

FINANCE AND CAPITAL STRATEGIES COMMITTEE

July 22, 2021

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

1. CONSENT AGENDA

A. *Preliminary Plans Funding, Viterbi Family Vision Research Center, San Diego Campus*

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

San Diego: Viterbi Family Vision Research Center – preliminary plans – \$6 million to be funded from campus funds.

B. *Working Drawings Funding and Scope, Hospital Bed Replacement Tower Advanced Work Phase, Davis Health Campus*

The Committee recommends that:

- (1) The 2020-21 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

From: Davis: Hospital Bed Replacement Tower – preliminary plans – \$101,618,000 funded with hospital reserves.

To: Davis: Hospital Bed Replacement Tower – preliminary plans and Advanced Work Phase working drawings – \$127,618,000 funded with hospital reserves.

- (2) The scope of the Advanced Work Phase of the Hospital Bed Replacement Tower project shall provide removal of existing trailers; grading; road improvements; reconfiguration of parking lots for temporary ambulance drop-off; reconfiguration of ambulance entry and emergency patient drop-off; renovation of interior emergency department spaces to accommodate relocated entries; relocation of existing utilities at the project site; utilities and utility tie-ins; installation of new underground storage tanks; and provisions for planning and design of the project big room.

Committee vote: Regents Cohen, Drake, Leib, Lott, Makarechian, Ortiz Oakley, Reilly, and Sherman voting “aye.”

Board vote: Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Torres, and Zaragoza voting “aye.”

2. 2021 LONG RANGE DEVELOPMENT PLAN FOLLOWING ACTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND ACCEPTANCE OF THE 2021 PHYSICAL DESIGN FRAMEWORK, BERKELEY CAMPUS

The Committee recommends that, following review and consideration of the environmental consequences of the proposed UC Berkeley 2021 Long Range Development Plan (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 to the Regents no less than 48 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:

- A. Certify the Final Environmental Impact Report for the UC Berkeley 2021 LRDP and Housing Projects #1 and #2.
- B. Adopt as conditions of approval of the UC Berkeley 2021 LRDP all applicable Mitigation Measures and Continuing Best Practices within the responsibility and jurisdiction of the University.
- C. Adopt the Mitigation Monitoring and Reporting Program for the UC Berkeley 2021 LRDP.
- D. Adopt the CEQA Findings and Statement of Overriding Considerations for the UC Berkeley 2021 LRDP.
- E. Approve the UC Berkeley 2021 LRDP.
- F. Receive and accept the UC Berkeley Physical Design Framework.

Committee vote: Regents Cohen, Drake, Leib, Lott, Makarechian, Ortiz Oakley, Reilly, and Sherman voting “aye.”

Board vote: Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Torres, and Zaragoza voting “aye.”

3. **DESIGN FOLLOWING ACTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND ACCEPTANCE OF GIFT OF REAL PROPERTY, ANCHOR HOUSE STUDENT HOUSING, BERKELEY CAMPUS**

The Committee recommends that, following review and consideration of the environmental consequences of the Anchor House Student Housing project (“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 to the Regents no less than 48 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:

- A. Adopt as conditions of approval of Housing Project #1 all applicable Mitigation Measures and Continuing Best Practices within the responsibility and jurisdiction of the University.
- B. Adopt the Mitigation Monitoring and Reporting Program for Housing Project #1.
- C. Following review and consideration of the previously certified Environmental Impact Report for the UC Berkeley 2021 Long Range Development Plan and Housing Projects #1 and #2, determine that no further environmental analysis pursuant to CEQA is required and adopt CEQA Findings specific to the Anchor House Student Housing Project, referred to as Housing Project #1 in the EIR.
- D. Approve the Project design.
- E. In accordance with Regents Bylaw 22.2(d) and Regents Policy 8103, Policy on Capital Project Matters, approve the acceptance of the gift of the Project pursuant to the terms of a gift agreement between the Donor and UC Berkeley.
- F. Authorize the President of the University, or designee, in consultation with the Office of the General Counsel, to execute all documents necessary in connection with the above and to take all further action necessary and desirable to effectuate the acceptance of the gift and the implementation of the Anchor House Student Housing Project.

Committee vote: Regents Cohen, Drake, Estolano, Leib, Lott, Makarechian, Ortiz Oakley, Reilly, and Sherman voting “aye.”

Board vote: Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Park, Pérez, Reilly, Sherman, and Torres voting “aye,” and Regent Zaragoza voting “no.”

4. **AMENDMENT TO THE 2004 UNIVERSITY VILLAGE MASTER PLAN AND DESIGN FOLLOWING ACTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, ALBANY VILLAGE GRADUATE STUDENT HOUSING, BERKELEY CAMPUS**

The Committee recommends that, following review and consideration of the environmental consequences of the Albany Village Graduate Student Housing 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 to the Regents no less than 48 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:

- A. Adopt the CEQA Findings for the Albany Village Graduate Student Housing project, having considered both the Addendum to the 1998 University Village and Albany/Northwest Berkeley Properties Draft Master Plan Environmental Impact Report (EIR) and 2004 Subsequent EIR.
- B. Adopt as conditions of approval the applicable Mitigation Measures and Continuing Best Practices identified in the Addendum within the responsibility and jurisdiction of UC Berkeley.
- C. Adopt the Mitigation Monitoring and Reporting Program for the Albany Village Graduate Student Housing project.
- D. Approve a minor amendment to the 2004 University Village Master Plan to remove a portion of the Commercial or Mixed Use land use designation so that the entire site is within the Housing, Parking, Recreation, and Open Space land use designation.
- E. Approve the design of the Albany Village Graduate Student Housing Project.

Committee vote: Regents Cohen, Drake, Estolano, Leib, Ortiz Oakley, Reilly, and Sherman voting “aye” and Regent Makarechian voting “no.”

Board vote: Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Torres, and Zaragoza voting “aye.”

5. **APPROVAL OF UC STUDENT ASSOCIATION AND UC GRADUATE PROFESSIONAL COUNCIL SYSTEMWIDE FEES**

The Committee recommends that the Regents:

- A. Approve the multi-year plans for charging the UC Student Association (UCSA) Systemwide Fee of \$7 per undergraduate student per year and the UC Graduate and Professional Council (UCGPC) Systemwide Fee of \$7 per graduate and professional student per year, as shown in Display 1.
- B. Approve affiliation between the University and each of UCSA and UCGPC in connection with such fees.
- C. Authorize the President of the University, after consultation with the General Counsel, to negotiate, approve, and execute affiliation agreements with UCSA and UCGPC that are substantially consistent with the terms outlined in Attachment 1, and to negotiate, approve, and execute any amendments or other documents related to the affiliation agreements, provided that such amendments or other documents do not materially reduce the consideration to or increase the obligations of the Regents.

The institution of the fee in support of UCGPC and entering into an affiliation with UCGPC is contingent upon UCGPC being recognized by the Internal Revenue Service as a 501(c)(3) organization.

DISPLAY 1: Proposed Fee Levels for the UCSA Systemwide Fee and the UCGPC Systemwide Fee¹

Fee	2022-23	2023-24	2024-25
UCSA Systemwide Fee	\$ 7.00	\$ 7.00	\$ 7.00
UCGPC Systemwide Fee	\$ 7.00	\$ 7.00	\$ 7.00

¹ The UCSA Systemwide Fee and the UCGPC Systemwide Fee may be assessed beyond the period covering each fee’s approved multi-year plan but not in excess of the fee amounts specified in the final year. Any future fee increases must be approved by the Regents.

Committee vote: Regents Cohen, Drake, Estolano, Leib, Makarechian, Ortiz Oakley, Reilly, and Sherman voting “aye.”

Board vote: Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Torres, and Zaragoza voting “aye.”

Attachment 1

The following proposal outlines the key decision points required in considering the establishment of systemwide opt-out fees for the UC Student Association (UCSA) and the UC Graduate Professional Council (UCGPC).

Proposal**1. Fee Structure**

- a. The fee will be established as two separate opt-out fees: one fee for UCSA and one fee for UCGPC. Each fee will be charged only to the corresponding student population (e.g., the UCSA fee will be assessed to undergraduates and the UCGPC fee will be assessed to graduate and professional students). The fees will be called the “UC Student Association (UCSA) Fee” and the “UC Graduate Professional Council (UCGPC) Fee.”

2. Fee Authority & Future Fee Adjustments

- a. The Regents can exercise their authority to approve or not approve the fees, and they can maintain authority to approve future fee adjustments, including the ability to increase, reduce, or eliminate the fee.
- b. The fees may be assessed beyond the multi-year period covered by the initial proposal but not in excess of the levels specified in the final year.

3. Fee Type

- a. The UCSA and UCGPC fees will be considered non-mandatory systemwide University fees.

4. Fee Implementation

- a. Students will have a clear and unambiguous means to decline the payment of the UCSA or UCGPC fee, each time the fees are assessed.
- b. Students will have the option to opt-out of paying the UCSA or UCGPC fee prior to each academic term (quarter or semester). Campus deadlines for a student to opt-out will mirror those of the student health insurance waiver process.
- c. Once a student has elected to opt-out of the fee, their opt-out status will remain in effect for the duration of student’s undergraduate or graduate (whichever is applicable) academic career at the campus. The student will not be required to opt-out of the fee prior to each term or academic year, but will be required to opt-out once again when beginning a new academic career or transferring to a new UC campus. For example:
 - i. If an undergraduate student elects to opt-out of paying the UCSA Fee at the beginning of their first year, they will remain in the opt-out status for the remainder of their undergraduate career at that campus.
 - ii. If a student elected to opt-out of the UCSA Fee as an undergraduate, and later enrolled as a graduate student, they will need to separately opt-out of the UCGPC Fee.
 - iii. If a student were to opt-out of the fee at one UC campus and later transferred to another UC campus, they will need to opt-out of the fee once again at their new campus (if they continue to wish to opt-out).
- d. A student may elect to reverse their opt-out status, and begin paying the fee once again.
- e. When a break in enrollment occurs, any student who has elected to opt-out of paying the fee will have their opt-out status resumed without requiring further action to opt-out once again.

5. Billing and Fee Payment

- a. The fees will be in accordance with standard accounts receivable procedures at each campus (including the University of California Business and Finance Bulletins and Accounting Manuals, etc.).
- b. The fees will be itemized on the billing statement with other fees and included in the total amount due for that billing period. The fees will be designated on the billing statement as “UCSA Fee” and “UCGPC Fee.” The billing statement will include an annotation noting that a student can opt-out of the fee and will refer to additional information (e.g., campus website) about the fee and opt-out process.
- c. All requests for refunds received by the University will be directed to UCSA or UCGPC.
- d. Students who do not elect to opt-out of the fee in accordance with the opt-out deadlines will be billed for the fee. If a student underpays their fees, the UCSA or UCGPC fee will be included on late bills sent to the student. If a student pays the total amount due except the UCSA or UCGPC fee, the student will be billed for that amount.
- e. Failure to pay the UCSA or UCGPC fee in any given academic term shall not be interpreted as failure to pay required fees for registration purposes. Therefore, a student's registration will not be held up, nor will a student be dropped from classes, because he or she did not pay the UCSA or UCGPC fee. In the absence of an official opt-out by the student, failure to pay the UCSA or UCGPC fee shall not be interpreted as an intention to opt-out of the fee.

6. Administrative Costs

- a. The opt-out system will be designed for compatibility with campus registration and billing processes and operated with cost efficiency and transparency as the primary goals.
- b. Start-up costs: [TBD] will be deducted from the UCSA and UCGPC fees in the entire amount for the 2022-23 academic year.
- c. Maintenance costs: Administrative costs associated with the actual collection of the fees in the amount of [TBD] per fee billed will be withheld by the University before remitting the fees collected to UCSA and UCGPC.
- d. The University will issue a check to UCSA and UCGPC each [Date TBD] for the amount of the fees collected that academic year, less administrative fees. Included with the check will be a receipt showing the number of students currently registered at each campus, and the number of students by campus who have elected to opt-out of the fee.
- e. Unanticipated costs: Additional unanticipated costs incurred in the processing and collection of the fees, which would normally be passed onto the campus unit for whom the fees are being collected, such as the correction of student identification numbers in the verification process, will be billed to UCSA and UCGPC on an actual hourly cost basis.

7. Fee Amount

- a. The UCSA fee will be set at an annual fee of \$7 per undergraduate student and the UCGPC fee will be set at an annual fee of \$7 per graduate student.

8. Student Consultation

- a. UCSA and UCPGC will be required to document that they have consulted with student leadership at each campus regarding the proposed UCSA and UCGPC Systemwide Fees, including the opt-out nature of the fee, the fee amount, and proposed UCSA and UCGPC budgets.

9. UCSA and UCGPC relationship status to the University and Affiliation Agreement

- a. In order to facilitate the collection of fees on behalf of UCSA and UCGPC, the University will recognize UCSA and UCGPC as “Affiliated Organizations” via written agreement, consistent with Regents Policy 5203.
- b. As part of the affiliation recognition an Affiliation Agreement (“Agreement”) will be entered into between the University and each of UCSA and UCGPC to document how the University will charge, accept, and disburse the systemwide opt-out fees. The Agreements will also set forth terms and conditions for UCSA’s and UCGPC’s acceptance and use of the fees including, but not limited to:
 - i. Requirements for UCSA and UCGPC to each separately engage a firm of independent certified public accountants to audit the financial statements and accounting records of UCSA and UCGPC on an annual basis; and
 - ii. Indemnification, information sharing, and use of funds (i.e., for exclusively 501(c)(3) purposes) and prohibited use of funds (including using the funds for any activity that is prohibited for UC.
- c. UCSA and UCGPC will each be required to inform the University of any change in its status as organizations qualified under Section 501(c)(3), including modification or revocation of such status; and 2) upon receipt of such notice, the University shall have the right to terminate the agreement immediately, which shall include termination of distribution of funds to UCSA and UCGPC, and return of any unspent funds by UCSA and UCGPC to the University.

10. UCSA and UCGPC Staff

- a. For the fee proposal to move forward, UCSA and UCGPC staff will be required to become UC employees. Employment as University employees will be memorialized via the affiliation agreement.

11. Retirement of Campus and UCOP Allocations to UCSA and UCGPC

- a. All existing campus allocations to UCSA and UCGPC as part of their membership dues will be retired in advance of the proposed fall 2022 implementation of the systemwide fees. Likewise, existing UCOP contributions to UCSA and UCOP will be retired. This includes UCOP travel reimbursements for UCSA and UCGPC board meetings, UCOP meetings, Regents meetings, and state or federal advocacy trips.