The Regents of the University of California

COMMITTEE ON GOVERNANCE
January 8, 2008

A Special Meeting of the Committee on Governance was held by teleconference on the above date at the following locations: 1111 Franklin Street, Room 9204, Oakland; 111A Chancellor's Complex, UC San Diego; 2121 Avenue of the Stars, Los Angeles; 1303 J Street, Sacramento; 909 Montgomery Street, San Francisco.

Members present: Regents Gould, Lansing, Pattiz, Preuss, and Schilling

In attendance: Regent Blum, Faculty Representatives Brown and Croughan, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Provost Hume, Chancellor Vanderhoef, and Recording Secretary Smith

The meeting convened at 3:00 p.m. with Committee Chair Lansing presiding.

1. **READING OF NOTICE OF MEETING**

For the record, notice was given in compliance with the Bylaws and Standing Orders for a special meeting of the Committee on Governance, for this date and time, for the purpose of discussing the report of the Working Group on the Roles of the Office of the President.

2. **PUBLIC COMMENT**

Mr. Charles Schwartz stated his opinion that the Report of the Working Group on the Roles of the Office of the President should have included more examples of problems that have arisen in the past. He believed that the University had given false and misleading information to the public regarding administrative salaries, a proposed omnibus scholarship fund, and the cost of undergraduate education and what percentage of that cost is paid through student fees.

3. **REPORT OF THE WORKING GROUP ON THE ROLES OF THE OFFICE OF THE PRESIDENT**

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

Provost Hume explained that the Report of the Working Group on the Roles of the Office of the President originated from a request issued in the spring of 2007, by the Chairman of the Board of Regents and the President of the University, that the Monitor Group assess the organization and operations of the University's finance and administrative functions, centering their attention on the Office of the President (OP). Through surveys

and face-to-face discussions, Monitor Group surfaced widely felt dissatisfaction throughout the University with many of the functions and processes at OP. With the advice and guidance of the steering committee, co-chaired by Chairman Blum and initially President Dynes followed by Provost Hume, several working groups were established to address issues raised in the Monitor Group's findings. The working groups focused on aspects of the University's capital programs, human resources, external relations, and the budget process. The Monitor Group was asked to participate in the groups assessing the capital programs and human resources areas, as well as to take a detailed look at the functioning of OP. The Working Group on the Roles of the Office of the President was sponsored by Provost Hume, convened and functionally chaired by Chancellor Vanderhoef, and included Regents Schilling and Allen, Executive Vice President Lapp, Academic Senate Chair Brown, UCI Executive Vice Chancellor and Provost Michael Gottfredson, UCSC Vice Chancellor Meredith Michaels, and UCB Vice Chancellor Nathan Brostrom.

One of the objectives of the working group was to address the challenges posed by dissatisfaction with OP and the lack of trust in its performance, overlap of and confusion about administrative roles and authorities and related issues of accountability, and an external environment that had become particularly demanding. The working group was also tasked to recommend roles and decision rights for the President, Regents, and chancellors, though the role of the President and by extension OP was the principal focus of the group. The report did not investigate the roles of the Academic Senate.

Provost Hume commented that the report is particularly valuable to him in the initiative to redesign OP, which may involve downsizing and identifying areas of financial savings. He anticipated and hoped that he would receive additional comments about the report from Regents, chancellors, executive vice chancellors, the Academic Senate, and external constituencies.

Regent Lansing commended the report, but pointed out that the item was for discussion and that it is a work in progress that needs to be circulated for further input. She thanked the working group for its effort on the report.

Chancellor Vanderhoef then discussed some key highlights of the report. He stated that the working group needed a context within which it could work and understand its goals and limits. Institutional context included the importance of shared governance, encompassing not only ongoing consultation but also attention to previously established lines of authority. In terms of organizational principles, the group continually focused on what was considered a key and important principle: that the University is best served by a strong President with clearly defined authority, supported by a lean and well-focused staff. Good organizational design of OP focused on enhanced clarity and transparency that had not necessarily been present in recent years.

In terms of the goal to clarify administrative roles, Chancellor Vanderhoef observed that there are three main decision-making groups in the University: the Regents, the President, and the chancellors. The working group spent a great deal of time discussing the

imperative that the President should be the primary link between the chancellors and the Regents, and is responsible for transmitting information between these two groups.

It was determined that the President's role would include four main components: academic leader of the institution, chief executive officer, primary external advocate, and guardian of the public trust. As an academic leader, the President is responsible for fulfilling public service obligations, such as supporting K-12. Chancellor Vanderhoef pointed out that this is not simply an altruistic goal, but rather is one of two major principles upon which land-grant institutions were established. The President is vitally important as the primary external advocate given that the University pursues a single budget. As the chief executive officer, the President has important responsibilities regarding the selection and evaluation of chancellors. He emphasized that the working group repeatedly came back to the importance of the President being the sole authority to deliver information from the campuses to the Regents. Chancellor Vanderhoef clarified that while other individuals may be involved, such involvement should happen with the full understanding of the President. Allocating systemwide funds is another very important role for the President's office.

Chancellor Vanderhoef turned to the process for strengthening interfaces between the President and the Regents. The working group felt that the University had lost sight of the rules regarding how it should operate in these interfaces. This problematic issue was also identified by a recent accreditation team evaluating OP. It was realized that there were many breaches of those rules, and that establishing protocols for communication between the Regents and OP is crucial. The same issues apply to the interface between the President and chancellors. He emphasized the importance of the chancellors assisting the President in establishing and achieving Universitywide goals and programs.

The working group discussed at length issues surrounding the restructuring of OP. It was agreed that many OP functions are crucial for the University. Other OP functions are not essential, but may best be performed at OP. Many OP functions, however, do not need to be performed there. One of the major principles for redesigning OP is to delegate or eliminate activities that it does not need to perform. Chancellor Vanderhoef drew attention to the possibility of establishing systemwide service centers on the campuses to deliver functions in cost-effective ways and at the most appropriate locations. Certain campuses may have expertise in performing a function on behalf of the system, and would do so also with the involvement of systemwide leaders.

He concluded his presentation by noting that the key success factors for implementing the findings of the working group are highlighted in the report's executive summary. He assured the Committee that the working group had worked very hard and was focused on its task.

UCI Executive Vice Chancellor and Provost Gottfredson added that the activity of the working group was incredibly valuable. Dissatisfaction with OP from the campuses and Regents was profound and guided the work. It is crucial that OP have an appropriate organizational structure and that it exercise its roles appropriately vis-à-vis the campuses

and the Regents. He noted that the working group derived the principles for OP from the principles for the University of California as a whole. The two most important elements of the University that were agreed upon were that it is a single public research university in the land-grant tradition; yet, the University is also a federation made up of ten distinct campuses and National Laboratories, all with unique emphases. The functions of OP, then, should be framed more narrowly within these parameters, focusing on what it should do on behalf of the University as a whole. Mr. Gottfredson stated that it was widely believed that OP had become too large and that too many functions have accrued there. There should be a delegation of authority to the campuses whereby teaching and research objectives are taken on and largely administered by the campuses, and accountability measures strengthened. At the same time, the working group discussed the need for strong leadership at OP and the issues that the new OP organization needs to address. The recent period has not been characterized by strong leadership, which was seen as a problem.

Provost Hume made some final comments about the utility and value of the report in its present form, noting that more consultation will make it even more valuable. He stated that the report gives strong pointers about the profound changes that can be achieved to make the functions of OP more effective and streamlined. He thanked the Regents and the Office of the Secretary and Chief of Staff for convening an additional meeting of the Committee on Governance at this time to discuss the report, recognizing that convening a meeting so near the January Board meeting was difficult. He also acknowledged additional staff who contributed greatly to the report, including Vice Provost Daniel Greenstein, Special Assistant to the Provost Jan Corlett, Special Advisor to Chairman Blum Betsy Horan, Secretary and Chief of Staff Diane Griffiths, and Michael Dalby from the Monitor Group.

Committee Chair Lansing thanked Provost Hume, the working group, the Monitor Group, and the Secretary and Chief of Staff. She stated that she had two questions regarding the report. First, she posed the question of whether the University is one system or ten different systems. She proposed that the President's role is to set a strategic vision for the University and to make decisions that affect all campuses, but that each campus should implement that vision in a different way, operate its own administration, and be held accountable. She felt that this structure needed to be articulated in a strong way, that this view was not emphasized enough in the report, and that it should be a focus in recruiting a new University President. Committee Chair Lansing stated that she does not criticize the Office of the President, and that she personally felt gratitude toward past Presidents and everyone at OP for the job done. Mr. Gottfredson agreed fully with her articulation of the role of the President vis-à-vis the campuses.

Committee Chair Lansing prefaced her second question by noting her high respect for the Academic Senate and her role as vice chair of the presidential search committee. She expressed her impression that the requirement that the University President must have very distinguished academic credentials may eliminate potential candidates with strong leadership skills that would be valuable to the University. She asked the Academic Senate to think about the possibility that visionary, inspirational, managerial, and other

leadership traits are not always present in someone who is academically stellar; she did not want to limit the pool of possible presidential candidates. She noted that the President does not manage the academics of the University; rather, that is the purview of the chancellors. Mr. Gottfredson stated his opinion that there are varied perspectives among the faculty on this issue, noting that many do feel that a strong understanding of academics is necessary for the University President.

Regent Pattiz stated his perspective that the President must be effective in attaining strong budgetary support from the State of California and in navigating the halls of Sacramento. If it is believed that the University should become more campus-centric, then it is very important to find a President who is well-suited to the specific roles outlined for the President as distinct from campus leadership. He felt that this perspective may be a point of agreement among the Regents and the Academic Senate.

Academic Senate Chair Brown stated his appreciation for the view that OP should become more administratively efficient and how that has obvious implications for the presidential selection process. He appreciated Committee Chair Lansing's concern about whether there has been a clear enough discussion of what skill sets the next President must have, rather than focusing simply on his or her academic standing. He believed that it was possible for the faculty and the Regents to come together on the goal of finding a person best suited to the functions of the President of the University. Mr. Gottfredson commented that if a President were chosen who did not have a strong academic background, the academic community would feel it essential to have the systemwide provost play a very strong academic role.

Chancellor Vanderhoef noted that the University of California has had several Presidents who were not academic superstars, but who were very good Presidents. He believed that the importance of the academic background of the President derived primarily from issues of credibility and the need to understand an academic culture.

Regent Preuss added that renowned Presidents of East Coast universities tend to have a great deal of influence on American politics, society, and morals that go well beyond university administrative duties, but that the same seemed not to be historically true of West Coast university Presidents. He asked if another role of UC's President should include being a political, moral, and social leader of the United States beyond the university setting.

Committee Chair Lansing stated the importance of this report for the Special Committee to Consider the Selection of a President in terms of providing the search firm with a clear description of what is expected of the next President. She asked Chancellor Vanderhoef if, after discussion with the chancellors and others, he would feel comfortable about including in the report that the chancellors and provost must have strong academic qualities, but that the President instead may have an understanding of academic culture in addition to other leadership qualities.

Chairman Blum concurred that it would be good for the search committee to know that it has flexibility in the area of academic qualifications.

Regent Pattiz stated the importance of having clear criteria outlined for the next President, and that the University needs to cast the widest net possible. He hoped that there would be robust discussion in the presidential search process without closing the door on options.

Regent Gould wanted to ensure that there would be an assessment process to evaluate the University's adherence to the principles outlined in the report regarding roles of the President, Regents, and chancellors. He asked that this be included in the report if it is not already.

Mr. Michael Dalby from Monitor Group agreed with Regents Lansing and Gould that this report is a beginning, in that the working group primarily focused on establishing fundamental principles. In order to ensure results, he felt two areas of work needed to be attended to urgently: the Office of the President reorganization and the need for Regents to focus on their own processes vis-à-vis the President. Committee Chair Lansing felt that the Regents would be in agreement with the suggestions in the report regarding their roles, and she encouraged the working group to continue to make suggestions on this topic.

Regent Schilling suggested that the Regents should look at and make explicit their relationship with the President and OP, what is delegated to the President, and the interface between Regents and the President. Committee Chair Lansing commended Regent Schilling's work in this area and asked her to develop an outline for the roles of the Regents, noting the importance of having agreement among the Regents before approaching presidential candidates.

Committee Chair Lansing stated her belief that it was crucial to have orientations, mentors for new Regents, and an occasional retreat. Secretary and Chief of Staff Griffiths responded that Regent Kozberg has been working with her and Associate Secretary Shaw on an orientation program, and that she expects to have a preliminary proposal at the next Board meeting.

Faculty Representative Croughan noted that the Academic Advisory Committee did put forth search criteria for the presidential search last fall, but had not received feedback regarding the submission. Secretary and Chief of Staff Griffiths stated that that information would be provided and addressed in the two upcoming meetings of the search committee. Ms. Croughan noted that academic distinction is among the criteria put forth, but that there are multiple criteria. She wanted to ensure that it was known that the Academic Senate had transmitted its proposed criteria previously.

Provost Hume reviewed his understanding of what elements Committee Chair Lansing wanted added to the draft report on the roles of OP: implications for the nature of the President relative to the search, criteria for performance monitoring of the President, and

expanded discussion of the roles of the Regents to be developed with the assistance of Regent Schilling. He explained that the working group would not be able to make those additions in a written form before the January Board meeting, but that they could be included in the discussion. Committee Chair Lansing expressed her understanding that including those written additions in the January meeting materials may not be possible, but hoped that the issue would be discussed.

Faculty Representative Brown stated the importance of ensuring that the academic community has adequate time to receive information and provide comments on any actions that are brought before the Regents. Provost Hume ensured him that the document would be provided in adequate time for the Academic Senate as well as the chancellors to review and provide input.

The meeting adjourned at 4:13 p.m.

Attest:

Secretary and Chief of Staff