

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
MEETING AS A COMMITTEE OF THE WHOLE
September 13, 2012

The Regents of the University of California met on the above date at UCSF–Mission Bay Community Center, San Francisco.

Members present: Regents De La Peña, Gould, Island, Kieffer, Lansing, Lozano, Makarechian, Mendelson, Pattiz, Rubenstein, Ruiz, Schilling, Stein, Varner, Wachter, and Yudof

In attendance: Regents-designate Feingold, Flores, and Schultz, Faculty Representatives Jacob and Powell, Secretary and Chief of Staff Kelman, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Chief Compliance and Audit Officer Vacca, Provost Dorr, Executive Vice President Brostrom, Chief Financial Officer Taylor, Senior Vice Presidents Dooley and Stobo, Vice Presidents Beckwith, Duckett, Lenz, and Sakaki, Chancellors Blumenthal, Desmond-Hellmann, Drake, Katehi, Khosla, and Yang, and Recording Secretary McCarthy

The meeting convened at 8:40 a.m. with Chairman Lansing presiding.

1. REMARKS OF THE CHAIRMAN OF THE BOARD

Chairman Lansing welcomed UC students to a new academic year, particularly freshmen and transfer students, and wished them well in their studies and their engagement in campus life. While noting the productive session of the prior day, she cautioned that active discussion of possible ways to bridge UC's budget shortfall should not be interpreted as advocacy, since more work must be done to investigate options that were raised.

Chairman Lansing welcomed Faculty Representatives Powell and Jacob, the new Chair and Vice Chair of the Academic Senate.

2. REMARKS OF THE PRESIDENT OF THE UNIVERSITY

President Yudof expressed his appreciation of the Board's robust discussion of the prior day regarding the budget shortfall and academic quality of the University. He called attention to the fourth Annual University of California Accountability Report (Report) and noted that UC has been a leader in accountability. The Report did not exist four years prior, when President Yudof came to the University. The Report's purpose is to ensure greater accountability and transparency for all Californians, to invigorate the University's strategic planning and responsible stewardship, and to ensure that policy decisions are driven by empirical analysis. He expressed his view that all UC community members should take pride in the Report, both for its existence and for the facts contained therein.

3. PUBLIC COMMENT

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

- A. Ms. Bonnie To expressed her view that differential tuition would have a large effect on the dynamics of the University and its mission. She spoke in support of seeking funds from corporations and philanthropists for student financial aid, and using those funds in addition to rather than in replacement of return-to-aid funds. She stated that public service is a major purpose of the University.
- B. Ms. Nwadiuto Amajoyi, chair of UC Santa Cruz Student Union Assembly, urged the Board to keep the University's key goals in mind. She expressed her view that adopting differential tuition levels or reducing funding for student-initiated outreach programs would not be in the best interest of students. She stated that the Board's highest priority should be support for students from underrepresented communities.
- C. Mr. Jonathan Ly, fourth-year student at UC Merced, stated that, while enrolling more international students increases UC's diversity, raising the cap on the percentage of nonresident students as a way of increasing funding could displace California students.
- D. Ms. Lisa Petak, chair of the Student Bar Association at UC Irvine School of Law, speaking on behalf of several elected student leaders of other UC law schools, submitted a written statement representing an agreement reached by those law school student leaders regarding the cost of attending a UC law school. She stated that, even though she received an annual institutional scholarship of \$15,600, or one-third of her annual tuition and fees, she would still have to borrow \$150,000 to pay for her three years of law school. She added that she and many of her classmates want to be public interest attorneys and serve their communities at an expected income of \$45,000 per year, rather than take more lucrative positions in the private sector. She could anticipate earning about \$75,000 per year after working in public interest law for ten years. Similar personal situations are common at UC law schools, which have been known for their pioneering work in serving the public good. Ms. Petak expressed concern that, as tuition and graduate fees increase, so do students' degrees of compromise on their career choices in order to pay off their student debt. Ms. Petak added that high levels of tuition also decrease diversity at UC law schools by increasing the cost barriers to attending law school, particularly for those from underrepresented communities. She urged the Board to work with students to understand the financial realities for UC law students and graduates, and use this understanding to inform decisions regarding fee policies.

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

Faculty Representative Powell introduced UC Santa Barbara Professor of Mathematics William Jacob, the new Vice Chair of the Academic Senate. Professor Jacob's research has been in pure mathematics and in mathematics education. For the past four years, Professor Jacob has been Vice Chair and then Chair of the Academic Senate's Board of Admissions and Relations with Schools.

Mr. Powell stated that his own work in leadership roles in the Academic Senate has convinced him that there are no remedies that could bring UC's expenditures down to the reduced level of its revenues. He stated that the Senate has scheduled a virtual meeting for the day following the November election. If Proposition 30 fails at the polls, he anticipated that the Senate would vote on a recommendation for a tuition increase and would forward that recommendation to President Yudof. Mr. Powell expressed his view that a negative election outcome on Proposition 30 with no direct revenue-increasing measures to make up for the budget shortfall would ensure a decline in the quality of the University.

Referring to Provost Dorr's presentation of the Annual University of California Accountability Report at the prior day's meeting, during which she cited the need to attract and retain outstanding faculty, Mr. Powell emphasized that the academic departments are the heart of the quality of the academic program and almost immediately feel the effects of budget cuts. He noted that his department instituted many reforms over the past decade to streamline curriculum, increasing enrollment while decreasing time to degree. All these reforms would be threatened by budget cuts. Mr. Powell cited examples of changes that have already been made in the academic programs at various UC campuses. One campus has 200 fewer teaching assistants; several campuses have eliminated elective courses, thus giving students fewer alternative paths to graduation, increasing student wait time for classes, and reducing students' ability to tailor their educational experience to their interests. Summer course offerings, which help reduce time-to-degree, would be under pressure. Staff advising has been reduced on several campuses; opportunities for laboratory experience have been reduced; faculty vacancies are not being filled; class sizes have increased. Faculty join the Board in seeking adequate revenue that would enable the University to reverse these trends.

The Committee recessed at 9:10 a.m.

.....

The Committee reconvened at 9:35 a.m. with Chairman Lansing presiding.

Members present: Regents De La Peña, Gould, Island, Kieffer, Lansing, Lozano, Makarechian, Mendelson, Pattiz, Rubenstein, Ruiz, Schilling, Stein, Varner, Wachter, and Yudof

In attendance: Regents-designate Feingold, Flores, and Schultz, Faculty Representatives Jacob and Powell, Secretary and Chief of Staff Kelman, Associate

Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Chief Compliance and Audit Officer Vacca, Provost Dorr, Executive Vice President Brostrom, Chief Financial Officer Taylor, Senior Vice Presidents Dooley and Stobo, Vice Presidents Beckwith, Duckett, Lenz, and Sakaki, Chancellors Blumenthal, Desmond-Hellmann, Drake, Katehi, Khosla, and Yang, and Recording Secretary McCarthy

President Yudof introduced new University of California Student Association (UCSA) president Angelica Salceda, a 2007 honors graduate of UCLA and current third-year student at Berkeley Law. A native of California's Central Valley and member of a farm-worker, immigrant household, Ms. Salceda worked for State Senator Kevin de Leon, advising him on policy issues. She has also worked extensively on air quality and water issues in the hope of improving the lives of Central Valley residents.

Ms. Salceda discussed UCSA's major advocacy campaigns for the upcoming year. Undergraduates, in collaboration with graduate students, would continue work regarding the UC Office of the President's tax. Graduate students, in strong collaboration with undergraduates, would roll out a legislators' report card campaign, which would provide a letter grade for every elected member of the State Assembly and Senate based on their performance on bills relating to higher education. This advocacy tool would provide a way for students to exert pressure on elected officials to protect higher education. UCSA's budget campaign would continue to focus on identifying and advocating for new revenue sources. Students would also advocate for reform of Proposition 13.

Ms. Salceda stated that, while UCSA supports some of the balance sheet strategies presented to the Board during the prior day's session, it is opposed to some alternatives presented. Students are strongly opposed to elimination of any student-initiated academic preparation programs supporting students from historically underrepresented communities. Regarding nonresident enrollment, any increase in the percentage of nonresident students as a means of increasing revenue would jeopardize diversity at UC campuses. Raising the cap on nonresident students could also displace many California students. Ms. Salceda emphasized that UC's mission is to educate Californians.

Ms. Salceda stated that differential tuition would establish a hierarchy among campuses or among departments. Imposing differential tuition would also lessen diversity, because it would disproportionately affect students who are already underrepresented in certain fields, such as the sciences. Ms. Salceda reported UCSA's position that student financial aid should be tied to secure funding, and must keep pace with tuition increases.

Ms. Salceda reported that students want to work with the Board, faculty, UC staff employees, and families to support the University.

President Yudof asked what UCSA would do to support Proposition 30, which would be crucial to University funding. Ms. Salceda responded that UCSA is sponsoring campaigns to register voters on each campus and to educate students about Proposition 30.

Regent Lozano expressed the Board's support for the work of UCSA. She asked how UCSA would identify elements that would be incorporated in the legislators' report card. Ms. Salceda responded that criteria for the report card were still being developed, but that the general idea would be to identify legislators whose rhetoric supports education, but whose voting records do not.

Regarding UCSA's work to support passage of Proposition 30, Regent Stein noted that UCSA's voter registration drive was very successful in 2008 and has a goal of registering 40,000 new student voters for the current election year. He also noted that the preliminary version of the report card for legislators was already a sophisticated tool.

Chairman Lansing added her support for the legislators' report card and UCSA's other advocacy efforts; she encouraged Ms. Salceda seek the Regents' assistance.

The meeting adjourned at 9:50 a.m.

Attest:

Secretary and Chief of Staff