

The Regents of the University of California

COMMITTEE ON EDUCATIONAL POLICY

July 16-17, 2008

The Committee on Educational Policy met on the above date at University Center, Santa Barbara Campus.

Members Present: Regents Blum, Cole, Garamendi, Island, Lansing, Marcus, Reiss, Scorza, Varner, and Yudof, Advisory members Brown and Stovitz, Staff Advisors Abeyta and Johansen

In attendance: Regents De La Peña, Gould, Hopkinson, Hotchkis, Kozberg, Pattiz, Ruiz, Schilling, Shewmake, and Wachter, Regents-designate Bernal and Nunn Gorman, Faculty Representative 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 Beckwith, Dooley, Foley, Lenz and Sakaki, Chancellors Birgeneau, Bishop, Block, Blumenthal, Drake, Kang, Vanderhoef, and Yang, Acting Chancellor Grey and Recording Secretary Lopes

The meeting convened at 11:55 a.m. with Committee Chair Island presiding.

1. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Upon motion duly made and seconded, the Committee's Open and Closed Session minutes of May 2008 and Joint Committee minutes of November 2007 and May 2008 were approved.

2. UPDATE ON ALUMNI RELATIONS STRATEGIC PLAN

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Regent Emeritus Bugay reported that the Alumni Relations Strategic Plan was developed by a diverse group including vice chancellors and representatives of development, government relations, alumni and the Office of the President. Implementation of the Plan began nine months ago. Regent Emeritus Bugay stated that the mission is to enrich the lives of alumni and engage them as volunteers, advocates and contributors to strengthen the University of California. Volunteerism, advocacy and philanthropy are the three pillars upon which this effort is based.

There are five strategic goals:

- A. To maximize alumni engagement. The first objective of this goal is to align the partnership between the alumni organizations and the campuses. This is substantially completed. The second objective is to enhance the collaboration among the campuses and the alumni associations to assure greater impact for the resources expended and successful outcomes on all alumni matters. The third objective is to pool all efforts. Systemwide collaborative programs have engaged alumni in India, England, China, France, Japan, California, Phoenix, Denver, Washington D.C., New York City, Chicago, Portland, and Seattle.
- B. To increase philanthropy. The first objective is to develop and integrate a coordinated strategy between the alumni and the development operations on the campuses. This must become one seamless operation. Additionally, it is important that alumni be more engaged with development efforts through their associations.
- C. To increase alumni involvement as UC advocates. Advocacy is a critical component of the Strategic Plan. The first objective is to align alumni and government relations strategic plans. The second objective is to increase the number of alumni advocates. Work is being done in the Office of the President to reach 75,000 online advocates. The third objective is communication about advocacy efforts through campus publications and alumni events.
- D. To enhance strategic investment in UC alumni relations. More research must be done and best practices determined. Research is being done with alumni in the first ten years beyond graduation to determine why they choose to donate or join alumni organizations, or not. Proposals for additional resources to better engage alumni are being finalized. Technology must be managed and used more effectively. The Office of Alumni Affairs has been funded by the Office of the President to assist in improving online communication between alumni and the campuses.
- E. To increase the collective understanding of alumni contributions. Contributions must be shown in an improved manner to tell the University's story in a more effective way. It is important to analyze campus and alumni partnerships, what they produce, and to communicate how alumni contribute to communities, the state and the nation.

An alumni affairs professional at the University of Texas at Austin studied 62 Association of American Universities (AAU) universities and found that at those institutions with a ratio of staff to alumni of 1/5431, the alumni giving rate was greater than 20 percent. A staff-to-alumni ratio of 1/8200 yields a giving rate under 10 percent.

The University has improved its percentage of contactable alumni in the past ten years, with less than 8 percent considered lost. In other words, 92 percent of the 1.5 million living alumni can be found. Of them, 1.3 million living alumni are in California. The University

will have over 3 million living alumni in the next twenty years. The Alumni Associations of UC believe a systemwide committee must look at funding models for alumni associations.

Regent Emeritus Bugay summarized the May resolution, acknowledging that the Board recognizes a need for University support of campus alumni programs and recommending efforts to secure the support and make alumni relations a priority systemwide.

Regent Ruiz observed that 8.4 percent is the current rate of giving and sought clarification on the figure. Regent Emeritus Bugay explained that of the 1.5 million alumni, 8.4 percent are documented as giving back. Regent Ruiz requested establishment of goals and timelines and suggested a 20 percent goal level. Regent Emeritus Bugay stressed that to gauge progress, current statistics must be determined to provide necessary metrics toward that objective. The charge for the current Alumni Regents-designate is now set forth in the areas of advocacy and philanthropy, with a predictable return on investment.

Regent Schilling expressed her disappointment with the figures and sought a timeline for specific performance. Regent Emeritus Bugay advised that there is a proposal pending involving enhanced funding of the effort.

Assistant Vice President James Stofan articulated a five-year program which commences with the students. The Office of Alumni Affairs is working with colleagues in Student Affairs and Development to raise student awareness about the importance of philanthropy, student giving and young alumni giving. There are metrics in the proposal to increase giving in those categories.

Regent Lansing opined that this is a crisis and that there is misconception about the role of the State in funding the University. Most people, including the alumni, think funding well established. There is an urgent need to communicate the reality that to both operate and maintain the quality of the University, additional funding is essential. The public must be educated and fundraising must be innovative, smart, and aggressive. She described telethons where minimal donations are sought and proposed that, if every alumni donated \$100, \$150 million would be raised, even in a bad economy. After this proposal was suggested two years ago, individual discussions revealed that each campus wanted autonomy on fundraising. Regent Lansing expressed disagreement with this position and urged the University to think boldly, creatively and fast.

Regent Scorza thanked Regent Emeritus Bugay and stressed that the University must work to ensure quality and maintain alumni engagement. The student experience shapes alumni. He cautioned that some students wish to transfer out of UC because of the student-faculty ratio, inadequate housing, or lack of diversity. It must be determined how to shape alumni before they graduate.

Regent Emeritus Bugay responded that it is clear, from examining other models, that UC is not as successful as it can or should be. It is clear that the alumni experience begins when the student sets foot on campus. This relationship can be meaningful and lasting and produce great advocates and future donors. The funding that is pending is specifically aimed at student engagement.

Committee Chair Island requested progress updates on this issue.

3. **PROPOSED PUBLIC PHASE OF FUNDRAISING CAMPAIGN, IRVINE CAMPUS**

The President recommended that the Committee on Educational Policy recommend to the Regents that the proposal from the Irvine campus, jointly with the University of California Irvine Foundation, to conduct a comprehensive fundraising campaign with a \$1 billion goal to support UC Irvine's students, faculty and programs with strengthened endowment, capital, and current-use funding, be approved, subject to the condition that each capital project has been or would be approved at the appropriate time in accordance with Regental policy.

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Chancellor Drake recalled that the President approved the silent phase of the \$1 billion UC Irvine fundraising campaign in July 2005. Approval of the public phase of fundraising is being sought. The silent phase first year was very successful, with a 40 percent increase over funds raised the prior year. In the two years following, \$120 million and \$130 million, respectively, were raised. The proposed announcement of the public phase will be in October 2008 at the Annual UCI Metal Awards Ceremony, the largest fundraising event in Orange County. This fundraising endeavor began with the Campus Strategic Plan, acknowledging and attempting to fill the gaps between State and other funding. The UCI Foundation has worked with the campus.

In response to a question from Regent-designate Stovitz concerning scholarships and student financial aid, Chancellor Drake advised that the Campus Strategic Plan focuses on issues such as health care, energy and the environment, the global economy and cultures, and training tomorrow's leaders. It includes fellowships, scholarships and support for faculty. Attention has also been directed to increasing the rate of alumni giving, with a goal of 50 percent increase in the giving rate. The Irvine campus is young and getting younger each year. There are currently 106,000 alumni and their average age is 33-34 years. Alumni just beginning their careers or families need to be encouraged to donate at a reasonable rate with the hope that their support will last into the future and grow.

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

4. **QUARTERLY REPORT ON PRIVATE SUPPORT, THIRD QUARTER
JANUARY 31 – MARCH 31, 2008**

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Executive Vice President Lapp reported that private support has continued to grow at a strong pace, 27 percent above the results of the same time last year. Total cash receipts, including outright gifts and pledge payments, are over \$1 billion for the eighth year. She stated that more detail would be provided at the November Regents meeting.

5. **REPORT OF THE STAFF DIVERSITY COUNCIL OF THE STUDY GROUP ON
UNIVERSITY DIVERSITY**

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Provost Hume reminded the Regents that this Study Group was established more than a year ago and has presented three reports to date: an Overview Report, a report on faculty, graduate and professional students, and a report on undergraduate diversity. Concurrently, the University's Staff Diversity Council undertook a review of staff diversity.

UCB Associate Chancellor Linda Williams provided an introduction and overview of the Council and its anticipated work for the coming year.

The Council represents a broad range of staff throughout the UC system, including Staff Advisors to the Regents, the campuses, Lawrence Berkeley National Laboratory, the UC medical centers and the Office of the President. The key elements of the Council charge are set forth in the documentation provided to the Regents but Ms. Williams highlighted specific objectives for achieving greater staff diversity, identifying and documenting best practices which develop and promote staff diversity, sharing resources throughout the system and advising on development and implementation. Additionally, it is important to identify institutional barriers that hinder staff diversity and to recommend ways to eliminate those barriers. The Council seeks to provide advice and resources to UC administrators on staff diversity initiatives.

Over the course of the past year, the Council met regularly in the Office of the President and throughout the system. The Council has participated in town hall meetings on campuses and has met with the black staff associations and the lesbian, gay and transgender associations to allow for open discussion about the Council and to solicit input. The next meeting will be held on the Berkeley campus on July 23-24, 2008.

The Council formed key subcommittees for gathering data. The areas of initial emphasis of each subcommittee are outlined in the Council's report. Associate Executive Vice Chancellor Rahim Reed reported key findings in four areas: diversity across personnel programs, overall female participation or representation, overall minority representation, and staff eligible to retire. Women and people of color are clustered at the professional and support staff levels. Gender and ethnic diversity is lowest among senior management and executives, 75 percent of whom are white males.

Overall female representation has been sustained. Representation of women in professional and support staff showed a slight decrease to 66 percent. In management and among senior professionals, representation of women increased to 52.4 percent while in the Senior Management Group, there was an increase to 31.7 percent.

Overall minority representation saw gains at both professional and support levels, and management and senior staff levels. However, a notable decrease of almost 13 percent at the Senior Management Group level occurred over the years studied.

Over 40 percent of staff at all levels are eligible to retire (age 50 or older with five or more years of service) over the next five years. In the senior management positions, 80 percent of staff are eligible and likely to retire. In the absence of targeted programs, and without proactive intervention, the University can anticipate a further drop in diversity in the area of senior management.

UCM Director of Capital Planning John White articulated the recommendations of the Staff Diversity Council:

- A.. Develop a comprehensive, systemwide talent management and leadership development plan aligned with affirmative action and diversity program goals.
- B. Clarify the UC job structure, including career paths and related skills and competencies, so employees can easily navigate the system and institutional progress can be measured.
- C. Ensure systemwide management accountability for diversity goals and employee development.
- D. Address risks raised by claims of discrimination and lack of attention to diversity issues. The Office of Risk Services provided the Council with data regarding the ten most frequent causes of litigated claims for the past five years. Four of the ten involve discrimination based on disability, race, gender or age.

- E. Recognize leaders who establish effective programs modeling the University's ethical values and who support the growth and placement of a diverse leadership pipeline.
- F. Create and sustain an inviting, supportive and non-discriminatory work environment. Publicize *The Principles of Community* at each location and administer a climate survey at least once every four years.
- G. Standardize systemwide data and reporting requirements to support the ability of locations to track talent across organizational boundaries.

The Council envisions a clearer UC job structure including career paths and related skill competencies so employees can more easily navigate the system and institutional progress can be measured. Additionally, risks caused by claims of discrimination and lack of attention to diversity issues are of critical importance.

The lack of a centralized, integrated, and accessible database to explore data related to the UC workforce as a whole is one of the greatest deficiencies identified by the Council. Examination of workforce characteristics and data is cumbersome. A nimble and reliable human resource management system will allow the University to analyze workforce data essential for management decision-making, reporting, and accountability.

The Committee recessed at 12:40 p.m.

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The Committee reconvened at 1:45 p.m. with Committee Chair Island presiding.

Members present: Regents Blum, Cole, Island, Lansing, Marcus, Reiss, Scorza, Varner, and Yudof; Advisory members Brown and Stovitz, Staff Advisors Abeyta and Johansen

In attendance: Regents De La Peña, Gould, Hopkinson, Hotchkis, Kozberg, Pattiz, Ruiz, Schilling, Shewmake, and Wachter, Regents-designate Bernal and Nunn Gorman, Faculty Representative 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 Lapp, Vice Presidents Beckwith, Dooley, Foley, and Sakaki, Chancellors Block, Blumenthal, Kang, and Yang, Acting Chancellor Grey, Chancellor-designate White, and Recording Secretary Johns

Regent Scorza noted the length of time the diversity issue has been studied and stressed the need for a comprehensive plan of action for the University. He requested that President Yudof provide a plan at the September meeting.

President Yudof stressed that diversity is a matter of ongoing and constant concern. More accountability and better statistical profiles are long overdue. Though imperfect, the University system has significant diversity and its efforts are ongoing. President Yudof stated that he plans to meet with and respond to the work of the Council and implement many recommendations, but no additional plan is foreseen in September. There are broad issues involving clarification of job roles and responsibilities designed to help all employees to navigate their way through the system. The Office of the President will monitor the progress of the campuses in achieving diversity.

Staff Advisor Johansen expressed gratitude for the work of the Student Diversity Council and President Emeritus Dynes for taking the initiative to establish the Council. To foster change, a holistic approach is most effective. The collaboration of the Council, the Regents' task force, faculty and students will change the climate and allow growth from within.

Regent Ruiz noted that he had anticipated the findings and believed that, having now identified and quantified the current status, the process for change would become easier. He complimented the Diversity Statement adopted by the Regents but requested more Regental participation in setting goals and timelines.

Committee Chair Island stated that a personal, active commitment of the President is essential to change the data on diversity. Strong leadership can make a difference, and the Regents want that leadership to result in the staff of the University reflecting the diversity of the people of the State of California. This is important to both the state and the University.

President Yudof introduced outgoing University of California Student Association (UCSA) President Louise Hendrickson, a recent graduate of UC Riverside, and incoming UCSA President Lucero Chavez, a second-year student at UCB Boalt Hall School of Law.

Ms. Hendrickson recapped UCSA's efforts during the 2007-08 school year. Over 12,000 students were registered to vote above the usual number of registrations. UCSA also worked on expanding financial aid for undocumented students. Though the Dream Act has not passed, there are hopes for a new bill allowing students to receive the aid they need. In the budget crisis, UCSA addressed the continued increase in student fees and the lack of investment by the State in the University of California. Affordability continues to be a major issue, with the total cost rising to \$24,000 annually for undergraduates. Students graduate with an average of \$15,000 in student debt. Graduate students now pay 100 percent more than the costs in 2001. Regents can assist by implementing a long-term fee policy so costs

can be anticipated rather than resorting to annual fee spikes. Student affordability, access and diversity are major issues upon which there must be action.

Ms. Chavez informed the Committee that as an undergraduate, she served on the Undergraduate Work Team of the Regents' Study Group on University Diversity with Regent Island and Faculty Representative Brown. The Annual UC Student Congress helped develop the priorities and issues highlighted in her presentation, including Regental accountability, transparency, student understanding of the Regents' functions, and the potential for partnership with the Regents for the shared goal of quality education. Expanding doctoral programs, supporting the arts, ensuring support for students, professors and teaching assistants and working with the alumni base are additional goals. This year's ballot initiatives are crucial. UCSA will be working to strengthen the student voter base and build underrepresented student presence at UC. Access to UC is a strong priority, as is access to health care services. Outreach and retention are also priorities. The UCSA campaigns for the coming year include creation of a committee or task force to ensure responsible and transparent investments, development of alternative energy sources and a long term fee policy. UCSA will be creating a subcommittee to investigate the positive effects of participatory education within the UC system.

At this point, the Committee paused to allow Regent Ruiz to introduce Odell Guyton, Expert Compliance Advisor to the Compliance and Audit Committee. Mr. Guyton advised that he has been a prosecutor at both the state and federal levels, prosecuting organized crime and corruption. He spent some years in private practice. He was the Corporate Compliance Officer for the University of Pennsylvania, reporting to its trustees. Subsequently, he established a worldwide compliance program for Microsoft Corporation and was appointed by the board of Microsoft to be their antitrust compliance officer. He is the proud father of a UC Berkeley football scholarship student.

6. **ACADEMIC SENATE "PROPOSAL TO REFORM THE UNIVERSITY OF CALIFORNIA FRESHMAN ELIGIBILITY POLICY"**

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Island explained that this proposal is a response from the Academic Senate to an important issue that it has studied for several years. He noted that ordinarily this work would have come before the Regents with the imprimatur of the President of the University, but recognized that his term began only four weeks prior to the meeting.

Faculty Representative and Academic Senate Chair Michael Brown introduced the Board of Admissions and Relations with Schools (BOARS) Chair Mark Rashid, who has held the chair for two years and led the effort on eligibility reform. Mr. Brown explained that, under

Regental guidelines, it is expected that admissions to UC conform to the following principles: admission to the University should be awarded primarily on the basis of academic achievement, assessment of achievement should be based on multiple sources of evidence and account for the circumstances in which it occurred, and all of California's college-ready students, regardless of background, should be afforded the chance to have their qualifications fairly and accurately assessed. Mr. Brown explained that the Assembly of the Academic Senate believed that UC's eligibility policy can be changed to better align with these principles with respect to undergraduate admissions.

Professor Brown recalled two reports that were presented at the May 2008 meeting of the Committee on Educational Policy. The report on disparate impact indicated that the University does have some exposure in terms of racially disparate outcomes in eligibility and admissions, and that it has a responsibility to determine whether these outcomes are educationally justified or whether alternative practices might achieve UC's admissions objectives with less or no disparate impact. The report from the Undergraduate Work Team of the Regents' Study Group on Diversity indicated that disparate impact on eligibility and campus admissions selection was severe, but could be minimized through best practice approaches in admissions. The work team recommended that UC rethink how it determines eligibility. Further, he recalled that the Academic Senate was charged with failure to recognize these facts, a charge that was acknowledged and shared by the Regents and the administration. Mr. Brown expressed his satisfaction, in conjunction with Mr. Rashid, with the solution endorsed strongly by the Assembly of the Academic Senate.

Mr. Brown pointed out that the University has a practice of reviewing its admissions policies on a periodic basis. The University reviewed and, with the approval of the Board, changed its undergraduate admissions policies in 2004 when a 2003 report by the California Postsecondary Education Commission (CPEC) found that UC's eligibility criteria yielded more than 12.5 percent of California high school graduating seniors. Professor Brown recalled that at that time the University recognized that the adjustment would differentially affect racial and ethnic minority students and socioeconomically disadvantaged students who projected strong UC potential. Between 2004 and 2006, BOARS committed itself to a strategic reexamination of eligibility in admissions and undertook major studies and initiatives that informed the current recommendation. Such initiatives included reissuing guidelines for the use of admission by exception, rescinding UC's participation in the National Merit Scholarship Program, recognizing that the honors weighting of grade point average (GPA) was unjustified and unfair to educationally disadvantaged students, studying the extent to which all portions of the state had access to UC, developing inclusiveness indicators to effect institutional accountability, studying Eligibility in the Local Context in terms of its student performance outcomes and behavioral impact, and reviewing GPA, class rank, and test pattern completion.

Professor Brown stated that under Mr. Rashid's leadership, BOARS has sustained and advanced its commitment to fundamental eligibility reform, focusing on ways to expand the

pool of students who are visible to UC and eligible for comprehensive review by considering information that is currently provided by students through UC's application form but not included in the current eligibility construct. BOARS produced a proposal that was reviewed by the Academic Senate, modified, reviewed again, and endorsed by the Academic Council in May 2008. At its June 11 meeting, the Academic Senate Assembly endorsed the Academic Council's proposal by a vote of 38-12, which is a strong endorsement. Mr. Brown affirmed that this policy has been extensively circulated, analyzed, and vetted in conjunction with admissions directors, the Office of the President and Provost Hume, members of the State Legislature, and Regents.

Mr. Rashid presented the substance of the Academic Senate's proposal for revised freshman eligibility. He explained that currently the University's concept of eligibility functions as a gateway to the University. The policy is widely advertised and in most cases students are able themselves to clearly determine if they are eligible. However, in a limited number of cases, campuses disagree about the eligibility status of some applicants. UC receives approximately 80,000 applications from California high school students, which are comprehensively reviewed by the campuses to which those students apply, including determining the applicants' eligibility status. Students found to be eligible are either admitted or not to the reviewing campuses. Students who are eligible for UC but not admitted to any campus to which they applied are placed into a referral pool. Such students will receive a referral offer of admission to a campus with remaining space, which in recent years has been UC Riverside or UC Merced. Mr. Rashid emphasized that referral offers of admission are declined by the vast majority of students who receive them. Virtually all applicants who are found by the reviewing campuses to be ineligible are denied admission, many of whom are high-achieving.

Mr. Rashid described the current eligibility requirements. First, applicants must take the SAT Reasoning Test or the ACT with its optional writing component, in addition to two SAT Subject Tests in two different areas. He noted that this subject test requirement is very unusual, particularly for public institutions. Second, applicants must complete the "a-g" curriculum, consisting of 15 year-long courses certified by UC in every high school in the state. Third, applicants must meet a minimum threshold on an eligibility index – a sliding scale index based on GPA and test scores – which is the only performance metric in the policy. The alternative to achieving statewide eligibility by meeting these three requirements is Eligibility in the Local Context (ELC), in which applicants must achieve a 3.0 GPA test score, take the required "a-g" courses, and be in the top 4 percent of their graduating class. Mr. Rashid noted that students who are in the top 4 percent almost always meet the GPA and test score index. The minimum GPA in the index is 3.0 weighted by honors bonus points, raised from 2.8 in 2004; students with a GPA below 3.0 are deemed ineligible. The average SAT score required for UC eligibility with a 3.0 is 470, which is considerably below the national average. Thus, the index sets a very modest standard of performance. Mr. Rashid explained that the described eligibility policy is intended to identify the top 12.5 percent of California graduating high school seniors.

Mr. Rashid stressed that the significance of eligibility is that it confers a guarantee of admission by the referral pool, but it also functions to keep students out of the University. Students who are ineligible are discouraged from applying via UC's wide public pronouncements, and those who do apply and are found to be ineligible are almost all denied admission. He explained, however, that the eligibility index itself serves to exclude very few students; almost all students who complete the "a-g" curriculum and complete the tests also clear the index, which sets a very low standard. Thus, the policy awards guaranteed referral to students who successfully navigate a complex and rigidly enforced policy, even if their qualifications are not outstanding.

The Academic Senate's proposal is seeking to address two main problems. The first problem is the modest level of academic achievement. Mr. Rashid explained that, fortunately for the University, most eligible students are in fact high-achieving students, but it is not the eligibility status that provides information to UC regarding an applicant's quality. The second problem is that the policy functions to exclude some students who are clearly superior to those deemed eligible under the current construct, even by traditional measures such as GPA and test scores. Failure to take the required SAT subject tests or complete the "a-g" curriculum properly – which may mean only minor variances – are major reasons for ineligibility, including academically strong students. Traditionally underrepresented students are differentially impacted both by the availability of "a-g" courses and the SAT subject test requirements. Mr. Rashid explained that scores on the SAT subject tests, as distinct from scores on the SAT core exam, convey little useful information about which students will succeed at UC; thus, those tests cost UC in terms of students being visible to the institution but aid UC little, if at all, in making rational admissions decisions. Approximately 15 percent of California resident freshman applicants are ineligible for UC under the current construct, or approximately 10,000 to 11,000 students. Ninety percent of ineligible applicants are denied admission to UC, some of whom are high-achieving students. In 2007, 1,421 of these ineligible applicants had "a-g" GPAs of over 3.5; 95 percent took the SAT Reasoning exam; and 69 percent had an incomplete test pattern – usually meaning they did not take the SAT subject test.

President Yudof interjected that this topic is complex and expressed his belief in the importance of translating the issues into simpler language. There are two issues to be addressed. One problem is that there are highly qualified students who are competitive with admitted students and the University is overlooking them. The second objective is to expand the discretionary zone and, in turn, the number of files that will be read by admissions officers. Under this more holistic admissions system, the thinking is that UC may achieve greater diversity and quality of its student body through an evaluation process that reviews a range of different factors in the applicants' record. President Yudof observed that if the University sought to attack the first problem only, relatively minor changes could be made such as simply forgiving the lapses. The broader agenda, however, is to expand the number of files that are reviewed, and one result may be that the new process will increase diversity. Mr. Rashid agreed with President Yudof's summary of the problem, emphasizing that the

goal of the proposal is to remove artificial barriers to students' being visible to the institution.

Mr. Rashid explained that the Academic Senate's proposal would establish a new category called Entitled to Review (ETR) that would include students who satisfy certain minimal markers of college readiness. Under the proposal, such students are not guaranteed admission, but do receive a commitment from UC that their application will be reviewed comprehensively. Students admitted through this process would be sent letters of admission. Those not admitted by the campus to which they applied would be assessed for their guarantee status. A subset of the ETR pool who were denied admission by the reviewing campus would be given a guaranteed referral through the referral pool and offered admission to campuses with remaining space; the rest would be denied.

The ETR category would require students to complete 11 out of 15 "a-g" courses by the end of the high school junior year; students apply to UC in November of the senior year. Students would be required to have a GPA of 2.8 or better, unweighted by honors course bonus points. Mr. Rashid stressed that a 2.8 unweighted GPA is directly comparable to a 3.0 GPA weighted by up to eight semesters of honors bonus points, which is the current minimum for eligibility. In addition to those markers of success, students would be required to take the SAT core exam or the ACT with the writing component. He stressed that completion of the full 15 courses of the "a-g" requirement would remain an expectation prior to graduation, but the policy would codify some flexibility so that minor inconsequential variances would not constitute automatic denial if the applicant exhibits an otherwise strong record of achievement. The subset of ETR students guaranteed admission by a referral would amount to approximately 10 percent of California high school graduates.

Regarding the criteria used to identify that guaranteed group, the Academic Senate proposes that the top 9 percent of students in the local context of their high school's graduating class or 9 percent among their statewide peers be guaranteed admission. This construct would more than double the size of the current ELC program, which is set at 4 percent. Currently the ELC does not confer eligibility to any new cohort of students because virtually everyone who is ELC also meets the statewide index. Mr. Rashid affirmed that the ELC program has been an excellent recruiting tool for UC to establish a presence in every California high school by encouraging students to complete the "a-g" curriculum and strive to apply to UC. The new policy would deepen UC's reach.

Mr. Rashid turned to the proposal's potential budgetary impact. Based on 2003 CPEC data, the estimate of the eligible pool of students for that year was 42,000 students. Under the ETR construct, an estimated 72,800 students would have been eligible in that year, but Mr. Rashid reasoned that not all those students would apply. Based on an analysis of those who would be ETR and who were serious about college, as proved by their enrollment at a four-year institution, the number would approximate 52,000 students, or a 25 percent increase in volume. Mr. Rashid further explained that it is not expected that application volume will

increase by this amount because not all students who want to go to college and who are ETR would actually apply to UC. Regarding other potential fiscal impacts, he emphasized that eight out of the nine UC undergraduate campuses currently run comprehensive review processes, mitigating the need to put in place a new process for reading application files. The new policy would require UC Merced to apply comprehensive review to all its applications, whereas currently the campus accepts all eligible students. In terms of revenue, the application fee is currently \$60 per campus, \$52 of which goes to the reviewing campus. UC Berkeley, likely one of the most expensive processing campuses in the system due to its thoroughness, recently estimated that costs directly attributable to application processing is \$38 per applicant. The revenue stream from application processing would go to the campuses, to be used at their discretion.

In his concluding remarks, Faculty Representative Brown reviewed some of the criticisms that emerged during the review processes. He explained that there were questions, and in his view legitimate ones, about whether the 9 percent ELC and 9 percent statewide eligibility guarantee structure was the most appropriate. He pointed out that BOARS' initial recommendation was 12.5 percent ELC and 5 percent statewide. Many members of the Assembly felt there was stronger analytical reasoning and data to support the 12.5/5 recommendation over the 9/9, and there was concern that the 9/9 guarantee structure appeared to be less beneficial to racial and ethnic minorities. A competing concern was that the analysis was based on 2003 CPEC data, the confidence about which was not strong; a 2007 CPEC study is under way but not yet available. One option discussed was an incremental increase of the percentage of students receiving a guaranteed referral based on ELC. Professor Brown continued that there were fears expressed among the faculty that the proposal would erode academic quality and asserted that, to the contrary, all simulations and evidence showed that under this proposal the quality of those guaranteed to receive an admissions referral and to be selected under comprehensive review would be at least equally strong if not stronger than those currently selected. Mr. Brown noted that this was a concern held by small number of faculty, but that he felt duty-bound to report it and to show that the concern was considered. Regarding the fiscal impact issue, there was concern over campuses being deluged with additional applications without the resources to manage the reviews, despite the fiscal analysis that was presented to the contrary.

Chairman Blum stated that one of the problems affecting minority admissions is the availability of "a-g" courses. He asked Mr. Rashid about the availability of those courses, particularly in areas with high minority populations, and whether students are able to take the courses elsewhere in order to become eligible for UC. Chairman Blum expressed his fundamental belief that if satisfying "a-g" requirements is a primary factor in meeting eligibility, some flexibility in this area is a good idea. He also requested more information about the change from 3.0 to 2.8 required GPA.

Mr. Rashid clarified that almost all California high schools do maintain "a-g" courses; only a handful of high schools do not offer a full complement. The real issue is whether they are

available to all students who want to take the courses. In many high schools, there is strong pressure on the available “a-g” offerings, so students who receive good advice and have parents that can negotiate “a-g” course-taking opportunities for their children are at an advantage. He explained that there is a dichotomy between well-resourced high schools that offer plenty of “a-g,” honors-level, and Advanced Placement courses, and schools that do not. Mr. Rashid stressed that the level of academic quality in K-12, as expressed through the number and quality of “a-g” offerings, is extremely varied throughout the state. In response to the question of other options, students who do not complete the full set of “a-g” requirements may take community college courses or on-line courses to become eligible. UC has a fairly new, innovative, and rigorous policy of certifying on-line courses for “a-g” approval. Mr. Rashid noted, however, that these remedies are not going to be exercised by a large number of students who are being disenfranchised by their own local educational opportunities.

In terms of the GPA, Mr. Rashid clarified that the minimum GPA for eligibility under the current policy is 3.0, weighted by up to eight semesters of honors bonus points; this GPA dates to 2004. Prior to 2004, the minimum GPA was 2.8, and at times had been even lower. He stressed that the particular value in the eligibility index is adjusted along with the rest of the index, pursuant to CPEC studies, to ensure that UC is capturing the notional 12.5 percent of the top high school students. Further, the 2.8 minimum that the Academic Senate is recommending in the ETR construct only confers upon the student a review of his or her application; it does not guarantee admission. He reiterated that, based on the typical honors course-taking patterns of students, 2.8 unweighted is virtually the same as 3.0 weighted. The Academic Senate is recommending the unweighted value based on the reasoning that honors courses should be taken into account at the comprehensive review stage when the review can also consider the availability of honors and AP courses, which is highly varied across the state.

Regent Lansing stated that she is respectful of the intent of the proposal, but she expressed several concerns. First, she questioned why UC would be lowering its “a-g” course requirements below that of the California State University (CSU) system. Second, she expressed her belief that the determination of a student’s success at any higher education institution is his or her grades. She applauded lowering the amount of testing required for eligibility, but questioned why, in the context of the importance of grades and the lowered testing requirements, UC would not raise the GPA. Third, Regent Lansing brought up the fact that comprehensive review already exists in UC’s admissions policy, which takes into account the holistic student.

Mr. Rashid clarified that the proposed policy does not represent a lowering of “a-g” requirements – the 11 out of 15 “a-g” course requirement is only for the end of the junior year of high school, such that students meeting the requirement are entitled to review. The policy codifies an expectation that students complete the 15 required courses by the time they graduate. The flexibility, which exists currently under admission by exception, is that a minor

deficiency in a student's "a-g" pattern would not be cause for being summarily denied a review of their application. Mr. Rashid observed that most UC applicants have far more than 15 "a-g" courses. Examples of students who are "a-g" ineligible through a minor deficiency in the pattern include a student who only had three, instead of four, years of English, or failed to take a year-long course in visual and performing arts in the same subject area, even if the student has 25 "a-g" courses.

Addressing Regents Lansing's question about GPA, Mr. Rashid elaborated that the overall philosophy of the proposal is that the best way to make rational and educationally sound admission decisions is to look at all the information possible about the applicant, using contextual information about what was available to the student. The ETR threshold is not intended to be a quality metric; rather, the objective is to set the minimum threshold for college readiness at some reasonable level so that UC would not be disenfranchising students that it may want to review. Even the most selective campuses in the UC system are known to admit a small number of students with fairly low GPAs. Students who achieve ETR are not receiving anything other than the right to a review for \$60 per campus. Mr. Brown reiterated that the goal is to not disadvantage students who do not have as ready access to honors courses as other students might, pointing out that it is harder for a student to raise their GPA through honors courses at lower-performing high schools than at higher-performing ones.

Regent Hopkinson commended the "a-g" and SAT elements of the proposal. She expressed her concern, however, that the 2.8 unweighted GPA would affect high schools that currently have strong honors programs and that encourage students to take those courses. She also expressed her concern and confusion over the thresholds for the local and statewide eligibility guarantee to be set at 9 percent, and what practical impact this would have on the percentage of students accepted to UC. She asked which students would no longer be eligible for UC by moving from a guarantee of 12.5 percent to 9 percent statewide.

Mr. Rashid stated that UC would articulate strongly to the public that honors courses remain very important factors for consideration during the comprehensive review process. Regarding the percentages, Mr. Rashid cautioned the Board not to overemphasize the particular guarantee structure in this proposal. Under the current policy, the guarantee structure is extremely important because it serves to exclude students. Under the proposed policy, the guarantee structure instead amounts to a perk for students who are ETR due to their satisfying one or both of the 9 percent criteria. Mr. Rashid explained that the proposed structure confers a guarantee to approximately 10 percent of high school graduates, so some students who currently enjoy a guarantee under the 12.5 percent threshold would not under the new proposal. Students who are not granted a guarantee but who are still ETR would not be significantly disadvantaged, however, because they would be reviewed along with the guaranteed students, and actually could be admitted ahead of guaranteed students at the reviewing campus if their qualifications warranted it. Regent Hopkinson reiterated her concern that that guarantee structure has a huge impact from the students' perspectives.

Regent Gould expressed concern over the unintended consequences of the revisions, including potential displacements and the perceptions that are created. He questioned whether this is the right message to be sending at a time when increased rigor is sought for K-12, and asked the presenters to reflect on this issue. He was encouraged that there is on-line access to “a-g” courses; he was not aware of this opportunity, and hoped those opportunities were being promoted broadly.

Regent Kozberg stated that she has a number of questions regarding the proposal and suggested that Regents submit their questions in writing. She wanted to ensure that when the proposal comes forward for action, the public is confident that Regents have made the decision based on fairness and with as much data as possible. Regent Kozberg asked how BOARS went from a 4 percent to 9 percent local guarantee structure, particularly in light of the fact that UC is currently accepting students who are unfunded.

Mr. Rashid conveyed the assurance that nothing in the proposed policy would impact UC’s ability to modulate enrollment. Campuses will receive enrollment targets as they do currently and admit down to a certain level in the applicant pool in order to meet those targets.

Regent Kozberg asked the presenters to review the policies in Texas and Florida in order to learn about the implications of different guarantee levels. She also raised the question of whether female applicants would be given an advantage by requiring a standardized test with a writing component. Mr. Rashid stated that one of the points of the policy is to make appropriate use of standardized test information through comprehensive review, rather than through a mechanistic means like a formula index. Campuses would not be obliged to use any particular weighting of SAT score information in making selection decisions.

Regent Marcus suggested that this item again be brought before Regents as a discussion item. He expressed his concern that the proposal lowers UC standards by awarding students who did not follow current eligibility requirements. Mr. Rashid stated that a seat might be taken away from a student who followed the rules but who performed at a modest level, in favor of a student whose record might include a minor deficiency but who had very high academic performance. In response to Regent Marcus’ concern that a potential perception would be that UC is becoming a university with subjective admissions standards, Mr. Rashid noted that this is speculation. The proposal from the Academic Senate is backed by an enormous amount of data, fact, and reason; the Academic Senate is prepared to publicly make the case, justify, defend, and stand behind it.

Mr. Brown stressed that the Academic Senate is charged with determining which students are in the top 12.5 percent of California high school graduates, and it reasons that while some portion of that eligibility be determined on a narrow set of quantitative indicators, another portion should be determined through a comprehensive review of students’ qualifications using multiple sources of information, which is what the current proposal aims to do.

Regent Reiss outlined a series of questions regarding the proposal, noting that she would also submit them in writing. Regarding “a-g” courses, she asked how students will be notified regarding deficits in their “a-g” courses, how specifically the policy defines flexibility in the required “a-g” courses, and whether certain “a-g” courses are predictors of success in high school and the impact of not taking them. Regarding the SAT subject matter test, she requested statistical information on how many state public higher education institutions require the test. Regarding the guarantee threshold, she inquired as to the number of students who are included in the 4 percent local guarantee that are not covered in the 12.5 percent statewide guarantee, how many of those students are accepting admission to UC, and how many more students would be guaranteed admission if the local guarantee is raised to 9 percent.

President Yudof affirmed his commitment to increase the diversity of the student body. He conveyed the importance of Regents’ carefully assessing the proposal, stressing that it is one of the most consequential policies the Board will ever approve. He expressed his concern, in tandem with Regent Gould, about unintended consequences as the proposal circulates through the media, Legislature, and the people of California, all of whom will have different reactions. President Yudof asked the presenters to return to the Regents with their best estimate of the proposal’s impact on diversity, including specific data or reports if an assumption is that the proposal will increase diversity. Further, he asked for data regarding the quality of the entering freshman class under the proposed policy, as measured in conventional quality terms. While he understood that the holistic assessment outlined in the proposal is deemed to be more fair, President Yudof also wanted data measured against the traditional indicators.

Committee Chair Island suggested the possibility of additional presentations for Regents before the next meeting of the Board in order to ensure that, at the time the issue is before the Regents for action, all questions have been put forth on the matter and Regents have received what they need to make their best judgment. Chairman Blum supported the idea of a specially-noticed meeting to continue the discussion on the topic.

The Committee recessed at 3:40 p.m.

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The Committee reconvened on July 17, 2008, at 12:25 p.m. with Committee Chair Island presiding.

Members present: Regents Blum, Cole, Garamendi, Island, Lansing, Reiss, Scorza, Varner and Yudof
Advisory members Brown and Stovitz, Staff Advisors Abeyta and Johansen

In attendance: Regents De La Peña, Hopkinson, Kozberg, Pattiz, Ruiz, Schilling, Shewmake, and Wachter, Regents-designate Bernal and Nunn Gorman, Faculty Representative 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 Beckwith, Dooley, and Sakaki, Chancellors Block, Blumenthal, Kang, and Yang, Acting Chancellor Grey, Chancellor-designate White, and Recording Secretary Johns

7. **ESTABLISHMENT OF A SCHOOL OF MEDICINE, RIVERSIDE CAMPUS**

The President recommended that, effective immediately, Section 14 (a) of The Regents' provisions as covered under Standing Order 110.1 – Academic Units and Functions, Affiliated Institutions, and Related Activities of the University, be amended as follows:

Additions shown by underscoring

15. Professional Schools

- (a) There are established the following schools, with curricula based on two or more years of undergraduate work:

School of Medicine, at Riverside, with curricula leading to the degrees of Doctor of Medicine and Doctor of Philosophy.

The School shall not admit or enroll students until the President is satisfied that the resources estimated to be necessary for start-up and to sustain operations are obtained.

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Provost Hume began by emphasizing the importance and gravity of the present decision. This is the first time in more than four decades that the University is considering the establishment of a new medical school. He noted that new Regents may not be aware of the depth of the planning process involved. This process was initiated by Chancellor Drake, while he was Vice President for Health Affairs, and envisions a moderated but appropriate growth of the existing five medical schools and a long-term plan to meet the medical workforce needs of California.

Acting Chancellor Grey recalled that the idea for a School of Medicine at UC Riverside has been incubating for more than twenty years. Serious and deliberate planning began during the last five years, during Chancellor Córdova's administration. The campus is now seeking formal approval. He emphasized the campus' awareness of the contrast in circumstances surrounding this decision. On the one hand, the campus is ready to undertake this endeavor, having carried out a careful planning process including the curriculum, a business plan, and due diligence. On the other, the campus is well aware that the State is in a fiscal crisis. The present challenge is to recognize both circumstances and to move forward with fiscal realism and prudence.

Acting Chancellor Grey briefly discussed the mission of this school. He presented a quote from UCSF Chancellor and Dean Emeritus Dr. Haile Debas, who is chair of the External Advisory Board: "Starting afresh, the University of California, Riverside has a unique opportunity to develop a medical school of the twenty-first century with the type of innovation and fresh thinking that our traditional schools have found it difficult to incorporate." He noted that Dr. Debas and the External Advisory Board have encouraged the campus from the beginning to realize the opportunity to create and think afresh about medical education and health care. The mission of the UCR School of Medicine is to improve the health of the people of California and, especially, to serve Inland Southern California by training a diverse workforce of physicians and by developing innovative research and health care delivery programs that will improve the health of the medically underserved in the region and become models to be emulated throughout the state and nation.

Acting Chancellor Grey then turned to a profile of the school as it is envisioned at maturity in 2021. He stressed that the plan for the school is a phased plan, carefully considered, which begins immediately and will develop over a 12- to 13-year period. At maturity, the school will be financially self-sustaining. The school will have achieved full enrollment with an M.D. student population of approximately 400, or 100 per class, 160 residents, and 160 Ph.D. students in the health sciences. Approximately two-thirds of the budget will come from non-State and non-tuition sources. The campus projects that enrollment-driven funding from the State will be available for UCR as it is for the other medical schools, and that it will generate around \$25 million annually. Professional school fees are projected to generate \$7.5 million. The remaining budget is anticipated to come from non-State sources such as grants, contracts, and development.

The first phase in the school's development, 2008-12, includes critical actions. The school is slated to open in 2012 to admit the first four-year class. Acting Chancellor Grey recalled that UCR has had a two-year medical program, in collaboration with UCLA, for thirty years. These first two years of instruction are already accredited and the School of Medicine will build on that foundation. Investment will be required during this first phase of preparation for the opening of the school, because initially there will be no increased enrollment and therefore no enrollment-driven revenue from the State. The three-year accreditation process will also take place during this first phase. A delay in accreditation would lead to a delay in

opening the school, at a time when the health care needs of Inland Southern California are acute and projections are dire for the next decade. Up-front investment is needed in the start-up period to hire a founding dean and founding clinical faculty and to build an administrative infrastructure. There is a capital facility need to remodel space in the existing Biomedical Sciences program, to expand from 24 students to 50 students. There will be a new surge building for the biomedical and health sciences built on the general campus. This will be a transitional location for the founding dean and faculty until permanent facilities are constructed on the West Campus.

Acting Chancellor Grey noted that enrollment and enrollment-driven revenue are expected to increase during the growth phase of the School of Medicine, in 2012-20. Nevertheless investment will be required to recruit faculty and to ensure that the new medical school is sufficiently funded to be a school of the same quality as the other five UC medical schools. Capital facilities will be built during the growth period on the West Campus, presumably funded at the appropriate time by bonds, as other facilities have been in recent years.

Acting Chancellor Grey briefly discussed a 12-year investment summary for the School of Medicine. UCR will require \$50 million during the start-up phase and another \$50 million during the growth phase as a one-time investment for faculty, staff, equipment, and other operating costs. These projections were developed with the assistance of Deloitte Consulting and represent careful assessments of what will be needed over and above the standard revenue-generating components. Capital costs will be \$48 million in the first phase and \$508 million in the second phase.

Acting Chancellor Grey then turned to the next steps in the development of the medical school. He emphasized the importance of hiring a founding dean in order to sustain momentum. UCR recognizes that fundraising and development are campus responsibilities. The campus has raised \$30 million to date without formal approval, and has now reached a point at which donors need to be assured that the medical school will come to fruition. The founding dean needs to be the face of this fundraising effort in the community and state, and for the State and federal government. The dean must lead the accreditation effort and lend that effort credibility.

A second step for the school is to formalize agreements with its regional partners. The UCR School of Medicine will not have its own teaching hospital, but will partner with regional hospitals and clinics, thus avoiding a major up-front capital cost. The campus must immediately begin developing formal agreements with hospitals and clinics in the region so that the new school's educational and research programs to be sited there can begin at the appropriate time.

Another next step is to finalize a financial strategy to assure the development of a first-rate school. The Academic Council has pointed out that the school cannot be funded at the expense of other medical schools. Acting Chancellor Grey added that it cannot be funded at

the expense of other schools and colleges at UCR. He expressed the campus' willingness to work with the President on a strategy for interim funding. This would most likely take the form of a line of credit until the State's finances are back in order. The campus will work on a plan for long-range funding by the State.

The campus recognizes that the State will not provide all necessary funding and that UCR has a responsibility to be creative in locating resources. Creativity in this context means partnerships, and among the most important partnerships are those with the local counties. Acting Chancellor Grey cited a statement in support of the school, made earlier by Mr. Paul Biane, chairman of the San Bernardino County Board of Supervisors, during the public comment period. He also recognized the support of Supervisor John Tavaglione of Riverside County. The Riverside County Board of Supervisors has lent strong support to this effort by offering to explore backstopping of bridge funding required during the initial start-up phase, if needed. He expressed the campus' gratitude for this support. The project enjoys broad and deep support in the region, especially by local health care providers. UCR's two-year medical program, the Thomas Haider Program, is named for Dr. Thomas Haider, who spoke in support of this project during the public comment period.

Acting Chancellor Grey concluded with the campus' view that establishment of this School of Medicine is urgently needed, not for UCR, but to avert further erosion of health care in the region. While State investment cannot occur during a budget crisis, the crisis will not last forever. It is critical to develop an interim financial strategy that will allow the project to stay on schedule. He noted that this was his last day as Acting Chancellor at UC Riverside. He thanked the Regents for the opportunity to serve in this capacity and to play a role in a project of such importance. Mr. Timothy White, who will begin as the eighth chancellor of the Riverside campus beginning the day after the Committee meeting, will see the project to conclusion and the admission of the first class in 2012.

UCR Chancellor-designate White assured the Regents and supporters of the medical school project that he considers the UCR School of Medicine to be of the highest priority. He pledged to carry forward the work of his predecessors, stating that this will be a privilege. The medical school will represent California.

Regent Varner expressed appreciation for the outstanding work done by Acting Chancellor Grey. Regent Lansing concurred.

Committee Chair Island anticipated that the Board would unanimously embrace this proposal.

Regent Lansing expressed gratitude for the leadership of Provost Hume and others, praised the project's collaborative nature and good strategic thinking, and enthusiastically endorsed the proposal.

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

The meeting adjourned at 12:45 p.m.

Attest:

Secretary and Chief of Staff

