

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

November 15, 2017

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

Members present: Regents Anguiano, De La Peña, Elliott, Guber, Kieffer, Lansing, Lemus, Makarechian, Mancina, Monge, Napolitano, Newsom, Ortiz Oakley, Park, Pérez, Sherman, Tauscher, and Torlakson

In attendance: Regents-designate Anderson, Graves, and Morimoto, Faculty Representatives May and White, Secretary and Chief of Staff Shaw, General Counsel Robinson, Chief Compliance and Audit Officer Bustamante, Provost Brown, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President and Chief Operating Officer Nava, Executive Vice President Stobo, Interim Senior Vice President Holmes, Vice Presidents Andriola, Brown, Budil, Duckett, and Holmes-Sullivan, Chancellors Block, Blumenthal, Christ, Gillman, Hawgood, Khosla, Leland, May, Wilcox, and Yang, and Recording Secretary McCarthy

The meeting convened at 8:40 a.m. with Chair Kieffer presiding.

1. PUBLIC COMMENT

Chair Kieffer explained that the public comment period permitted members of the public an opportunity to address University-related matters. The following persons addressed the Board concerning the items noted.

- A. Ms. Idalys Perez, second-year UC Berkeley student speaking on behalf of the Associated Students of the University of California (ASUC), stated that, in response to U.S. Secretary of Education DeVos' efforts to repeal Title IX, President Napolitano had reaffirmed UC's commitment to a zero-tolerance policy regarding sexual assault and sexual violence. Ms. Perez stated that Regent Pattiz had faced allegations of sexual harassment at his business and should be held accountable. She demanded the resignation of Regent Pattiz.
- B. Ms. Kylie Murdock, UC Berkeley student, member of the legislative department of the ASUC, and peer educator for Greeks against Sexual Assault, cited President Napolitano's reaffirmation of UC's protection of UC's students and employees from sexual violence and sexual harassment. She urged the Regents to hold Regent Pattiz accountable for his actions and dismiss him from the Board of Regents.
- C. Ms. Rizza Estacio, UC Berkeley student and ASUC Senator, stated that allowing Regent Pattiz to continue as a Regent sends the message to the entire UC community that sexual harassment is a minor offense.

- D. Ms. Nuha Khalfay, UC Berkeley student and ASUC Senator, stated that UC students would continue to press for Regent Pattiz' resignation or removal as a Regent. She urged the Regents to hold Regent Pattiz accountable.
- E. Ms. Andrea Hesse, UC Santa Cruz staff member, alumna, volunteer, and donor, said she has had a relationship with that campus for almost 40 years. She had spoken over the past three years during public comment at Regents' meetings regarding the challenges facing UC Santa Cruz staff. On July 24, some UCSC staff sent a memo to President Napolitano recapping these concerns and requesting feedback, but they had received no response. Ms. Hesse offered that memo to the Regents. She expressed the belief that professional staff are foundational to every aspect of the UC enterprise and the continued erosion of staff professional efficacy creates serious risk to UC.
- F. Ms. Zoe Broussard, UC Irvine student, external vice president of the Associated Students – University of California Irvine (ASUCI), and chair of University affairs of the UC Student Association (UCSA), stated that UCSA would advocate in the current year for improved resources for disabled students. Meeting the minimum legal guidelines for buildings does not ensure that disabled students have the assistance they need. She said consultation with disability resource center staff should be mandatory in the development of new buildings.
- G. Ms. Rubyd Olvera, UC Riverside student and member of the UC Undocumented Student Coalition, asked the Regents to: continue to advocate for the Deferred Action for Childhood Arrivals (DACA) program; support undocumented students; find ways within existing law to provide student internships and stipends regardless of immigration status; support AB 1037; provide space and permanent funding for undocumented student resource centers; and provide funding for all undergraduate and graduate students affected by the pending rescission of DACA.
- H. Ms. Rebecca Grady, UC Irvine Ph.D. student, asked the Regents to oppose the proposed federal tax bill, which she said would devastate higher education. One of the bill's proposed provisions would tax tuition waivers received by Ph.D. students as part of being a teaching or research assistant. This change would increase a typical out-of-state first-year teaching assistant's taxes by more than 400 percent, reducing their income to less than \$14,000. She asked the Regents to lobby against the tax bill and to consider changes to the way in which graduate students are paid.
- I. Ms. Lynne Sheehan, UC Santa Cruz information technology (IT) staff member with 30 years of experience, stated that the recent proposal by the Office of the President to further erode retirement benefits was one of many attacks facing staff at UC. Unrepresented staff are being squeezed, with wage increases that barely keep up with the cost of living.
- J. Mr. Robert Kerner, UC Davis IT manager, thanked President Napolitano and Vice President Duckett for advocating for system administrators. He expressed his view

that union representation should be a choice for staff and not mandatory. Mr. Kerner also said the Governor should fill the two vacancies on the five-member Public Employee Relations Board. He expressed support for the concerns expressed at this public comment session by UC Santa Cruz staff.

- K. Ms. Desiree Mathos, UC Irvine Medical Center neo-natal intensive care unit (NICU) nurse, said that the University was being shortsighted and irresponsible to reduce staff levels in the NICU where extremely sick babies are treated. She expressed opposition to the proposal to reduce retiree health benefits.
- L. Mr. Travis Wallace, UC San Diego registered nurse (RN), member of the California Nurses Association (CNA), and nurses' representative, stated that nurses are very upset about the University's proposals to eliminate several important protections and basic rights in the CNA contract. The proposal would reinstate mandatory overtime, eliminate management's obligation to post nurses' schedules 14 days in advance, and allow management to cancel shifts of staff RNs before contract workers or travel nurses, jeopardizing staff RNs' incomes. The proposal to eliminate protections from shift rotation from days to nights would be dangerous for nurses and patients.
- M. Ms. Natalia Cardenas, UCLA Medical Center RN, said she was a member of the float and resource team, a group of per diem nurses able to work in multiple units to cover for nurses who are sick or on vacation. These nurses are trained, flexible, and readily available, and covered 55,000 shifts in 2016. Ms. Cardenas stated that UC's proposal to eliminate all contractual rights for per diem nurses, such as union representation, would put both patients and staff at risk. Nurses need to be able to advocate for their patients free of fear.
- N. Ms. Cyrena Escobar, UC Davis four-year RN and CNA member, commented on proposed reductions to the current pension structure. She stated that, as a younger nurse who planned to work in the UC system long-term, this proposal was devastating and confusing. Many nurses are drawn to work at UC because of the pension benefits, even though they could earn higher salaries at some other facilities in the area.
- O. Ms. Melody Haworth, UCSF RN, commented that the Parnassus campus buildings were not completely climate-controlled. During the most recent heatwave, temperatures of 95 degrees were recorded on the floor of her transplant unit. She stated that high temperatures in the hospital were not a unique occurrence, but happened whenever temperatures in San Francisco were above 85 degrees. She expressed her view that this condition was embarrassing for the best-rated hospital in California and fifth-rated in the nation. She asked the Regents to address this problem.
- P. Mr. Rigel Robinson, UC Berkeley student and ASUC external affairs vice president, expressed concern about possible tuition increases and reduced

accessibility. He urged the Regents to negotiate with the Governor to arrive at a budget that would not require a tuition increase.

- Q. Ms. Sarah Abdeshahian, UC Berkeley student and communications director for student Regent Monge, expressed her view that there was a lack of communication between UC students and the Regents. She stated that UCSA and Regent Monge created a Regents report card that would grade Regents on accountability and their voting record.
- R. Mr. Maxwell Bessard, second-year UC Berkeley student and California Student Public Interest Research Group, Inc. (CALPIRG) intern, stated that in the current year CALPIRG would focus on advocacy for clean energy. To address climate change, UC should aim for 100 percent renewable energy. CALPIRG supports SB 100. He urged the Regents to support these efforts.
- S. Ms. Elizabeth Nickerson, second-year UC Berkeley student and CALPIRG hunger and homelessness campaign intern, stated that CALPIRG supported higher education affordability and would work to expand Pell Grants. She noted the high proportion of Pell Grant recipients who receive an education at UC. CALPIRG also would advocate for free online textbooks and to stop the use of access codes for course materials.
- T. A student and member of CALPIRG reported on the breadth of student support for CALPIRG's clean energy initiative.
- U. Another student and member of CALPIRG expressed appreciation for the Regents' support of UC's progress toward carbon neutrality. CALPIRG also advocated that the State use 100 percent clean energy. She noted student support for SB 100 and asked the Regents for their support.
- V. Mr. Scott Wengel, former UCLA contract employee, said he had been one of a group of UCLA parking valet contract employees let go to reduce costs. He had been told that students would be hired in these jobs, but in fact other outside contract workers were hired. Mr. Wengel stated that he had worked hard and enjoyed his job and would like to have his job back. He urged the Regents to support the rehiring of the former valet parking workers, who he said had done good work for UCLA.
- W. Mr. Randy Johnson, recently retired employee at UCSF Medical Center, urged the Regents to stop proposed cuts to retiree health benefits. He noted that hospital employees' jobs are often physically demanding, making it difficult to work to age 65. These employees could earn higher salaries at other hospitals. The lowest paid hospital workers would not be able to absorb the proposed increase in retiree health care costs. Mr. Johnson noted the large compensation paid to senior executives and UC's top-heavy management.

- X. Ms. Kathryn Lybarger, UC Berkeley gardener and president of American Federation of State, County and Municipal Employees Local 3299, stated that UC had a problem reflected in tuition increases, bloated bureaucracy, oversized executive pay, untimely raises for chancellors, painful benefit cuts for retirees, and the abuse of contract workers. She said these represent the consistent failure to reign in abuses of UC's top ranks at the expense of the University's most vulnerable, its students and workers. Ms. Lybarger also cited large pay packages for dismissed chancellors, undisclosed funds in the Office of the President, public relations campaigns about a minimum wage policy that was not enforced, and expensive payroll systems. She stated that UC has drifted from its core mission. UC should reject wasteful spending and build pathways to the middle class. Too many UC employees and students face problems with housing, hunger, and health care, an unacceptable state of affairs.
- Y. Ms. Dana Alpert, third-year UC Berkeley student speaking on behalf of ASUC, commented on the prevalence of anxiety and depression among young adults, especially college students. She recalled that in a 2016 UCSA survey of UC students on nine UC campuses about mental health care accessibility, diversity of providers, and outreach to students, the average grade was a "C." As a resident advisor, she experienced students' being unable to schedule an appointment with a mental health provider for three weeks. She urged the Regents to visit UC campuses and allocate more funds toward mental health outreach services.
- Z. Ms. Nina Jhunjhnuwala, UC Berkeley student and ASUC Senator, said that Fossil Free California challenged the Regents to think critically about UC investments in the fossil fuel industry. She urged divestment of holdings in oil and gas drilling and refining companies. While she appreciated Regent Sherman's acknowledgment that the UC portfolios would have to be positioned for the transition to low-carbon energy, she urged UC to invest in 100 percent renewable energy and to commit to having UC campuses use 100 percent renewable energy.
- AA. Ms. Uthara Vengrai, UC Berkeley student, stated that while UC students are taught about climate change and how it will affect people around the world, UC still remains invested in fossil fuel companies. While the University is working hard to become carbon neutral by 2025, it would not be truly carbon neutral with holdings in fossil fuel companies. In addition to being a moral imperative, divesting fossil fuel holdings and investing in renewable energy would also be financially wise.
- BB. Ms. Adia Tajima, UC Berkeley student, noted the financial troubles of a small fossil fuel company with offshore oil platforms near UC Santa Barbara. She stated that as the fossil fuel industry fades, the UC endowment's holdings in that sector would lose value. She urged divestment for political, moral, and financial reasons. With its large endowment, UC can use the influence of its investments to fight climate change.

CC. Mr. Quinton Silket, speaking on behalf of UNITE HERE Local 11, the hospitality and restaurant workers' union, expressed support for UC Berkeley students and UC nurses. He questioned UC's using PricewaterhouseCoopers as an auditor, because of its pricing, and questions about its objectivity and integrity on a regulatory job in New York.

2. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of September 13, 2017 were approved.

3. **REMARKS OF THE CHAIR OF THE BOARD**

Chair Kieffer commented that the Regents have a policy regarding allegations of Regents' misconduct.

Chair Kieffer mentioned his recent excellent visit to UC Santa Cruz. He thanked Faculty Representative White for his invitation to a meeting of the Academic Senate, which resulted in fruitful discussions. Chair Kieffer also visited UCSA in October, as did Regent Pérez in November and as would Regent Anguiano in December. He noted the importance of Regents' meeting with UCSA and visiting UC campuses. While UCSA's Regents report card might not cover all aspects of the Regents' responsibilities, it nonetheless reflected the students' perspective, which was important for the Regents to hear.

Chair Kieffer drew attention to an item on the agenda for the following day, the report by the Public Policy Institute of California on the status of higher education in California. This would begin a renewal of the Regents' examination of long-term issues facing the University and the state, the cost of education, and allocation of responsibility for meeting the goals of higher education. Through the Academic Senate, UC should examine its own curriculum to ensure it met the career needs of its students. Other related long-term issues would be considered at future meetings. UC, the other segments of public higher education, private universities, and trade schools need to show leadership on these issues.

Regent Pérez asked how a Regent should request that an item be placed on the agenda of a Board meeting. He also asked, given the policy the Regents adopted in the past year, about the process by which Regents would review suggestions of Regents' misconduct. General Counsel Robinson stated that any Regent could request that an item be placed on the agenda. That request would be directed to the Chair of the Board or the Chair of the relevant committee. The Chair would have some discretion about scheduling the item, but the item must be scheduled in such a way that it would be meaningfully heard. Regent Pérez asked about the procedure if the requesting Regent were not satisfied with the timing, if there was an appeal process or an opportunity to debate whether the item should be agendized. Mr. Robinson said that procedure was not specified in the governing documents, but typically such issues would be referred to the Governance and Compensation Committee.

With respect to review of suggestions of Regents' misconduct, Mr. Robinson stated that Regents Policy 1112: Policy on Review of Allegations of Board Member Misconduct provided a two-step process of a preliminary investigation conducted by the Office of the General Counsel (OGC), followed if necessary by a formal investigation. Some determination would be made by OGC whether or not conclusions could be reached using the reasonable investigative techniques available to OGC and a three-person Regents' committee would work with the General Counsel with respect to any preliminary findings or the subsequent, formal investigation. Chair Kieffer added that the General Counsel would make a recommendation based on an initial review of the cost involved in resolving an allegation and consideration of whether other processes were ongoing, such as a lawsuit.

Regent Pérez asked if a preliminary investigation could be initiated and the full Board be unaware that that process had begun. Mr. Robinson said he could review the policy to see if it provided for a report to the full Board of an early-stage investigation. Chair Kieffer said the three-person Regents committee would communicate its findings to the rest of the Board at the appropriate point. Regent Pérez reiterated that during the earliest stages of an investigation by OGC the three-person Regents committee would be informed, but the full Board could be unaware of the allegation. Mr. Robinson stated that OGC would be required to make the allegation known to the three-person Regents committee.

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

President Napolitano recognized Regent Lozano for her remarkable service as Regent and as prior Chair of the Board. The President expressed deep appreciation for all Regent Lozano did as a Regent, particularly her efforts to expand opportunity for Californians who aspire to a UC education and to uphold the University's values of access and excellence.

November is application month at UC. The normal November 30 application deadline would be extended to December 15 for students affected by recent wildfires. Meanwhile, UC was reaching out to encourage qualified students to apply to UC and to apply for financial aid. Two weeks prior Regent Lozano and President Napolitano participated in an awards lunch celebrating parental engagement with educational institutions, and President Napolitano shared stories of first-generation UC students. She invited families to advocate with UC for the State resources needed to support continued enrollment growth and the needs of students, and for other collective actions to help shape federal and State policies that advance UC's missions.

President Napolitano reported that UC was actively advocating against aspects of the pending federal tax legislation, particularly as it would affect UC graduate students. She also encouraged families at outreach events to advocate along with UC for federal legislation that would protect its DACA students, as the University pursues legal remedies to the rescission of the DACA program. In addition to its federal lawsuit filed, UC joined other plaintiffs earlier in the current month in asking a federal judge to keep DACA in effect while legal motions proceed.

As part of the larger Achieve UC outreach, UC chancellors and senior staff were meeting with high school and community college students across the state this fall. The prior week, UC Riverside Chancellor Wilcox and President Napolitano travelled to Moreno Valley to speak with local high school and community college students about the value of a UC education. High school seniors received guidance on completing their admissions statements and applications; juniors received advice about high school course selection that would make them competitive applicants the following year. At Moreno Valley College, President Napolitano and Chancellor Wilcox visited with students in Umoja, an African-American student success program. Students learned about financial aid and UC's transfer pathways, designed to streamline the process of transfer from community colleges to UC campuses. The following week, President Napolitano and Chancellor Blumenthal would meet with students at Cabrillo College. The message was clear: if students work hard and meet admission requirements, there would be a place for them at UC and for most there would also be financial aid.

The UC-affiliated National Laboratories have played a central role for decades in achieving and maintaining UC's research excellence. At the current meeting, the Regents would be asked to authorize President Napolitano to advance the University's bid for the management and operating (M&O) contract for Los Alamos National Laboratory (LANL). President Napolitano expressed hope that UC's 74-year association with LANL would continue for many more years.

UC had also held the Lawrence Berkeley National Laboratory (LBNL) M&O contract since the early 1940s. The Regents would be asked to authorize President Napolitano to sign and execute a modified contract for LBNL negotiated by UC and the Department of Energy. The modification would reduce UC's overall risk exposure, provide greater autonomy for day-to-day operations, and improve performance accountability.

As a public service, UC would help address issues and questions related to the First Amendment and civic engagement in the nation. As the birthplace of the Free Speech Movement, UC was uniquely suited to lead a concerted exploration of the state of free speech on the nation's college campuses, students' relationships with the First Amendment, and what the future holds for engaging people in democracy. UC recently launched the National Center for Free Speech and Civic Engagement at UCDC, the University of California Washington Center. A key component of the Center would be a fellowship program that would draw from leading public policy thinkers, legal scholars, social scientists, journalists, and others of different backgrounds. President Napolitano expressed gratitude to Chancellor Gillman and Berkeley Law Dean Erwin Chemerinsky, co-authors of the new book "Free Speech on Campus," for co-chairing the Center's advisory board.

5. REMARKS OF THE CHAIR OF THE ACADEMIC SENATE

Faculty Representative White stated that for its undergraduate students, UC's being one of the finest public research universities means that students and faculty work together toward a common pursuit of knowledge. Students learn to think, to create, to generate new knowledge, and to learn tools that will let them adapt and flourish as societal needs change. Academic freedom is paramount. The autonomy given to the Regents in the California Constitution of 1878 and the unprecedented grant of authority the Board assigned to the Academic Senate in 1920 are the institutional foundation for the growth and distinction of UC, allowing the University to take a long-term, steady view in response to challenges. In this highly politicized time, a narrow understanding of the University's role is a dangerous threat.

In a research university, students are surrounded by those who create the state of the art across all disciplines. Students learn to confront new knowledge that may conflict with their prior beliefs. Outside the classroom, students learn to live and work together across all divisions. UC's applicants understand the difference between UC and the other segments of California public higher education, and are prepared to make the additional personal and financial commitment to attend UC. UC's low-income students succeed in the California workforce, earning more on average within five years of graduation than their parents' combined incomes. By all measures, the University of California is the greatest engine of social mobility in the state and the nation.

In keeping with its obligation under the Master Plan, UC had doubled its enrollment in the past 20 years and its number of applicants had tripled. The value of a UC research-based education has steadily risen. While its admissions had become more selective, UC had continued to serve the needs of the state. Over the past 20 years, UC's enrollment of first-generation students had more than doubled and enrollment of underrepresented minority students had more than tripled.

UC faculty can do what the state and the Regents want, but should be allowed to do it the right way. Well-intended, but ill-founded edicts such as applying a 2:1 ratio of freshman to transfer students, not just systemwide as it had been, but on each campus, or mandating unequal campus caps on nonresident enrollment, hurt UC's least resourced campuses and their students, who are the most diverse in the system. Similarly, mandates to enlarge enrollment without adequate funding were not just misplaced, but destructive. Funding was needed for infrastructure and for the marginal cost of additional enrollment. A trusting partnership with the State was needed. All stakeholders must work together to address inequalities.

6. NOTABLE HONORS AND ACHIEVEMENTS

President Napolitano reported that for the first time the prior month, the U.S. Department of Education released data on outcomes for Pell Grant recipients, showing that UC was a leader in enrollment and graduation of low-income students. In the cohorts studied, 42 percent of all UC students were Pell Grant recipients, compared with 22 percent at other

public institution members of the Association of American Universities (AAU), and 81 percent of those UC students graduated within six years. No California State University campus or AAU school had both a higher percentage of Pell Grant enrollees and a higher Pell Grant graduation rate.

Each year MacArthur Fellowships, also known as the Genius Awards, are given to individuals who have demonstrated creativity, originality, and promise for future advances. Five 2017 MacArthur Fellows had ties to UC, including Professor Stefan Savage, a renowned cyber security expert and Professor of Computer Science at UC San Diego.

UC faculty members also made an impressive showing in a prestigious award for early career scholars announced the prior month. Nearly one-quarter of the 2017 Packard Fellowships for Science and Engineering went to faculty at UC Berkeley, UCLA, and UC Santa Cruz.

At UC Santa Barbara, Engineering Professor and Nobel Laureate Shuji Nakamura was awarded the 2017 Mountbatten Medal by the Institution of Engineering and Technology, recognizing his pioneering of blue light-emitting diodes as high-efficiency, low-power light sources.

President Napolitano expressed pride in UC's connection to Barry Barish, a UC Berkeley graduate and one of the winners of the 2017 Nobel Prize in Physics for his work on the Laser Interferometer Gravitational Wave Observatory, or LIGO, which in 2015 made the first direct observation of gravitational waves.

Two recent UC Berkeley graduates and a UCSF medical student won Fast Company's 2017 Innovation by Design Award for a low-cost medical device that diagnoses pneumonia. The prior month, UC was one of eight recipients nationwide of the Environmental Protection Agency's (EPA's) Excellence in Green Power Use Award. In recognizing UC's commitment to renewable energy, the EPA noted that UC purchases more than 128 million kilowatt hours of green power annually, supplying about 11 percent of its total electricity, or enough energy to power 10,000 average American homes each year.

In the *U.S. News and World Report's* 2018 Best Global Universities rankings, UC Berkeley was fourth in the world, four UC campuses were in the top 25, and all ten UC campuses were recognized.

The prior month, UC San Diego Scripps Institution of Oceanography Professor Emeritus Walter Munk celebrated his 100th birthday. Known as the "Einstein of the oceans," Professor Munk's scientific achievements helped build UC's foundation of excellence.

President Napolitano recognized the many members of the UC family who showed remarkable compassion and selflessness working to help those affected by recent natural disasters, including the devastating Northern California wildfires, Hurricane Harvey in Texas, and Hurricane Maria in Puerto Rico. These efforts included UCLA volunteers who

built digital maps to help aid workers in Puerto Rico, UC Berkeley students, staff, and alumni, who helped at evacuation centers for Sonoma County residents, and UC Davis student and faculty veterinarians who provided care and performed search and rescue missions for animals injured in the California wildfires. These were only the most recent examples of the public service that has defined the University of California since its inception.

The meeting adjourned at 10:05 a.m.

Attest:

Secretary and Chief of Staff