

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

July 17, 2013

The Regents of the University of California met on the above date at UCSF–Mission Bay Conference Center, San Francisco.

Members present: Regents Blum, De La Peña, Feingold, Flores, Island, Kieffer, Makarechian, Ruiz, Schultz, Varner, Yudof, and Zettel

In attendance: Regents-designate Engelhorn and Leong Clancy, Faculty Representatives Jacob and Powell, Secretary and Chief of Staff Kelman, Associate Secretary Shaw, General Counsel Robinson, Chief Compliance and Audit Officer Vacca, Provost Dorr, Executive Vice President Brostrom, Chief Financial Officer Taylor, Senior Vice Presidents Dooley and Stobo, Vice Presidents Lenz, Mara, and Sakaki, Chancellors Block, Blumenthal, Desmond-Hellmann, Dirks, Drake, Katehi, Khosla, and Yang, Acting Chancellor Conoley, and Recording Secretary McCarthy

The meeting convened at 8:40 a.m. with Chairman Varner presiding.

1. REMARKS OF THE CHAIRMAN OF THE BOARD

Chairman Varner stated that it was an honor for him to serve the University as Chairman of the Board. He observed that the past four years had been among the most challenging in the University's history. While UC had not completely recovered from the economic downturn, it was on a path to stability. He thanked former Chairman Lansing and President Yudof for their leadership and work in putting UC on this path.

Chairman Varner noted that this was President Yudof's last meeting as President and praised his leadership, which was characterized by wisdom, passion for higher education, integrity, and a sense of humor. Accomplishments during his presidency included instituting new levels of transparency and accountability, pension reforms, administrative efficiencies, and diversity and campus climate improvements. President Yudof maintained accessibility and increased financial support for low- and middle-income students with the Blue and Gold Opportunity Plan and Project You Can. Through every challenge, he worked to support UC faculty and maintain academic excellence. In difficult situations, President Yudof made appropriate decisions, and for the right reasons.

Chairman Varner emphasized the Regents' commitment to the University. He thanked the members of the Board for their work on behalf of UC, and the students, chancellors, faculty, researchers, staff, and alumni for their commitment to public higher education. The dedication and loyalty of the UC community contribute to the greatness of the institution.

2. **REMARKS OF THE PRESIDENT OF THE UNIVERSITY**

President Yudof stated that he was honored and grateful for having had the privilege of serving as President of this outstanding institution. He expressed his confidence in UC and its future, thanking UC faculty, students, and staff. He thanked the Regents for a productive, positive working relationship, and Governor Brown, Speaker Pérez, and State Senate President Pro Tempore Steinberg for their support of the University.

President Yudof quoted from a speech given by U.S. President Dwight Eisenhower three days before leaving office in 1961: “Crises there will continue to be. In meeting them, whether... great or small, there is a recurring temptation to feel that some spectacular and costly action could become the miraculous solution to all current difficulties... But each proposal must be weighed in the light of a broader consideration: the need to maintain balance... balance between the clearly necessary and the comfortably desirable... balance between actions of the moment and the national welfare of the future. Good judgment seeks balance and progress; lack of it eventually finds imbalance and frustration.”

President Yudof noted that extreme solutions to UC problems are sometimes proposed, such as selling campuses, eliminating graduate programs, or closing departments. Such proposals are put forward without due consideration of the University as a whole, would fail to save money, and would damage the spirit of the enterprise. He expressed his view that strong leadership of a university coalesces around one objective – pursuing the balance envisioned by President Eisenhower in such a way that any crisis, challenge, or broad change will more likely enhance, not diminish, the institution. The critical and never-ending task before any UC President is to balance the actions of the moment against those of the future, while accommodating progress. President Yudof suggested that Eisenhower’s concept of good judgment could also be called “reflective evolution.”

UC requires thoughtful, consistent, and constant reform efforts, but not extreme ones. Like any institution, UC would either change, or it would deteriorate and fail. The change must be systemic and rooted in UC’s multiple constituencies and cultures, and in its core values. Resistance to change would lead to withering and weakening; reforms without a strong base of support would fail.

President Yudof referred to the unity and multiplicity of the ten-campus system, and stated that reflective evolution is critical to the federalism underlying the system. Processes concerning the funding relationship between the Office of the President and the campuses need to be reexamined and reviewed annually.

Universities have unwritten constitutions and they function best when authority is constrained in relation to these unwritten rules. A university president has authority over academic matters, but that authority should rarely be exercised if faculty members do not concur with its exercise. University presidents historically have played the role of public intellectuals. Today, however, they are often viewed by the news media and others as apologists for the purported shortcomings of the academy. The Regents have virtual plenary power, except as they have delegated authority. Still, the Regents should not

attempt to micromanage campus operations in any area. The Office of the President must remember that it is not a university and take care not to intrude on the campuses. Each campus should understand that it is not the only university in the system. There are times when the larger mission of UC to serve the State of California is best addressed by collective action. The collective power of the UC system benefits the campuses through measures such as a central payroll system and shared procurement. Campuses benefit through membership in a flexible but united academic enterprise.

Leadership of the University demands an awareness of and devotion to the concept of reflective evolution. The President must never lose sight of the fiduciary obligations inherent to the position of UC's enormous enterprise. Management of the internal administration must be a high priority, including streamlined operations, cost-saving initiatives, and development and management of an annual budget. President Yudof praised Office of the President staff, but noted that the Office is a bureaucracy that would grow, expand, and spend money. The Office requires regular, vigorous oversight from a strong President and a strong administrative team. It is imperative that the President and the University do not betray the public trust in this or any other regard.

The same is true of changes that must occur in the University's financing and educational delivery models. President Yudof stated his view that UC's financing model is broken, and the current educational delivery model might become unaffordable in the future. Changes must take place within the framework of reflective evolution, not as a destructive leap.

President Yudof again quoted from President Eisenhower's 1961 speech: "Today, the solitary inventor, tinkering in his shop, has been overshadowed by task forces of scientists in laboratories and testing fields. In the same fashion, the free university, historically the fountainhead of free ideas and scientific discovery, has experienced a revolution in the conduct of research." President Yudof observed that this statement is even more accurate at the present time than it was in 1961. With the waning of private research and development groups like Bell Laboratories and Xerox PARC, universities are now almost exclusively the home of long-term basic research. UC's research efforts are critical to the University's mission and to society as a whole, and must be preserved by the University's stewards.

President Eisenhower also stated that "we... must avoid the impulse to live only for today, plundering, for our own ease and convenience, the precious resources of tomorrow." Many of today's needs are crucial, such as health care for children and wages for employees, and could not be categorized as "ease and convenience." Universities, on the other hand, are reservoirs of the resources of tomorrow. Their resources should not be plundered in the short term without due allowance for the future.

UC is a world-class university because of its people. The best professors and students are drawn to UC because there are other remarkable people there. In the context of reflective evolution, any short-term solutions must be balanced against the message they might send to talented people already at UC, or to those waiting to come.

President Yudof discussed the concept of contingent history, which assumes that every historical outcome depends on a set of prior, interconnected circumstances, which in turn depended on an earlier set of circumstances. The paleontologist Stephen Jay Gould argued that human evolution is explained as much by contingent history as by traditional scientific thinking. Human evolution may be seen as “a staggeringly improbable series of events, sensible enough in retrospect and subject to rigorous explanation, but utterly unpredictable and unrepeatable. Wind back the tape of life... and the chance becomes vanishingly small that anything like human intelligence would grace the replay.” President Yudof observed that the history of the University and of California is no different. If one were to wind back the tape of UC history, the chance that the same university would emerge becomes vanishingly small. One cannot identify the exact contingent sets of circumstances that made UC the university it is today. Nor can one follow the decisions of the past mindlessly, expecting that the same outcomes will occur. But it is possible to preserve fundamental attributes that make the University great.

In the realm of higher education, UC has always been in a class of its own. Other universities and colleges might enroll more low-income students, but not with the world-renowned faculty necessary to conduct research and scholarship of the highest order. Others compete with the University on the research front, but do not serve the rising generations with the same vigor. President Yudof stressed that this must remain the defining ethos of the University, to be protected at all costs. The future of the university and arguably, that of the state it serves, depends on this.

3. PUBLIC COMMENT

Chairman Varner 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. Dr. Catherine Christie identified herself as a fourth-year resident in neurosurgery at the UC Irvine Medical Center. She expressed her and her colleagues' wish that their resident union be recognized as a collective bargaining agent. She described the work performed by residents and its importance. A union contract would help in the recruitment of outstanding residents.
- B. Dr. Phillip Reich, a clinical fellow at UCSF who had completed his residency at the UC Irvine Medical Center, urged the Regents to recognize the resident physicians' union at UCI. He emphasized the positive contributions, medical and financial, made by the approximately 600 residents at UCI Medical Center. The collective voice of the union would help enhance the health care delivery system.
- C. Dr. Daniel Shepherd, a fourth-year resident at UCSF/San Francisco General Hospital, urged the Regents to recognize the resident physicians' union at UC Irvine. By way of example, he cited positive changes for residents and patients at San Francisco General Hospital made by the residents' union there, working with the hospital administration toward common goals.

- D. Rabbi Aron Hier of the Simon Wiesenthal Center urged the Regents not to appoint Sadia Saifuddin as student Regent. He stated that Ms. Saifuddin's actions had polarized the campus community and that she had targeted a Jewish professor for exercising the right of free speech.
- E. Regent Emeritus Jonathan Stein spoke in favor of Sadia Saifuddin as student Regent, citing her integrity, thoughtfulness, and maturity, and her work to improve campus climate for students of all communities. He noted that she is respected by students who disagree with her political views.
- F. Ms. Clara Skaug, an undergraduate at UC Santa Cruz, expressed students' appreciation that the number of proposed fee increases for professional degree programs had been reduced from over 50 programs to only eight, to be discussed that day. She encouraged the Regents to not approve any further increases to professional degree supplemental tuition until current policy is revised.
- G. Mr. Austin Walker, president of the Associated Students of UCSF, expressed concern about increases in professional degree supplemental tuition and stated that high student debt upon graduation discourages UC medical school graduates from pursuing careers in primary care.
- H. Mr. George Kadifa, a UC Berkeley alumnus and former student senator, expressed support for the appointment of Sadia Saifuddin as student Regent. He described her as a dedicated public servant of the entire student body who exhibits tolerance, professionalism, and courage, and who works for a safe and tolerant campus environment.
- I. Mr. Jason Rabinowitz, executive director and general counsel of Teamsters Local 2010, representing clerical and allied services workers, expressed opposition to any further increases to UC retirement system contributions, as such increases are de facto pay cuts. He criticized what he described as discriminatory tax withholding on his union's members who are in same-sex marriages.
- J. Ms. Mary Higgins of Teamsters Local 2010 asked that the Regents not increase member contribution rates for the UC Retirement Plan. She stated that new employees in the second tier, at the lower end of the pay scale, could least afford the increased contribution. She expressed opposition to sale of the UCSF Laurel Heights campus.
- K. Ms. Julia Gettle, a UC Berkeley alumna, expressed support for Sadia Saifuddin as student Regent. She stated that Ms. Saifuddin's authorship of a student senate bill condemning Islamophobic hate speech, which passed unanimously, was part of a wider commitment by Ms. Saifuddin to combat intolerance and hate on UC campuses.

- L. Ms. Briana Mullen, a senator-elect of the Associated Students at UC Berkeley, urged the Regents to appoint Sadia Saifuddin as student Regent. She praised Ms. Saifuddin for her ability to work with and advocate for diverse communities.
- M. Ms. Roberta Seid, a UC Berkeley alumna and adjunct faculty member at UC Irvine, expressed concern that the appointment of Sadia Saifuddin as student Regent would harm campus climate. She stated that Ms. Saifuddin has promoted actions, such as a divisive divestment resolution, that marginalize some students, particularly Jewish students.
- N. Mr. Tom Pessah, a Jewish-Israeli graduate student at UC Berkeley, expressed support for Sadia Saifuddin as student Regent. He stated that Ms. Saifuddin also had the support of a wide range of students and that she was committed to a human rights agenda.
- O. Ms. Vicki Sommer, a nurse practitioner at UC Berkeley, stated that nurses and nurse practitioners at the Berkeley campus are paid 33 percent less than their counterparts at the UCSF student health center. She urged the University to provide equal pay for equal work, and warned that the current inequity would lead to loss of staff and make recruitment of qualified nurses at UC Berkeley difficult.
- P. Ms. Teri Traylor, a nurse assistant at UC San Diego Medical Center, expressed concern about insufficient staffing levels and the resulting effect on patient safety. She stated that a recent patient death could have been avoided if a staff “sitter” had not been replaced with video monitoring. She urged the University to ensure that staffing levels at the medical centers are adequate.
- Q. Ms. Lisa Hamilton, a medical assistant at UCSF, voiced concern about patient safety after the layoff of lift team members, employees who move patients, a valuable part of the workforce. She stated that it was incomprehensible that UC could grant a bonus to UCSF Medical Center CEO Mark Laret.
- R. Mr. Arnold Meza, an employee at UC Berkeley for more than 20 years, stated that low staffing levels at UC have led to a greater work burden for fewer staff, serious physical injuries with long-lasting effects, and loss of service to students and faculty. Classrooms and faculty offices cannot be maintained properly and garbage cannot be collected regularly due to short staffing.
- S. Ms. Kathryn Lybarger, president of American Federation of State, County and Municipal Employees (AFSCME) Local 3299, referred to a recent patient death at UC San Diego’s Hillcrest medical facility and criticized the University for not accepting a union proposal related to safe staffing levels. She expressed disapproval of the level of UC executive benefits.

- T. Ms. Pat Rosenbaum, a UCSF employee, expressed opposition to a possible sale of the UCSF Laurel Heights campus to fund a new building. She described this is a wasteful action, while funds could be used to improve staffing levels.
- U. Ms. Emily Williams, a UC Santa Barbara student and representative of Fossil Free UC, described a plan for sustainable asset reallocation at UC to address climate change: freezing all new investments in the top publicly traded fossil fuel companies, dropping all remaining holdings in these companies, and developing a reinvestment plan that is socially responsible and profitable.
- V. Mr. Ophir Bruck, a UC Berkeley student and representative of Fossil Free UC, reported that seven of the nine UC undergraduate student government bodies have passed resolutions urging the University to remove its holdings in the fossil fuel industry. Fossil Free UC looks forward to working with the Regents and the Office of the President to implement sustainable asset reallocation with regard to fossil fuel companies.
- W. Mr. Jonathan Abboud, president of the Associated Students of UC Santa Barbara, expressed support for Sadia Saifuddin as student Regent and observed that she was selected through a regular process involving the UC Student Association and the Regents. The selection involved a student decision and should not be regarded as a political appointment.

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

Faculty Representative Powell noted that this was his last meeting as Faculty Representative, and discussed key issues and concerns that arose during the past year.

Mr. Powell stressed the role of academic departments in maintaining the core excellence of the institution. Faculty must be certain that the standards they set for students are justified by the demands of the discipline, and that support for instruction and research enables students to succeed. Departments, and the relationships they nourish, underlie UC's excellence. These relationships between faculty and students must be kept in sight and not allowed to disappear in high-level fiscal analyses. There are outstanding departments in good universities, but there are no outstanding universities with only mediocre departments.

Student progress, time to degree, and graduation rates are difficult issues. Time to degree is improved by careful advising, judicious use of summer session, and offering adequate numbers of gateway courses. The University must examine and research other factors that might be significant in determining time to degree as well. With a single-minded focus on efficiency, the University might be discouraging students from studying abroad, participating in student government, or taking an extra course that could ensure their success.

A cornerstone measure of excellence has been the student-faculty ratio, which is increasing due to greater numbers of students enrolling in more credit hours and decreasing numbers of faculty. It is a challenge for the University to secure the salaries, laboratories, and research support necessary to hire outstanding faculty. The President's Postdoctoral Fellowship Program should be used as a strategic tool for building diversity in the professoriate.

Faculty research affects student learning experiences, which change as information in textbooks becomes obsolete and students learn through direct data analysis. Significant questions remain about online education, which requires among other things a willing engagement by both faculty and students. The acronym MOOC (massive open online course) includes the word "course" and should represent a faculty-approved compilation of knowledge and skills organized in a pedagogically sound way.

Total remuneration for faculty remains a crucial concern, and there is a need for longitudinal analysis using proper methodology based on reliable data.

The future of UC depends on trust and respect among its constituents, living principles that must frame the University's discussions and decisions. Mr. Powell expressed confidence that trust and respect are in abundant evidence at UC, and that the future of UC has brightened considerably.

5. **ANNUAL REPORT OF THE CHAIR OF THE COUNCIL OF UNIVERSITY OF CALIFORNIA STAFF ASSEMBLIES**

Steve Garber, Chair of the Council of UC Staff Assemblies (CUCSA), explained that CUCSA's mission is to maintain and enhance communication within the University community. CUCSA is involved in matters of interest and concern to those employees not exclusively represented and may address matters not within the scope of representation for those employees who are exclusively represented.

Mr. Garber described this year's quarterly CUCSA meetings and communications with Regents. Among the accomplishments of the year, CUCSA provided the results of its staff engagement survey to nine locations. CUCSA examined educational benefits for staff and how Personnel Policy for Staff Members 51 is implemented at each location. CUCSA presented UC Santa Barbara Vice Chancellor for Student Affairs Michael Young with its 2013 Outstanding Senior Leader Award.

CUCSA Chair-elect Kenneth Feer summarized results of CUCSA workgroup research over the year. CUCSA studied the state of employee health and welfare benefits, the future of these benefits, and what staff value in their benefits. CUCSA recommends that UC provide clear communication, such as in town hall meetings and webinars, regarding the changes to the 2014 health plans, that UC evaluate staff satisfaction with the 2014 changes, and explore possible changes for 2015.

Staff members often become supervisors due to their technical rather than managerial skills. CUCSA recommends mandatory supervisor training for all newly hired supervisors, including faculty who supervise staff, that UC provide reasonable time to fulfill supervisory responsibilities for employees who have both supervisory and staff duties, that UC consider mandatory continuing education courses for experienced supervisors, and that UC develop a coordinated, advanced managerial training program to assist staff employees who wish to move into management in the future.

It is clear from discussions with non-represented staff that many do not understand how certain UC compensation decisions are made. In the interest of greater transparency in this area, CUCSA recommends that compensation education be included in the information sessions on the Career Tracks program, scheduled on the campuses and presented by Office of the President staff, that UC create and disseminate a list of consistent definitions for key compensation terms, and publish contact information for campus compensation managers. CUCSA encourages the Office of the President to create a website with a definition of terms and contact information for each campus.

Mr. Feer concluded that in the coming year, CUCSA's priorities would include improving staff engagement, advancing educational benefits analysis, providing feedback on the changes to health and welfare benefits, increasing staff participation in relevant Regental appointments, and expanding morale-building activities for employees. CUCSA workgroups would study intercampus collaboration, good neighbor programs, and updates to the CUCSA strategic plan.

Mr. Garber thanked President Yudof for his support of CUCSA over the previous five years.

6. **REMARKS OF THE PRESIDENT OF THE UNIVERSITY OF CALIFORNIA STUDENT ASSOCIATION**

UC Student Association (UCSA) president Raquel Morales expressed students' gratitude that only eight professional degree supplemental tuition (PDST) increases were being considered at this meeting, down from 50 increases that had been proposed earlier. Nevertheless, UCSA is concerned that four of the proposed increases were for new programs; UCSA hopes that no new professional degree programs would be considered for tuition increases until the PDST task force, led by Provost Dorr, makes its recommendations.

Ms. Morales voiced the hope that the proposed new President of the UC system, Janet Napolitano, would be a champion for accessibility, affordability, quality, and increased funding, but also conveyed student concerns about Ms. Napolitano's involvement in U.S. immigration policies, including a record number of deportations, and about how this background might affect UC students. Students would expect the University to continue to advocate for its undocumented students. Ms. Morales stated that she hoped that Ms. Napolitano would visit the campuses and listen to student concerns.

Ms. Morales stated UCSA's support for the selection of Safia Saifuddin as the next student Regent-designate. She briefly described the selection process for the student Regent, describing it as careful and thorough, and emphasized the strong role that students play in it, through the student body presidents and the UCSA board of directors.

The meeting adjourned at 10:05 a.m.

Attest:

Secretary and Chief of Staff