

The Regents of the University of California

PUBLIC ENGAGEMENT AND DEVELOPMENT COMMITTEE

January 25, 2017

The Public Engagement and Development Committee met on the above date at UCSF–Mission Bay Conference Center, San Francisco.

Members present: Regents Gould, Island, Kieffer, Lansing, Ortiz Oakley, Pattiz, Ramirez, Reiss, and Schroeder; Ex officio members Lozano and Napolitano; Advisory members Lemus, Mancina, and White; Chancellor Leland; Interim Chancellor Hexter; Staff Advisor Richmond

In attendance: Secretary and Chief of Staff Shaw, Provost Dorr, Executive Vice President and Chief Operating Officer Nava, Senior Vice Presidents Henderson and Peacock, Vice President Brown, Chancellors Blumenthal, Dirks, Hawgood, Khosla, and Wilcox, Deputy General Counsel Friedlander, and Recording Secretary McCarthy

The meeting convened at 1:20 p.m. with Committee Chair Kieffer presiding.

1. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of November 16, 2016 were approved.

2. **DISCUSSION OF PUBLIC ENGAGEMENT BY CAMPUSES AT FUTURE COMMITTEE MEETINGS**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Kieffer recalled that the purpose of this new Committee is to increase Regents' engagement in advocacy and development, to learn how the UC system and campuses engage in such efforts, and ways in which the Regents could help.

Senior Vice President Henderson discussed future campus presentations about ways the campuses engage with their local communities to identify both needs and opportunities to carry out their missions of education, research, and public service, and how campuses are communicating with their stakeholders as part of that process. The campus presentations could include areas such as campus interactions with local schools, public health issues, economic impact and innovation, and diversity. Senior Vice President Nelson added that the presentations would also include campus advocacy with federal, State, and local officials.

3. UPDATE ON UNIVERSITY OF CALIFORNIA-SPONSORED STATE LEGISLATION FOR 2017

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Senior Vice President Peacock advised that the State Legislature had assigned new members to legislative committees. In the State Senate, Holly Mitchell would be the new Budget Committee chair and Ben Allen would be the new Education Committee chair; in the Assembly, Lorena Gonzalez-Fletcher would be the new Appropriations Committee chair. Interim Associate Vice President Kieran Flaherty had already visited new members of the Legislature to familiarize them with UC's priorities. The following week, President Napolitano would attend a Sacramento reception welcoming legislators to the new session. A range of meetings with legislators was planned for the next day. Mr. Peacock displayed a schedule of upcoming key legislative dates. The Governor would submit his budget revision in mid-May and Mr. Peacock's office would lay the groundwork for UC's budget advocacy in the interim. He recalled that UC's Office of State Governmental Relations works to secure passage of UC's budget and University-sponsored legislation, collaborates with legislative sponsors of each bill introduced that would have an impact on the University to achieve a mutually beneficial outcome, and coordinates legislative advocacy with UC campuses and stakeholders.

Mr. Peacock reviewed the five bills UC would sponsor in 2017. First, a bill authorizing AB 540 expansion would allow students, including some undocumented students, typically those who attend UC or California State University as older students but who have a break in their high school education, to achieve AB 540 status and be eligible for the nonresident tuition waiver and financial aid. This proposed legislation would revise and simplify the requirements to allow for a maximum of two years at the California Community Colleges to help satisfy the three-year California school attendance requirement. The expansion would affect a small number of students, probably around 400 annually.

Second, UC would sponsor legislation for Best Value Construction Program Sunset Removal, which would allow UC to continue to use this method of lowest responsible bidder selection. This pilot program had been successful in allowing the University to consider factors other than just lowest bid in selecting contractors, such as contractor past performance and financial stability. Since the launch of the pilot program in 2011, UC had saved more than \$50 million. Third, UC would sponsor legislation that would extend domestic violence counselor privileges to UC's domestic violence counselors. UC's sexual assault counselors have this privilege, but its domestic violence counselors do not. This measure would ensure UC compliance with federal law and the Violence Against Women Act. Fourth, UC would sponsor renewal of the tax check-off for breast cancer and cancer research on State income tax forms. These tax check-offs generate more than \$2 million per year. Finally, UC would sponsor an extension of authorization for the Umbilical Cord Blood Collection Program, administered by the UC Davis Health

System, that ensures diversity in the National Cord Blood Program. The University was working to identify sponsors for these bills.

Regent Lansing commented that many Regents would be willing to assist lobbying efforts in Sacramento on these issues and for the Middle Class Scholarship Program. UC students would also be interested in advocacy. Mr. Peacock said his office was working on a full schedule of advocacy events.

Regent Ortiz Oakley suggested that UC's State and federal advocacy efforts be coordinated with the other segments of public higher education on issues of common concern. Expansion of AB 540 status is important to the California Community College system. Regent Ortiz Oakley asked if Mr. Peacock's office was fully staffed to accomplish its work in Sacramento. Mr. Peacock said his office was in the process of filling two open positions.

Regent Reiss asked about the process for reviewing legislation and developing a lobbying plan. Mr. Flaherty commented that, once a package of sponsored legislation has been identified, his office develops a plan of advocacy for each bill. The plans are coordinated with UC's stakeholders and other advocates.

Committee Chair Kieffer added that he planned to ask Committee members about their relationships with legislators in their regions and would encourage Regents to develop and expand these relationships.

Regent Reiss suggested establishing periodic meetings with the Chair of the Board, a small group of Regents, and the State legislative leadership. Chair Lozano stated that these efforts were underway. Regent Reiss added that UC chancellors should actively establish relationships with legislators in their area. Mr. Peacock affirmed that those efforts were also underway and would include meetings in Sacramento, in legislators' districts, and on UC campuses.

Regent Schroeder suggested including parents of UC students in advocacy efforts. Regent-designate Mancina commented that the Alumni Associations of the University of California were coordinating their advocacy with Mr. Peacock's office.

Regent Ramirez expressed appreciation for Mr. Peacock's communication with students about advocacy.

Chair Lozano asked how campus legislative priorities are coordinated with systemwide efforts. Mr. Peacock said that specific campus legislative needs are communicated to his office, so that all UC advocacy efforts can be coordinated.

Mr. Peacock added that his office would also pursue funding for items not contained in the Governor's budget, including funding for enrollment growth, graduate student support, and deferred maintenance. The Governor could choose to allocate one-time funding later in the negotiation process. Other UC priorities would be supported by the

University, but not be included in its official budget request. For example the Innovation and Entrepreneurship Initiative was funded with \$22 million by the Legislature in a separate bill in 2016.

4. **UPDATE ON FINAL ACTIONS OF THE 114TH CONGRESS AND THE TRUMP ADMINISTRATION TRANSITION**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Senior Vice President Peacock updated the Committee on activities of the Congress, which had passed a Continuing Resolution (CR) extending federal government funding through April 28, 2017. Funding for year-round Pell Grants was not included in the CR, despite bipartisan support. UC would continue to advocate for year-round Pell Grants in the 2017 and 2018 budgets. Mr. Peacock anticipated a significant debate about the budget cap and overall federal funding levels, which could have a significant effect on the University. One area of success was the passage of the 21st Century Cures Act, which authorized increased funding for cancer research. UC campuses would have the opportunity to compete for this funding.

Regent Lansing asked for clarification of the status of the 21st Century Cures Act funding. Mr. Peacock said funding for the Act was authorized for 2017. Associate Vice President Gary Falle added that the 2017 funding for the Act was approximately \$800 million. These funds were appropriated under a CR through April 28, 2017, after which time funds would have to be appropriated through the rest of the fiscal year.

Mr. Peacock noted that President Donald Trump's cabinet appointments were undergoing the confirmation process. Of roughly 680 presidential appointments that would require Senate confirmation, only 28 had been nominated to date.

Mr. Peacock highlighted upcoming key federal policy and funding issues. The University, in coordination with Executive Vice President Stobo's office and all UC medical centers, would advocate for its priorities to be included in any replacement of the Affordable Care Act. UC would work with the State administration and national groups to communicate its message on its key priorities around Medicaid expansion, maintenance of federal subsidies that help low-income individuals buy health insurance, and continuance of coverage for individuals with pre-existing conditions and those under 26 years old to be covered under their parents' policies. Mr. Falle added that UC was working with national associations with similar priorities for any replacement healthcare legislation. He emphasized the need for simultaneous replacement legislation, should the Affordable Care Act be repealed.

Committee Chair Kieffer asked about the legal foundation for positions the University may take, for instance on immigration, that may be in opposition to those of the new U.S. presidential administration. Mr. Peacock affirmed that all the University's positions would be well-researched and thoroughly grounded in law.

Regarding the federal budget, Mr. Peacock explained that, in the budget sequestration under the Budget Control Act of 2011, Congress cut defense and non-defense discretionary funding substantially. Since then, Congress had made agreements to increase federal spending and Democrats had required dollar-for-dollar increases in non-defense spending if defense spending was increased. A new agreement must be negotiated at the end of the current year. The new president indicated a desire to increase defense spending, but did not seem as supportive of non-defense discretionary spending upon which UC relies. UC would advocate that any agreement to increase defense discretionary spending would include increasing non-defense discretionary spending. This had been an ongoing debate and would be important in the coming year for the University. Without successful negotiations, non-defense discretionary spending could be reduced to its lowest level in 50 years, which could have a significant effect on the University. In response to a question from Committee Chair Kieffer, Mr. Peacock said Department of Energy funding was categorized as non-defense discretionary.

Mr. Peacock commented that UC had been clear on its position on immigration and Deferred Action for Childhood Arrivals (DACA), noting the importance of the associated work authorization to UC's DACA students. Regent Ortiz Oakley asked about the status of the Bar Removal of Individuals Who Dream and Grow our Economy (BRIDGE) Act introduced by U.S. Senators Lindsey Graham and Dick Durbin. Mr. Peacock said this bipartisan legislation, like DACA, which had been an order from the Department of Homeland Security, would provide temporary relief from deportation and grant work authorization to young undocumented individuals who were brought to the United States as children. Mr. Peacock expressed his view that the bill would fail with a Republican-controlled House of Representatives. He said the introduction of the bill was nonetheless important, as the DACA program had always enjoyed strong bipartisan support until affected by the rhetoric of the recent U.S. presidential campaign. Mr. Falle added that there had been some indications that deportation of DACA students may not be a high priority for some cabinet appointees.

Regent Reiss asked how the federal administration's threat to withdraw funding from sanctuary cities and reduce other federal revenue streams to California could affect the University. Committee Chair Kieffer said that could be a subject for a future meeting. In response to another question from Regent Reiss, Mr. Peacock commented that federal Medicaid funding was mandatory, while other spending may be discretionary. Issues about federal funding would require continuing analysis.

Committee Chair Kieffer asked if funding from an earlier State bond for stem cell research was coming up for renewal. Regent Lansing said that funding would expire in a few years at which point another bond could be put forward.

Mr. Peacock commented that the University would continue to advocate for the Higher Education Act Reauthorization, which would involve many aspects of student financial aid. This measure was not a U.S. presidential priority but had the support of relevant committee chairs.

5. **ANNUAL REPORT ON SUSTAINABLE PRACTICES 2016**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Executive Vice President and Chief Operating Officer Nava presented UC's *Annual Report on Sustainable Practices 2016* highlighting UC's ongoing progress toward its comprehensive sustainability program, including education, UC presidential initiatives, research, and engagement of students and faculty. The policy areas covered by the Presidential Policy on Green Building Design and Clean Energy had expanded significantly to include climate, food, zero waste, water, and transportation. The 13th annual Report also highlights notable achievements at UC medical centers and with the University's investments. UC's policy goals are in strong alignment with those of the state. California continues to lead the world in many areas of sustainability and UC is striving to lead the state.

Associate Vice President David Phillips affirmed that 2016 was a banner year for UC's sustainability efforts. *Sierra Magazine's* Cool Schools rankings, based on schools that display a deep commitment to protecting the environment, addressing climate issues, and encouraging environmental responsibility, included three UC campuses in the top 20, and seven in the top 50. UC's campuses were also recognized as top sustainability performers by the *Princeton Review* and by the Sustainability Tracking Assessment and Rating System, which rated four UC campuses as gold performers. UCSF and UCLA medical centers also earned awards from the health care sustainability organization Practice Greenhealth.

UC made significant progress in the current year toward its climate and water goals. The first of its two large solar photovoltaic projects was completed. When the second project was completed later in the year, UC would have a total of 80 megawatts of off-campus solar power, which would supply about 14 percent of UC's total electricity use. In 2017, the State would require all electricity suppliers to provide about 29 percent renewable power; UC's own electricity company would supply 60 percent renewable power, well above requirements. In response to the statewide drought, UC campuses collectively reduced their per capita potable water use by 35 percent in the past year. Eight UC campuses had already met or exceeded their 2020 water reduction policy goals, and four had met their 2025 goal.

Regarding carbon neutrality, Mr. Phillips reminded the Committee of UC's bold commitment to achieve carbon neutrality by 2025. He displayed a chart showing UC's carbon emissions for the past seven years. He cautioned that difficult choices lie ahead. UC campuses were growing to support more students; without careful planning, that growth could increase emissions. UC campuses added 21 new Leadership in Energy and Environmental Design (LEED) certified buildings in 2016. UC had earned more LEED certifications than any other university in the nation. The new building projects continue to achieve UC's policy requirement of energy use at least 20 percent lower than the level required by California's already strict Title 24 Building Energy Efficiency Standards.

Mr. Phillips anticipated that UC's future capital projects would need to do even more to reduce energy and carbon impacts in order for the University to cost-effectively meet its carbon neutrality goal. In the past year, the UC Office of the President (UCOP) developed a strategic planning framework for carbon neutrality that outlines potential strategies and costs for reaching the 2025 goal. UC campuses had recently submitted updated climate action plans that chart their course to reach carbon neutrality and would inform systemwide planning.

UC's Global Climate Leadership Council convened the Carbon Neutrality Finance and Management Task Force to address some of the biggest challenges in addressing climate change. UC would need to triple the pace of energy efficiency projects within the UC system, decarbonize its new buildings and infrastructure, develop new financial mechanisms to support carbon neutrality, communicate with and engage campus stakeholders, and address specific challenges associated with medical center greenhouse gas emissions. Task force recommendations would be completed by late spring and presented to President Napolitano for her consideration.

In the past year, with the help of UC Santa Barbara Professor David Auston, UC launched the TomKat UC Carbon Neutrality Project with a \$300,000 gift from the TomKat Foundation, established by Tom Steyer and Kathryn Taylor. This Project seeks to develop and deploy solutions to the challenges of climate change in the areas of natural gas use and communications. Such externally funded projects allow UC to bring together cutting-edge research with operations staff and students to develop real world solutions.

Mr. Phillips said that to date more than 1,000 University projects had registered through its energy efficiency partnership program, receiving more than \$82 million in incentive payments from utilities. UC was currently avoiding more than \$28 million in annual utility costs through these projects. In 2016 alone, UC completed 45 new projects in both existing and new construction, earning \$4.4 million in incentives and projected to avoid \$550,000 annually in utility bills. However, this impressive progress had plateaued over the past few years, as many of the projects that were easier to implement had been completed. In order for the University to achieve carbon neutrality, it would have to find new creative ways to implement projects, including some with longer-term paybacks.

Another ambitious goal of the University is to achieve zero waste by 2020, defined as diverting 95 percent of its municipal waste from landfills. The prior year UC campuses collectively diverted about 76 percent of their waste from landfills and UC medical centers diverted about 35 percent. Campus and medical center progress had plateaued in recent years because of changing markets for recyclables, the lack of recycling and composting facilities proximate to some campuses, and the challenges of capturing compostable waste streams. It was also difficult to engage UC's suppliers in reducing their packaging. In order to tackle these challenges, UCOP in collaboration with the campuses was developing a systemwide waste planning framework and was initiating a communications campaign called My Last Trash led largely by students.

In the past year, communication and engagement about sustainability have been a focus, particularly around the Carbon Neutrality Initiative. In December, UC San Diego Professor Veerabhadran Ramanathan and an interdisciplinary group of 50 UC faculty from every UC campus published “Bending the Curve: Ten Scalable Solutions for Carbon Neutrality and Climate Stability” and organized a research summit. Professor Ramanathan used the draft report in spring 2016 for a UC San Diego pilot course in climate solutions. This course would be offered at every UC undergraduate campus in fall 2017 and possibly online in the future.

The Carbon Neutrality Initiative funded several curriculum skill-sharing workshops involving 228 UC faculty from 160 different academic units in 2016 to help integrate climate change and sustainability concepts into existing courses. The UC Carbon Slam highlighted student and faculty research on climate solutions in presentations to industry leaders. The Carbon Neutrality Initiative Student Fellows program, currently in its third year, had provided funding for UC students to conduct special projects related to carbon neutrality and the Global Food Initiative.

Mr. Phillips said that operational goals for 2017 were to advance the Carbon Neutrality Initiative with the goal of achieving 100 percent renewable electricity, to take aggressive steps to accelerate energy efficiency, and to implement upcoming recommendations from the Carbon Neutrality Finance and Management Task Force.

Regent Reiss noted the international impact of UC’s leadership in addressing climate change. She asked if interim goals had been set to reach the University’s ambitious carbon neutrality goal of being carbon neutral by 2025. President Napolitano agreed that the goal was ambitious, expressed satisfaction with progress that had been made, and confidence in continuing efforts. She would review the Task Force’s recommendations in detail. Regent Reiss advocated using UC’s purchasing power to encourage suppliers to reduce packaging.

The meeting adjourned at 2:30 p.m.

Attest:

Secretary and Chief of Staff