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

May 14, 2008

The Regents of the University of California met on the above date at Covel Commons, Los Angeles Campus.

Members present: Regents Allen, Blum, Brewer, Bugay, De La Peña, Dynes, Gould, Hotchkis, Island, Kozberg, Lansing, Lozano, Marcus, Pattiz, Reiss, Ruiz, Schilling, Varner, and Wachter

In attendance: Regents-designate Cole, Scorza, and Shewmake, Faculty Representatives Brown and Croughan, Staff Advisors Brewer and Johansen, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Provost Hume, Executive Vice Presidents Darling and Lapp, Vice Presidents Broome, Foley, Lenz, and Sakaki, Chancellors Block, Blumenthal, Drake, Fox, Kang, Vanderhoef, and Yang, Acting Chancellor Grey, and Recording Secretary Smith

The meeting convened at 8:45 a.m. with Chairman Blum presiding.

1. **PUBLIC COMMENT**

Chairman Blum explained that the Board had been convened as a Committee of the Whole in order to permit members of the public an opportunity to address University-related matters. The following persons addressed the Board concerning the items noted.

A. Ms. Bryn Forhan, co-chair of the Valley Coalition for UC Merced Medical School, expressed the widespread support in the San Joaquin Valley for a UC School of Medicine at Merced and urged the University to continue planning for the school. She stressed the importance of the school to increase access to physicians, expand educational opportunities, and serve as an economic engine.

B. Mr. Larry Westerlund, Fresno City Council member, expressed the City of Fresno's willingness to assist the University in the establishment of a medical school at UC Merced. He noted that the Central Valley has historically been underserved in education and health care.

C. Ms. Luisa Medina, a member of the California Partnership for the San Joaquin Valley, noted the healthcare challenges for the Valley and described the proposed UC Merced School of Medicine as the best hope

for addressing those challenges. She urged the Regents to approve continued planning for the school.

D. Dr. Larry Seigler, a former Regent and practicing physician, noted the importance of instructors and local doctors in guiding medical students' careers, and the significantly lower access to specialists and primary care physicians in the San Joaquin Valley compared to other parts of California.

E. Mr. Lee Kolligian, son of a former Regent, noted that his father campaigned for the establishment of a UC campus in the San Joaquin Valley. He observed that the Merced campus was successfully established in spite of skepticism and doubts and urged the Regents to move forward with the Merced medical school proposal.

F. Mr. Jason Ahmadi, a UCB alumnus, opined that the Helios Project and its biofuels research will contribute to the destruction of the environment and cause disruption in the global food market. He urged the Regents not to increase student fees.

G. Ms. Bridey Roberts, a reverend and representative of Clergy and Laity United for Economic Justice, expressed concern about the low wages of workers on UC campuses compared to those of workers at similar institutions. She cited profits posted at UC medical centers in 2006.

H. Mr. Steven Jacobs, a rabbi and co-founder of Clergy and Laity United for Economic Justice, expressed concern about workers' wages at UC and urged the Regents to consider raising them.

I. Mr. Patrick Mitchell, a representative of UC patient-care and service workers, stated that many of his co-workers are living in poverty. He referred to ten months of discussions with the University and stressed that the University should raise working-class people from poverty, not create poverty.

J. Mr. David Shukla, a representative of Students for a Democratic Society, noted that California taxpayers have paid over $66 billion for the war in Iraq, enough to provide 10 million UC scholarships. He urged the Regents not to raise student fees and stated that the University should not fund or profit from the war in Iraq.

K. Mr. David Chavez, a representative of Take Hold! University, emphasized the effect of fee increases on minority and undocumented students and on campus diversity. He cautioned that fee increases will make the University into an elitist institution and cause it to fail in its mission.

L. Mr. Timothy Minh, a UCB alumnus, UCI graduate student, and representative of Universities Allied for Essential Medicines, discussed lack of access to essential medicine in developing countries. He urged the University to take part in developing solutions to this global health problem.

M. Mr. Dennis Lopez, a representative of the Chicano/Latino Coalition for Educational Equity and English Learners of the Inland Empire, requested that the Regents support the establishment of a department and an organized research unit for educational equity and English language learners in the Graduate School of Education at UCR.

N. Mr. Danny Morales, a member of the Chicano/Latino Advisory Committee to the Chancellor at UCR, called attention to a lack of people of color among the ladder-rank faculty at UCR and requested the Regents' assistance in addressing this situation.

O. Ms. Aresha Martinez, a UC Student Association (UCSA) member and UCLA student, expressed concern about rising student fees and discussed her own and other students' struggles, including the burden of many work hours to pay tuition and living expenses. She stated that qualified students are unable to attend UC because of the expense and the difficulty in securing scholarships.

P. Ms. Lisa Chen, a UCSD student, discussed her own and her family's financial challenges. She noted that her mother earns an annual salary of less than $13,000 and stressed that financial aid is not meeting the needs of the neediest students. Ms. Chen stated that a fee increase will push out qualified lower-income students.

Q. Mr. Filiberto Nolasco, a UCSB graduate student, emphasized the negative effect on the quality of students' education caused by UC fee increases and the fact that many students have to work while in school. He urged the Regents not to increase fees.

R. Ms. Amber Gonzalez, a UCSB graduate student and teaching assistant, reported inadequate classroom space and a lack of teaching supplies and instructional equipment in her department. She asked how the revenue from increased fees and student housing is being spent and stated that it is not being spent on students.

S. Ms. Hailey Snow, a UCSC student, discussed the increases in college fees since the late 1950s. She urged the Regents to freeze fees and increase diversity, and to consider that UC students are not receiving a high-quality education for the amount they pay.

T. Mr. John Williams, a UCSC student, cited the salary of President-designate Yudof and decried the low wages of workers on UC campuses and the University's increasing ties with the private sector. He called for no fee increases and a fair contract for American Federation of State, County and Municipal Employees (AFSCME) service workers.

U. Mr. Daniel Montes, a UCB student, expressed concern about the exclusion of students from UC in the future due to increasing fees.

V. Mr. Jeff Powell, a high school teacher in Fontana, California, reported that some of his students with 4.0 GPAs were admitted to UC campuses but went to private universities where they received greater financial assistance. He expressed sorrow at the fact that qualified low-income students are excluded from UC due to the cost. He urged the Regents to think about the effect of fee increases on future generations of students.

W. Ms. Gracelynne West, a UCSD student, expressed concern about the effects of fee increases on access, affordability, and diversity. She discussed her own financial challenges, including working and loan debt.

2. **REMARKS OF THE CHAIRMAN OF THE BOARD**

Chairman Blum noted the inauguration of Chancellor Block and praised UCLA as a campus where students of diverse backgrounds come together and achieve great things. He recognized newly appointed Regent Bonnie Reiss, who served as a senior advisor to Governor Schwarzenegger and on the State Board of Education. Regent Reiss has received a lifetime achievement award from the U.S. Department of Education for her advocacy efforts. Chairman Blum noted the imminent departure from the Board of President Dynes, Regents Brewer, Bugay, and Allen, and Staff Advisor Brewer, and expressed gratitude for their contributions.

Chairman Blum discussed the need for a tax increase to bring about relief for the State budget. He acknowledged the legitimate nature of student grievances and stressed the obligation of UC employees to carry out their activities as efficiently as possible. Chairman Blum stated that bureaucratic waste still exists and that students should not have to pay for it.

Chairman Blum then turned to the discussion of a proposed medical school at the Merced campus. He referred to the obvious need for increased health services and a medical school in this part of California and to the funding challenge posed by the project. He thanked Chancellor Kang for his advocacy efforts.

Next Chairman Blum touched on student fees and recalled the availability of Cal Grants for students from families earning less than $60,000 annually. He noted that approximately 30 percent of UC undergraduates receive Pell Grants, a

significantly larger proportion than at other institutions. He then discussed the need for the University to improve its advocacy efforts in Sacramento. While the State recognizes the need for more doctors and nurses in the near future, it has not connected this with financial support for education. Chairman Blum projected that, without a tax increase, the University will be badly affected this year.

3. **REMARKS OF THE PRESIDENT OF THE UNIVERSITY**

President Dynes began with good news on student admissions. The University has admitted a record number of 60,000 freshmen for fall 2008, an increase of nearly 5 percent over last year. However, the overall rate declined from just over 77 percent of all applicants last fall to just over 75 percent this year. Growth in applications has outpaced growth in admissions, but all eligible students have been offered a place in the system.

Offers of admission to Chicano/Latino students rose by 16 percent; offers to African American students rose by more than 11 percent. President Dynes emphasized the difficulties faced by the University in accommodating the largest group of applicants in UC history while grappling with severe proposed budget cuts. He cautioned that, if the budget situation does not improve, the fall 2009 admissions data will be discouraging.

President Dynes then discussed the UC-led proposal for a California Institute for Climate Solutions. The California Public Utilities Commission formally approved the proposal on April 10. The new institute will be funded with monthly rate-payer surcharges of approximately 20 cents, which will provide $60 million annually. Support is expected from other agencies and sources, and the institute has been endorsed by Governor Schwarzenegger and state environmental leaders. President Dynes underscored the need for this endeavor by citing a 50 percent decline in public funding for energy research since 1980, and the fact that world expenditure on energy research and development makes up only 0.25 percent of the world energy market.

President Dynes reported on honors received by UC faculty. Three UC faculty members received Pulitzer Prizes last month: Saul Friedlander and Daniel Walker Howe of UCLA, and Robert Hass of UCB. Guggenheim Fellowships were awarded last month to 190 artists, scholars, and scientists. Eighteen of the new Fellows are UC faculty members, more than any other institution. This month, the American Academy of Arts and Sciences announced 212 new members; 23 are UC faculty, also more than any other institution. The National Academy of Sciences elected 90 new members and associates; 12 are UC faculty, again, more than any other institution. They included Nobel Laureate George Smoot and Fields Medal recipient Terence Tao.

President Dynes concluded his remarks by noting that Mark Yudof will begin as President on June 16. He noted Mark Yudof's passion for land-grant universities and his awareness of the challenges faced by UC.

4. **REMARKS OF THE PROVOST AND EXECUTIVE VICE PRESIDENT**

Provost Hume thanked the chancellors and the leadership of the Academic Senate for their collegial work with him as chief operating officer over the last nine months. He reported that the last two months have been busy with preparations for the transition to a new president. President-designate Yudof has received briefings from senior Office of the President staff and has communicated changes he would like to make in some reporting lines. President-designate Yudof is directly involved in an advisory capacity in five senior searches: the health portfolio, the chief financial officer, the chief information officer, government relations and advocacy, and state government relations. A transitional chief of staff has been identified. Mr. Hume thanked Secretary and Chief of Staff Griffiths and her staff for providing support to President-designate Yudof in the interim.

Next Mr. Hume discussed restructuring and downsizing at the Office of the President (UCOP). He noted that an appropriations request would be presented to the Regents later that day. The administration is not making cuts across the board, but is guided by the work done with the assistance of the Monitor Group and by recommended budgetary constraints. The Monitor Group contract has now ended. President-designate Yudof will become directly involved in restructuring on June 16 and will make decisions on outplacements and reductions from that date on. Mr. Hume expressed confidence that the restructuring process is delivering a more effective Office of the President at lower cost through rational design.

Mr. Hume recalled that, as part of President Dynes' delegations of authority to him, he has been working directly with the leaders of the California State University and the California Community Colleges on addressing possible reductions in State support. He will continue to do so until June 15. President-designate Yudof is being informed of the progress of this work.

Mr. Hume concluded by thanking President Dynes for his work in shaping a 21st century vision for the University and the Office of the President staff for their service. He praised President Dynes' dedication and expressed certainty that his vision will be realized.

5. **REMARKS OF THE CHAIR OF THE ACADEMIC SENATE**

Faculty Representative Brown quoted an April resolution of the Academic Council: "Be it therefore resolved that the Academic Council, on behalf of the

Academic Senate, honors Robert C. Dynes for his devotion to and tireless efforts in the service of the excellence of the University of California."

Professor Brown observed that President-designate Yudof will be challenged to reinvigorate public support for the University and to maintain a single standard of excellence for all the campuses while restructuring certain aspects of the University.

Professor Brown thanked Provost Hume for his work with the University's higher education partners to present a consensus regarding the higher education perspective on the State budget. The Intersegmental Committee of Academic Senates recently held a Sacramento Day, meeting with Republicans and Democrats from the Senate and the Assembly. State lawmakers expressed appreciation for this kind of joint effort, and Professor Brown stated that their appreciation of the need for investment in higher education is growing. He also identified a growing awareness among legislators and in the University community that UC cannot absorb budget cuts through reductions in its operations or fundraising activities.

Professor Brown then discussed the Academic Senate's work on excellence and fairness in the admissions process. UC eligibility has been a major focus during the past year. He referred to ongoing discussions and analysis of a proposal by the Board of Admissions and Relations with Schools (BOARS) on UC's eligibility policy and expressed the hope that a proposal would be brought before the Regents before the end of the year.

Professor Brown thanked the Regents for their advocacy efforts on behalf of the University and Regent Lansing in particular for an advertisement placed in the Los Angeles Times. He noted that the gap between the Regents' objectives in the November 2007 budget and the Governor's January 2008 budget would require a 45 percent fee increase, absent any other investment in UC. Professor Brown stressed that no fundraising efforts could fill this gap and that the State's investment in higher education is critical to the future of California.

The meeting adjourned at 9:45 a.m.

Attest:

Secretary and Chief of Staff