The Regents of the University of California met on the above date at Covel Commons, Los Angeles campus.

Members present: Regents Bernal, De La Peña, Gould, Island, Kieffer, Kozberg, Lansing, Lozano, Makarechian, Marcus, Nunn Gorman, Pattiz, Reiss, Ruiz, Schilling, Stovitz, Varner, Yudof, and Zettel

In attendance: Regents-designate Cheng, DeFreece, and Hime, Faculty Representatives Powell and Simmons, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Chief Compliance and Audit Officer Vacca, Interim Provost Pitts, Executive Vice President Taylor, Interim Executive Vice President Brostrom, Senior Vice Presidents Dooley and Stobo, Vice Presidents Beckwith, Duckett, Lenz, and Sakaki, Chancellors Birgeneau, Block, Blumenthal, Desmond-Hellman, Drake, Fox, Kang, Katehi, White, and Yang, and Recording Secretary Harms

The meeting convened at 8:30 a.m. with Chairman Gould presiding.

1. PUBLIC COMMENT

Before beginning the public comment period, Chairman Gould called the attention of the Regents to a headline on the front page of that day’s Los Angeles Times, which said that the State will be facing a $21 billion budget gap through 2010-11. He observed that these circumstances would set an unfortunate framework in which the University would have to operate and that they would compel the University to do everything possible to sustain its quality and excellence.

Chairman Gould 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 Committee:

A. Ms. Sarah Bana, a fourth-year quantitative economics major at UC Irvine, submitted 150 letters from Irvine students arguing that they cannot endure a mid-year fee increase. She stated that she and her two younger siblings will not be able to afford to attend UC if the proposed fee increase takes effect. She said that the Regents are placing the future education of Californians in jeopardy.

B. Mr. Christopher Santos, a third-year UCLA student majoring in psychobiology, informed the Regents that he has struggled to excel as a California Immigration Higher Education Act (AB540) student and that he does not receive any financial
aid. He said that his father works 84 hours a week to help finance his education, and that increasing fees by 32 percent will strike a blow to his precarious situation.

C. A fourth-year international development student from UCLA told the Regents that she is a first-generation Filipino college student from a lower middle-class background, and remarked that attending UCLA is becoming increasingly difficult. She noted that she is taking four classes, incurring school debt, and contributing to support her family, circumstances common to many Filipino students.

D. Ms. Julia Vazquez, a law student at UCLA, informed the Regents that she is a proud alumna of that campus for both her undergraduate and master’s degrees. She observed that a fee increase would affect students such as her who are first-generation college students, second-language learners, and children of immigrants. She remarked that continued fee increases would further reduce the diversity of the campus.

E. Ms. Mallory Michaels, a third-year political science major and philosophy minor student at UC Irvine, submitted 72 petitions asking for affordability for all students. She said that she feels that the affordability of UC is dying and asked that the Regents keep fees low so all students will have equal opportunity to have a UC education.

F. Ms. Sonja Diaz, a second-year graduate student at UCLA in the public policy department and an alumna of UC Santa Cruz, stated that the economic crisis is not an excuse for increased fees. Recalling the recent bailouts for the banking industry, she asked why there was not a bailout for education, for students, and for working-class communities. She said that a vote to increase education fees and professional fees is unacceptable and against the Regents’ Bylaws.

G. Ms. Sofia Campos, a third-year student at UCLA majoring in political science and global studies, told the Regents that she was representing the 65,000 undocumented students who graduate from high school every year and who have to work several jobs to pay UC’s current fees. She asked for the support of the Regents and said that the students would collaborate with them to fundraise, to improve retention, and to expand outreach.

H. Mr. John Christian DeVeria, a first-year student at UCLA majoring in sociology and Asian American studies, discussed how the fee increase would affect the Filipino community. He stated that many Filipino students are struggling to finance their already-expensive public educations and that they will be discouraged by a tuition of $10,000. He remarked that this type of cost is not what is promised in the California Master Plan.
I. Ms. Sally Zhu, a first-generation Chinese American student at UCLA, said that she got to UC on the shoulders of her parents who spent the last 23 years working in a garment factory and in a kitchen. She informed the Regents that in the Asian/Pacific Islander (API) community, Cambodian and Hmong families have some of the highest poverty rates, and that over 60 percent of API families do not speak conversational English at home.

J. Mr. Corey Matthews, a first-generation college student from South Los Angeles who is chair of the UCLA Afrikan Student Union, stated that African American students comprised only 0.4 percent of the recent freshman admit pool. He noted that black students have the worst rates of retention, largely due to poverty that forces them to work 20 to 25 hours a week, and that recent cuts to resources have further plunged those retention rates. He said that the fee increases would severely affect the diversity of all the campuses.

K. Ms. Malina Tran, a fourth-year student at UCLA majoring in international development studies and geography/environmental studies, expressed her deep concern for the Southeast Asian student community. She explained that it is characterized by low wages, labor-intensive jobs, and increasing gang activity. She informed the Regents that the high school students she tutors are afraid they will not be able to afford to attend UC while helping to provide for their families.

L. Ms. Suzanne Kordi, a freshman at UC Irvine, expressed the view that the $535 million loss in State funding is the fault of the Regents, and that UC students should not bail them out. She said that she is determined to make the most out of her education, despite curtailed library hours, larger class sizes, and furloughed faculty. She asked the Regents to reciprocate her determination, and work with the students to protect the quality, access, and affordability of the University.

M. Ms. Jenny Takakura, a radiation therapist for 11 years at the UCLA Medical Center, reminded the Regents that the University was created so that students could have affordable tuition. She stated that she works with many people who have been affected by the furloughs, and that the furloughs negated the gains that had been made with the recent labor contract.

N. Ms. Annette Norwood, a patient care technician at Santa Monica Hospital, said that the furloughs are detrimental to the hospital. She stated that patients sometimes wait for 15 minutes for basic sanitation service because a patient care worker is not available. She challenged the Regents to think about their actions.

O. Mr. Alejandro Moreno, a food service worker at UCLA, asked the President if he could support his family on $25,000 a year. He asked the President to stop raising student fees.

P. Rev. Bridie Roberts, with the Clergy and Laity United for Economic Justice (CLUE), stated that her organization is deeply committed to lives of workers in
California and to rights of students. She expressed her deep disappointment in the Regents’ misplaced priorities and lack of moral guidance. She stated that the Regents previously had made a brave decision to sign a fair contract with the workers, but the reductions in hours, furloughs, and layoffs were nullifying that progress.

Q. Ms. Margaret Konjevod, a senior psychiatric technician at the Resnick Neuropsychiatric Hospital, said she was appalled that the University is laying off employees after they worked hard to get higher wages. She observed that the workers on the campuses cannot complete their regular workloads in less time with fewer staff. She stated that the Regents are stealing from the state of California and it needs to stop.

R. Mr. Adam Fowler, a Ph.D. student in political science at UCLA and teaching assistant, spoke to the Regents about the proposed 15 percent professional degree fee increase. He said it was erroneous to assume that law and medical students would someday be wealthy and that they, therefore, could afford increased fees. He stated that the starting salaries for doctors and lawyers are low, and that the Regents would be creating a class of indentured servants.

S. Mr. Jamal Madni, a graduate student in biomedical engineering at UCLA, stated that systemwide graduate health care policy unification will result in a substantial cost increase coupled with decreased coverage. He observed that UCLA has the most comprehensive health care service of any UC campus, and that the UCLA graduate students have concerns that changes may affect graduate student recruitment.

T. Ms. Alejandra Cruz, a third-year law student at UCLA who attended UC Berkeley for her undergraduate degree, said that she represented a movement to democratize the University, maintain its excellence, and prevent the Regents from excluding underrepresented minority students in its admissions. She stated that not all Californians have equal access, particularly those without documentation of citizenship.

U. Ms. Theresa Avendano informed the Regents that many in the audience had travelled a significant distance to attend the public comment period and that the Regents should pay close attention to their remarks. She noted that she had commented at previous meetings on behalf of the workers with the Association of Federal, State, County, and Municipal Employees (AFSCME) Local 3299, and was today supporting the students.

V. Ms. Julie Gamble, a graduate student in the college of environmental design at UC Berkeley, submitted over 230 signatures stating that the Regents were proposing an unplanned professional degree fee increase and the students were unsure of its use. She asked that the Regents postpone their vote and urged them to develop an adequate process for student and faculty input to the proposal.
W. Ms. Nancy Meza, a fourth-year student at UCLA, told the Regents that she is an AB540 undocumented student and that she is not eligible for any sort of federal financial aid. She added that 33 percent of her tuition goes to institutional aid, for which she is also ineligible. She explained that undocumented students must pay for their education themselves by working and finding scholarships. She said that the fee increases are putting the future at risk, and that education should be an investment for California.

X. Mr. Paul Von Blum stated that he had been a communication studies and African American studies instructor at the University for 40 years. He remarked that his African American students are suffering because they cannot afford the proposed fee increase and may not persist to the next quarter. In addition, he said that the Regents should not abandon the students, who are the heart and soul of UC and are the future of the state.

Y. Ms. Rita Kern, a staff research associate at UCLA, asked for more budget transparency and said that she did not believe the furloughs and fees were necessary. She cited the death of UCLA research assistant Sheri Sangji from a laboratory accident in December 2008 as an example of the lack of support for health and safety throughout UC, and stated that the University should rescind the layoffs and increase the health and safety staff.

Z. Mr. Ismael Rodriguez, with UCLA dining services, said that he likely will be unable to pay his rent or send his children to college if there are pay cuts and furloughs. He stated that UC should be affordable for everybody.

AA. Mr. Zafir Shaiq, a fourth-year student at UCLA, president of the Muslim Student Association, and former vice chair of the UC Student Association’s Council on Student Fees, remarked that every time the UC system is in trouble, the University asks the students for additional funds. He said that it should instead seek creative alternatives to make the University more sustainable.

BB. Ms. Andrea Ortega, a fourth-year student at UCLA, stated that she has been working hard to achieve her goals, and has been able to do so because of Pell Grants, Cal Grants, and loans. She observed that her brother, who is a senior in high school, will be discouraged from attending college for fear of debt due to the increased fees.

CC. Ms. Rebecca Miller, a student at UCLA, expressed her belief that social equity issues are involved with the way the University invests its endowment fund. She stated that UC has not upheld its proxy voting guidelines, and encouraged the Regents to consider revisiting its guidelines and establishing a better policy so that it will invest with social responsibility and with regard for environmental, social, and governance issues.
DD. Mr. John Faheem, a third-year, triple-major student at UC Riverside, remarked that he has three jobs: campus organizing director, teaching assistant, and undergraduate recruitment worker. He stressed that the Regents should understand that his office is closed on furlough days and that his income has lessened accordingly. He explained that he lives paycheck-to-paycheck and cannot afford the furloughs. He asked why the Regents are not going to the State and demanding adequate funding.

EE. Mr. Clive Chan, a third-year student at UC Irvine, remarked that he received $35 in Cal Grants this year, which was enough for him to buy a bus ticket back home to Northern California.

FF. Ms. Jade Chan, a second-year student at UC Irvine, informed the Regents that she awakened at 4:00 a.m. and walked three miles to attend the public comment session. She said that, as the daughter of immigrants, she was told to go after her dreams, but that she will be unable to do so if her education ends due to lack of resources. She asked the Regents not increase the fees and kill her dreams.

2. REMARKS OF THE CHAIRMAN OF THE BOARD

Chairman Gould remarked that, despite the difficulty and controversy of the current situation, he wanted to acknowledge some events demonstrating the University’s excellence. He informed the Regents that two faculty members recently made headlines by receiving Nobel Prizes: molecular biologist Elizabeth Blackburn of UCSF shared the Nobel Prize in Medicine with a professor at Harvard and with her former Berkeley graduate student, Carol Greider of Johns Hopkins University. Also, Professor Emeritus Oliver Williamson of UC Berkeley shared the Nobel Prize in Economics with Professor Elinor Ostrom of Indiana University, who earned her three degrees from UCLA. The Chairman told the Regents that Ms. Blackburn and Mr. Williamson would be invited to a future meeting so that the Board could express its appreciation in person.

The Chairman pointed out to the Regents that, through the efforts of UC alumni and supporters, a constitutional amendment that would have repealed UC’s autonomy was thwarted. He acknowledged the work of the University community in this effort, particularly the government-relations efforts in Sacramento led by Associate Vice President Juarez. He said that President Yudof’s leadership, combined with Regents’ efforts, enabled UC to preserve its integrity and independence.

The Chairman reported that the UC Commission on the Future had established five working groups which have visited six of the ten campuses for input; the working groups intend to visit the remaining four in early December. He informed the Regents that hundreds of faculty, staff, and students had given their perspective and ideas. At the Commission’s second meeting, it heard from four experts who gave their perspectives on higher education and the challenges that UC is facing. UC Presidents Emeriti Richard Atkinson and David Gardner provided input, as did economist, UC Berkeley professor, and former U.S. Secretary of Labor Robert Reich. Mark Baldassare, CEO of the Public
Policy Institute of California, shared the results of a recent survey called “Californians and Higher Education.” The Chairman said the survey results were both informative and alarming. He told the Regents that the majority of Californians believe in the quality of the state’s colleges and universities. However, they are worried about costs of education, the impact of State budget cuts, and if the steps being taken to address those budget cuts are appropriate. While the majority of the respondents were very concerned about fee increases and enrollment cuts, and nearly half were concerned about reduced pay for faculty and staff, overall, they showed a strong aversion to taxes that would remedy the situation.

The Chairman observed that the survey results leave the University with the challenge of maintaining its core values, excellence, and access while enduring continued disinvestment from the State. Together with the Commission on the Future, the Regents are working to solve this puzzle. The Chairman noted that the University has joined with California State University and the California Community Colleges to tell the legislators and Governor to reaffirm higher education as a priority in California. President Yudof will be pressing the federal government to take a stronger role in shaping higher education as a national priority and as an issue of national security. The Chairman stated that the University will be asking its supporters – students, faculty, staff, parents, and alumni – to unite and take these messages to Sacramento and Washington.

Simultaneously, said the Chairman, the Commission will help the University examine UC’s business model and possible alternative means to provide education to the people of California. The Chairman noted that, in the interim, the University would continue to have to make difficult choices to prevent slipping into mediocrity. He referred back to the *Los Angeles Times* headline he mentioned earlier, and emphasized that the State’s projected deficit of $21 billion over the next 18 months will force the Regents to vote on a budget plan that includes student fee increases, despite their unwillingness to do so. He asked the public speakers who had expressed their anger and frustration to contact Sacramento and Washington to address their common goal of funding for higher education.

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

President Yudof reminded the Regents that when they last met, he laid out for them the critical funding challenges facing the University and the need, in light of the State’s divestment, for decisive action to increase revenues. He stated that the fee proposal had generated enormous and understandable anger, not only from the students, but also from many Board members. The President said that the University is, in essence, being forced to impose a user fee on its students because the state’s political leaders have failed to adequately fund public higher education. He explained that UC has half as much money to spend today as it did in 1990. He emphasized that fees of this type are antithetical to the roots of the University of California; students should be assessed on their ability to perform and not their ability to pay. President Yudof noted that in the book *Paradise Lost*, written ten years ago, Peter Schrag wrote that California began its calamitous disinvestment in higher education in 1990; by the mid 1990s, California was disinvesting
in higher education at a rate that was twice that of any other state in country. In constant dollars, higher education has half as much money as it did in 1960. The President quoted an article by Mr. Schrag printed that morning, stating, “Most Californians just don’t seem to get the connection between their worries about the future and the severe budget cuts those universities have already suffered. Nor do the protestors understand that their problems originate not with university presidents and trustees, but in Sacramento and, often, with those same voters.”

President Yudof explained that the University does not have the reserves to address the State deficit; the reserves it does possess have been reduced by half over the past year, totaling an amount 50 percent higher than the savings from all the furloughs combined. The President reminded the Regents that as fiduciaries for the University, it is their job to balance the budget. He acknowledged that there was much that was valid in many of the remarks made during public comment, but that their job as Regents, and his as President, is to defend the University of California and make sure it continues. He emphasized that UC’s budget had to be balanced.

The President stressed that the University has not given up on the State; it has asked Sacramento for over $900 million to restore funds. He explained that the University is also undertaking an advocacy campaign that targets letters and emails to the Legislature; currently, 200,000 individuals are registered as advocates for the University, with a goal of one million.

President Yudof urged the Regents to accept the proposed budget, remarking that it would provide students with better access to classes by allowing the University to hire professors and lecturers. Without it, students will be unable to get degrees in four years, resulting in greater expense for them and for their families. The President said the budget also proposes to end the furloughs and would enable UC to resume employer contributions to the retirement plan that have not occurred in 19 years. President Yudof expressed his hope that the budget would also allow UC to extend its library hours and offer more student services.

The President acknowledged the desperation felt by many students, but emphasized that his proposed budget would protect those students most vulnerable to cost increases. Students with a family income below $70,000 – which is higher than the state’s median income – would not pay any fees and would not be affected by the fee increase. He also told the Regents that the campuses are committed to raising $1 billion in the next five years. He urged everyone in the audience and at the table to contribute to the campuses to help the undergraduate, graduate, and professional students. He further invited all Californians to make donations, even in amounts of five or ten dollars, in order to alleviate some of the load which is being placed on the students.

In light of the University’s precarious situation, the President observed that he is increasingly willing to consider options such as a designated revenue source, provided the State maintains its effort and that the funding actually materializes. He also echoed Chairman Gould’s discussion regarding the Commission’s work on efficiency issues, but
cautioned that it will be challenging to maintain quality while considering options such as larger class sizes, changes to the student/faculty ratio, adjustments to teaching loads, three-year degrees, changes to transfer policies, and changes to policies and prerequisites for majors. He stressed that all possibilities will have to be examined to determine ways the University can improve the flow of finances, and discover where it has opportunities to reduce costs without reducing quality.

President Yudof reiterated his belief that the Board must approve the proposed budget to ensure that the University can maintain its level of quality and sustain itself while it appeals to Sacramento and Washington for resources. He again urged everyone to join the UC advocacy program, and said that the cooperative efforts of the labor, business, philanthropic, and academic communities will provide the long-term solution to the University’s financial problems.

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

Academic Senate Chair Powell explained that the forefront item for the Senate this year is the work of the UC Commission on the Future. The Senate has worked to identify faculty members with appropriate expertise from throughout the ten-campus system. It also continues to assist the administration in determining the membership of the Commission’s working groups. Dr. Powell reported that some of the working groups have already initiated contact with some of the standing Senate committees whose charges match or overlap those of the working groups.

Dr. Powell said that the Senate anticipates that this cross-communication will facilitate the Senate’s review of the Commission’s recommendations. He explained that the Senate review will incorporate input from the campuses' divisional senates and the Senate’s standing committees, resulting in the inclusion of hundreds of faculty, and providing broad representation of interests and expertise. Dr. Powell stated that all of those perspectives will be brought to the Academic Council, which will generate a final response that he, Dr. Powell, will convey to President Yudof.

Dr. Powell observed that the Senate hopes that each of the communities that comprise university governance – the Board, the administration, and the Senate – will be as open with each other and as transparent in their communications as possible. He said that the continuing fiscal crisis has eroded morale of faculty and staff and caused great anxiety to students and their families. He noted that there never has been a more opportune time to advocate for public higher education, and that the Senate is particularly interested in working with its counterparts at the California State University and at the California Community Colleges. Faculty from the three segments are sitting on task forces to coordinate advocacy efforts and to reexamine the Master Plan as its sixtieth year approaches.

Dr. Powell told the Regents that these efforts are being coordinated with the UC Office of State Governmental Relations in Sacramento, and he hopes that they will be a productive
part of a wider effort involving all UC constituencies: students, staff, faculty, administrative leadership, and the Board.

Chairman Gould thanked Dr. Powell and the faculty for their engagement and for their work on the Commission. He stated that the faculty are central to reexamining how the University conducts its business, and that the Regents and the faculty will work together to maintain its quality.

The meeting adjourned at 10:15 a.m.

Attest:

Secretary and Chief of Staff