

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA  
MEETING AS A COMMITTEE OF THE WHOLE**

July 16, 2008

The Regents of the University of California met on the above date at University Center, Santa Barbara Campus.

Present: Regents Blum, Cole, De La Peña, Garamendi, Gould, Hopkinson, Hotchkis, Island, Kozberg, Marcus, Pattiz, Reiss, Ruiz, Schilling, Scorza, Shewmake, Varner, Wachter, and Yudof

In attendance: Regents-designate Nunn Gorman and Stovitz, Faculty Representatives Brown and Croughan, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Chief Compliance and Audit Officer Vacca, Provost Hume, Executive Vice Presidents Darling and Lapp, Vice Presidents Dooley, Foley, Lenz, and Sakaki, Chancellors Birgeneau, Bishop, Block, Blumenthal, Kang, Vanderhoef and Yang, Acting Chancellor Grey and Recording Secretary Lopes

The meeting convened at 8:45 a.m. with Chairman Blum presiding.

**1. PUBLIC COMMENT**

Chairman Blum explained that the Board had been convened as a Committee of the Whole in order to permit members of the public an opportunity to address University-related matters. The following persons addressed the Board concerning the items noted.

- A. Mr. Chris Rabe, a member of the American Federation of State, County and Municipal Employees (AFSCME), and an employee for twenty-two years at UC Santa Barbara, addressed the goal of the Regents for employee salaries to reach market level. Employees of the City of Santa Barbara, for the same positions, earn 30 per cent more than UCSB employees.
- B. Ms. Carmen Perez addressed the need for a contract for service workers. The salaries are too low, requiring workers to hold down two jobs and to rely heavily on childcare. She invited the Regents to work alongside service workers for a week and experience firsthand the work they do and how much they are paid.
- C. Mr. Julian Posadas, Executive Vice President for AFSCME Local 3299, noted that dedicated workers have been without a contract for ten months. He reported that 92 percent of their workers qualify for public assistance and urged a rapid decision on a new contract.

- D. Mr. Eric Bailey spoke on behalf of the Santa Barbara Chapter of Clergy and Laity United for Economic Justice (CLUE) which represents many faith communities. He advocated fair treatment and wages for University employees.
- E. Reverend Nicole Janelle, a member of CLUE and Episcopal Chaplain at UCSB, based at St. Michael's University Church in Isla Vista, urged fair treatment for University workers.
- F. Mr. Brian Fischl, a student at UC Santa Cruz, spoke on behalf of that campus' water polo teams, which have been eliminated. When advised the campus would save \$40,000 by eliminating their teams, the teams raised over \$61,000 and presented the funds and a four-year plan to the Chancellor, unsuccessfully. Mr. Fischl reported that the teams are seeking full reinstatement by August 15, season commencement.
- G. Mr. Jason Ahmadi, a graduate of UCB, noted that he has been banned from the Berkeley campus. He spoke regarding a change to the structure of how the Regents operate. His campaign, "Democratize the Regents", will provide the Legislature with a bill to change the Regental appointment process and oversight.
- H. Ms. Mallory Watje, a second-year student at UCSB, spoke in solidarity with the AFSCME workers and as a representative of the Associated Students Department of Energy Oversight Committee, based at UCSB. She reported that, in June, they met with Regent Pattiz regarding the national laboratories and are grateful for that meeting. She invited all present to a lunch on that date hosted by the Committee at the Student Resource Building.
- I. Ms. Kelly Hildner, a resident of Stork Ranch, a residential community in Goleta which is surrounded by UCSB on three sides, expressed concern about the opening of Phelps Road, now a quiet cul-de-sac, to through traffic, proposed as a traffic mitigation measure in the Long Range Development Plan-Environmental Impact Report (LRDP-EIR). She suggested that UCSB should enhance public transit as a sustainable solution to traffic problems.
- J. Ms. Susan Aguilera, a resident of Stork Ranch, expressed her agreement with points raised by Ms. Hildner. She addressed the traffic circulation and air quality impacts of the proposed Phelps Road opening.
- K. Mr. John Dickson, a representative of "Keep Phelps Closed.org" expressed concern regarding the opening of Phelps Road and advised that the current number of cars traveling Phelps Road daily is thirty-three. Under the LRDP, it is anticipated that the number of cars per day traveling Phelps Road will be 7,000. He encouraged the Regents to keep the neighborhood intact and to keep Phelps Road closed.

- L. Mr. Robert Pinto, a Physical Facilities employee at UCSB, spoke regarding his and other service workers' commitment to the University. He noted that he is on the collective bargaining team for the UCSB campus and feels that employees are not listened to. Local hospital and community college workers earn 30 percent more than UCSB employees do.
- M. Assemblyman Mervyn Dymally advised that he had been given a dispensation from AFSCME to cross the picket line. He presented Provost Hume with a commendation for distinguished service. He noted that the poorest health service area in the United States is in his district. Though he has carefully watched UC, he does not recall a major UC investment in an underserved area. He acknowledged there currently is no adequate administrative structure in place at Martin Luther King Jr. Hospital but asked that, as they have in Sacramento County, the Regents commit to making an investment in his district.

Assemblyman Dymally further expressed his support for the striking AFSCME workers, advising that 96 percent of the UC service workers qualify for some form of public assistance.

He then introduced Dr. Susan Kelly, President of Charles R. Drew University of Medicine and Science, who expressed gratitude to the Regents, the Office of the President, Associate Vice President Nation, Vice President Lenz and Chancellor Block for their assistance in securing \$10 million for a new research and nursing building at Drew University. That funding will facilitate the University's securing another \$20 million for dialysis and a multi-specialty center. Drew University is in the largest underserved area in America, with a few more doctors per capita than Bangladesh, but fewer than South Africa. She referred to a *New York Times* article entitled "An Area Where the Hospital Is Sicker Than the People." She stated that UC rescues hospitals and this facility needs a hero. She implored the Regents to be a partner in this rescue for the poorest people in America.

## 2. **REMARKS OF THE CHAIRMAN OF THE BOARD**

Chairman Blum welcomed President Mark Yudof and expressed appreciation for the speed with which he has engaged and his certainty that President Yudof will fulfill the Regents' expectations. He thanked Chancellor Yang and his staff for their warm hospitality despite the challenges of the recent wildfire in Goleta. As the University begins this fiscal year, there are many changes including Provost Hume's upcoming departure. In addition to being Provost, last year Mr. Hume became chief operating officer and began the necessary restructuring. He noted that Chancellor Vanderhoef will be leaving next June after having led UC Davis to its current status as an impressive campus, including a first-rate medical center and Association of American Universities membership, none of which would have happened but for Chancellor Vanderhoef's leadership.

Chairman Blum expressed the hope that Karen Bass, the new Speaker of the Assembly of the State of California, would appear at Regents' meetings. He welcomed two alumni Regents-designate, Judge Ronald Stovitz and Yolanda Nunn Gorman, and Edward Abeyta, the new Staff Advisor, along with the new student Regent-designate, Jesse Bernal, and the new Chancellor from UC Riverside, Timothy White.

He thanked Regent Kozberg for her long, outstanding work on a formal Regental orientation policy and dedication in helping new Regents to prepare for their service on the Board. He thanked Faculty Representative Brown, as this is his last meeting.

Chairman Blum reported that 38,000 students have indicated their intention to enroll at UC this fall, the largest freshman class in the history of the University. The enrollment increase in underrepresented minorities is 24 percent compared to fall of 2007.

Chairman Blum noted that, as part of regaining the public trust, the Ethics and Compliance Program is under way. The alumni relations strategy, working with Regent Emeritus Bugay and incoming Senior Vice President Alan Hoffman, can be more effective than in the past.

### 3. **REMARKS OF THE PRESIDENT OF THE UNIVERSITY**

President Yudof thanked the Chairman and the Regents for their enthusiastic support. He reported that he has visited with stakeholders, including the Lieutenant Governor, Governor Schwarzenegger, legislators, alumni, students, the Academic Senate and Faculty Representative Brown and his colleagues, who have been very helpful. The University is a remarkable institution and that is why he accepted this position. He noted that every day he becomes aware of an initiative or campus-based first-class activity that is among the world leaders, whether in nano-technology, medical research or other fields. He expressed excitement about the future of the University. President Yudof thanked Provost Hume for his work over the last ten months and stressed that he will be greatly missed.

One of the tasks of his office is to set policy for the University. This is also the highest function of the Board of Regents. Though there are many functions, including compliance and audit, hiring and firing, policy issues are the most important. Whether regarding fees, access, diversity, the quality of education, or development, policy development is the most important item on the Regental agenda. He informed the Regents that in September he will be offering recommendations on how to focus on those items of most importance. No Board meeting should go by without a block of at least an hour or more to discuss policy issues. The staff must provide the necessary data to properly inform these discussions.

President Yudof defined his first priority as the development of a program of accountability to the State and to the public at large. He stressed his belief in accountability to the Legislature, parents, students and taxpayers. There will be reports on the success of the students and faculty, fundraising, sponsored research, diversity, gender equity, and all other

important issues. The reports will be made public at Board meetings as well as online, on the University website.

President Yudof indicated that his second priority is an ongoing dialogue with chancellors regarding their views of the role of the Office of the President. He expressed his view that it is important for the Office of the President to understand that it is not a university, but part of a system. With that system comes strength. President Yudof noted that the University of California is a federalist system. Sometimes important decisions should not be made by the Board of Regents or the President, but by a dean. President Yudof urged adoption of accountability measures to determine if the system is working.

Educating the public about the importance of the University of California to the state is another of President Yudof's priorities. The University has 38,000 incoming freshman students, over 200,000 currently enrolled students, and tens of thousands of employees. President Yudof expressed the belief that the University must explain itself better; Californians may not associate the University with quality healthcare, technology transfer, creation of new companies, or culture and the arts. With this in mind, he announced the hiring of Alan Hoffman, former chief of staff to Senator Biden, to reorganize and represent the University in the Capitol in conjunction with Associate Vice President and Director Juarez, and to develop a new strategic communication plan. President Yudof recommended that the University go directly to the people to explain how UC is meeting their needs and priorities. This effort is will be costly, important and ongoing.

Lastly, President Yudof advised that, although a great deal of work has been done, the streamlining and transformation of the Office of the President must be completed. He acknowledged Executive Vice President Lapp's work on this task. Every dollar saved in the Office of the President is a dollar available for the program needs of the campuses.

#### 4. **REMARKS OF THE CHAIR OF THE ACADEMIC SENATE**

Chair of the Academic Senate and Faculty Representative Brown reported that the University of California, while it is the greatest research university system in the world, has been chronically underfunded since the mid-1990s, and only through the outstanding financial stewardship of the Board of Regents has quality been maintained. He observed that the signs of stress are shown by uncompetitive salaries, deferred maintenance, facility deterioration and program cannibalization; excellence, public access, and affordability are eroding. Professor Brown expressed the view that the University must do better; bold leadership, clear and catalyzing vision, and firm fidelity to all that the University represents, are necessary.

In terms of policy, Professor Brown emphasized that keeping the academic environment richly resourced and protected enables the University to fulfill its mission. Executive leadership is crucial and it is clear that President Yudof understands higher education and its stresses. He expressed the Academic Senate's strong support for President Yudof. Professor

Brown advocated for knowledge production and dissemination through competitive faculty and staff salaries as well as graduate student support and expressed his view that Regental stewardship of employee benefits must be maintained; a governance innovation is not the solution for a funding challenge.

Professor Brown read a resolution adopted by the Academic Council upon the retirement of Provost Hume for exemplary leadership.

He concluded by noting that an investment in the University is an investment in hope, economic opportunity and prosperity. This investment must not be allowed to slip.

## 5. **ANNUAL REPORT OF THE CHAIR OF CUCSA**

Kathy Mendonca, the immediate past Chair of the Council of UC Staff Assemblies (CUCSA), began her presentation by noting that the mission of her organization is to identify and communicate the UC staff perspective. In alignment with that mission, the organization reached out to staff assemblies to gain a broad understanding of current staff issues.

Common staff issues include the need for adequate resources to meet workload expectations, effective communications, expanded access to University educational opportunities, professional development and training and the inability to retain high-potential employees which results in low morale. CUCSA believes in the importance of inclusiveness and the importance of diversity at all levels of the University. Work groups were established to gather data, provide analysis and offer solutions and suggestions. CUCSA's 2007-08 focus was UC's current reduced fee enrollment policy, electronic communications and messaging, and employee retention strategies. The full CUCSA reports are available online at the CUCSA website or through the Office of the Secretary and Chief of Staff to the Regents.

Ms. Mendonca expressed the view that the reduced fee enrollment program is an important component of UC's employment benefits portfolio. It provides the opportunity for employees to pursue a UC education that supports career and professional development and enhances workforce competencies. The program is administered in different ways at each campus. There are no comprehensive guidelines, which leaves implementation decisions to each campus. This has led to misinterpretations of policy and inconsistencies in access. To ensure excellence in the workforce, University leaders should review and update the current reduced fee enrollment policy.

Ms. Mendonca continued with the observation that effective communication within the University is important as the University transitions to new leadership and endeavors to improve structures and processes. The CUCSA communication workgroup, together with UCOP Strategic Communications staff, studied how electronic communication messages are distributed systemwide from UCOP and concluded that electronic communication delivery is inconsistent and impeded by UC's diverse, decentralized network. The sheer volume of information received contributes to information overload, resulting in some messages not

being read. CUCSA suggests it continue to work with UCOP Strategic Communications staff to develop and disseminate a survey to employees systemwide. Data will determine location trends, best practices and next steps for improving communication within the complex University system.

Ms. Mendonca stated that the ability to attract and retain quality staff and faculty is vital to the success of the University. CUCSA hopes the Regents will remain steadfast in their 2005 commitment to obtain, prioritize, and direct funds to match the market in terms of compensation, and suggests exploring ways to further expedite this goal originally set at ten years. CUCSA would like the administration to explore different options to develop a policy for a dependent fee waiver.

Ms. Mendonca suggested that the University could expand the Mortgage Origination Program to provide low-cost mortgages to qualified staff and faculty, thus increasing affordable housing options. Staff development opportunities should be broadened in scope to serve a larger proportion of staff. Measurements to support accountability should be established and implemented. Follow-up career guidance would further optimize the University's investment in its employees.

Ms. Mendonca also suggested that improvement in work-life balance provides an opportunity for UC to offer benefits for employees at a minimal cost. CUCSA encourages the University to explore negotiating agreements with local, private daycare services to provide a reasonable level of availability, on and off-site, at affordable rates for all employee salary levels. CUCSA suggests the implementation of flextime and alternative work schedule pilot programs for those locations not already providing them, modeled after the successes of the Davis, Santa Barbara and San Diego campuses. CUCSA also suggests a review of the existing telecommuting policies to reflect a tone of appreciation and trust in staff while protecting the University's interests in safety, security and productivity. Successful telecommuting programs at the San Diego, Davis and Santa Barbara campuses are available for best practice review.

Ms. Mendonca indicated that CUCSA recognizes current budget constraints and the effect they will have on immediate and future decisions relating to staff. Ms. Mendonca expressed CUCSA's gratitude to President Yudof, Executive Vice President Lapp and Associate Vice President Boyette for leadership and unwavering commitment during the past year. CUCSA further acknowledged Associate Chancellor Williams for her mentorship, dedication and support and recognized the chancellors and laboratory director for the support CUCSA receives in fulfilling its responsibilities.

Finally, Ms. Mendonca announced the CUCSA leadership team for 2008-09: Chair, Joel Gonzales, UC San Francisco; Chair-Elect Ling King, UC Davis; and Secretary, Nancy Horton, UC Berkeley.

COMMITTEE OF THE WHOLE

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July 16, 2008

The meeting adjourned at 10:15 a.m.

Attest:

Secretary and Chief of Staff