

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

May 26, 2005

The Regents of the University of California met on the above date at UCSF–Laurel Heights, San Francisco.

Present: Regents Anderson, Blum, Dynes, Kozberg, Lee, Marcus, Novack, Ornellas, Parsky, Pattiz, Preuss, Ruiz, and Sayles

In attendance: Regents-designate Juline, Rominger, and Rosenthal, Faculty Representatives Blumenthal and Brunk, Secretary Trivette, General Counsel Holst, Treasurer Russ, Provost Greenwood, Senior Vice Presidents Darling and Mullinix, Vice Presidents Broome, Drake, and Hershman, Chancellors Birgeneau, Bishop, Carnesale, Córdova, Fox, Tomlinson-Keasey, Vanderhoef, and Yang, University Auditor Reed, and Recording Secretary Bryan

The meeting convened at 9:35 a.m. with Chairman Parsky presiding.

1. **PUBLIC COMMENT**

Chairman Parsky explained that the Board had been convened as a Committee of the Whole in order to permit members of the public an opportunity to comment on matters on the agenda and University-related matters. The following persons addressed the Board concerning the subjects noted.

***Committee on Finance, Item 503: Approval of Proposed Additional Increases in Professional School Fees for 2005-06 and Item 504: Approval of Temporary Increase in Educational Fee for Selected Professional School Students Beginning 2005-06***

- A. Mr. Louis Bogdanovic, a UC Davis student, noted that the cost of attending veterinary school is extremely high. He was opposed to any further increase in fees.
- B. Ms. Jacqueline Beaumont, speaking on behalf of herself and two other UC Berkeley law students, Ms. Janette Catron, and Ms. Liz Geyer, was hopeful that the extraordinarily high cost of obtaining their degrees would not be increased. She noted that since Boalt Hall's recent fee increases, the school has dropped in national rankings of quality.
- C. Mr. Julien Kreuze, a UCLA student, believed that it would be fair to excuse continuing students in the Department of Public Policy from paying increased professional school fees.

- D. Mr. Avarind Moorthy, a UCLA student, noted that his department was the smallest in the School of Public Affairs and should not have to be burdened with a fee that will subsidize other departments.
- E. Mr. Ravi Sastry, who is studying for his Masters in Public Policy at UCLA, noted that he and his fellow students had the support of their Dean in opposing the imposition of a differential fee, particularly with such short notice.
- F. Mr. Jack Clift, a UCLA student who opposed the raise in professional school fees, objected to the University's change in policy that has taken it from a model of low fees and high financial aid to one of high fees and low financial aid.
- G. Mr. Mo Kashmiri, a UC alumnus, discussed the impact that raising professional school fees would have on students. He believed that one of the fees was to pay for an injunction against the University resulting from a class action law suit in which he was the lead plaintiff.
- H. Ms. Michelle Sugi, a UCLA student, reported that her graduate school had been reclassified as a professional school subject to higher fees, from which she believed continuing students should be exempt.
- I. Mr. Robert Schechtman, a UC Berkeley student, asked the Regents to reconsider instituting sharp increases for students in professional schools.
- J. Mr. Nick Tooker, representing the University of California Student Association, believed there were better ways of handling budget problems than increasing professional school fees. He advocated at least spreading the fee increases over several years.
- K. Ms. Alice Liou, a student in veterinary medicine, reported that students are being forced to drop out because of increased fees. She believed the University's quality was being affected adversely.
- L. Ms. Linda Salinas, a UC Berkeley student, believed that it was the University's responsibility to maintain access by keeping fees low. She spoke of the hardships that students face because of fee increases.

***University-related Matters***

- M. Ms. Norah Foster, representing the Coalition of University Employees, reported that the union intended to go on strike, in sympathy with University Professional and Technical Employees, in protest of the University's failure to increase wages.

- N. Mr. Thomas Cruz, a UC graduate, reported that a course held on the UCLA campus purports to teach students how to cheat on their law school admissions test. He suggested that the test be computerized or the sections separated so as to prevent certain practices used by cheaters.
- O. Mr. Alexander Shekhtman, of Oxman College, suggested that the nursing shortage could be alleviated by establishing partnerships among colleges and universities in California in order to increase opportunities for training nurses.
- P. Ms. Joanne Krasnoff, representing University Professional and Technical Employees, commented that UC employees, who have gone without salary increases for several years, deserve raises.
- Q. Mr. Murray Morgan observed that the administration was running the University too much like a corporation. He cited instances of perceived research misconduct.
- R. Ms. Bridget Smith, a UCLA student, believed that through divestment the Regents could help make up for a lack of international community action against genocide in Sudan.
- S. Mr. Tristan Reed, a UCLA student, believed the University had the social responsibility to divest its holdings in Petrochina. He asked that the matter be put on the agenda for the next meeting.
- T. Ms. Christina Kaoh, a UCLA student, urged the Regents to take an active role in stopping the violence in Sudan by divesting.
- U. Ms. Cara Cast believed that the University should not be associated with any company that deals with the government of Sudan.
- V. Ms. Jordan Steiner, a UC Davis student, believed that in the absence of international support it was necessary for universities to lead the movement to divest their holdings relative to Sudan.
- W. Mr. Jonathan Gifford, representing the California Student Sustainability Coalition, reported that the coalition was preparing an outline for instituting a University policy on sustainable transportation.
- X. Ms. Brooke Owyang, representing the California Student Sustainability Coalition, invited the Regents to attend the coalition's conference on sustainability.
- Y. Ms. Bridgit Van Bellegham noted the widespread student involvement in sustainability initiatives and summarized their activities for the year.

**2. PRESENTATIONS BY NOBEL LAUREATES**

Chancellor Yang commented that the Santa Barbara campus had become a magnet for innovation. The achievements of two recent Nobel Laureates are helping to ensure that its magnetic field continues to grow stronger. Chancellor Yang introduced Professor David Gross, Director of the Kavli Institute for Theoretical Physics, who established the law of strong forces between quarks, and Professor Finn Kydland, who won his Nobel Prize for contributions to dynamic macroeconomics, the time consistency of economic policy, and the driving forces behind business cycles.

Professor Gross recalled that he was introduced to particle physics as a student at UC Berkeley. He reported that the Kavli Institute on the Santa Barbara campus is a world-renowned international users' facility. He thanked President Dynes and Chancellor Yang for their leadership during the past few years when research has been affected adversely by budget cuts. He believed, however, that the University was being destructive to itself, California, and the world by the way in which it has begun to treat foreign graduate students. He believed that the policy of differentiating between American graduate students who become California residents and foreign students who do not and thus pay full tuition was harmful and made no sense economically. Graduate students in the sciences are a resource; what they contribute is as valuable as what they receive. The University has made it difficult for the scientific community to compete for the best students in the world. Other countries recognize the economic advantage the United States has based on its research universities, its technological edge, and its graduate education. If their brightest graduates are no longer accepted here, these countries will push to ensure that they receive comparable educations at home or in other nations, which will result in more competition in areas where historically this country has excelled. He believed that the real resource in the twentieth century is not oil or land, it is brains. The best counter to looming competition from other areas of the world is to forge scientific connections with countries such as India and China by having many of their most brilliant young people educated in this country, even if they then return home, because that will establish the connections and cooperation that are the flip side of competition. He urged the Regents to reconsider their policy of charging ever-increasing tuition to foreign graduate students.

Professor Kydland discussed his prize-winning work. He noted that the important decisions that create economic growth are dynamic. It is necessary for policy to represent a plan for government action not just in the short term but far into the future. He cited Ireland as an example of long-term planning that had paid off. In 1990 the government instituted an environment that looked to the next 20 years, which gave the decision-makers the confidence to make effective investments. The second focus of his work represented a new framework for the analysis of business cycles and other macroeconomic phenomena. The framework he developed through his models has been used by researchers worldwide to study monetary policy in an effort to address questions such as what will happen to savings rates, tax rates, and interest rates when baby boomers retire.

Turning to the issue of graduate education, Professor Kydland expressed concern about the research environment at UC Santa Barbara and whether he would be able to replace his Ph.D. students after they graduate. He hoped that in the short run he could build a research environment that combined established, important researchers with young researchers who are seeking findings. He believed that UC Santa Barbara could realize its potential to become a center for macroeconomics on the West Coast, if not nationally, by setting up a center to bring in researchers and students to address important outstanding questions and anomalies.

Regent Lee agreed with Professor Gross that it was short-sighted to discourage the best students from attending the University, no matter where they are from, and that such policies would result in the University's losing its high standing over time.

Regent Anderson emphasized that foreign-born graduate students play a critical role at the University. She noted that Provost Greenwood is convening a special task force to examine graduate education. She hoped this issue was on its agenda.

Regent Marcus stated that he believed the Regents had no intention of putting the state at risk of a brain drain. He expressed confidence that the matter will be addressed and a solution found.

Regent Preuss thanked the speakers for their clear delineation of the problem concerning foreign graduate students. He expressed concern that other countries will have time aggressively to compete in areas in which this country has been a leader.

Regent Pattiz commented that the popularity of the United States and its policies around the world are at an all-time low. He believed the academic level was one of the best avenues to create exchanges and dialogue among countries. He suggested that the incoming Secretary for Public Diplomacy, who will be charged with addressing this problem and setting up State Department exchanges and related activities, be made aware of the contributions the University can make to these efforts.

Regent Blum asked that the Professors circulate additional information to the Board concerning the work for which they won their Nobel Prizes. He believed that there is a strong correlation between the establishment of good universities and the growth of countries. It is clear that many countries, including China and India, are concentrating on this effort. The United States must not risk losing its edge in developing the next industries.

### 3. **INTRODUCTION OF REGENT-DESIGNATE**

Chairman Parsky recognized Regent Ornellas introduced Mr. Stephen Schreiner, who, as Treasurer of the Alumni Associations, will take his place as a Regent-designate on July 1. He reported that Mr. Schreiner was an alumnus of UC San Diego and Boalt Hall.

The meeting adjourned at 10:15 a.m.

Attest:

Secretary