

The Regents of the University of California

**COMMITTEE ON EDUCATIONAL POLICY**

March 14, 2007

The Committee on Educational Policy met on the above date at Covell Commons, Los Angeles campus.

Members present: Regents Blum, Dynes, Johnson, Kozberg, Lansing, Ledesma, Lozano, Marcus, Parsky, Ruiz, and Schreiner; Advisory members Allen, Brewer, and Brown, Staff Advisors Brewer and Miller

In attendance: Regents De La Peña, Gould, Hopkinson, Island, Moores, Preuss, Schilling, and Varner, Regent-designate Bugay, Faculty Representative Oakley, Acting Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Provost Hume, Executive Vice President Darling, Vice Presidents Broome, Foley, Hershman, and Sakaki, Chancellors Birgeneau, Bishop, Córdoba, Drake, Fox, Kang, Vanderhoef, and Yang, Acting Chancellors Abrams and Blumenthal, and Recording Secretary Bryan

The meeting convened at 9:20 a.m. with Committee Chair Marcus presiding.

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

Upon motion duly made and seconded, the minutes of the meeting of January 17, 2007 were approved.

**2. APPROVAL OF PRINCIPLES UNDERLYING THE DETERMINATION OF REGISTRATION FEES**

The President and the Provost recommended that, in order to provide adequate support for the increasing need for programs that support student well being :

- A. The Regents approve the development of a multi-year plan to address needs as they arise, such as student mental health support.
- B. The Regents approve the allocation of a significant fraction of the proposed increase in Registration Fee for 2007-08 as permanent funds and as a first step towards meeting the needs of student mental health support.

Provost Hume recalled that in September 2006 the findings and recommendations of the Student Mental Health Committee were presented in the Student Mental Health Report. In summary, the report found that the increased need by students for campus student mental health services has resulted in an overtaxed delivery system at UC, and will not improve without aggressive intervention which must

include an infusion of new resources commensurate with both the nature and magnitude of the challenge. The report also presented a detailed and comprehensive plan of action for creating healthier campus communities structured in a three-tiered pyramid. Over the past months the student affairs vice chancellors across all ten campuses have developed a comprehensive blue-print for implementing the report recommendations, and an oversight committee has been established to help Provost Hume ensure accountability for implementing the recommendations once funding has been secured.

Mr. Hume outlined the wide gap between what is needed and the current situation. In order to raise student-staff ratios in counseling centers to the national norm, 105 new counseling FTE across the 10 campuses are needed at a cost of \$11 million in new funds. This is the first and most critical of the report's 27 recommendations. The needs for all campuses require a total sum of \$40 million, with more funds likely necessary in future years.

Provost Hume discussed that the root cause of the problem is chronic, inadequate funding of the student registration fee. Education fees have increased over time while the registration fee has been allowed to stagnate, going up only 9 percent compared with a nearly 400 percent increase in the education fee over the same period. As per The Regent's Student Fees Policy, the registration fee is a University mandatory charge assessed against each registered student and non-registered student to support services which benefit the student and which are complementary to but not part of the instructional program. These programs include, but are not limited to, operating and capital expenses for services related to the physical and psychological health and well-being of students, social and cultural activities and programs, services related to campus life and community, and educational and career support. The Compact with the Governor limits the percentage increase possible for both the education and registration fees to 7 percent. This amounts to a \$51 increase for the registration fee for the current year.

In order to begin funding student mental health needs, for 2007-08, the pragmatic solution is to split the 7 percent increase of the registration fee, or \$51, into two parts, which include 4 percent, or \$29, to fund inflation-related adjustments for all registration fee-funded campus programs, and 3 percent, or \$22, to fund student mental health needs. These new funds equate to \$4.6 million systemwide, and on an enrolled student basis translate to approximately \$700,000 each for Berkeley and UCLA, \$600,000 for Davis, Irvine, and San Diego, and less amounts for the other campuses. Further increases require a multi-year plan, beginning with the current proposed increase, to provide for a series of incremental increases to the registration fee in order to address student mental health needs as well as other needs appropriate for funding.

President Dynes recognized Bill Shiebler, President of the UC Student Association, to comment. Mr. Shiebler stated that The Regents' current meeting

agenda is troubling in that there are multiple items that seek to raise fees. He asserted that the total cost of attendance at UC is too high and there is not adequate financial aid to help students afford a UC education without incurring significant debt. Students agree that there needs to be a multi-year comprehensive plan to increase funding for the registration fee, and it is clear that the registration fee and the service it provides has been ignored for too long. The crisis in student mental health is too great, however, for simply a 3 percent raise in the registration fee. Mr. Shiebler questioned the assertion that UC registration fees are below those of other institutions, because when taking the total cost of attendance into account, UC costs are higher than those of other institutions. Regental policy states that when recommending to the Board the annual education fee level, several factors shall be taken into account, such as the full cost of attending the University, including housing, food, health care, books and supplies, transportation, and other academic and personal expenses; the amount of support available from various sources to assist needy students; and the full cost of attendance at other institutions. The President is also required to solicit input actively from faculty and students on the level of the educational fee. Students self-report that they must work more than 20 hours per week on average, which is detrimental to their education, and pay 45 percent of their education through work and loans. Mr. Shiebler presented several alternatives to raising fees, including working with the Legislature for more funding, shifting priorities within the UC budget so as not to increase financial burdens on students, or examining lower levels of fee increases. The report from the Legislative Analyst's Office indicated that the UC proposed fee increases were too high. Students do not support increased fees used to address a problem that students did not create.

Faculty Representative Brown stated that the Academic Senate is strongly supportive of addressing students' mental health needs. He expressed concern about the analysis in that much of the problem stems from a budget crisis, and that the cuts that UC was forced to make disproportionately fell on student support services, in particular student mental health services. He questioned why student fees should be raised for what was cut as a result of UC's response to the budget crisis.

Provost Hume maintained that the problem is a result of stagnation of the registration fee over time. In dealing with the budget crisis, UC was unable to use additional funds to prop up these services. Cuts were made elsewhere, and over time the mental health services had to be cut because inflation was not being adjusted at an appropriate rate.

Regent Ledesma strongly endorsed the approval of a multi-year plan to address student mental health, and urged that such a plan should be presented sooner rather than later, given that the situation has reached a critical point. She asked what a multi-year plan means precisely in terms of future fee increases.

Regent Johnson affirmed the need for a multi-year plan, and emphasized that she wanted to be absolutely clear about what was being voted on when speaking of a multi-year plan. She asked what a multi-year plan would include, and whether an increase would be recommended.

Provost Hume responded that he will be recommending an increase, but such a recommendation will come at a later date. In order to meet student mental health needs, the registration fee will need to be raised by approximately the same level for each of the next four years. The student affairs vice chancellors requested a 25 percent increase this year, which would have given them the capacity to meet the needs immediately. Mr. Hume maintained that it is more appropriate to approach this shortfall over a multi-year framework. Additionally, some of the campuses have fees that can meet student mental health needs, while other campuses have a different spectrum of needs. The exact allocation of the fees in future years cannot be determined at this time.

Upon motion duly made and seconded, the Committee approved the President's and Provost's recommendation and voted to present it to the Board.

3. **APPROVAL OF PRINCIPLES UNDERLYING THE DETERMINATION OF FEES FOR STUDENTS OF PROFESSIONAL DEGREE PROGRAMS**

The President and the Provost recommended that, in order for professional schools and colleges to continue to provide excellent education and academic leadership for their professions:

- A. The Regents approve professional school fees according to a multi-year plan, subject to annual reconsideration.
- B. The Regents adopt the principle that different professional programs in the same discipline at different campuses may have fees set at different levels; and that in doing so, The Regents confirm the commitment to maintaining a single fee level for in-state undergraduate students for all campuses across the system, a single fee level for out-of-state undergraduate students for all campuses across the system, a single fee level for in-state graduate academic students for all campuses across the system, and a single fee level for out-of-state graduate academic students for all campuses across the system.
- C. The Regents endorse the critical importance of campus plans for targeted financial aid for students in professional degree programs to assure access and to minimize financial barriers to the pursuit of careers in public service; The Regents charge the Provost and Executive Vice President with ensuring that each campus complements its proposed professional degree fee policies with such financial aid measures, including

scholarships and loan forgiveness; and that the effectiveness of such programs be evaluated regularly.

- D. The Regents charge the Provost and Executive Vice President with ensuring that the leadership of each campus designs its proposed professional degree fees in a manner that effectively advances the mission and strategic academic plan of each program.

The multi-year strategy for implementation of the policy on professional degree fees recommended by the Council of Vice Chancellors through the President is important, even though subject to annual reconsideration, to provide a more stable planning environment. The strategy is especially important, and fiscally prudent, since professional degree fees will be dedicated to such longer-term investment needs as new faculty positions, financing capital projects, and financial aid. The professional fees associated with a particular degree may vary among campuses to reflect emerging differences in academic strategic plans, investment needs, the availability of other public or private funding streams, and the market competition for students, faculty, and staff.

The policy addresses the specific challenges facing UC's professional programs and in no way implicates the quite different concerns related to undergraduate or other fees. In those settings, different issues of access, campus comparability, and mission apply.

The flexibility and variability in establishing professional fees must be policed by campus leaders and the Office of the President in two critical respects. First, fee proposals must be considered in light of companion financial aid policies carefully designed to promote access at the admissions stage, and public service careers at the graduation stage. The specific strategies for achieving these goals will vary across professions and campuses, but the Provost will be charged with reviewing the sound exercise of discretion by campus leaders. Second, to generalize the financial aid issue, any fee proposal should be the product of a careful academic planning process which yields a strategy to achieve excellence in the mission of the particular program and the University as a whole. The fee proposals are part of an overall plan for financing that strategy, and constitute but one revenue source. The Provost is charged, again, with reviewing the care with which campuses develop their academic strategies and the fit between those strategies and the proposed financing of them.

Finally, it bears emphasis that the Chancellors and the Office of the President have responsibility for periodic reexamination of professional school fee policies, as well as the academic strategic plans those fees support. This reexamination should include, *inter alia*, the effectiveness of financial aid practices, trends in the characteristics of enrolled students, and indicia of national competitiveness of the programs.

Provost Hume outlined the history of the differential fee, summarized the key elements of the draft principle which formed the basis of the discussion at the January 2007 Regent's meeting, and summarized the major points of the comments on those principles received from the Academic Senate.

It was recalled that The Regents approved a fee policy for professional school students in 1994 that authorized fees for students in selected professional degree programs. Those fees were introduced in an effort to limit the impact of State budget cuts by providing fee revenue that helped preserve program quality and maintain student access. The fees increased in a planned manner from 1994 to 1997. Between 1998 and 2001 the State froze all fees, providing funds to buyout the undergraduate and graduate increases, but not buying out potential increases in the professional differential fees. Professional school fees were thus held constant in those years. When the State entered its most recent fiscal crisis, fee increases including professional school fees were used again to offset budget cuts rather than being used to sustain and improve the quality of the schools, as was originally intended. Professional school fees have increased significantly over the last four years, but those increases have been largely offset by reductions in State subsidy for those schools. The largest increase was in 2004, as a result of a request by the Governor to reduce the State subsidy provided to professional schools by an average of 25 percent. The Governor also asked that UC keep fee increases in nursing and medicine low. As a result, business and law shouldered a disproportionate burden from the State budget cuts and had to implement higher fee increases to maintain funding levels. In 2005, The Regents approved professional school increases ranging from 3 percent to 10 percent depending on the school and campus, and in 2006, the State provided funding to buyout all proposed fee increases, including professional school fees.

Provost Hume summarized the draft principles previously sent to The Regents that provided background for the January 2007 discussion. These principles stated the need to maintain and enhance the academic quality of professional programs, the need for professional degree programs to remain competitive with comparable institutions, and the need for programs to remain accessible to all students regardless of their means.

The Academic Senate expressed several concerns about the draft principles, including that it should be made clear that the professional differential fee is not to be considered a substitute for State support, that the principles do not define a ceiling on fee levels, and that the principles set a poor precedent for other programs if different levels of professional differential fee are set for programs in the same discipline among campuses. Mr. Hume emphasized that The Regents does not endorse any future reduction in State support for professional programs as professional differential fees rise, that The Regents will exercise judgment regarding a ceiling on fee levels, and that the recommendations directly address the issue regarding differential fees for professional schools only.

Provost Hume stated that the adoption of the recommendations will meet The Regents overall goals of maintaining high quality, competitiveness, and accessibility in professional school programs. The recommendations will also establish a rational basis for considering and approving the proposals for fee items in the meeting of the Committee on Finance, at which time Provost Hume will speak to the specific proposals. Provost Hume committed to providing implementing guidelines based on the discussion and on the draft principles. These guidelines and the multi-year plan for the professional schools across the system will be brought to The Regents at the July 2007 meeting.

Committee Chair Marcus expressed concern regarding the issues of substituting the differential fee for State support and the retention of the differential fee in the professional schools. Provost Hume responded that these matters are not mandated but will be discussed. He noted that over the last 15 years many decisions have been made that substitute professional differential fees for State support, but this practice should not be continued. Vice President Hershman recalled that in the Compact with the Governor, UC insisted that the practice of substituting fees for State support should stop, and the Governor committed himself in the Compact to a statement that State support would not be cut with the expectation that fees would rise as a result. Provost Hume stated that he is willing to work with The Regents to add a fifth element to the recommendations to include language that expresses UC's commitment not to have State funding replaced by professional differential fees into the future. This element would be prominent in the implementing guidelines presented in July 2007.

Regent Hopkinson pointed out that the important issues raised by the Academic Council need to be addressed in the plan. Provost Hume emphasized that The Regents determines fees, and stressed the importance of discussion with The Regents so that the guidelines developed meet The Regents' criteria.

Faculty Representative Oakley stated that the Academic Senate welcomes the views expressed by Regents of the need for express Regental commitment that fees generated by proposed increases will not substitute for State aid. This is the key element in restoring quality without moving toward privatization. He hoped that formal language expressing this commitment would be included in the proposal.

Regent-designate Allen pointed out that the Compact does include significant fee increases. He stressed the need to redouble UC's efforts to engage with Sacramento, including individual Regents' traveling to Sacramento to engage with legislators.

Regent Ledesma stated that the implied return to aid should be made explicit. She also asked that the question of the vision of UC's professional schools should be revisited as it relates to the mission of UC as a public institution.

Chairman Blum stated the possibility that raising professional school fees may jeopardize UC's position when asking for increased State support. That said, he emphasized the need not only to ask for more support but also to obtain a commitment in writing for continued support, such as in legislation.

Regent Parsky asked for clarification regarding whether The Regents will still approve future fee increases on an annual basis. He discussed the relationship between the Compact and The Regents, in that if UC enters into a Compact with the Governor on behalf of the University without Regental approval, then it is unclear how The Regents can make a determination about annual fee increases. He urged The Regents to revisit the issue of The Regents' representation in the Compact process, or to make it clear to UC administration that a Compact agreement cannot be made without coming to The Regents for approval. He stated his intention of introducing a policy in a meeting of the Committee on Finance that the administration should not be authorized to enter into a Compact without Regental approval.

Chairman Blum expressed the importance of The Regents' being involved in Compact negotiations at a much earlier stage, particularly in the area of fee increases. The practice of coming to The Regents with proposed fee increases beyond the point that Regents can make changes is unacceptable.

Committee Chair Marcus reminded the Regents that they were very aware of the Compact; it was discussed, its intent was for the good of the institution and the good of the students, and it was essential in a very volatile budget period. The Regents, whether implicitly or overtly, agreed to the Compact. He urged that there should not be 'us and them' language regarding administration and The Regents. The administration, The Regents, students, faculty, and the people of California are all in the process together.

Regent Moores commented that the representation of the Regents in the negotiations with the Governor needs to be discussed. The Regents have never been represented in these negotiations, the results of which are presented to them after the fact.

Regent Island expressed his concern at turning to market forces to allocate the scarce and highly desirable resource of a public institution, especially in the context that UC's student body is inordinately comprised of students whose parents make in excess of \$100,000 a year. He asked how fee increases will affect working class people and their families. Student fee increases should not be approved readily, given that it is a path with no easy return.

In response to a question from Regent Parsky, Mr. Hume noted that differential fees are not Regental policy, but such fees have been approved in the past. The second recommendation is to adopt this practice as a principle.



Committee Chair Marcus moved that the recommendation be amended by the addition of language to reflect Regental policy concerning the State’s continued obligation with respect to its support for professional schools. His motion was duly seconded.

Upon motion duly made and seconded, the Committee approved the President’s and Provost’s recommendation as amended and voted to present it to the Board.

The Committee recessed at 10:30 a.m.

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The Committee reconvened at 9:30 a.m. on March 15, 2007 with Committee Chair Marcus presiding.

Members present: Regents Blum, Dynes, Johnson, Kozberg, Lansing, Ledesma, Marcus, Parsky, and Ruiz; Advisory members Allen, Brewer, and Brown, Staff Advisors Brewer and Miller

In attendance: Regents De La Peña, Hopkinson, Island, Moores, Preuss, and Schilling, Regent-designate Bugay, Faculty Representative Oakley, Acting Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Provost Hume, Executive Vice President Darling, Vice Presidents Broome, Foley, and Sakaki, Chancellors Birgeneau, Bishop, Córdova, Drake, Fox, Kang, Vanderhoef, and Yang, Acting Chancellor Blumenthal, and Recording Secretary Bryan

4. **QUARTERLY REPORT ON PRIVATE SUPPORT, SECOND QUARTER OCTOBER 1 – DECEMBER 31, 2006**

The **Quarterly Report on Private Support** for the period of October 1, 2006, through December 31, 2006, 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.]

Executive Vice President Darling stated that the University raised slightly more than \$610 million, which puts UC on pace to exceed \$1 billion for the fiscal year. The second half of the year should be even stronger than the first, which is important since the current year is lagging last year by approximately 10 percent. The goal is to exceed last year’s record-breaking \$1.3 billion in private support. A number of programs have been initiated, including alumni giving and parent giving, that will hopefully have a long-term effect.

Committee Chair Marcus asked that in a future meeting Mr. Darling present a report regarding the basis for the increase in private support over the last 20 years, including best practices and which campuses are doing the best and why. Mr. Darling recalled that in January 2006, a report was presented on benchmarks against the best public and private universities in terms of sources of funding and campus practices, and that he would be happy to revisit the findings from that report as well.

5. **ADOPTION OF RESOLUTION TO PERMIT THE UNIVERSITY TO APPLY FOR LICENSURE TO ISSUE CHARITABLE GIFT ANNUITIES TO NEW YORK RESIDENTS**

The President recommended that the attached resolution be adopted to permit the University of California to apply for licensure to the Superintendent of Insurance in the State of New York to issue charitable gift annuities.

It was recalled that the attached resolution would permit the University to apply for licensure in the State of New York to issue charitable gift annuities to residents of New York.

Annuities are contracts between an issuer and an individual (the annuitant) to pay a fixed amount of money to the annuitant for life or a term of years. Charitable gift annuities are similar arrangements except that they are issued by a charity rather than an insurance company. A gift annuity is both a gift – a contribution to a charity – and the purchase of an annuity. The charitable organization guarantees the annuity contract under which the organization agrees to pay the income beneficiary(ies) a fixed income for life.

The University of California has been licensed since 1992 to issue charitable gift annuities in California. The Campus Foundations of the Berkeley, Los Angeles, San Diego, and San Francisco campuses are also licensed in California. The aggregate grand total for assets held in the charitable gift annuity reserve funds, to guaranty the related annuity payments, is more than \$68 million.

The University registered in California so that donors to all campuses would have gift annuities among the planned-giving options that can be offered to them. Not all states require registration; however, as the donor and campus interest has developed, the University has registered in three additional states – Florida, Washington, and Hawaii.

Due to interest from the campuses and a number of UC alumni living in New York, it is now proposed that the University register in the State of New York. The registration requirements vary from state to state. New York requires a resolution from the Board of Regents, a copy of which is attached.

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

## 6. **PRESENTATION ON UC STEM CELL RESEARCH**

Provost Hume introduced a presentation on stem cell research that described the potential benefits of the science, funding opportunities, and the assets and activities of the UC system. Professor Gasson, Director of the UCLA Jonsson Comprehensive Cancer Center, and Professor Witte, Director of the UCLA Institute for Stem Cell Biology and Medicine, made the presentation.

Mr. Hume recalled that California voters passed Proposition 71, a \$3 billion bond program over the next ten years to fund stem cell research in California. Nine of the UC campuses have received Proposition 71 funds. Half of the initial round of training and research grants, over \$40 million total, went to UC researchers – eight to San Francisco, seven to UCLA, six to Irvine, two to Davis, two to Berkeley, two to Riverside, two to Santa Cruz, and one to Merced. Another \$80 million in research grants will be awarded later this month. Mr. Hume recognized the efforts and contributions of members of the UC family, including Regent Lansing, Chancellor Birgeneau, three of UC's medical school deans, and several of UC's distinguished faculty, to the California Institute of Regenerative Medicine, which is administering the funds.

Ms. Gasson stated that stem cell research offers the promise of cures for diseases such as diabetes, cancer, AIDS, heart disease, and many neurologic disorders. The additional potential is to allow scientists to develop models for many of the complex, multigenic disorders which are currently not well understood. Stem cell research will provide a platform for screening novel drugs and small molecules for diseases such as cancer. The \$20 million contribution from the UCLA Chancellor's Office has allowed the campus to recruit seven very talented faculty members. The campus is already teaching both graduate and undergraduate courses on stem cell research.

Ms. Gasson explained that stem cell research is a very complex endeavor that requires a multidisciplinary approach because no one researcher or group has all of the necessary talents to move the field forward. She discussed the translation of the basic science of embryonic stem cells to therapeutics for patients. This process requires a combination of infrastructure support at UCLA, including the Gene Medicine Program, Good Manufacturing Practices laboratories, and the regulatory infrastructure that will allow the campus to conduct the research and meet all the necessary ethical and policy guidelines. A number of novel, targeted

therapies designed and conducted at UCLA have led to the FDA approval of new treatments for breast cancer, chronic leukemia, and other ailments.

Mr. Witte discussed the effort to bring together a variety of experts that can make a difference in the way cancer is treated. A collaborative program has been developed between UCLA, CalTech, USC, and the University of Connecticut to engineer immune systems to fight cancer more effectively than current therapies. Mr. Witte explained that no therapies currently have any measurable effect on metastatic melanomas, and no progress has been made in this area for 30 years. However, there are some rare patients whose immune systems can be reactivated to regress melanomas. Research in this area involves utilizing a number of different laboratories and researchers across the country, from growing cancer-fighting cells to administering such cells in clinical trials. The research on melanomas is translatable to other cancers.

Regent Lansing emphasized the excitement around stem cell research, the leadership of the UC system in the research, and that a number of productive partnerships have formed in the process of the work. She asked about the possibility that cancer could be caused by bad stem cells, and the research being done on the source of cancer. Ms. Gasson stated that the work being done to use stem cells to screen for new small molecules is aimed directly at finding molecules that will target the cancer stem cell. For many types of cancer there is solid evidence that recurrence is due to either an adult stem cell that has acquired mutations or a more mature cell that has reacquired self-renewal, which is the hallmark of a stem cell. A lot of work is being done in this area at UCLA and across the UC system, which will lead to the next generation of targeted therapies.

Regent-designate Brewer asked about the potential of stem cell research to address diabetes, asthma, and other such diseases. Mr. Witte stated that across California there are active programs trying to understand the mechanisms that mediate diabetes and asthma and other autoimmune diseases, and that the work on cancer will lend insight into autoimmune diseases as well.

Regent Kozberg asked how the passing of Proposition 71 changed their work. Mr. Witte emphasized that there are several court cases that continue, delaying the deployment of funds. However, the passing of the proposition gave researchers a dramatic feeling of support.

Regent Lansing explained that the impetus for the Proposition began with advocates with diabetic children, and noted that all the diseases are covered in stem cell research. She also emphasized that the State voted for \$3 billion for stem cell research, but none of this money has been released due to ongoing court cases. Due to the litigation, only a very small amount of money was allowed to be drawn to cover overhead expenses, endangering entire research facilities, including the Institute. After the first round of lawsuits was appealed, Governor Schwarzenegger released \$150 million, and \$35 million was borrowed from

people such as Regents Moores and Blum through bond anticipation notes. These funds made it possible to continue the science, and Regent Lansing applauded the Governor and others who provided funds, without which the Institute would not exist.

President Dynes commented that scientists in China, India, and Canada are eager to collaborate with California scientists on stem cell research. California is known outside the country for its support of this research and its ability to attract the finest scientists in the world.

Committee Chair Marcus asked the presenters what policy-level decisions would assist the work. Mr. Witte replied that research such as this requires not only laboratory space and equipment but also personnel, including post-doctoral fellows, permanent research staff, and graduate students. Fee increases thus have an affect on programs such as these. A wide range of support for graduate students is important, including support that allows students to participate in programs which require a longer time frame. Ms. Gasson commented that science and medicine are advanced by teams of researchers working together. Physician scientists, who are trained as MDs but also do clinical trial and basic research, are central to this endeavor. She is concerned about losing a generation of such transitional physician scientists due to perilous funding at the NIH. She asked for support for this important component of the teams, including ensuring that the campuses are in compliance with clinical trial regulations. Ms. Gasson added that this research is extremely expensive.

Committee Chair Marcus asked Provost Hume to come forth with a policy direction for the University regarding stem cell research.

## 7. **UPDATE ON STUDY GROUP ON UNIVERSITY DIVERSITY**

The Study Group on University Diversity, formed in response to a July 2006 recommendation from Regents Ledesma and Ruiz, is well into its study of actions that the University can take to increase diversity in undergraduate and graduate enrollment, hire faculty, and foster a welcoming and inclusive climate on every UC campus. The full task force will hold its fourth meeting March 16, at which point it will begin to consider draft recommendations. A progress report to The Regents is scheduled for the May 2007 meeting, with a final report complete later this year.

Provost Hume reported that the study group is actively involved in its task. Active subgroups are also convened focusing on faculty, undergraduate students, graduate students and post-doctoral students, and campus climate. A staff diversity council has been formed, and input from that council should come forward as the group's work continues.

Regent Parsky added that the study group has tackled an important and difficult issue extremely well. Regent Ledesma has taken on a difficult task. In an effort to ensure that comments from The Regents are included in the final report, the initial report may be presented in draft form.

In response to a question from Committee Chair Marcus, Mr. Hume affirmed that the study also involves socioeconomic diversity.

The meeting adjourned at 10:15 a.m.

Attest:

Acting Secretary