

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

January 20, 2016

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

Members present: Regents Davis, De La Peña, Elliott, Gorman, Gould, Island, Kieffer, Lansing, Lozano, Napolitano, Newsom, Ortiz Oakley, Oved, Pattiz, Pérez, Reiss, Ruiz, Sherman, Wachter, and Zettel

In attendance: Regents-designate Brody, Ramirez, and Schroeder, Faculty Representatives Chalfant and Hare, Secretary and Chief of Staff Shaw, General Counsel Robinson, Chief Compliance and Audit Officer Vacca, Provost Dorr, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President and Chief Operating Officer Nava, Executive Vice President Stobo, Senior Vice Presidents Henderson and Peacock, Vice Presidents Brown, Duckett, Humiston, and Sakaki, Chancellors Block, Blumenthal, Gillman, Hawgood, Katehi, Khosla, Leland, Wilcox, and Yang, and Recording Secretary McCarthy

The meeting convened at 8:35 a.m. with Chairman Lozano presiding.

1. PUBLIC COMMENT

Chairman Lozano 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. Julia Schemmer, first-year UC Riverside student, commented that, although the goal of enrolling 10,000 more California undergraduates is admirable, the Regents must consider the implications of increasing undergraduate enrollment on already overcrowded UC campuses. She stated that students have to sit on the floor in some classrooms for core subjects at UC Riverside and must attend classes for which they are wait-listed for two to five weeks without any guarantee of admission to the class.
- B. Mr. Mohsin Mirza, chair of the UC Student Association's (UCSA's) undergraduate committee, expressed support for the proposal to establish a Student Advisor position to the Board of Regents and the demands of the Black Student Union. While he expressed support for expanding UC enrollment, he emphasized that students must be given the tools needed to succeed at UC. Campus counseling and psychological services centers already do not meet student demand, classrooms are overcrowded, and students struggle to find affordable housing. A strategic plan is needed to address these issues.

- C. Ms. Danielle Bermudez, third-year UC Merced graduate student, and chair of UCSA's graduate professional committee, expressed support for the proposal to create a Student Advisor position and for surveying graduate students to collect data about diversity. She expressed concern about graduate students' mental health, lack of access to appropriate housing and campus food pantries, and lack of representation in faculty governance.
- D. Ms. Krystl Fabella, fourth-year student and vice president of external affairs for the Associated Students of UC San Diego, commented that current UC students face food insecurity and lack of affordable housing, while the University plans to enroll 5,000 more students in the upcoming academic year. Issues that affect the quality of a UC education, such as class size, infrastructure capacity, and overworked teaching assistants, must be considered.
- E. Mr. Yoel Haile, master's degree student at the Goldman School of Public Policy at UC Berkeley and political director of the Afrikan Black Coalition (Coalition), stated that the Coalition had convinced UC to divest from private prison companies. He urged divestment from Wells Fargo Bank because it provides lines of credit to private prisons and is discriminatory in its lending practices.
- F. Ms. Amanda Reyes, UC Santa Cruz doctoral student, expressed her dissatisfaction as a survivor of a sexual assault with UC's Sexual Violence and Sexual Harassment policy that took effect January 1. She stated that the mandatory reporting requirements of the policy would discourage survivors from reporting sexual assaults and the ability of Title IX officers to pursue a formal investigation without the consent of the survivor could be dangerous for survivors. She urged the Regents to review the policy.
- G. Ms. Leila Beckwith, UCLA professor emerita and co-founder of AMCHA Initiative, commented that, compared with other campuses, UC campuses had disproportionate numbers of anti-Semitic incidents as tracked by AMCHA. She expressed appreciation to the Regents for confronting this problem.
- H. Ms. Tammi Rossman-Benjamin, UC faculty member and co-founder of AMCHA Initiative, commented that anti-Jewish statements posted on Facebook by a UCLA student and employee were deeply troubling. She expressed her view that anti-Semitic incidents were escalating on UC campuses and lent urgency to the University's adopting an accurate definition of anti-Semitism. She expressed appreciation for the Regents' taking this issue seriously.
- I. Mr. Jason Rabinowitz, secretary/treasurer of Teamsters Local 2010, expressed appreciation for progress made on the UC budget, but pointed out that increased State funding had not made up for massive cuts to higher education of recent years. The Teamsters would continue to partner with the University in lobbying the Legislature and Governor for adequate funding. However, UC's workers need to be compensated fairly. A healthy defined benefit plan is critical to reward

service at UC, encourage longevity, and provide a secure retirement to the lowest-paid UC workers. The new tier proposed by the 2016 Retirement Options Task Force would be a bad solution for a problem that does not exist, since the defined benefit plan was currently healthy. The proposed new tier would provide substantially lower benefits at a higher cost to the University and would harm the defined benefit plan by reducing contributions to pay down its unfunded liability, thus increasing the normal cost of the defined benefit plan in the future. The Teamsters support measures that would improve the health of the defined benefit plan.

- J. Mr. Michael Erazo, UC Berkeley alumnus and staff member, and chief steward with Teamsters Local 2010, cited the financial struggles of many UC employees because of increased pension contributions and declines in real income. Mr. Erazo said that he and the Teamsters would continue to support the University in its efforts to secure adequate State funding.
- K. Ms. Caroline Nguyen, UC Irvine student, commented about campus infrastructure and the provision of student mental health services. As a result of lack of State support for capital projects, there is insufficient space for student mental health services at UC Irvine and some other UC campuses. Ms. Nguyen urged the Regents to allocate space for student mental health services and to advocate for the issuance of State bonds to support development of higher education facilities.
- L. Ms. Noa Raman, an American-Israeli Jew and Pacific Northwest campus coordinator with StandWithUs, said she had witnessed the effects of anti-Semitism on UC campuses through her work with students. She urged the Regents to adopt the U. S. State Department definition of anti-Semitism.
- M. Mr. Tom Green, head lecturer at UC Berkeley's Principal Leadership Institute (PLI), said he represented faculty, staff, and alumni of the PLIs at UC Berkeley and UCLA. He commented that an important source of PLI funding for the past 16 years had been generated by Assembly Bill 2, implemented in 1999 to support the Governor's PLIs and Teaching Scholars Program. However PLI has been informed by the UC Office of the President that \$3 million of its funding on eight UC campuses was unrestricted and would be reallocated to other programs for the 2016-17 academic year. For the UC Berkeley and UCLA PLIs the funding cut would represent 35 percent and 25 percent respectively of the programs' budgets, and would result in significant reductions in program and scholarships to support a diverse student population. To make such cuts in a time of increasing shortages of educators would not be in the best interest of California. Mr. Green urged the Regents to maintain the current level of funding for PLI programs.
- N. Mr. Saumi Shokraee, of the UC Berkeley chapter of the California Public Interest Research Group (CALPIRG), reported that the prior semester CALPIRG campaigned to have the California Public Utilities Commission (CPUC) reject a utility company proposal that would weaken the state's strong solar energy

policies; the CPUC has since announced that it would maintain net metering and solar incentives. Other CALPIRG campaigns included educating students about food insecurity and running food drives and fundraisers to support UC campus food banks. CALPIRG would continue to work with UCSA on UC campuses to register student voters. CALPIRG supports establishment of a Student Advisor to the Board of Regents position.

- O. Mr. William Morrow, UC Berkeley Associated Students of UC (ASUC) senator, expressed support for the establishment of a Student Advisor to the Board of Regents position to give students increased input, since their tuition supports the University to an increasing degree.
- P. Mr. André Luu, UC Berkeley ASUC senator, expressed support for the establishment of a Student Advisor position to ensure representation of undergraduate, graduate, and professional students and further the success of UC systemwide projects.
- Q. Ms. Alicia Lau, UC Berkeley ASUC senator, spoke on behalf of the proposal to establish a Student Advisor position. A Student Advisor could help the Regents address issues of concern to UC students, such as increases in tuition and housing costs, and the effects of increased enrollment.
- R. Ms. Bianca Graves, UC Santa Barbara first-year student, spoke in support of UC's divesting from private prisons, which she said institutionalize racism. She advocated divestment from Wells Fargo, which she said issues lines of credit to private prisons and practices discriminatory lending practices in minority communities.
- S. Ms. Edan Tessema, UC student, urged the Regents to divest from Wells Fargo because of its lending to private prison companies.
- T. Mr. Jordan Mitchell, UC Santa Barbara student, commented that UC should not support incarceration of Black people, while trying to increase diversity on its campuses.
- U. Ms. Nia Mitchell, UC Santa Barbara student, stated that UC's investment in Wells Fargo was morally reprehensible and disrespectful to its Black students. She urged the University to divest from Wells Fargo.

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

Chairman Lozano thanked Regents Gould and Pérez for their participation with the Association of Governing Boards, and recognized Regent Lansing for her appointment by the American Academy of Arts and Sciences to the Commission on the Future of Undergraduate Education. A highlight of the current Board meeting would be presentation of the UC Annual Report on Sustainable Practices, so relevant to

Californians' everyday lives and future. As part of the UC initiative to achieve systemwide carbon neutrality by 2025, 50 UC researchers in various disciplines at all UC campuses came together to share their research in order to develop scalable climate change solutions. Their results were unveiled first at the UC Summit on Carbon and Climate Neutrality and more recently at the 2015 Paris Climate Conference, where President Napolitano and Chief Investment Officer Bachher joined with Bill Gates to announce the Breakthrough Energy Coalition, with UC as its only academic institutional investor. The Regents would also hear about the record-setting number of undergraduate applications for fall 2016, demonstrating that UC's plan to increase enrollment of California students by 10,000 over the next three years was on track. Chairman Lozano commented that, in response to input from the Regents and President Napolitano, the best organizational structure for the Board of Regents in line with best practices in board governance was being evaluated.

Chairman Lozano acknowledged the service of Regents Ruiz and Wachter who were participating in their last meeting as Regents, and expressed her personal appreciation for their extraordinary service to the University. She also thanked Speaker Atkins, whose term as a Regent would be ending in March.

3. **RESOLUTION IN APPRECIATION – PAUL D. WACHTER**

Upon motion of Regent Sherman, duly seconded, the following resolution was adopted:

WHEREAS, as he prepares to lay down the mantle of Regent, the members of the Board of Regents of the University of California wish to express their deep and abiding gratitude to their esteemed colleague, Paul D. Wachter, for his many contributions to the University and the people of California, having served as a member of this Board since 2004, giving richly of himself to the lasting benefit of this august and grateful institution; and

WHEREAS, he has brought considerable business acumen as a financial, strategic, and asset management advisor, devoting countless hours to an unprecedented decade of what has been hailed as transformative leadership as Chair of the Board's Committee on Investments, a role in which he has been responsible for a revitalized portfolio that has seen strong returns on the University's investments from the start, the creation of an innovative venture fund to leverage the amazing research, technology, and business ideas that emanate daily from this great institution, and the formation of a new investment team to oversee the many strategic advances begun under his watchful leadership; and

WHEREAS, as a member of the Committees on Finance, Governance, Compensation, Long Range Planning, and Oversight of the Department of Energy Laboratories, he has earned the lasting respect and esteem of his fellow Regents for his incisive commentary on a broad range of Regental deliberations, his generosity in sharing his professional expertise to ensure the University's financial health and stability, and his steadfast devotion to the University's historic mission of teaching, research, and public service; and

WHEREAS, he can well and truly be termed a public-spirited civic leader – one who deeply cares about the young people of California – as manifested by his faithful and active service on the Board of Directors of the Special Olympics Southern California, and as Chairman of the Board of the inner-city After-School All-Stars national organization, among other worthy causes; and

WHEREAS, in recognition of his devoted service as a member of the Board of Regents of the University of California, and in the hope that he will continue as an active and vital participant in the life of the University, the Regents do hereby confer upon Paul D. Wachter the title, Regent Emeritus;

NOW, THEREFORE BE IT RESOLVED that the Regents extend to Paul Wachter their admiration and gratitude for his vigorous and farsighted efforts on behalf of the University, which saw it through one of the greatest financial crises the University has weathered since the Great Depression, and their abiding respect for his always sterling service as a highly respected and vital member of this Board;

AND BE IT FURTHER RESOLVED that the Regents extend to Paul and Liza Wachter their affectionate good wishes for the future and direct that a suitably inscribed copy of this resolution be presented to Paul as an expression of the Board's best wishes and lasting friendship.

Chairman Lozano thanked Regent Wachter for his many years of service as Chair of the Committee on Investments, an invaluable contribution to the stewardship of the University and its ability to fulfill its promise.

4. **REMARKS OF THE PRESIDENT OF THE UNIVERSITY**

President Napolitano reported that the University's plan to increase enrollment of California students was proceeding apace. The number of both freshman and transfer applications had increased and the admissions process was well underway. President Napolitano has listened carefully to UC chancellors, faculty, staff, and students about the challenge to sustaining UC's academic excellence accompanying this endeavor. To this end, UC was hiring faculty members, evaluating programs, and undertaking new initiatives to support its academic mission.

President Napolitano addressed concern about affordable student housing, a top concern of UC Student Association leadership and one related to enrollment growth. Many UC campuses are located in some of the most expensive real estate markets in California. In response to this concern, President Napolitano announced the President's Student Housing Initiative to be led by Executive Vice President and Chief Financial Officer (CFO) Brostrom, with the initial goal of adding by the 2020-21 academic year at least 14,000 student beds consisting of undergraduate and graduate housing, and apartments open to all students. The University would do everything possible to accelerate this timetable, including speeding the completion of housing already under construction and currently on the drawing board. The Initiative would spur new housing construction and

acquisition. An internal development team based at the Office of the President would directly support UC campuses' development of housing, including streamlining necessary processes. As currently contemplated, much of the financing would be external; the Office of the CFO would collaborate with the Office of the Chief Investment Officer (CIO) to facilitate additional funding alternatives with interested third parties. In the months to come Mr. Brostrom and team members from the CFO and CIO offices would visit all ten UC campuses to better understand their specific housing needs and any barriers to development such as debt capacity or siting issues. A key priority would be to ensure that this housing would remain affordable to UC students.

At this meeting the Regents would consider engaging three new UC leaders, including a new Director for Lawrence Berkeley National Laboratory, and new Chief Executive Officers (CEOs) for the UC San Diego and UC Irvine Medical Centers. Two weeks prior, a new CEO for the UCLA Medical Center had been approved by interim action. Each of these leaders would play a key role in elevating the University to new heights. Also, during the past month two additional leaders had joined the University to enhance its research activities. In December, the creation of a new venture fund to invest in innovation opportunities emerging from the University had been announced. The Office of the CIO would be an anchor investor, having committed \$250 million to the fund. The prior week, the University launched a new \$4 million UC Cures for Alzheimer's Disease Initiative based at UC San Diego. Both the Alzheimer's Initiative and the Global Brain Health Institute at UCSF were recent examples of UC's leadership in understanding and ultimately conquering devastating neurological diseases. The prior month, Paul Alivisatos, current director of Lawrence Berkeley National Laboratory, was awarded the National Medal of Science. UC Santa Barbara Professor of materials and electrical and computer engineering Arthur Gossard, and UC Berkeley Professor of electrical engineering Chenming Hu were awarded the National Medal of Technology and Innovation, the nation's highest honor for achievement and leadership in the fields of science and technology.

UC ingenuity can be found in its efforts to combat climate change and to achieve carbon neutrality by 2025, including the report "Bending the Curve" developed by UC researchers this past fall and in the University's decision to join Bill Gates as the sole institutional investor in his Breakthrough Energy Coalition. UC's Global Food Initiative has created fellowships for more than 100 UC students working on projects ranging from community gardens to food waste, and sparked a national dialogue on food through robust social media channels, and a video series partnership called "California Matters" with Mark Bittman. The President and several other UC representatives recently traveled to Cuba to assess UCs existing research partnerships there and the possibility of expanding them. UC's Innovation and Entrepreneurship Initiative is creating an unprecedented competitive environment at UC for solutions to society's challenges, by identifying and supporting faculty members who were finding new ways to solve these challenges, such as the 2016 winners of the President's Research Catalyst Awards. New competitions included Prime UC, at which 20 promising life sciences startups, out of more than 260 entries from across UC, impressed an enthusiastic audience of supporters and potential investors. The winner was the startup Spinal Singularity, founded by

UCLA's Anderson School of Business recent graduate and retired Marine Corps Captain Derek Herrera, who was paralyzed from the chest down by a sniper's bullet while serving in Afghanistan. Spinal Singularity could revolutionize the use of catheters and has the potential to greatly improve the quality of life for people with spinal cord injuries.

President Napolitano updated the Regents on progress of the President's Task Force on Preventing and Responding to Sexual Violence and Sexual Assault. Two weeks prior, the University implemented procedures for investigating, adjudicating, and imposing sanctions in student cases of sexual violence and sexual harassment. These new procedures assign specific authority, roles, and responsibilities to designated UC offices to ensure consistency across the University. They set projected timeframes for responding to complaints promptly and effectively, and outline a fair, trauma-informed process in which both a student filing a complaint and a student responding to a complaint can be heard, offer witnesses and evidence, and appeal. These procedures represent an important next step in the University's development and implementation of a comprehensive approach to address sexual violence and sexual harassment on UC campuses, in a way that increases transparency and consistency systemwide. Critically, these procedures would help foster a culture of respect and safety among all members of the UC community. President Napolitano expressed great confidence in the UC team working on these issues and the milestones it has accomplished in this continuing effort.

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

Faculty Representative Hare addressed issues related to plans to increase undergraduate enrollment. From a faculty perspective, a tension exists between the quality of a UC education the University's capacity to enroll more students. Senate faculty welcomed progress on the budget, but were acutely aware that budget problems were far from solved regarding enrollment. UC had taken up the challenge to enroll 5,000 additional California undergraduate students in the coming fall and 2,500 additional undergraduates in each of the following two years. The addition of these 10,000 students would be equivalent to adding one-half of an entire UC campus in just three years, and would require a half-campus' worth of faculty, staff, auxiliary services, student advisors, health services and campus safety staff. Existing UC staff were already stretched very thin, with some working many more hours than they were paid to provide services to UC's currently enrolled students.

Mr. Hare commented that his biggest concern in view of plans to increase enrollment was the capacity of UC's physical infrastructure, including classrooms, faculty offices, laboratory space sufficient to compete for federal funding to support research, power, heating and cooling, water, waste water treatment, and solid waste disposal. Mr. Hare emphasized the importance of finding sufficient space for teaching laboratory sessions for students, particularly in the fields of science, technology, engineering, and mathematics (STEM), the availability of which already limits the possible size of classes even with current enrollment. Simply eliminating teaching laboratory sessions would result in UC graduates' gaining less practical experience and becoming less competitive in the job market. Teaching laboratories contribute substantially to the quality of a UC

education in the STEM fields. Many improvements in efficiency have already been implemented and so are not available to be used again to accommodate this additional growth.

Mr. Hare commented that, while faculty support the goal of providing more California students an opportunity to gain a UC education, enrolling 10,000 new students in a short amount of time would require the support necessary to provide these students a high-quality education. He encouraged the Regents to consider the necessary reinvestments in the University that need to be made in order to maintain, if not restore, the quality of a UC education.

The meeting adjourned at 9:35 a.m.

Attest:

Secretary and Chief of Staff