

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

November 19, 2020

The Regents of the University of California met on the above date by teleconference meeting conducted in accordance with Paragraph 3 of Governor Newsom's Executive Order N-29-20.

Members present: Regents Anguiano, Blum, Butler, Cohen, Drake, Elliott, Estolano, Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, Sures, and Zettel

In attendance: Regents-designate Lott and Zaragoza, Faculty Representative Horwitz, Secretary and Chief of Staff Shaw, General Counsel Robinson, Provost Brown, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President Byington, Executive Vice President and Chief Operating Officer Nava, Chancellors Block, Christ, Gillman, Hawgood, Khosla, Larive, May, Muñoz, Wilcox, and Yang, and Recording Secretary Li

The meeting convened at 8:35 a.m. with Chair Pérez presiding.

1. PUBLIC COMMENT

Chair Pérez 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. Gary Peifer, Vice President of the Sacramento-Sierra's Building and Construction Trades Council and Senior Vice President of the International Union of Bricklayers and Allied Craftworkers (BAC) Local 3, spoke in support of the Aggie Square project. The Council would commit resources to ensure the completion of a high-quality project that was on time and on budget. BAC Local 3 offered its help, as well as the help of the International Masonry Institute to contain and control costs.
- B. Lehuanani DeFranco, member of Uprooted and Rising, called on UC to withdraw from the Thirty Meter Telescope (TMT) project. UC and other TMT partners were seeking National Science Foundation funding to proceed with the project without the consent of Native Hawaiians, and UC was using the Gordon and Betty Moore Foundation grant as an excuse to stay on the project. President Drake had the power to end UC's involvement at any time. No compromise could change the minds of Native Hawaiians. UC was conveying to Native American students that the TMT was more important than Native voices, cultures, rights, and religions. Many students, faculty, and staff were opposed to the project.
- C. Dora Rasch, UCSC student, shared one student's feedback in a UCSC Disability Resource Center survey regarding remote instruction experiences. This student had difficulty attending lectures and completing homework due to an eye condition

exacerbated by looking at a computer screen. The student did not seek accommodations because they were experiencing much stress and upheaval in their personal life. The student wished that all materials were made accessible.

- D. Connor Strobel, UCI Graduate Student Body President and former UC Graduate and Professional Council President, expressed his disappointment in item A4, *Supporting Students with Disabilities at the University of California*, which he had requested last fall. This item did not include the fact that only one-fourth of disabled students at UC were registered with campus disability centers. In 2016, UCOP staff prevented disability center staff from reporting their challenges to then President Napolitano. This item did not discuss curricular accessibility, campus climate, supporting faculty, or mentorship. Mr. Strobel, who was himself autistic, expressed resentment after spending countless hours trying to provide leaders with information.
- E. Naomi Waters, UCR student and UC Student Association Campus Climate Officer, addressed the UC police departments (UCPD). The University failed to shield students from foreseeable harm by hiring embattled officers. UCSB six open cases against UCPD, including one filed against the campus police chief and three filed by officers themselves. She called on the Regents to defund and disarm UCPD, dissolve the Peace Officers Bill of Rights, and make transparent the hiring process, personnel data, and operations.
- F. Kevin Ferreira, Executive Director of Sacramento-Sierra's Building and Construction Trades Council, expressed the organization's support for the Aggie Square project and the 5,000 construction jobs it would bring to the community. The Council was working with UC Davis, Wexford Science and Technology, and Cushman and Wakefield to ensure that this project would improve the lives of disadvantaged members of the community. This project would help begin the construction careers of women, veterans, and underrepresented minority groups. He urged the Regents' support for the project.
- G. Zuleika Bravo, UCLA student and UCSA Basic Needs Officer, applauded those who created the Special Committee on Basic Needs report and asked that the Regents approve it. She underscored that childcare, affordable broadband internet, hygiene products, and mental health resources were also basic needs that were highlighted by the COVID-19 pandemic. She asked that the Regents remain vigilant and act swiftly to address these issues.
- H. Mia McIver, UCLA faculty member and President of UC-American Federation of Teachers (AFT), called for a fair contract for UC faculty. The next UC-AFT contract needed to provide stability to lecturers, whose average length of employment was less than two years. In summer 2020, 2,000 lecturers lost their jobs, putting UC's teaching mission in jeopardy. The median annual salary of UC teaching faculty was \$19,067. Lecturers were more likely than Senate faculty to be women and people of color.

- I. Natalie Cappellini, UCSB student, spoke about harmful chemical herbicides. Many herbicides used across UC were shown to be harmful to human, soil, and climate health. Herbicide Free UCSB urged the University to transition to fully organic landscaping by 2025. Organic landscaping was supported by the UCSB Associated Students Senate, as well as at UC Berkeley, UCLA, UC San Diego, and UC Davis. It was concerning that UC had expansive sustainability goals but lacked an organic goal. Herbicide use was an intersectional, environmental issue.
- J. Drew Scott, Skilled Trades Director for Teamsters 2010, asked for no layoffs or curtailment. Teamsters 2010 members were designated essential, and many were working full-time at campuses and hospitals despite the risks posed by COVID-19. Members' critical work and risks taken should not be rewarded with curtailment.
- K. Dennis McIver, UCR staff member, spoke about conditions for staff. UCR received thousands of dollars less in funding per student than other UC campuses while supporting the largest number of underrepresented minority undergraduate students. Prior to the COVID-19 pandemic, UCR was understaffed by about 800 people, and continued cuts would hurt staff's ability to fulfill UC's mission. He urged President Drake and the Regents to make smaller budget cuts for UC Riverside and asked the Regents to revise the formula for allocating State funds.
- L. Lajaiyah Watkins, UCD student and UCSA racial justice advocate, stated that defunding UCPD at the Davis campus and reinvesting the money would create a healthier academic environment. This action was needed due to the harm and pain inflicted on students of color, and all students should feel safe on every UC campus. Police officers were often supported, but students who experienced discrimination and harassment were not.
- M. Puanani Brown addressed item A3, *Native American Student Admissions and Outreach*. UC's involvement in the TMT project contradicted its efforts with Native students. The University was built on Native land, and the TMT project was a continuation of colonial violence. UC and other TMT partners were seeking National Science Foundation funding to proceed with the project without the consent of Native Hawaiians. She demanded that UC issue a public statement announcing its withdrawal from the TMT project immediately.
- N. Joanna Reed, UCB lecturer and member of UC-AFT, stated that about 6,000 UC lecturers had worked without a labor contract for 18 months. Lecturers taught more than 40 percent of student credit hours systemwide, but about one-third of lecturers were not rehired. During the COVID-19 pandemic, UC-AFT shifted its bargaining to improving lecturers' job security, but UC's proposal lacked a rehiring provision. She called for a proposal of multi-year contracts with rehiring rights. Stabilizing the teaching work force would benefit students and lecturers, and it would strengthen UC's undergraduate teaching mission.

- O. Alyssa Hemler, UCLA student, called on the Regents to create a committee comprised of faculty, staff, and students focused on student needs. Ms. Hemler asked that the Regents allocate more funding to UCLA's Center for Accessible Education, Transportation, Facilities Management, and the Disabled Student Union so that changes could be made to make the campus more accessible.
- P. Deborah Williams, UCSB lecturer, stated that her compensation for teaching a summer session was 25 percent less than her compensation during the fall, and she received no teaching credits. This was grossly inequitable and affected women and underrepresented minorities more. She asked that UC increase its budget to provide equal compensation for summer sessions. She urged President Drake to sign a labor contract with UC-AFT that improves summer session teaching terms.
- Q. Adam Gottstein, grandson of muralist Bernard Zakheim, spoke about the handling of Mr. Zakheim's murals in Toland Hall at UCSF. The U.S. General Services Administration stated that UCSF did not have the authority to destroy the murals. Mr. Gottstein's family asked that the Regents intervene and ensure that the highest possible standards of conservation be applied, that the murals are stored in a safe environment, and that the murals are reinstalled in a prominent public place.
- R. Sara Koehler, UCD nurse, stated that nurses were working longer hours during the COVID-19 pandemic and being denied time off to care for their families and themselves. This has resulted in increased nurse burnout. UC must evaluate how time off is being provided to nurses.
- S. Tim Wilson, UCLA staff member and member of University Professional and Technical Employees (UPTA), spoke on behalf of financially marginalized employees. UC campuses were located in regions with a high cost of living, and many salaries did not match those costs. UPTA encouraged UC to use its master reserves of about \$30 billion to weather the downturn; otherwise, UC's financial burden would shift to another part of the State budget. UC employees spending less would negatively affect the economy. Mr. Wilson noted that State unemployment benefits had not changed since 2005 and that health insurance costs were high.
- T. Terrisa Bukovinac, founder of Pro-Life San Francisco, spoke in opposition to UCSF's use of fetal tissue in research. Ms. Bukovinac claimed that UCSF was involved in live birth dissections and was receiving a monthly supply of viable fetuses. Late-term abortion disproportionately affected black and brown mothers and their children.
- U. Pinky Kushner, San Francisco resident, stated that the Parnassus Heights expansion plan, which was completed in January 2020, should be revised to reflect how health care has changed during the COVID-19 pandemic. Larger buildings were more dangerous for patients and increased the likelihood of diseases spreading among faculty, staff, and students. Teleconferencing was now more common for research.

- V. Damien Goodmon, board member of Downtown Crenshaw Rising, spoke in opposition to the sale of Crenshaw Mall to LIVWRK and DFH Partners, who were close to Jared Kushner, the son-in-law of the U.S. President. He stated that Regents were on the advisory committee of Capri Urban Investors and called on them to encourage Capri Urban Investors to stop the sale of Crenshaw Mall to the Kushner family. Downtown Crenshaw Rising was denied an opportunity to present its final development offer.
- W. Robert Byrd, staff member of Pro-Life San Francisco, spoke in opposition to UCSF's use of fetal tissue in research. Mr. Byrd stated that 24-week-old fetuses could feel pain and were being dismembered alive, and their remains were being exploited in medical research. He called on UC to increase the use of ethical tissue sources and demanded that UC policy be changed such that UCSF would be prohibited from engaging in its organ and tissue collection practices.
- X. Robert Goodman, San Francisco resident, spoke in opposition to the UCSF Parnassus Heights expansion. In 1976, UC Regents promised that UCSF would never expand beyond its current size. The current plan would greatly increase UCSF's footprint in the neighborhood. UCSF had not been frank about the degree of neighborhood opposition. Groups such as the Cole Valley Improvement Association approved of the 2014 Long Range Development Plan but opposed this plan. The Regents should honor the 1976 promise and reject this plan.
- Y. Cheyenne Dean, UCSF staff member and member of UPTE, spoke about hardships that staff were facing during the COVID-19 pandemic, such as increased financial costs, the lack of personal protective equipment, and wage and hiring freezes. UC had \$31 billion in working capital but claimed a \$2 billion loss. Curtailment would save UC, a \$40 billion enterprise, \$20 million to \$100 million. She called on UC to use its reserves. Essential workers should not bear the burden of UC's losses.
- Z. Prabhdeep Rai, UCLA student and chapter chair of California Public Interest Research Group (CALPIRG) Students, spoke about CALPIRG's affordable textbooks campaign. Students were making difficult decisions about expensive textbooks during the COVID-19 pandemic. She thanked the Regents for their commitment to open journals and asked that a systemwide grant program for students be implemented. Faculty should have the option of using open textbooks.
- AA. Martha Cortes, UCLA Luskin Conference Center staff member, stated that she had exhausted her vacation and sick leave helping her children with their schoolwork. Her children were now falling behind in their education as she tried to arrange for their care so she could return to work.

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

Upon motion duly made and seconded, the minutes of the meetings of September 16 and 17, 2020 were approved, Regents Anguiano, Butler, Cohen, Drake, Elliott, Estolano,

Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, Sures, and Zettel voting “aye.”¹

3. REMARKS FROM STUDENT ASSOCIATIONS

President Drake introduced UC Student Association (UCSA) President Aidan Arasasingham, External Vice President of the UCLA Undergraduate Student Council.

Mr. Arasasingham addressed the Regents from the Ackerman Grand Ballroom, once the center of student life at UCLA. He noted that 3,700 UCLA workers had been laid off, over 2,000 lecturers’ contracts had not been renewed, and thousands of student jobs had been lost. An infusion of investment was needed to address this loss of income, access, and community. With regard to item A2, *Alternative Approaches to Financial Aid*, debt burden fell disproportionately on underrepresented students, especially black and indigenous students. UCSA and the Institute for College Access and Success called for a debt-free pathway, a revision of parental contribution, and a progressive scale of self-help contributions for low-income students. UCSA urged State and federal governments to revise the Cal Grant and increase the Pell Grant. UCSA urged the Regents to approve item S1, *Report of the Special Committee on Basic Needs*. The report redefined UC’s approach to basic needs, such as transit access, childcare, and internet access, which were now exacerbated by the COVID-19 pandemic. UCSA urged the Regents’ support and funding of the report’s implementation. With regard to the UC budget, Mr. Arasasingham stressed the importance of investment in campuses during these difficult financial times. This was also an inflection point for UC access, as Proposition 16 was rejected by the electorate, and vulnerable students were already being pushed out. UCSA urged the University to make an ongoing State budget request of \$30.9 million for student success efforts and recruitment and retention of underrepresented students. In June, the Centers for Disease Control and Prevention reported that a quarter of people aged 18 to 24 seriously contemplated suicide, and 92 percent of UC students reported being worried about the mental health impact of isolation. UCSA strongly supported the \$16.5 billion State budget request for student mental health services. Building the accessible, affordable, and equitable UC of tomorrow required investment today.

President Drake introduced the UC Graduate and Professional Council (UCGPC) President Gwen Chodur, External Vice President of the UC Davis Graduate Student Association and member of the Systemwide Basic Needs Committee.

Ms. Chodur began her remarks by sharing her own experience as a first-generation college student from a low-income background. As an undergraduate student, she worked 20 hours per week on campus and 20 hours as a waitress to cover tuition and expenses while gaining work experience in her field. One of her on-campus jobs shed light on child hunger. She encouraged the Regents to approve the final report of the Special Committee on Basic Needs. UC students struggled with basic needs because of the cost of attendance. Need-

¹ Roll call vote required by the Bagley-Keene Open Meeting Act [Government Code §11123(b)(1)(D)] for all meetings held by teleconference.

based aid did not fully meet students' needs. Ideally, low-income students could attend UC and be supported so that they could break the cycle of poverty. She asked the Regents to work with the Office of the President, UCGPC, and the UC Student Association on creating a debt-free UC. This would require advocacy at the federal level to double the Pell Grant amount, enact loan forgiveness, and increase funding and research budgets. UC would advocate at the State level to restore funding and advance other budget requests. Ms. Chodur called for increasing student employment and wages on campus, as well as raising donor funds for basic needs as UC Davis was doing. This month, UCPath did not pay dozens of graduate students from UC San Diego and UC Davis on time, and such issues could take over a month to resolve. She called for an investigation into these errors and for their timely resolution. Ms. Chodur noted that concurrent meetings of the Academic and Student Affairs Committee and Finance and Capital Strategies Committee separated a conversation about UC values from a conversation about money. UC could not claim a desire to improve Native American representation on campuses while funneling money into the Thirty Meter Telescope project, in direct opposition to the will of Native Hawaiian communities. UC must stop bifurcating its values from its financial decisions, and it must be mindful that how UC allocates its money communicates its values and priorities.

4. **DISMISSAL OF FACULTY MEMBER, SANTA CRUZ CAMPUS**

[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.]

Chair Pérez briefly introduced the item. UC Santa Cruz Professor Ram Akella had requested that this item be presented in open session. The Regents' deliberation and action would occur in closed session.

Deputy General Counsel Allison Woodall introduced the speakers and the proceedings. Termination of an academic appointment who holds tenure or security of employment could only be approved by the Board of Regents. Before a termination action is presented to the Board, it is reviewed by the faculty member's peers, the chancellor, and the President, who must recommend dismissal. All these steps had been completed. Mr. Akella provided a statement to the Board through his attorney, Michael DeNiro. Under Regents Bylaw 40.3, the Regents were to determine whether there was good cause for dismissal.

Provost Brown explained that Academic Personnel Manual (APM) - 015 identifies faculty conduct that is inconsistent with the University's mission, in that it does not advance the creation and dissemination of knowledge. APM - 016 outlines the process for disciplinary action and types of discipline available. Under Academic Senate Bylaws, an allegation of misconduct is subject to a preliminary assessment, which is followed by a multi-step process. First, a formal investigation is led by the Academic Senate, research integrity office, or Title IX office. Second, a decision to bring charges and recommend sanctions is made. Third, a hearing is held before a faculty hearing committee, and both parties may call witnesses and submit evidence. Fourth, the hearing committee submits a formal report of its findings to the chancellor. Fifth, one or a combination of the following types of discipline is imposed if warranted: written censure, salary reduction, demotion, suspension

without salary, denial or curtailment of emeritus status, and dismissal, with the last two requiring approval by the President and Regents, respectively. An accused faculty member has the opportunity to rebut testimony, explain evidence, or grieve over improper process. At every stage, efforts are made to mediate or identify an early resolution, such as early resignation or retirement. This case involved a faculty member's responsibilities in teaching, which is central to the faculty role at the University.

Vice Provost Susan Carlson stated that Mr. Akella was appointed professor with tenure in the Baskin School of Engineering (Baskin School) at UC Santa Cruz effective July 2003. His appointment was moved to the Department of Technology Management effective July 2013. During significant reorganization at the Baskin School, five departments were disestablished, including the Department of Technology Management, and two new departments were created. Mr. Akella's department colleagues were transferred, and he was made a divisional employee effective July 2018, which he opposed. Mr. Akella refused to sign a memorandum of understanding (MOU) stating that Dean Alexander Wolf would be responsible for Mr. Akella's annual teaching workload. Mr. Akella was placed in the Technology and Information Management (TIM) group, a new academic unit in the Baskin School. The TIM group charter provided that course assignments would be negotiated between the instructor, department chair, and the TIM group chair. In October 2018, Mr. Akella filed a grievance alleging that the transfer to a divisional appointment violated his rights. In January 2019, Campus Provost and Executive Vice Chancellor Marlene Tromp informed Mr. Akella that he would remain a divisional appointee and that Mr. Wolf would serve as his department chair, and the appointment was upheld by the Committee on Privilege and Tenure of the UCSC Division of the Academic Senate and by Chancellor Larive earlier this year. For the 2019–20 academic year, Mr. Wolf assigned courses to Mr. Akella that he had previously taught, but Mr. Akella refused to acknowledge Mr. Wolf's authority to assign him classes and refused to teach courses until he was assigned to a department. In March 2019, Mr. Akella filed a complaint stating that Mr. Wolf had violated the Faculty Code of Conduct by assigning him classes, which the charges committee later found to be without merit and which was dismissed by Executive Vice Chancellor Lori Kletzer. In April 2019, Mr. Wolf filed a formal complaint against Mr. Akella, which formed the basis for the disciplinary recommendation presented this day. The charges committee found probable cause to initiate disciplinary action, stating that faculty must continue to meet their professorial responsibility while pursuing a formal remedy. Withholding services disrupted the University's central function and mission. In January 2020, Mr. Akella failed to teach two winter quarter classes. Ms. Kletzer issued a notice of intent to discipline Mr. Akella in February 2020. Dismissal and denial of emeritus status were proposed. Mr. Akella failed to teach his assigned course in spring 2020. The Committee on Privilege and Tenure's hearing committee convened hearings in April 2020, with five witnesses, including Mr. Akella and his attorney. The hearing committee found clear and convincing evidence that Mr. Akella failed to meet the responsibilities of instruction and engaged in intentional disruptions of UC functions. The evidence that Mr. Wolf had the authority to assign classes to Mr. Akella did not reach a clear and convincing standard, but this was not reason to refuse to teach assigned classes. Dismissal was deemed appropriate due to Mr. Akella's prior refusal to teach a course in 2016. In July 2020, Chancellor Larive submitted her recommendation of dismissal to former President

Napolitano. Chancellor Larive found that dismissal was warranted solely from misconduct in the present case. As of August 2020, Mr. Akella continued to refuse to teach classes assigned by Mr. Wolf.

Chancellor Larive provided the rationale behind her decision to recommend dismissal and denial of emeritus status. Quoting the Faculty Code of Conduct, she highlighted the foundational nature of the faculty-student relationship. Mr. Akella repeatedly failed to fulfill his role as educator, seriously undermining the educational mission of the University. The evidence of Mr. Akella's guilt was substantial. Teaching is a core responsibility of a professor and outweighs any other consideration. Teaching is an essential function of faculty; all faculty know they are expected to teach. Mr. Akella's refusal to teach harmed students, colleagues, the department, and the University. He disrupted the dean's and department chairs' planning activities. UC students did not have the opportunity to take a required course that was taught by faculty, and an elective class was cancelled. While other faculty and instructors made herculean efforts to convert to remote instruction in response to the COVID-19 pandemic, Mr. Akella refused to teach. His conduct had been specific, deliberate, contrary to ethical principles, and in clear violation of the Faculty Code of Conduct. Revoking a tenured faculty position was not a decision that Chancellor Larive made lightly. According to Regents Policy 1111: Policy on Statement of Ethical Values and Standards of Ethical Conduct, members of the University community should seek clarification on policy but could not refuse to accept or comply with it. In 2016, Mr. Akella failed to teach a course and was disciplined. He challenged this action, and the matter was pending in the State Court of Appeal. Mr. Akella had the right to challenge University actions but could not do so by failing to fulfill his responsibilities. Planning for the winter 2020-21 quarter had begun. In September, Mr. Akella wrote to Mr. Wolf of his refusal to acknowledge Mr. Wolf's authority and of his refusal to teach. Mr. Akella had demonstrated no interest in correcting this misconduct and shown no remorse, relying on policy loopholes, ignoring policy, or disobeying policy to avoid his teaching responsibility. The charges committee concluded that Mr. Akella regarded himself as exempt from his teaching responsibilities because he did not wish to have a divisional appointment. It was Chancellor Larive's belief that, given the severity of the misconduct, any lesser sanction than dismissal and denial of emeritus status would be insufficient and would undermine UC policy. She noted Mr. Akella's failure to acknowledge his misconduct's impact on students, colleagues, and the division. His record lacked remorse or the desire to correct his course of action.

Mr. DeNiro stated that the Santa Cruz County Superior Court had overturned the Committee on Privilege and Tenure's decision that Mr. Akella violated the Faculty Code of Conduct in 2016, as well as former Chancellor Blumenthal's sanctions. The Regents appealed that decision, which was why it was currently in the Court of Appeal.

Chair Pérez reminded Mr. DeNiro that this presentation was in respect to the current issue, not the 2016 matter. Mr. DeNiro replied that he was clarifying what, in his view, Chancellor Larive had misrepresented.

Mr. DeNiro stated that his written statement was meant for the Regents but was directed to UC attorneys instead, who read his statement, which was privileged, before composing the Office of the President's (UCOP) reasoning for dismissing Mr. Akella. In Mr. DeNiro's view, the Regents were sitting as a quasi-judicial body engaged in forbidden ex-parte communication by sending his statement to UCOP, one of the parties. He did not get to see UCOP's argument before submitting his. His request to have his statement presented to the Regents as a separate agenda item was denied. It was too late to remedy the violations of due process. Mr. DeNiro urged the Regents to correct this so that future professors would have a balanced hearing.

Mr. Akella noted that he was introducing himself as a professor in the Baskin School rather than from a particular department, as other professors would have done. He presented selections from the Standards of Ethical Conduct under Regents Policy 1111. He stated that he met the expectations laid out in the Standards of Ethical Conduct, but the UCSC administration did not. Citing APM – 245 and campus policy, Mr. Akella stated that only his department chair was authorized to assign lecture courses to him for 2019–20, but his department was disestablished, his colleagues were transferred to other departments, but he was not. Although the hearing committee found that Mr. Wolf's actions violated Mr. Akella's rights, including his Academic Senate Bylaw 55 voting rights, Chancellor Larive endorsed Mr. Wolf's action. Mr. Akella refused to teach classes unless they were assigned by a department chair, and he advised Mr. Wolf on how to modify campus policy in order to implement APM – 245. In Mr. Akella's view, the UCSC administration flouted Regental Policy when the campus provost appointed the dean as his department chair. He maintained that he did not violate APM – 015, because he taught every course that was assigned to him in compliance with APM – 245 and campus policy. Disciplining him would deliver the message that the UCSC administration's noncompliance with APM – 245 and the Standards of Ethical Conduct were acceptable.

Chair Pérez asked Mr. Akella to confirm whether the designation of department chair should have come from a dean instead of an assistant provost. Mr. Akella responded in the affirmative. Chair Pérez asked whether Mr. Akella believed the Regents had the authority to make the determination presented to them. Mr. Akella responded in the affirmative. Chair Pérez asked Mr. DeNiro whether this decision was properly before the Board. Mr. DeNiro responded in the affirmative, adding that the Board was following Regental policy.

Regent Makarechian noted that, according to the written materials, the hearing committee did not find clear and convincing evidence that Mr. Wolf was authorized to assign classes to Mr. Akella, while Chancellor Larive adopted the hearing committee findings of clear and convincing evidence that Mr. Akella failed to meet his responsibilities. He asked Mr. Akella whether it made any difference who was assigning him classes if the ultimate goal of a professor was to teach. Mr. Akella replied that he believed in adhering to policy, but policy was not being followed. A department functioned as a partnership, and a department chair who understood the faculty members' work assigned their classes.

Regent Makarechian remarked that it was puzzling that Mr. Akella was comfortable with being compensated while not teaching. Mr. Akella stated that he was extremely

uncomfortable with it and had made repeated requests to the dean and the executive vice chancellor to change the policy so that he could teach. He compared his situation to that of indentured labor. Mr. DeNiro added that the hearing record established that Mr. Akella taught 40 percent of his 2019–20 credit load by advising students. In response to Regent Makarechian's concerns about the written materials, Ms. Carlson stated that the Committee on Privilege and Tenure did not find clear and convincing evidence in one of the issues it addressed. Regent Makarechian noted that, according to Mr. Akella's deposition, he denied ever saying that he would not teach any classes.

Regent Muwwakkil asked about the distinction between an appointment to a department and an appointment to a division, as well as the material consequence of a divisional appointment for Mr. Akella. Regent Muwwakkil asked whether there were similar situations that resulted in resistance, and he asked whether Mr. Akella would teach assigned classes if the University decided that Mr. Wolf did have the authority to assign them.

In response to Regent Muwwakkil's third question, Chair Pérez clarified that the question before the Board was whether to uphold Chancellor Larive and President Drake's recommendations of disciplinary action. Ms. Carlson stated that the most common faculty appointment was in a department, a recognizable community with regard to course assignments in faculty evaluation. Not all UC faculty were in departments; some were in small schools which had a dean and no department chair. Some faculty appointments were split between a department and a program. Divisional appointments were not common.

Regent Muwwakkil asked if there had been resistance from professors in previous instances of deans assigning classes. Ms. Carlson replied that this was most likely handled at the campus level.

Chair Pérez asked whether it was the case that Ms. Carlson was not aware of any such cases that had come before the Board. Ms. Carlson responded in the affirmative.

Regent Kieffer asked how the lack of clear and convincing evidence that Mr. Wolf had the authority to assign classes could be reconciled with deeming the rejection of that authority a violation of UC policy. Ms. Carlson responded that the hearing committee did find that Mr. Akella had violated the Faculty Code of Conduct on two counts. Whether the dean had the authority to assign the classes was a separate issue, but the hearing committee still came to the conclusion that dismissal was appropriate.

Regent Kieffer asked how the hearing committee came to the conclusion that the dean did not necessarily have this authority. Chair Pérez asked if the committee answered the two questions presented to them and had raised this additional issue themselves. Mr. Brown, reading from the hearing committee's report, clarified that whether the dean of the Baskin School was authorized to assign classes was the first question before the committee. The committee found that the burden of proof for this question was not met. The MOU that would give the dean the authority to assign classes was signed neither by Mr. Wolf nor by Mr. Akella. There was an absence of policy in this area, and an MOU would have partially filled this policy void. Nevertheless, committee was not convinced by the respondent's

defense for not teaching the normal course load. Faculty typically volunteered the courses they wished to teach, so assignment from chairs was a last resort. Mr. Akella had the opportunity to propose what three classes he would teach. Mr. Wolf did not abuse unclear authority by assigning courses Mr. Akella would normally teach, but Mr. Akella neither assigned himself classes nor allowed someone else the authority to assign classes to him.

Regent Kieffer observed that Mr. Akella had taken his case to the Board of Regents, recognizing that he was about to lose his faculty position, on the principle that a dean could not assign him courses. In his view, Mr. Akella missed the purpose for a technicality. Mr. Akella responded that most of the rights of faculty members, as well the faculty teaching program, were derived from being in a department. He compared a divisional appointment to a citizen losing rights and becoming a slave. In his view, the dean autocratically assigned courses to him, now a second-class citizen without a department. He disagreed that he was assigned the same courses.

Mr. DeNiro stated that Chair Pérez had made a misstatement regarding the number of questions before the hearing committee. Chair Pérez asked whether Mr. DeNiro was raising an issue in response to Regent Kieffer's questions. If not, Mr. DeNiro could make a statement at the end of the presentation. Mr. DeNiro asked if addressing the three issues before the hearing committee was responsive to Regent Kieffer's question.

Regent Kieffer asked Mr. DeNiro to clarify whether Mr. Akella objected to his divisional appointment or to the person assigning him classes. Chair Pérez asked if Mr. Akella attempted to join any department and, if so, what the outcome was. Mr. DeNiro replied that Mr. Akella wrote to Mr. Wolf that he would teach if he was put into a department, not only if he was put in a department. Mr. Akella did not make it a quid pro quo situation. Chair Pérez asked what the difference was. Mr. DeNiro replied that the administration attempted to portray Mr. Akella as refusing to teach unless he was put in a department. The written evidence submitted to the hearing committee disproved that point.

Regent Kieffer asked whether being assigned to a division instead of a department was Mr. Akella's real objection. Mr. DeNiro replied in the negative. Mr. Akella was requiring the administration to adhere to APM - 245 and campus policies implementing APM - 245. He had advised Mr. Wolf on how to revise campus policies so that he could teach the courses, but Mr. Wolf did not change them.

Regent Leib asked whether Mr. Akella objected to the classes that he was assigned. Mr. DeNiro replied in the negative.

Regent Leib, referring to the Faculty Code of Conduct, asked for Mr. Akella's thoughts on "deliberately seeking loopholes." Mr. Akella responded that he would have been violating Regental policy by teaching classes assigned by the dean. In his view, the administration was seeking loopholes.

Regent-designate Lott asked if APM - 245 states that only the chair of a department may make course assignments, or if it states that the chair or anyone acting in that capacity may

make assignments. Ms. Carlson stated that the Appendix A in APM - 245 listed the duties of department chairs or equivalent officers. Regent-designate Lott asked who constituted an equivalent officer. Ms. Carlson replied that this was determined by the chancellor at the campus level.

Regent-designate Lott asked how advising assignments were obtained. Mr. DeNiro responded that policies pertaining to departments within the Baskin School credited two course equivalencies to advising. Had he been in a department, Mr. Akella would have received 40 percent of his credit for advising. Faculty did not apply for the two-course equivalencies. Mr. Akella added that the advising assignment was obtained through an instructional welfare policy. Advising students was part of UC's mission, so faculty received credit for such activities.

Chair Pérez asked Mr. Akella if he graded on a curve. Mr. Akella replied in the negative. Chair Pérez what grade 40 percent would be. Mr. Akella replied that he established his grading method up front. He considered clusters.

Regent Reilly asked how rare a divisional appointment was. Mr. Brown stated that it was not common. Ms. Carlson added that there had been a handful of such appointments. There were many faculty in schools without a department chair, and the dean makes the class assignments in almost all such cases. Mr. Brown stated that there were many organizational bodies of faculty on campus, such as programs whose status was lower than a department but higher than other bodies.

Regent Reilly asked whether policy was clear regarding who could assign classes in those instances. Mr. Brown replied in the affirmative regarding the cases he had just described. In Mr. Brown's experience, deans were typically responsible for assigning classes to faculty members of disestablished departments who were unable to join other departments. Ms. Carlson agreed, adding that policy provided a framework for managing these operations, but flexibility was needed for changing curricula and new disciplines.

Faculty Representative Horwitz explained that teaching units at UC varied. As a matter of practice, schools, departments, and institutes all had leaders who made the teaching assignments. What those leaders were called varied by the unit.

Regent Makarechian asked what position Mr. Wolf or the UCSC administration took after Mr. Akella suggested corrective action so that he could teach. UCSC Chief Campus Counsel Lorena Peñaloza replied that Mr. Wolf and Ms. Tromp tried to amend the MOU between Mr. Wolf and Mr. Akella to clarify Mr. Akella's Academic Senate Bylaw 55 rights, as well as his duties and responsibilities. Mr. Akella could not be placed in a department if faculty in that department, who also had Bylaw 55 rights, did not accept him. Regent Makarechian asked whether corrective actions had been taken up to this point. Ms. Peñaloza replied that UCSC was working on the MOU and evaluating policy. Policy changes required consultation with the Academic Senate and other administrative units. Mr. DeNiro objected to Ms. Peñaloza's response, calling it a misrepresentation of the facts. He took exception to Ms. Peñaloza responding to a question that was not directed toward

the campus. Chair Pérez reminded Mr. DeNiro that he would have time at the end of the presentation to make closing remarks.

Regent Kounalakis noted the severity of the dismissal of a tenured faculty member. In her view, Mr. Akella was protesting not being accepted into a department, and she had heard no tangible reason why this was the case. This appeared to be his only recourse for the humiliation he faced. Had this been managed differently, Mr. Akella's dismissal and potential lawsuits could have been avoided. Regent Kounalakis asked Chancellor Larive whether this matter could be brought back to the campus such that Mr. Akella could be placed accepted into a department. Chancellor Larive responded that, when the Department of Technology Management was disestablished, other faculty from the department were transferred to other departments within the Baskin School. No department was willing to receive Mr. Akella. Bylaw 55 was used to determine hiring, granting of tenure, and transfer into a department. Mr. Akella's challenge of his divisional appointment was denied by the Academic Senate. This was a standard of departmental governance that gave faculty a voice regarding appointments or transfers into departments. This was also relevant to faculty rights within their units. There were a number of divisional appointments at UCSC, including a divisional appointee within the Baskin School.

Regent Kounalakis asked whether the courses Mr. Akella taught could be placed in an existing department. Chancellor Larive stated this was a complicated question. Many units offered courses that were not always defined by a department. Technology and Information Management (TIM) was an interdepartmental and interdisciplinary program. Many such programs offered courses across colleges and divisions. The content of courses did not necessarily determine a faculty member's appointment.

Regent Kounalakis asked if Mr. Akella was teaching courses that were not consistent with a department. Chair Pérez stated that this is not the issue before the Board. Chancellor Larive replied that, in her view, those courses could be aligned with a particular department. Regent Kounalakis stated that she could not vote to dismiss a tenured professor on the basis that his colleagues would not let him into a department, which had taken him through this path of protest. She suggested Chancellor Larive and the UCSC community try harder to place Mr. Akella in a department. It seemed that Mr. Akella might return to teaching if placed in a department.

Mr. Horwitz explained that, in shared faculty governance, a department invites a professor into that department. Many wish to change departments every year, but faculty govern their own department.

Mr. DeNiro stated that the Mr. Akella's suggested remedies did not require that he be assigned to a department. One suggestion was that Mr. Wolf would appoint himself as Mr. Akella's department chair, and the other suggestion was that Mr. Wolf amend the TIM group policy. When Mr. DeNiro represented Mr. Akella in another matter in 2013, then Chancellor Blumenthal ordered that Mr. Akella be placed in a department.

Mr. Akella stated that there was no reason to disestablish the Department of Technology Management. At the time of the reshaped departments' formation, no one had rights. He asked to be retroactively placed in one of those departments. Citing APM – 210, Mr. Akella stated that he took on more work supervising students when classes were not assigned to him according to policy. He added that Mr. Wolf and Ms. Tromp refused to respond to his requests to teach. With regard to the MOU, the Committee on Privilege and Tenure did not know that a retroactive solution could be chosen. The suggestion that faculty could self-assign courses was ridiculous and nonsensical. Mr. Akella stated that he was following policy to the best of his knowledge and sought the Regents' support. In his view, Regent Kounalakis summarized his case very effectively.

The Board recessed at 11:35 a.m.

.....
The Board reconvened at 3:20 p.m. with Chair Pérez presiding.

Members present: Regents Anguiano, Blum, Butler, Cohen, Drake, Elliott, Estolano, Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Zettel

In attendance: Regents-designate Lott and Zaragoza, Faculty Representative Horwitz, Secretary and Chief of Staff Shaw, General Counsel Robinson, Provost Brown, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President Byington, Executive Vice President and Chief Operating Officer Nava, Chancellors Block, Christ, Gillman, Hawgood, Khosla, Larive, May, Muñoz, Wilcox, and Yang, and Recording Secretary Li

5. **UPDATE OF COVID-19 IMPACT ON THE UNIVERSITY OF CALIFORNIA: UC HEALTH ISSUES**

[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 Byington stated that the United States was experiencing its largest surge in COVID-19 cases, with exponential growth of the virus in many states. The U.S. had a seven-day average of over 150,000 cases per day, a total of more than 11.2 million cases, and a 14-day increase of 81 percent. Hospitalizations and deaths were increasing. The cycle of testing positive, to hospitalization, and to death lasted about eight weeks. In spite of the number of cases decreasing in some European countries, hospitals were overwhelmed in France, Switzerland, and Italy. According to the World Health Organization, one person was dying of COVID-19 in Europe every 17 seconds. In the U.S., one person was dying of COVID-19 every one to two minutes, but case counts were rising.

The U.S. was experiencing the third surge of its first wave of COVID-19 cases. Unlike the previous two surges, there were cases across the country rather than concentrated in various regions. Many high concentrations of cases, or "hot spots," were located in rural areas that

lacked hospital infrastructure. During the first surge, UC was able to send providers to New York City, the Navajo Nation, and Mexico, but there were now hundreds of simultaneous outbreaks. States in the center of the country were experiencing an exponential rise in case counts. Dr. Byington presented a chart of excess deaths, which the Centers for Disease Control and Prevention (CDC) defined as the number of deaths that were greater than expected in previous years. There were more excess deaths in the U.S. than COVID-19 deaths, which could be attributed to undiagnosed COVID-19, conditions that did not receive health care because of the pandemic, and suicide. Excess mortality above the first peak of excess deaths was expected during the third surge because hospitals were overwhelmed. In October, the CDC estimated that the U.S. lost 1.9 million years of life, with the deceased person losing 13 years of life expectancy. There were now deaths among the working age population, between 35 and 55 years old. Risk factors for death included age, male sex, race, and chronic conditions such as sickle cell disease, kidney disease, diabetes, and others.

COVID-19 hospitalizations nationwide were continuing to rise. California might exceed 5,000 COVID-19 hospitalizations this week. Many other states with high numbers of COVID-19 hospitalizations did not have hospital capacity. Dr. Byington shared headlines from other states about hospital capacity, adequate staffing, and healthcare workers becoming infected in their communities, things that UC wished to avoid. UC Health COVID-19 hospitalizations were rising as well, surpassing its spring peak. Dr. Byington projected that UC Health would also surpass its summer hospitalization peak because of gatherings and indoor dining. The CDC has requested that people limit travel for Thanksgiving. Dr. Byington acknowledged feelings of isolation and pandemic fatigue, but gatherings and travel meant more infections, hospitalizations, and deaths.

Dr. Byington underscored the importance of healthcare workers, who had worked nonstop for months and suffered many consequences. The CDC confirmed 795 healthcare worker deaths in the U.S. so far, and the media reported 1,375 deaths. If hospitals became overwhelmed or had an insufficient supply of personal protective equipment (PPE) more healthcare workers could become infected or die. Healthcare workers were also lost to suicide because of the emotional toll of the pandemic. The Association of American Medical Colleges established a fund to address these mental health needs. UC Health has continued testing its healthcare workers, and ensuring that they have PPE, while keeping infection numbers low. The number of COVID-19 infections among UC healthcare workers was rising, which was being monitored closely, but these workers had been well protected overall.

This week, Governor Newsom placed nearly all counties in California in the purple tier of restrictions because of the quick rise in cases. California surpassed one million cases, had an average of about 10,000 new cases per day, and saw a 48 percent increase in hospitalizations, the fastest increase since the start of the pandemic. Hospitalizations at UC more than doubled in under one month. UC campuses all moved to a more restrictive tier as well. UC wished to see county case counts below five per 100,000 people, with a goal of one case per 100,000. The campuses were exceptional at protecting students living on

and off campus; on-campus positivity rates were much lower than in the communities where campuses were located.

For Thanksgiving, Dr. Byington suggested not eating indoors with people not in one's household. In her view, telling people to cancel Thanksgiving was not effective due to struggles with isolation, but harm reduction was still needed. UC Irvine's Thanksgiving guidance was very helpful. People who were sick should not gather with others. Gatherings should occur outside and should be kept brief and small. People should wear masks and physically distance, even if they gather outside.

UC Health's financial losses flattened and became more stable from July through October. The system census of inpatients had now risen above 100 percent, which was where it had been prior to the pandemic. Dr. Byington expressed concern that UC hospitals would have difficulty accommodating increased COVID-19 cases as a result. UC Health was maintaining a high ambulatory visit volume through inpatient and virtual care. The U.S. Department of Health and Human Services issued revised guidance, which meant that UC could retain the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding that it had received, and the deadline to repay Medicare loans was extended.

UCLA's Swabseq, which received U.S. Food and Drug Administration (FDA) approval, helped provide testing to UCLA and other UC campuses. UC Irvine, which was working with Orange County Public Health on contact tracing, had a dashboard that helped contain outbreaks on campus. UC San Diego Health launched a smartphone application, CA COVID Notify, which notified the user about contact with someone with COVID-19 while protecting the user's privacy. The influenza vaccine mandate was helping the University avoid the dual pandemic of flu and COVID-19 while protecting hospital capacity, healthcare workers, and campuses. There was a 65 percent increase in student vaccinations and 35 percent increase in campus vaccinations. UC prevailed in *Kiel v. The Regents of the University of California*. The mandate was being copied by many campuses across the country. The selection of UCSF faculty members and others to serve on President-elect Biden's COVID-19 task force showed a respect for science and scientists in a pandemic response.

At UCLA Health the National Institutes of Health (NIH) Accelerating COVID-19 Therapeutic Interventions and Vaccines (ACTIV) 2 trial concluded, and the monoclonal antibody that was tested received emergency use authorization. Dr. Byington believed that a UC Riverside study and studies on Interferon would lead to new therapeutics. UC Health was participating in all Phase 3 vaccine trials in the U.S. The Pfizer-BioNTech vaccine was tested at UC Davis, and the Moderna vaccine was tested at UCLA and UCSD, while other vaccines were being tested at other campuses. Dr. Byington credited these and potential future messenger RNA (mRNA) vaccines to the research of Katalin Karikó, an academic scientist who persisted in her work despite the lack of grant funding and tenure.

In its final analysis, the Pfizer-BioNTech vaccine trial reported that the vaccine was 95 percent effective in preventing COVID-19, with 164 participants out of 44,000 contracting COVID-19. The Moderna trial, for which 95 of the 30,000 participants

had confirmed cases of COVID-19, reported a 94.5 percent vaccine efficacy. On November 5, Anthony Fauci, M.D., Director of the National Institute of Allergy and Infectious Diseases, shared his advice at a UCLA Health event: wear a mask, wash one's hands, and watch one's distance. He advised against gathering in closed spaces or having close contact with others. In the U.S., 95 percent mask use could save 130,000 lives this winter. Public health measures should be strengthened until a vaccine is available.

In response to a question by Regent Lansing about the Pfizer-BioNTech trial, Dr. Byington replied that having 164 cases out of 44,000 participants was a rare occurrence in a clinical trial. The Pfizer-BioNTech trial met its statistical requirements. Participants contracted COVID-19 after they were immunized or received a placebo.

Regent Lansing asked about the distribution timeline for the Pfizer-BioNTech vaccine if approved. Dr. Byington responded that the U.S. could have 25 million doses by the end of December, which meant 12.5 million people could be vaccinated. They would likely go to healthcare providers. Pfizer and Moderna believed they could bring hundreds of millions of doses to the U.S. in 2021, with high-risk individuals being vaccinated in the first quarter of the year and availability of the vaccine to lower-risk individuals, including younger people like UC students, as early as May or June.

Regent Lansing asked if other companies were manufacturing vaccines to boost distribution. Dr. Byington replied that vaccines were being manufactured in the U.S. and other countries. The AstraZeneca-Oxford University vaccine reported efficacy, including for those over the age of 70. Vaccine distribution presented logistical challenges, such as transport across countries and maintaining low temperatures. Most public health institutions and doctor's offices did not have the freezer needed for such low temperatures. UC Health entered into agreements with the California Department of Health to store vaccines at UCSF and UC Davis. Other UC Health facilities were volunteering as well.

Regent Lansing asked about the effectiveness of indoor filtration systems. Dr. Byington replied that they were recommended but costly. Opening windows and doors was useful, and she would keep visits short in a cold climate.

Dr. Byington noted that Governor Newsom had just issued modified stay at home orders, including a curfew. Chair Pérez added that there were fines and other enforcement tools.

Regent Sures asked Dr. Byington if she would take one of these vaccines. Dr. Byington stated that she was waiting to review their safety data and that it would be an honor and a privilege to take a vaccine. Regent Sures asked if Dr. Byington had a preference for a vaccine. Dr. Byington replied that both vaccines were very similar and that a preference was unlikely, aside from a possible preference of one vaccine over the other for the elderly. She advised to take whatever vaccine was offered due to potential shortages.

Regent Sures asked why UC Health had been so successful in treating COVID-19 patients. Dr. Byington replied that there were several reasons that UC hospitals had extraordinarily low COVID-19 mortality rates. UC had some of the highest-quality hospitals in the U.S.

UC's world-class experts were writing treatment guidelines and leading clinical trials. UC protected its healthcare capacity and did not become overwhelmed. Overwhelmed hospitals saw increased mortality for conditions it knew how to treat.

Regent Butler, noting the disproportionate impact of COVID-19 on the elderly and communities of color, asked about the efficacy of the vaccine trials across different demographics. Dr. Byington replied that the Pfizer-BioNTech and Moderna trials published their inclusion demographics, and both had 30 to 40 percent underrepresented minority (URM) participation, which was remarkable in a vaccine trial. Through Operation Warp Speed, vaccine trials had pre-determined enrollment goals and evaluation criteria, as well as similar protocols and data safety monitoring. There was a decrease in variation and an emphasis on outreach to URM communities.

Regent Butler asked about the different approaches to approval for the Pfizer-BioNTech and Moderna trials. Dr. Byington replied that there was no difference in the approval processes. Pfizer would likely present its data to the FDA before Moderna. All the companies started at the same time, but how quickly they could enroll and meet milestones determined when they could take their data to the FDA, which could grant emergency use authorization or licensure. The CDC Advisory Committee on Immunization Practices would then determine who would receive the vaccine, and the vaccine is then allocated.

Regent Butler asked how privilege was being mitigated in vaccine access. Dr. Byington responded that UC had a bioethics committee examining equity in vaccine distribution. Governor Newsom also had a committee on vaccine distribution, and four UC Health faculty members were participating in it. The career of one of President-Elect Biden's COVID-19 task force co-chairs focused on health equity. Equity was being considered at UC, State, and national levels. In her discussions with the State, Dr. Byington mentioned that UC buses and vans that were used in vaccine trial enrollment could now be used to deliver vaccines.

Regent Makarechian asked if the vaccine would be paid for by the U.S. government. Dr. Byington replied that the vaccine cost could only be surmised based on the Operation Warp Speed contract to purchase vaccines, approximately \$25 to \$35 per dose, with two doses per vaccine for the Pfizer-BioNTech and Moderna vaccines. Whether UC would be charged was not yet known, but Dr. Byington did not believe UC would be charged in this initial phase. She asked the State for more information. UC would probably have to bear the cost of distributing the vaccine. Regent Makarechian asked whether UC would pay for the vaccines and then be reimbursed. Dr. Byington replied that she did not yet know. UC did not initially pay for Remdesivir, but now it did.

Regent Makarechian asked when the monoclonal antibody would be used. Dr. Byington stated that California was receiving some allocated doses, but they were in short supply. UC was not currently being charged for them but would likely be charged in the future. Monoclonal antibodies were usually thousands of dollars per dose. Their use was under debate. According to NIH guidance, this was an outpatient treatment for mild symptoms. UC hospitals and clinics were designed to deliver outpatient infusions to cancer patients.

UC did not wish to bring COVID-19 patients into those settings. UC Health chief medical officers were looking for locations that would not affect immunocompromised patients.

Regent Sherman asked how vaccines would be distributed at the local level. Dr. Byington responded that the federal government would deliver vaccines to the State, and State and local health departments would be involved in distribution. If more vaccine is available, there might be widespread distribution to pharmacies.

Regent Sherman asked if there had been vaccine distribution at this level in history. Dr. Byington replied that the H1N1 vaccine distribution was not at this level. There would be an attempt to vaccinate 70 to 80 percent of the U.S. population and 70 percent of the world population.

Regent Sherman asked whether Corning was the only manufacturer of vaccine vials that had to withstand very low temperatures. Dr. Byington replied that Corning was the U.S. manufacturer. There was a backup manufacturer that had a plastic auto-injector, but Dr. Byington was not sure if it would be approved.

Regent Kounalakis shared that there were 11,500 new infections that day. She praised Dr. Byington's leadership of UC Health and her engagement with government leaders, which demonstrated UC's pursuit of excellence. The last nine months had been very difficult, and Dr. Byington's calm and steady engagement helped greatly. Dr. Byington expressed UC's commitment to the State's pandemic response efforts, as well as her pride in UC faculty and staff.

Regent Reilly asked if other vaccine trials would stop. Dr. Byington expressed her hope that they would continue. All possible vaccines were needed to reach all possible settings, manufacturers, and supply chains. The National Academies of Science, Engineering, and Medicine and many other professional societies encouraged President-Elect Biden to continue to support and fund all trials to completion. The scientific research had been unprecedented. This was the first time mRNA vaccines were being used, and there were more diseases that could be addressed using this method.

6. APPROVAL OF THE UNIVERSITY OF CALIFORNIA'S 2021–22 BUDGET FOR CURRENT OPERATIONS

The President of the University recommended that the Regents approve the proposed budget plan shown in Attachment 1, *University of California 2021–22 Budget Plan for Current Operations*.

[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 Financial Officer Brostrom stated that, while the unemployment rate in California had decreased to 11 percent and State revenues had rebounded since the spring, uncertainty remained. Legislative analysts projected a revenue

windfall this fiscal year but also slow revenue growth for the next four years. He believed UC to be part of the solution, through patient care, therapeutics, and vaccines, but also through maintaining and expanding teaching, learning, and bringing students back to campus. As the third largest employer in the state, UC must also take care of its workers. From March through October, the pandemic had a \$2.7 billion impact on UC, with \$2.2 billion in lost revenue and \$500 million in increased costs. The pandemic had a \$1.5 billion impact on UC medical centers, which was offset by roughly \$500 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding in the spring. Hospitals and clinics recovered quickly, and recent financial statements showed revenue increases at the medical centers. However, UC needed to be cautious and account for the recent surge in COVID-19 cases. Auxiliaries, primarily housing and dining, were still in a v-shaped decline. This fall, dormitory occupancy levels ranged from ten to 55 percent, with the exception of UCSF's nearly full apartment-style housing. Every campus' much lower positivity rates than their surrounding communities might enable them to open further in the winter and spring terms. Based on different occupancy scenarios, the shortfall over several years could range from \$1.9 billion to \$2.2 billion, but long waiting lists meant that a complete recovery was expected. Enrollment at UC was very strong despite decreased enrollment in public universities nationwide. Resident undergraduate enrollment rose by one percent, or 2,000 California students, and nonresident undergraduate enrollment declined by four percent. The University hoped that many nonresident undergraduate students would return in the spring or the following fall. Nonresident graduate enrollment declined by nearly seven percent; international students in one-year master's programs were waiting to attend in person. Incoming classes demonstrated increased diversity.

The University's State appropriation was reduced by \$300 million, which would have been reversed if the State had received at least \$14 billion in Heroes Act funding by October 15. It was unlikely that this funding would come before President-Elect Biden took office. There was a shortfall in Nonresident Supplemental Tuition, but more nonresident student enrollment was anticipated when campuses open further. Cost increases came from compensation increases for represented staff, the faculty merit program, increased contributions to the UC Retirement Plan (UCRP), and debt service. To address budget gaps, campuses reduced non-personnel budgets in areas such as travel, utility, and leased space. Campuses were drawing from University reserves, which was augmented when UC borrowed \$1.5 billion during the summer. Other strategies included hiring freezes, attrition, and voluntary separation. Campuses redeployed food service and housing workers, but there were a limited number of permanent layoffs. Each campus faced different gaps and adopted different strategies. A salary for policy-covered staff, with no range adjustments for faculty and academic employees, meant over \$100 million in savings. Faculty hiring and addressing the faculty salary gap were delayed, and Student Academic Preparation and Educational Partnerships (SAPEP) could not be expanded much more. UC wished to increase its investment in student mental health, especially at this time.

Associate Vice President David Alcocer stated that holding salaries flat for fiscal year 2021–22 created risks to faculty and staff morale and retention, but it would reduce the need for other budget cuts. Most of the approximately 100,000 Professional and Support Staff (PSS) employees were represented and could expect a wage increase per the terms of

their labor contracts. A 1.5 percent salary adjustment for the nearly 40,000 policy-covered PSS employees would require \$17.3 million in core funds. The University was requesting \$30.4 million in State funds to close achievement gaps, which was less than previous requests of \$60 million. This smaller request targeted outcome gaps for Pell Grant recipients, first-generation students, and underrepresented students. Campuses needed more academic advisors, expanded Bridge and coaching programs, and redesigned courses. \$16.5 million was requested for student mental health services expansion. Wait times and initial follow-up visits were improving modestly but were still distressing for students. These funds would support stigma reduction programs, early intervention, and racial equity. The \$12.9 million request for UC Programs in Medical Education (PRIME) would add two new programs and help reduce student debt. In addition to these new investments, UC would still need to address cost increases, lost revenue, and the reduction of State funds next year. Cost savings from remote work could mean long-term reductions in travel, conference expenses, and utilities. Some positions that were vacant this year through attrition this might not be backfilled next year. Nonresident student enrollment was expected to recover. \$301 million in restored State funding and \$217 million in new State funding were requested. \$250 million in one-time funding was requested for deferred maintenance, energy efficiency projects, and projects that could begin within six months of receiving funds. UC was also requesting a return to an assessment funding model for the Office of the President (UCOP). Campuses could then use State funds for their academic infrastructure.

Regent Cohen noted the uncertainty of the State's finances in the future and cautioned against becoming too attached to this budget proposal. He asked about UC reduction of \$174 million in reserves and how the \$1.5 billion that was borrowed was different from standard operating reserves. Mr. Brostrom replied that the \$174 billion in reserves only covered core funds. Other reserves were needed for housing and medical center deficits. Unlike previous recessions, in this case all UC revenue streams were affected. As of October, UC had \$9 billion in the Short Term Investment Pool (STIP), which was augmented by \$1.5 billion in working capital. Much of it was being used to preserve jobs. Reserves covered one-time losses and were not permanent dollars.

Regent Cohen asked what reserves remained after the \$174 million was withdrawn. Mr. Brostrom replied that 60 days' cash on hand for each UC location totaled \$2 billion in core funds. Reserves in STIP could be used more flexibly.

Regent Cohen asked if \$134 million in savings was a ceiling or a floor and if it could be expanded. Mr. Brostrom responded that long-term savings had to be achieved through personnel actions and attrition without adequate revenue. Seventy percent of UC's expense structure was in salary and benefits. Mr. Alcocer added that, in a typical year, UC spent nearly \$80 million on travel, meetings, and conferences. In FY 2019–20, \$60 million was spent. The proposed budget would cut travel expenditures by 85 percent of what it was in FY 2018–19. In-person engagement would return, but not at the level it once was, hence an opportunity for savings. Mr. Brostrom stated that real estate needs would be reevaluated.

Regent Park asked chancellors to share their campuses' budget difficulties. Chancellor Wilcox stated that the UC Riverside student population was almost exclusively resident students, and in-state tuition had not been raised in many years. UCR received fewer dollars per student than any other campus while facing the same cost increases. It was suggested that UCR shut down its athletics program. The campus already shut down its study abroad program, as well as its UC Washington Center (UCDC) and UC Center Sacramento (UCCS) participation, because of lower student participation, which was a result of students having fewer resources. The UCR Chancellor's Office anticipated cutting two of its six full-time equivalents positions. The impact at the campus level was significant.

Regent Park expressed surprise at this news. A speaker during the public comment period noted funding disparities, and, at the presidential search town hall at UCR, faculty shared that they felt undervalued. She shared her concern about the impact of these cuts on the UCR community. Allowing disparities to continue impeded UC's equity efforts. Some populations were affected differently, and the University needed to determine whether its current formula was helping those who were already advantaged. This discussion needed to continue in the very near future.

Chancellor Muñoz stated that UC Merced was in a similar situation. The campus was smaller and was overwhelmingly residential, so the absence of students in dormitories presented challenges. UCM had less accumulated philanthropy on which to rely and was highly dependent on State funding. With fewer faculty and staff, as well as many staff in lower income levels, curtailment would not translate to savings and would have a significant impact on the psychology of lower-paid employees. UC Merced's Early Childhood Education Center had been closed since the pandemic, and the campus was struggling to identify resources to reopen it. Graduate students, faculty, and staff relied on the Center, and there were few similar centers in the city.

Chancellor Larive stated that UC Santa Cruz was 94 percent core funded and had a smaller-than-median allocation of per-student State funding. UCSC was in an area with very high housing costs. A hiring freeze helped the campus maintain a large degree of its employment. Staff were juggling increased workloads and family responsibilities. Despite the challenges, UCSC was trying to prioritize students and the student experience.

Chancellor Christ stated that, although UC Berkeley's budget was constituted differently, this was the most severe crisis she had ever experienced in her career in higher education. A deficit of \$340 million was projected from March 2020 through June 2021. This was mitigated with a hiring freeze. An enrollment decrease of some 800 students, almost entirely out-of-state and international students, resulted in a loss of about \$60 million. COVID-19 testing, extra cleaning, and the transition to remote instruction added \$65 million to the budget. UC Berkeley dormitories were at 20 percent capacity, and its athletics programs were experiencing significant losses.

Regent Ortiz Oakley stated that UC Merced served the most under-resourced students in the system and received the least public investment. UC must pay particular attention to the most vulnerable campuses during this crisis.

Regent Kieffer suggested creating a working group so that the Regents could better understand the formulas for allocating funding. He emphasized advocating for removing the Legislature's direct allocation for the Office of the President budget. He asked what effect a new federal stimulus would have on the State and the UCOP budget. Mr. Brostrom replied that there might be direct assistance to universities and medical centers through the State. It would be one-time funding that could go toward unfunded liabilities.

Chair Pérez stated that he would work with UCOP on more detailed discussions on the impact of the current budgetary situation on campuses.

Upon motion duly made and seconded, the Board approved the President's recommendation, Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Zettel voting "aye."

7. AMENDMENT OF THE UNIVERSITY OF CALIFORNIA RETIREMENT SYSTEM TO ACCOMMODATE WORKFORCE ACTIONS RELATED TO COVID-19

The President of the University recommended that the Regents authorize the following for COVID-19-related workforce actions that have been designated as such by the President:

- A. The University of California Retirement Plan (UCRP) be amended to preserve the rate of accrual of service credit for Active Members during an unpaid furlough or curtailment through June 30, 2022.
- B. The University of California Retirement Plan and Defined Contribution Plan (DC Plan) be amended to provide that a temporary layoff would not constitute a break in service through June 30, 2022, provided the temporary layoff does not exceed a period of 12 consecutive months.
- C. The President be granted authority to make Plan modifications and changes consistent with these terms as may be required for their implementation, including that the Plan Administrator amend the UCRP and DC Plan documents as necessary to implement the approved changes.

For eligible represented employees, all changes are subject to any applicable collective bargaining requirements under the Higher Education Employer-Employee Relations Act.

[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.]

President Drake stated that the University sought to minimize the layoffs of the lower-paid employees while giving campuses maximum flexibility in making workforce and budgetary decisions. Layoffs would not be the first action if UC's financial situation worsened, but they were being considered. If additional cost-saving measures were needed,

the University wished to protect retirement and healthcare benefits to the greatest extent possible.

Interim Vice President Lloyd briefly explained the item. The majority of eligible UC employees were covered by the UC Retirement Plan (UCRP) or Defined Contribution (DC) Plan, in which a member's monthly pension income is determined by years of service credit, age upon retirement, and three years of highest pay. The proposed action would preserve the member's rate of service credit accrual during an unpaid furlough or curtailment. Currently, temporary layoffs exceeding four months would be considered a break in service and could change a retirement tier or health eligibility rules. Through the proposed action, a COVID-19 temporary layoff not exceeding 12 consecutive months would not constitute a break in service through June 30, 2022.

Regent Cohen asked about UC's contribution to these plans under the proposal. Executive Vice President and Chief Financial Officer Brostrom replied that, if an employee's pay was reduced, the employee would be making a smaller contribution to UCRP but would still receive full service credit. UC would account for that with a greater contribution from the Short Term Investment Pool (STIP).

Chair Pérez asked about the increase in funding to UCRP. Mr. Brostrom stated that UCRP went from 76 percent to over 84 percent funded. The increase in contribution and increased borrowing should put UC in a strong position.

Regent Cohen asked whether STIP borrowing would make up for an employee's reduced contribution due to a pay cut. Mr. Brostrom responded in the affirmative, adding that it would be amortized over 15 to 20 years.

Regent Kieffer asked when the University wished to reach an appropriate level of funding. Mr. Brostrom replied that a healthy plan was 90 to 100 percent funded. Currently, UC was able to cover all benefits for 50 years. The plan was 87 percent funded two years ago, but UC changed actuarial assumptions and lowered the discount rate. John Monroe, Actuarial Services Manager at the Office of the President (UCOP), stated that benefits would be paid for many years at 80 percent funding. One hundred percent funding was the target. There was nothing wrong with not reaching that target in five to ten years as long as UC made progress over time. Regent Kieffer noted that the Regents had adopted a goal of reaching a target over time. Mr. Brostrom stated that the Regents approved borrowing from STIP up to the annual required contribution every year. The target year for reaching over 90 percent funding changed due to a change in the discount rate.

Chair Pérez asked about the tension between funding percentage and the calculation of the discount rate. As UC was more aggressive in assuming the discount rate, it became more conservative in reaching its targeted funding contribution. Mr. Monroe replied that a key change adopted by the Regents last year was a reduction in discount rate from 7.25 percent to 6.75 percent. Members were also living longer. Those changes led to more conservative assumptions and increased actuarial liability by about \$7.5 billion, which decreased the funding ratio. A more conservative assumption meant an improved risk position.

Regent Kieffer noted that the University had been criticized in the past for having a lower funding percentage, but UC was still on track to reach its funding target. Chair Pérez added that UC was once more aggressive. If its discount rate and actuarial assumptions had not been adjusted, UC would have been at a higher funding percentage, with meant a lower corpus and a more dangerous position. He contrasted this action with those of previous Boards, which implemented pension holidays.

Regent Leib asked whether staff were consulted and what their reaction was. President Drake replied that this action was meant to protect retirement benefits and extend the time that health benefits applied. There were some staff who were already temporarily laid off. Ms. Lloyd stated that this was the first time that UC had taken this kind of action. Chair Pérez added that the objective was not to have layoffs or reductions, but this would minimize the impact of potential layoffs and reductions. UC was engaging in a more thoughtful effort than in previous crises. Staff Advisor Jeffrey endorsed President Drake's and Ms. Lloyd's remarks. She stated that UCOP did reach out to staff advisors and the Council of UC Staff Assemblies (CUCSA), which was supportive of the proposal. UCOP met with CUCSA and answered its questions. Ms. Jeffrey underscored the importance of employees' ability to return to their pension tier after a layoff, and she commended UCOP for developing this plan. She shared that all the employees in one department at UC Berkeley had a taken voluntary reduction in time to save jobs. These employees would lose their ability to accrue pension credit at the same level under the current plan. Most of these were Professional and Support Staff (PSS) employees and not highly paid. Ms. Jeffrey expressed her appreciation for a plan that protects employees trying to help their colleagues.

Upon motion duly made and seconded, the Board approved the President's recommendation, Regents Anguiano, Butler, Cohen, Drake, Elliott, Estolano, Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Zettel voting "aye."

8. UNFINISHED BUSINESS

Amendment of Bylaw 21.7 – Regent Compensation - Regarding Regents' Participation in Uncompensated University-affiliated Positions

At the September 2020 meeting of the Board of Regents, notice was served that at the next regular meeting of the Regents, Bylaw 21.7 – Regent Compensation, be amended as shown below.

Addition shown by underscoring

21.7 Regent Compensation.

No Regent shall receive salary or other compensation for service as a Regent, nor shall any Regent, other than the President of the University, be eligible for compensated employment or appointment in any University-affiliated position. Notwithstanding the foregoing, the

student Regent shall be eligible for part-time compensated University employment and a scholarship per Regents Policy 1202: Policy on Appointment of Student Regent. A Regent shall be eligible for uncompensated employment or appointment to a University-affiliated position upon approval by the Chair and Vice Chair of the Governance Committee. In the case of the inability of the Chair of the Board or the Vice Chair of the Board to approve because of unavailability or conflict, the Chair of the Audit and Compliance Committee may approve. Within limits pursuant to University policy, Regents may be reimbursed for actual expenses incurred by reason of attendance at any Board or Committee meeting or in the performance of other official business of the University.

Upon motion duly made and seconded, the recommendation was approved, Regents Anguiano, Butler, Cohen, Drake, Elliott, Estolano, Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Zettel voting “aye.”

9. **COMMITTEE REPORTS INCLUDING APPROVAL OF RECOMMENDATIONS FROM COMMITTEES**

Chair Pérez stated that Chairs of Committees and Special Committees that met the prior day and off-cycle would deliver reports on recommended actions and items discussed, providing an opportunity for Regents who did not attend a particular meeting to ask questions.

Report of the Academic and Student Affairs Committee

The Committee presented the following from its meeting of November 18, 2020:

A. ***Twenty-First Century Skill Development for University of California Students***

Regent Anguiano reported that the Committee discussed how campuses helped prepare students to enter the 21st century work force and society. UC San Diego wove skill development into undergraduate courses and co-curricular activities.

B. ***Alternative Approaches to Financial Aid***

Regent Anguiano reported that the Committee reviewed seven ways to revise the Education Financing Model, including adjusting the total cost of attendance (TCOA); incorporating new sources of data into off-campus living expenses; and increasing TCOA for targeted populations. The Committee discussed ways to assess parents' ability to pay, income-differentiated student self-help expectations, and a debt-free pathway to a UC degree.

C. ***Native American Student Admissions and Outreach***

Regent Anguiano reported that Native American student admissions, enrollment needs, outcomes data, and outreach efforts were discussed. American

Indian/Alaskan Native students made up 0.5 percent of the UC student population, while Native Americans made up 1.6 percent of the state population. Student presenters discussed campus climate, including the distress they experienced while in locations where there were Native American remains. President Drake presented his initiative on this matter.

D. ***Supporting Students with Disabilities at the University of California***

Regent Anguiano reported that the discussion highlighted multi-dimensional, needs that should be addressed holistically. Last year, nearly 19,000 students received accommodations. Systemwide data on students with disabilities was limited because information was not centralized. There was also a lack of accessible infrastructure design, a lack of awareness and training for staff and faculty, and variability in disability center funding and resources. Student speakers shared their experiences and their commitment to participating in working groups.

Report of the Compliance and Audit Committee

The Committee presented the following from its meeting of November 18, 2020:

A. ***State Audit of University of California Admissions Policies and Practices***

Regent Elliott reported that the Committee was presented with UC's progress in its timeline. UC was finalizing the 60-day report, which was due to the State Auditor on November 21. UC accepted and was acting on nine recommendations, with the remaining three requiring more analysis.

B. ***Annual Report of External Auditors***

Regent Elliott reported that the annual report identified one control issue deemed a deficiency, the Redwood retirement system.

Report of the Finance and Capital Strategies Committee

The Committee presented the following from its meeting of November 18, 2020:

A. ***Consent Agenda:***

Preliminary Plans Funding, Data Hub New Academic Building, Berkeley Campus

The Committee recommended that the 2020–21 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Berkeley: Data Hub New Academic Building – preliminary plans – \$30 million to be funded from gift funds.

B. *UC Davis 2020 Long Range Development Plan Following Action Pursuant to the California Environmental Quality Act and 2020 Physical Design Framework, UC Davis Sacramento Campus*

The Committee recommended that, following review and consideration of the environmental consequences of the proposed Long Range Development Plan update (2020 LRDP), as required by the California Environmental Quality Act (CEQA), including any written information addressing this item received by the Office of the Secretary and Chief of Staff no less than 24 hours in advance of the beginning of this Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents:

- (1) Certify the Environmental Impact Report for the UC Davis 2020 LRDP, UC Davis Sacramento campus.
- (2) Adopt the Mitigation Monitoring and Reporting Program, and make a condition of approval the implementation of mitigation measures within the responsibility and jurisdiction of UC Davis.
- (3) Adopt the CEQA Findings and Statement of Overriding Considerations.
- (4) Approve the UC Davis 2020 LRDP for the UC Davis Sacramento Campus.
- (5) Receive and accept the 2020 Physical Design Framework.

Regent Makarechian reported that Sacramento Mayor Darryl Steinberg shared his enthusiasm for the project and the economic development opportunity for the city.

C. *Design Following Action Pursuant to the California Environmental Quality Act, Aggie Square Phase 1A, UC Davis Sacramento Campus*

The Committee recommended that, following review and consideration of the environmental consequences of the Aggie Square Phase 1 project, as required by the California Environmental Quality Act (CEQA), including any written information addressing this item received by the Office of the Secretary and Chief of Staff no less than 24 hours in advance of the beginning of this Regents meeting, testimony, or written materials presented to the Regents during the scheduled public comment period and the item presentation, the Regents:

- (1) Adopt the CEQA Findings for the Phase 1 Project, having considered the UC Davis Sacramento Campus 2020 Long Range Development Plan (LRDP) Supplemental Environmental Impact Report (EIR) for the UC Davis Sacramento campus.

- (2) Make a condition of approval the implementation of applicable mitigation measures within the responsibility and jurisdiction of UC Davis as identified in the Mitigation Monitoring and Reporting Program adopted in connection with the 2020 LRDP EIR.
- (3) Approve the project design for all project elements included in Phase 1A.
- (4) Direct the President of the University, or designee, in consultation with the Office of General Counsel, to execute all documents necessary in connection with the above.

Regent Makarechian reported that the Phase 1 Project would create a living, learning, and working environment and include two laboratories, co-working learning spaces, public common areas, and parking garage. The Committee asked that the 200 bed units be part of Phase 1A.

Faculty Representative Horwitz stated that 40 percent of UC's carbon neutrality strategy was achieved by carbon offsets. Aggie Square would not use carbon offsets to such a degree, but many have suggested that carbon offsets are mostly a shell game. To reduce the carbon footprint, fossil fuels should be left in the ground. He asked how carbon offsets for Aggie Square would address the already challenged air quality of the Sacramento Basin. Executive Vice President and Chief Financial Officer Brostrom replied that the project was complying with systemwide construction guidelines, which was at least 20 percent below Title 24 requirements and meeting Leadership in Energy and Environmental Design (LEED) Silver. Aggie Square did not seek exemptions from the UC Sustainable Practices Policy, which were becoming stricter on construction waste and water conservation. Mr. Brostrom offered to have a representative from UC Davis provide more information. He added that public-private partnerships were also required to adhere to UC sustainability standards. Chair Pérez stated that they should be required to adhere to all UC standards.

D. *University of California Financial Reports, 2020*

The Committee recommended that the Regents adopt the 2019–20 Annual Financial Reports for the University of California, the University of California Retirement System, and the five University of California Medical Centers.

Regent Makarechian reported that the Committee discussed the fact that the Total Return Investment Pool (TRIP) returns had been lower than the Short Term Investment Pool (STIP) returns because of a drop in the market related to the COVID-19 pandemic. STIP and TRIP have since rebounded, and the funding status of the UC Retirement Plan rose.

E. ***Approval of the 2020–26 Capital Financial Plan***

The Committee recommended to the Regents that the University of California 2020–26 Capital Financial Plan be approved.

Regent Makarechian explained that approving the Capital Financial Plan did not constitute approval of the capital budget.

F. ***Budget, Scope, and External Financing Following Action Pursuant to the California Environmental Quality Act, Theatre District Living and Learning Neighborhood, San Diego Campus***

The Committee recommended that:

- (1) The 2020–21 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Diego: Theatre District Living and Learning Neighborhood – preliminary plans and partial working drawings – \$35 million to be funded from housing reserves (\$34 million) and campus funds (\$1 million).

To: San Diego: Theatre District Living and Learning Neighborhood – preliminary plans, working drawings, construction, and equipment – \$565 million to be funded with external financing (\$564 million) and housing auxiliary reserves (\$1 million).

- (2) The scope of the Theatre District Living and Learning Neighborhood (TD LLN) project shall provide: 1) residential space of approximately 574,000 assignable square feet (ASF) comprised of 2,000 undergraduate student beds, 50 beds for resident advisors and live-in staff, and residential support space; 2) non-residential space of approximately 71,000 ASF comprised of flexible classrooms (17,100 ASF), offices for residential life and administrative staff (10,900 ASF), campus meeting spaces (9,000 ASF), student dining hall (17,700 ASF), a restaurant for students and campus community, including Theatre District patrons (3,800 ASF), convenience retail (1,500 ASF), and building maintenance and operations space (11,000 ASF); 3) underground parking for approximately 1,165 cars (325 net new spaces); and 4) public realm and vehicular circulation improvements including an improved campus entry at Revelle College Drive, realignment of Scholars Drive South, an extension of Ridge Walk, a valet/drop-off zone for the adjacent performing arts venues; a transit hub for campus shuttles; and recreation and outdoor wellness areas throughout the site.

- (3) The President of the University be authorized to obtain external financing in an amount not to exceed \$564 million plus additional related financing costs. The President shall require that:
 - a. Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.
 - b. As long as the debt is outstanding, general revenues from the San Diego campus shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.
 - c. The general credit of the Regents shall not be pledged.
- (4) Following review and consideration of the environmental consequences of the proposed TD LLN project, as required by California Environmental Quality Act (CEQA), including any written information addressing this item received by the Office of the Secretary and Chief of Staff no less than 24 hours in advance of the beginning of the Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents:

Adopt CEQA Findings, affirming that the proposed project is consistent with and covered by 2018 Long Range Development Plan Environmental Impact Report for the La Jolla Campus and Addendum No. 5 to the 2018 Long Range Development Plan Environmental Impact Report for the Theatre District Living and Learning Neighborhood, previously considered by the Regents on September 17, 2020.
- (5) The President be authorized, in consultation with the General Counsel, to execute all documents necessary in connection with the above.

G. ***Report of Budget to Actual Expenditures for Fiscal Year 2019–20 for the Office of the President and First Quarter Fiscal Year 2020–21 Results***

This item was not summarized.

H. ***University of California Debt Policy***

Regent Makarechian explained that Regents Policy 5307: University of California Debt Policy governed the structuring, management, and use of debt in order to preserve UC's strong credit and access to capital markets. The Committee discussed proposed policy changes, including days' cash on hand, maintaining a "AA" rating, debt service, and reducing auxiliary project requirements.

I. ***Annual Actuarial Valuation of the University of California Retiree Health Benefit Program***

Regent Makarechian reported that, as of July 1, 2020, total liability of the program increased to \$23.3 billion from \$19.1 billion last year. The projected cash costs for fiscal year 2020-21 were \$334 million. The Committee discussed the accounting principles that turned the \$334 million into the \$23.3 billion liability.

J. ***Annual Actuarial Valuations for the University of California Retirement Plan and Its Segments and for the 1991 University of California-Public Employees' Retirement System Voluntary Early Retirement Incentive Program***

Regent Makarechian reported that the market value of the UC Retirement Plan (UCRP) as of June 30, 2020 was \$70.9 billion, up from \$70.3 billion last year and less than the investment return assumption. UCRP's Actuarial Accrued Liability grew to \$93.1 billion from \$87.8 billion last year. UCRP's Unfunded Actuarial Accrued Liability increased to \$19.8 billion from \$17.6 billion last year. The funded ratio decreased from 80 percent to 76 percent. The Committee asked whether the University should review the discount rate.

Upon motion of Regent Makarechian, duly seconded, the recommendations of the Finance and Capital Strategies Committee were approved, Regents Anguiano, Butler, Cohen, Drake, Elliott, Estolano, Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Zettel voting "aye."

Governance Committee

The Committee presented the following from its meeting of November 19, 2020:

A. ***Approval of Exception for Moving and Relocation Expenses for Carrie Byington, M.D., as Executive Vice President – UC Health, Office of the President, as Discussed in Closed Session***

The Committee recommended approval of the following for Carrie Byington, M.D., as Executive Vice President – UC Health, Office of the President:

As an exception to policy, grant Dr. Byington up to two years and nine months after her start date to (1) submit receipts and/or documentation supporting her moving and relocation expenses; (2) sell her former primary residence; and (3) complete her move. This permits the reimbursement of expenses authorized by Regents Policy 7710, Senior Management Group Moving Reimbursement, which are incurred by Dr. Byington through July 31, 2022.

B. *Report of the Working Group on Committee Structure*

Chair Pérez reported that the Committee's discussion raised questions that would be addressed in the future.

Upon motion of Chair Pérez, duly seconded, the recommendation of the Governance Committee was approved, Regents Anguiano, Butler, Cohen, Drake, Elliott, Estolano, Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Zettel voting "aye."

Report of the Health Services Committee

The Committee presented the following from its meeting of October 20, 2020:

A. *Update of the COVID-19 Impact on the University of California: UC Health Issues and Financial Update*

Regent Lansing stated that the status of COVID-19 had changed since the presentation of this discussion item.

B. *Approval of Appointment of and Compensation Using Non-State Funds for Matthew Cook as Senior Vice President – Children's Services and President of Benioff Children's Hospital, UCSF Health System, San Francisco Campus as Discussed in Closed Session*

This item was not summarized.

C. *Approval of Incentive Compensation Using Health System Operating Revenues for Fiscal Year 2019–20 for Carrie Byington, M.D. as Executive Vice President – UC Health, Office of the President as Discussed in Closed Session*

This item was not summarized.

D. *Speaker Series – Preparing for Tomorrow: UC Davis' PREDICT and One Health Workforce Projects*

Regent Lansing shared that UC Davis' PREDICT and One Health Workforce Projects had been addressing pandemics outside of the U.S. Insights gained from this work could be applied within the U.S. as well.

E. *UC Health Clinical Objectives: Aligning with the Vizient University Healthcare Consortium and the Institute of Medicine/National Academy of Medicine*

This item was not summarized.

F. ***State Governmental Relations Update***

Regent Lansing reported that UC Riverside's medical school and UC's other initiatives continued to receive State funding. State Governmental Relations shared its successes in legislative advocacy.

G. ***Center for Data-Driven Insights and Innovation and Other Strategic Plan-Related Updates for Areas Funded by Medical Centers at UC Health***

This item was deferred to a later meeting.

H. ***Advancing Progress to Promote Diversity, Equity, and Inclusion across UC Health Sciences Professional Schools***

This item was not summarized.

The Committee presented the following from its meeting of November 18, 2020:

Approval of Appointment of and Compensation for Ashish Atreja as Chief Information Officer/Chief Digital Health Officer, UC Davis Health, Davis Campus as Discussed in Closed Session

This item was not summarized.

Report of the Public Engagement and Development Committee

The Committee presented the following from its meeting of October 6, 2020:

A. ***Overview of the University of California Alumni Community and Systemwide Engagement Efforts***

Regent Leib recognized Regent Stegura's efforts in preparing the presentation.

B. ***Emerging Alumni Needs and Future Initiatives***

This item was not summarized.

C. ***Insights from University of California Alumni Association Leaders***

This item was not summarized.

D. ***State Governmental Relations Update***

This item was not summarized.

E. ***Federal Issues Update***

This item was not summarized.

The Committee presented the following from its meeting of November 18, 2020:

A. ***Endorsement of Comprehensive Campaign: Davis Campus***

The Committee recommended the endorsement of the public phase of the UC Davis campus fundraising campaign, Expect Greater, with a dollar goal of \$2 billion, supporting four campaign pillars: preparing change makers, reimagining medicine, sparking innovation and creativity, and sustaining healthier communities.

B. ***Perspectives on Increasing Community College Transfers in California***

Regent Leib reported that items about the transfer process were meant to be presented at an off-cycle meeting at Chaffey College in April.

C. ***Undergraduate Transfer to the University of California***

This item was not summarized.

D. ***The University of California Undergraduate Student Transfer Experience***

Regent Leib reported that the Committee heard from transfer students. The transfer process had improved in recent years, but there was much left to be done, such as making the transfer process easier to navigate, adding counselors and advisors, data sharing, and finalizing a memorandum of understanding. Regent Leib stated that he would work with the Committee to create the punch list that Regent Park suggested.

Upon motion of Regent Leib, duly seconded, the recommendation of the Public Engagement and Development Committee was approved, Regents Anguiano, Butler, Cohen, Drake, Elliott, Estolano, Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Zettel voting “aye.”

Report of the Special Committee on Basic Needs

The Special Committee presented the following from its meeting of November 19, 2020:

A. ***Report of the Special Committee on Basic Needs***

The Special Committee on Basic Needs recommended that:

- (1) The Regents accept the report of the Special Committee, *The University of California’s Next Phase of Improving Student Basic Needs*, and

- (2) An annual report on basic needs be presented to the Academic and Student Affairs Committee beginning in 2021.

Regent Muwwakkil shared that the Special Committee discussed how the report should be implemented. Chancellors Christ and Khosla shared how their campuses provided basic needs support.

B. *Acknowledgement of the History and Contributions to Addressing Basic Needs at the University of California*

Regent Muwwakkil reported that stakeholders were recognized for their commitment to students with basic needs insecurities. He thanked Regent Kieffer and Chair Pérez for forming the Special Committee and for appointing Student Regents as its chairs.

Upon motion of Regent Muwwakkil, duly seconded, the recommendation of the Special Committee on Basic Needs was approved, Regents Anguiano, Butler, Cohen, Drake, Elliott, Estolano, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, and Stegura voting “aye.”

10. REPORT OF INTERIM, CONCURRENCE AND COMMITTEE ACTIONS

Secretary and Chief of Staff Shaw reported that, in accordance with authority previously delegated by the Regents, action was taken on routine or emergency matters as follows:

Approvals Under Interim Action

- A. The Chair of the Board of Regents, the Chair of the Finance and Capital Strategies Committee, and the President of the University approved the following recommendation:

Amendment to Master Lease Term for New Markets Tax Credits for “The U” in Downtown San Diego, San Diego Campus

That the Regents’ September 2020 action, *New Markets Tax Credits for “the U” In Downtown San Diego, San Diego Campus*, be amended as follows:

- C. Approve the following terms of a master lease between the Regents as the property owner and the SPE NPC as Master Tenant:

- (1) The term of the master lease shall not exceed ~~30~~ 55 years.

- B. The Chair of the Board of Regents, the Chair of the Governance Committee, and the Secretary and Chief of Staff to the Regents approved the following recommendation:

Retention of JAMS, Inc. for Provision of Complaint Resolution Officer Services Pursuant to Regents Policy 1112 and Approval of the Hon. Harry W. Low (Ret.) as Complaint Resolution Officer for the Period October 1, 2020 – September 30, 2021

That the Regents be authorized to enter into an agreement with JAMS Inc., through which the Regents will retain the Hon. Harry W. Low (Ret.) as Complaint Resolution Officer for the period October 1, 2020 through September 30, 2021, pursuant to Regents Policy 1112.

Funding: The cost of the retention will be funded by the Office of the Secretary and Chief of Staff to the Regents.

Approvals Under Concurrence Action

- C. The Chair of the Board of Regents, the Chair of the Finance and Capital Strategies Committee, and the President of the University approved the following recommendation:

Approval of Synthetic Advance Refunding of Medical Center Pooled Revenue Bonds 2013 Series J Bonds

That the President of the University be authorized to execute the proposed transaction related to the synthetic refunding of the Medical Center Pooled Revenue Bonds 2013 Series J Bonds as follows:

- (1) Enter into one or more forward-starting interest rate swap agreements and take all appropriate actions to implement the transaction.
- (2) Allow the University to agree to optional termination rights and collateral posting terms that do not comply with and are an exception to “The Regents of the University of California Interest Rate Swap Guidelines.”

Approvals Under Committee Authority

- D. At its October 20 meeting, the Health Services Committee approved the following recommendations:

- (1) ***Approval of Appointment of and Compensation Using Non-State Funds for Matthew Cook as Senior Vice President – Children’s Services and President of Benioff Children’s Hospital, UCSF Health System, San Francisco Campus as Discussed in Closed Session***

The following items in connection with the appointment of and compensation using non-State funds for Matthew Cook as Senior Vice President – Children’s Services and President of Benioff Children’s Hospital, UCSF Health System, San Francisco campus:

- a. Per policy, appointment of Matthew Cook as Senior Vice President – Children’s Services and President of Benioff Children’s Hospital, UCSF Health, San Francisco campus, at 100 percent time.
- b. Per policy, an annual base salary of \$995,000.
- c. Per policy, eligibility to participate in the Clinical Enterprise Management Recognition Plan’s (CEMRP) Short Term Incentive (STI) component, with a target award of 15 percent of base salary (\$149,250), and a maximum potential award of 25 percent of base salary (\$248,750), subject to all applicable plan requirements and Administrative Oversight Committee approval. Mr. Cook’s actual award will be determined based on performance against pre-established objectives.

If Mr. Cook’s hire date is on or before January 1, 2021, his eligibility to participate in the STI component of CEMRP would start in the 2020–21 plan year, and his award would be prorated in his first year of participation. If his hire date is on or after January 2, 2021, his eligibility to participate would start in the 2021–22 plan year.

- d. Per policy, a hiring bonus of 17.6 percent of base salary (\$175,000), which is intended to make the hiring offer market-competitive and assist in securing Mr. Cook’s acceptance of the offer. The hiring bonus will be paid in a lump sum subject to the following repayment schedule if Mr. Cook separates from the University within two years of his appointment: 100 percent if this occurs within the first year of employment and 50 percent if this occurs within the second year of employment, subject to the limitations under policy.
- e. Per policy, eligibility for standard pension and health and welfare benefits and standard senior management benefits including eligibility for Senior Management Life insurance and Executive Salary Continuation for Disability (eligible after five consecutive years of Senior Management Group service).
- f. Per policy, eligibility to participate in the UC Employee Housing Assistance Program, subject to all applicable program requirements.
- g. Per policy, reimbursement of actual and reasonable moving and relocation expenses associated with relocating Mr. Cook’s primary

residence, subject to the limitations under Regents Policy 7710: Senior Management Group Moving Reimbursement.

- h. Mr. Cook will comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.
- i. This action will be effective as of Mr. Cook's start date, estimated to be on or about December 31, 2020.

COMPARATIVE ANALYSIS

Recommended Compensation

Effective Date: Upon hire date, estimated to be on or about December 31, 2020

Annual Base Salary: \$995,000

Clinical Enterprise Management Recognition Plan (CEMRP): Short Term Incentive (STI): \$149,250 (at 15 percent target rate)

Target Cash Compensation:* \$1,144,250

Funding: Non-State-Funded (UCSF Medical Center Revenue)

Prior Career Incumbent Compensation

Title: Senior Vice President – Children's Services and President of Benioff Children's Hospital

Annual Base Salary: \$994,608

Clinical Enterprise Management Recognition Plan (CEMRP): Short Term Incentive (STI): \$149,191 (at 15 percent target rate)

Target Cash Compensation:* \$1,143,799

Funding: Non-State-Funded (UCSF Medical Center Revenue)

*Target Cash Compensation consists of base salary and, if applicable, incentive and/or stipend.

- (2) ***Approval of Incentive Compensation Using Health System Operating Revenues for Fiscal Year 2019–20 for Carrie Byington, M.D. as Executive Vice President – UC Health, Office of the President as Discussed in Closed Session***

A Clinical Enterprise Management Recognition Plan (CEMRP) incentive award for Carrie Byington, M.D., as Executive Vice President – UC Health, Office of the President, in the amount of \$136,061, which is comprised of a Short Term Incentive award for the 2019-20 CEMRP plan year. The total recommended incentive award is 23.4 percent of Dr. Byington's prorated base salary (\$581,455) as of June 1, 2020 (\$869,800 x 66.8493 percent).

The incentive compensation described shall constitute the University's total commitment regarding incentive compensation until modified by the Regents or the President, as applicable under Regents policy, and shall

supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

COMPARATIVE ANALYSIS

Recommended Compensation

Effective Date: Upon approval

Base Salary: \$869,800 (as of June 1, 2020)

Recommended CEMRP STI Award: \$136,061 (23.4 percent of prorated base salary of \$581,455)

Recommended CEMRP LTI Award: N/A (ten percent target rate with the first possible payment to occur after the end of the 2021–22 Plan Year)

Target Cash Compensation:* \$1,005,861 (Full salary plus prorated award), plus possible LTI awards starting after the end of the 2021–22 Plan Year

Funding Source for CEMRP Award: Recommended CEMRP awards are non-State funded (100 percent from UC Health System revenues).

As this is Dr. Byington's first CEMRP award, the comparison below is to the previous incumbent, Dr. John Stobo.

Prior Year Data (2018–19 plan year) – Previous Incumbent

Base Salary: \$652,800 (as of June 1, 2019)

CEMRP STI Award: \$152,102 (23.3 percent of base salary)

CEMRP LTI Award: \$65,280 (10.0 percent of base salary)

Target Cash Compensation:* \$870,182

Funding Source for CEMRP Awards: Recommended CEMRP awards are non-State funded (100 percent from UC Health System revenues).

* Target Cash Compensation consists of base salary and, if applicable, incentive and/or stipend.

11. REPORT OF MATERIALS MAILED BETWEEN MEETINGS

Secretary and Chief of Staff Shaw reported that, on the dates indicated, the following were sent to the Regents or to Committees:

To the Regents of the University of California:

- A. From the Executive Vice President of UC Health, a COVID-19 and Coronavirus Update. September 4, 2020.
- B. From the President of the University, the *2019 Annual Report on Executive Compensation*. September 5, 2020.
- C. From the President of the University, an email regarding the State Auditor's Report on UC admissions and a statement from the University. September 22, 2020.

- D. From the Secretary and Chief of Staff to the Regents, the Summary of Communications Received for August 2020. September 22, 2020.
- E. From the Chair of the Board of Regents, an email regarding the California State Auditor's report on UC admissions. September 28, 2020.
- F. From the President of the University, the *Annual Report on Regents Policy #3501: Policy on Student-Athletes and Guiding Principles to Enhance Student-Athlete Welfare*. September 30, 2020.
- G. From the Executive Vice President of UC Health, a COVID-19 and Coronavirus Update. October 2, 2020.
- H. From the Executive Vice President of UC Health, a publication from Dr. Byington, *Learning from the Past and Working in the Present to Create an Antiracist Future for Academic Medicine*. October 8, 2020.
- I. From the Secretary and Chief of Staff to the Regents, the Summary of Communications Received for September 2020. October 8, 2020.
- J. From the University of California, Davis Chancellor, a letter providing background information and more specific information about the labor aspects of the proposed Aggie Square Phase 1 Project. October 28, 2020.
- K. From the Secretary and Chief of Staff to the Regents, the Summary of Communications Received for October 2020. November 10, 2020.
- L. From the Executive Vice President of UC Health, a COVID-19 and Coronavirus Update. November 6, 2020.

To the members of the Governance Committee:

- M. From the President of the University, the *Annual Compensation Monitoring Reports: Actions for Certain Athletic Positions and Coaches Systemwide* for calendar years 2016, 2017, 2018, and 2019. September 30, 2020.
- N. From the President of the University, the annually updated Indexed Compensation Level. November 3, 2020.

To the members of the National Laboratories Committee:

- O. From the Secretary and Chief of Staff, an email from the Committee Chair writing in response to a *San Francisco Chronicle* reporter regarding diversity, equity, and inclusion training at Lawrence Berkeley National Laboratory in light of the recent request from the Department of Energy for all the National Laboratories to suspend their diversity, equity, and inclusion training programs. September 16, 2020.

To the members of the Public Engagement and Development Committee:

- P. From Committee Chair Leib, a publication from the Public Policy Institute of California, "Increasing Community College Transfers: Progress and Barriers." September 18, 2020.
- Q. From the Associate Vice President, External Relations and Communications, the Federal Update, 2020, Issue 8. October 2, 2020.
- R. From the Associate Director of Advocacy, an email outlining the University's efforts to inform advocates of the impact that the COVID-19 pandemic has had on students' mental health, financial well-being, and campus experience. October 22, 2020.
- S. From the Associate Vice President, External Relations and Communications, the Federal Update, 2020, Issue 9. October 29, 2020.

The meeting adjourned at 6:15 p.m.

Attest:

Secretary and Chief of Staff

University of California
2021-22 Budget Plan for Current Operations

Attachment 1

(dollars in millions)

2020-21 CORE FUNDS FOR CURRENT OPERATIONS

Total Core Funds (State General Funds, Student Tuition and Fee Revenue, and UC General Funds)

\$8,872.6

PROPOSED CHANGES IN EXPENDITURES

Sustaining Core Operations

Address structural deficit resulting from:

2020-21 reduction in State support	\$ 300.8
2020-21 reduction in nonresident tuition	\$ 38.0
Unfunded cost increases in 2020-21	\$ 134.3
Faculty merit program	\$ 33.0
Contractually committed compensation	\$ 31.4
1.5% adjustment for policy-covered staff	\$ 17.3
Retirement contributions	\$ 30.0
Employee health benefits	\$ 22.8
Retiree health benefits	\$ 8.2
Debt service for AB 94 capital projects	<u>\$ 15.0</u>
Subtotal	\$ 630.7

Additional High-Priority Investments

Focused investments on student success	\$ 30.4
Student mental health	\$ 16.5
PRIME support and expansion	<u>\$ 12.9</u>
Subtotal	\$ 59.8

EXPENDITURES TOTAL \$ 690.5

PROPOSED CHANGES IN REVENUE / RESOURCES

Cost Savings/Alternative Revenues

Nonresident revenue recovery	\$ 38.0
Savings to offset 2020-21 cost increases	<u>\$ 134.3</u>
Subtotal	\$ 172.3

State General Funds

Sustaining core operations	
Restore 2020-21 budget reduction	\$ 300.8
Address 2021-22 cost increases	\$ 157.6
Additional high-priority investments	
Focused investments on student success	\$ 30.4
Student mental health	\$ 16.5
PRIME support and expansion	<u>\$ 12.9</u>
Subtotal	\$ 518.2

REVENUE / RESOURCES TOTAL \$ 690.5

ADDITIONAL REQUEST FOR ONE-TIME STATE FUNDS

Deferred Maintenance Plus (DM+) Program

\$ 250.0

Includes \$150M for projects related to energy conservation and efficiency that will reduce ongoing operational costs.