However, if other institutions' net stipend levels have remained steady (in constant dollars), and if UC continues to improve funding, the real per-student increases at UC suggest that this gap will begin to narrow. It is not known if other institutions have also increased their net stipend levels. Between 1998-99 and 2000-01, total graduate student support expenditures for research assistantships, teaching assistantships, and fellowships or grants increased by \$36 million in 2000-01 dollars, from \$444 million to \$480 million.

The University is on track to meet its 1999 plan to increase total general campus graduate enrollments to 37,900 FTE by 2010-11. As reported in November 2002, these enrollments

kept pace with planned growth between 1998-99 and 2001-02. For 2002-03, total graduate enrollments have risen significantly and are now above the plan for graduate growth.

Progress Toward Implementing the Graduate Commission's Recommendations

Over the past year, all campuses have expanded existing efforts to obtain external funds for graduate students, and they have strengthened programs and activities to improve graduate student success. In addition, several campuses have implemented new initiatives to increase graduate student financial support and to improve the environment for graduate students at UC. The Office of the President has also initiated systemwide efforts to implement the Commission's recommendations.

Recommendation 1. Increase Federal Funding for Graduate Student Support

The Commission recommended that the University advocate that the federal government increase the annual level of fellowship stipends and add an additional 1,500 stipends nationwide for graduate students. Thanks to strong support in Congress, stipend levels for the major federal fellowships and traineeships were raised between the 2000-01 and 2001-02 fiscal years, ranging from an increase of 39 percent for National Institutes of Health traineeships and 22 percent for National Science Foundation fellowships to 7 percent for Graduate Assistance in Areas of National Need (GAANN) traineeships. The number of fellowships awarded nationally by several federal agencies declined, although this was compensated in part by the establishment of new grant programs. Despite the drop in the number of awards nationally, UC campuses have done well in obtaining federal funding for fellowships/traineeships or for research assistantships.

The University's Federal Governmental Relations Office has been working with other institutions to raise graduate stipend levels further and to increase the number of stipends awarded. Although initially the Senate suggested higher stipend levels for NSF and NIH stipends, the Congress has now agreed upon an overall budget ceiling that will likely hinder such efforts. The relevant appropriations bills have been postponed and will not be acted upon until January at the earliest. The Washington office has also worked closely with graduate students to lay the groundwork for potential tax code changes that would exclude from the income tax the "living expenses" (room and board) portion of fellowship awards. The tuition and fees portions of fellowships are already exempt. While progress was made in gaining legislative support for such tax changes, no tax vehicles were available this year.

Recommendation 2. Create a State Postsecondary Teaching Fellowship Program

Recommendation 3. Create a Program of State Incentive Grants for Students Awarded Prestigious National Fellowships

Although the State's budget deficit has required postponement of a request to the State to fund these two proposed initiatives, the University has begun to develop draft guidelines and procedures for these two programs, and they are being discussed with the campus

community. The first proposal would establish a postsecondary teaching fellowship forgivable loan program for Ph.D. recipients from California institutions who take faculty positions in California. After extensive consultation, a working proposal has been developed for use by the State Governmental Relations Office in cultivating legislative support for introduction of this initiative when the State's budget situation improves.

The second proposal would institute a State incentive grant program to supplement grants for doctoral students awarded prestigious national fellowships in order to attract them to UC. Although there has been initial campus consultation on the details of this proposal, it is anticipated that it will undergo further revisions before it is ready for potential legislative introduction.

While the University is pursuing additional avenues for increased State funding for graduate students, it is estimated that over \$2 million in State-funded research assistantships may have been lost with this year's 10 percent cut in State-funded research program. Some programs have been able to preserve graduate student funding in the face of State cuts. For example, the UC Humanities Initiative provides \$600,000 in support of graduate student research. Rather than reduce this support, the Humanities Advisory Committee has acted to take deeper cuts from other segments of the Initiative in order to preserve this important source of funds for graduate students.

Recommendation 4. Develop a Program of Collaborative Industry-University Internships for Graduate Students

Several campuses have industry support that provides graduate research assistantships and fellowships, as well as collaborative industry-UC internship programs for graduate students, and campuses also have developed internship programs with government or other agencies. For example, the Riverside campus and the Los Alamos National Laboratory have developed new research partnerships that include funding for graduate students and opportunities for them to travel to LANL to gain research training there. The four California Institutes for Science and Innovation present new opportunities for partnerships with industry. Each of these institutes, which focus on cutting-edge multidisciplinary research, has already developed innovative educational opportunities for participating students.

Recommendation 5. Create a University of California Graduate Fellowships Endowment

The Commission set a goal of increasing endowments by \$125 million for graduate fellowships from foundation and private funding, which would yield \$5 million annually for such fellowships. Achieving this goal depends largely on campus actions to make graduate fellowships a priority in their annual campus fundraising efforts. Several campuses were very successful this past year in increasing endowed funding for graduate student fellowships from corporations, foundations, alumni, and non-alumni donors, despite the economic downturn. For fiscal year 2001-02, UC campuses as a whole raised about \$35

million in new endowed funds. In addition to endowment funds, UC campuses received approximately \$24 million this past year in gifts and pledges for current use in supporting graduate student fellowships. In addition, the Office of the President has also been successful in facilitating fund raising from foundations and individual and corporate donors interested in supporting graduate students across the UC system.

Recommendation 6. Develop a Case for Increased Funding for Nonresident Graduate Students

The Commission recognized that, at the graduate level, the University's responsibility is to draw into California the very best minds from throughout the nation and the world in order to provide the state with the strongest possible research products and cutting-edge developments as well as recruit many of these talented individuals into California's workforce. It also recognized that the high cost of nonresident tuition is a barrier to attracting the very best students to UC. Tuition is a particular problem for international students who must pay nonresident tuition for every term they enroll. Although graduate students who are U.S. citizens or permanent residents from other states can generally qualify for California residency after one year, they may be discouraged from applying to UC because of the cost of nonresident tuition in their first year. For these reasons, the Commission recommended that UC embark on a campaign to inform decision makers about the importance of educating international and out-of-state students and pursue the funding to accomplish it.

As a first step in developing a special case for the needs of nonresident graduate students, staff in the Office of the President have calculated how much funding would be needed to eliminate the disparity in tuition and fee charges between resident and nonresident academic doctoral students. That analysis suggests that it would require \$10.5 million per year in 2000-01 dollars in additional fellowships to allow UC to bring all nonresident academic doctoral students to a minimum threshold of remission and fellowship funding equal to their nonresident tuition and Educational Fee charges. This amount is substantial, and could increase if nonresident tuition increases faster than other costs or if the proportion of nonresident graduate students increases. However, it is lower than some may expect, about \$1,800 per nonresident academic doctoral student each year, because a great deal of support is already being expended to alleviate the burden of nonresident tuition where appropriate. Moreover, this parity goal overlaps with the Commission's goal to improve the competitiveness of the awards to students in academic doctoral programs. The \$10.5 million in new fellowship funding to cover nonresident tuition and fee charges would not only equalize tuition and fee charges between resident and nonresident students but would also raise the value of the awards received by nonresident students, thereby improving their competitiveness. Thus campuses could achieve the parity goal with a portion of the \$63 million (in 2000-01 dollars) that the Commission has already calculated is needed to improve UC's competitiveness, if campuses make this goal a priority.

Recommendation 7. Make Graduate Education a Higher Internal Financial Priority

Every campus has taken steps to reallocate campus funds to give more dollars to graduate support or to give priority to graduate students in fundraising campaigns. Campuses together have reallocated well over \$10 million for graduate student support over the past three years. Graduate student support and related graduate needs have also received greater priority at the systemwide level. For 2002-03, a portion of the increase in nonresident tuition revenues has been used to fund the final phase of the TA fee remission program, as well as a portion of graduate and professional student outreach.

Recommendation 8. Ensure that Graduate Student Housing is a Priority on Every Campus, Especially for First-Year Students

New graduate student housing is now, or will soon be available at a majority of the campuses. Graduate student housing is one of the elements explicitly being taken into consideration by the University of California Housing Task Force, whose November report to The Regents identified campus plans to almost double the number of student housing units beds by 2011-12.

Recommendation 9. Make the University of California's Campuses the Ten Best Campus Environments in the Nation for Graduate Students

The campuses noted a wide array of long-standing efforts in this area, as well as new efforts that include the following:

- Revising recruitment and admissions practices. For example, UCLA distributed a set of best practices in graduate admissions to all graduate programs.
- Expanding faculty-student mentoring programs.
- Developing new programs to improve students' teaching skills.
- To help graduate students improve their teaching skills, Santa Cruz is developing a Summer Institute for Excellence in College Teaching and a program to grant certificates in the teaching of college writing.

Recommendation 10. Create and Use Benchmarks to Monitor Success in Graduate Education

The Council of Graduate Deans and the Office of the President have been collaborating for several years to develop Universitywide benchmarks of graduate student progress and success. These include cross-campus data on time to doctorate, doctoral persistence and attrition, and master's and doctoral completion rates. Partly as a result of the impetus provided by the Graduate Commission's recommendations, staff have been developing additional Universitywide benchmarks of graduate program success, specifically regarding

student satisfaction and job placement of doctoral degree recipients. While most campuses already use campus Ph.D. exit surveys that assess graduating Ph.D.s' perspectives on their doctoral education and initial job placement after graduation, staff are developing Universitywide instruments to allow comparisons across campuses.

Next Steps

Although significant progress toward increasing graduate student support has been made, there is a long way to go to meet the Commission's goals. Much of the work accomplished during the first year has been to develop plans and strategies and to lay the groundwork for obtaining greater funding, once the economy improves, by educating public and private leaders about the importance of graduate student support. Over the next year, a number of activities are planned to help to increase graduate student funding and facilitate student progress.

Federal Sources

The Washington office will continue to advocate for increased stipend levels and numbers of stipends for federally funded graduate fellowships and traineeships. On the tax front, the office, working with graduate students, will try again to pursue tax code changes for fellowship recipients when the 108th Congress convenes. In addition, the next Congress will begin to debate the upcoming reauthorization of the Higher Education Act. The University, along with other research universities, supports the elimination of need-based requirements from GAANN training grants and Jacob Javits Fellowships. Such need stipulations should not be applied to support for graduate academic students, where the primary criterion should be attracting the most talented individuals into graduate programs; similar need restrictions are not imposed on NSF or NIH grants. Educational groups in Washington are also discussing a recommendation to add a third graduate fellowship program that would focus on increasing diversity in graduate study. This proposal, tentatively entitled the Patsy T. Mink-Tomas Rivera Fellowship Program, would establish awards for up to three years to pursue the doctorate or other terminal degree for the purpose of entering faculty positions in higher education.

State Sources

Although the current budget outlook continues to be bleak, the University will pursue implementation of the Commission's recommendation for a State Postsecondary Education Teaching Fellowship Program when the State's economy improves. In addition, staff will complete development of the recommendation for a State Incentive Grant Program for UC students awarded prestigious national fellowships.

Industry and Private Sources

Several campuses will be continuing graduate fellowship fundraising efforts or giving more priority to such efforts. San Diego, for example, noted that gifts for endowed graduate fellowships are a high priority in the campus' new capital campaign, and the campus has already generated a number of commitments for such fellowship dollars. At the systemwide level, University Affairs is exploring the possibility of a multicampus initiative to raise funds for graduate fellowships from large foundations or donors.

Nonresident Tuition

Following further discussion with the campus community regarding the level of funding needed to bring nonresident students to parity with resident students and the best sources and approaches for achieving the needed funding, the Office of the President and the Council of Graduate Deans will develop arguments for increased funding and plans for approaching potential sources of funds.

As the University moves toward building public support for nonresident graduate students, it is recommended that attention be given primarily to private donors and to industry supporters as the most promising sources for raising these funds. In addition, the University will work with California's industry leaders to encourage the State to support nonresident graduate students, given both the general benefit to California and the specific benefit to California industry, especially the high-tech sector, which has had to import outstanding talent from outside California and the U.S.

Internal Reallocation

Both the campuses and the Office of the President are committed to continuing to reexamine current policies and practices in order to give higher priority, where appropriate, to graduate student support.

Improving the Campus Environment for Graduate Students

The campuses are committed to expanding services, housing, and academic support for graduate students, including career placement services, professional development opportunities for TAs, improved mentoring, and revised recruitment practices or admissions systems.

In concluding his presentation, Provost King observed that the challenge will be to continue the progress described above and reach the long-term goals in a period of budgetary stringency at the State level and budgetary uncertainty at the federal level.

6. **QUARTERLY REPORT ON PRIVATE SUPPORT**

In accordance with the Schedule of Report, the **Quarterly Report on Private Support** for the period July 1 through September 30, 2002, was submitted for information.

[The report was mailed to all Regents in advance of the meeting, and a copy is on file in the Office of the Secretary.]

The meeting adjourned at 11:40 a.m.

Attest:

Secretary