

The Regents of the University of California

COMMITTEE ON EDUCATIONAL POLICY

July 23, 2015

The Committee on Educational Policy met on the above date at UCSF–Mission Bay Conference Center, San Francisco.

Members present: Regents Elliott, Gorman, Gould, Island, Kieffer, Lansing, Newsom, Ortiz Oakley, Oved, and Reiss; Ex officio members Lozano, Napolitano, Torlakson, and Varner; Advisory member Gilly; Staff Advisors Acker and Richmond

In attendance: Regents Davis, De La Peña, Makarechian, Pérez, Ruiz, Sherman, and Zettel, Regent-designate Brody, Faculty Representative Hare, Secretary and Chief of Staff Shaw, General Counsel Robinson, Chief Compliance and Audit Officer Vacca, Provost Dorr, Executive Vice President and Chief Operating Officer Nava, Executive Vice President Stobo, Senior Vice President Henderson, Vice Presidents Duckett and Sakaki, Chancellors Block, Blumenthal, Dirks, Hawgood, Katehi, Khosla, and Wilcox, and Recording Secretary McCarthy

The meeting convened at 9:10 a.m. with Committee Chair Island presiding.

1. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the meeting of May 21, 2015 were approved.

2. PRESIDENT’S TASK FORCE ON PREVENTING AND RESPONDING TO SEXUAL VIOLENCE AND SEXUAL ASSAULT – PHASE II, JULY MILESTONES

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

Chief Compliance and Audit Officer Vacca provided an update on the President’s Task Force on Preventing and Responding to Sexual Violence and Sexual Assault (Task Force). She recalled that the Task Force, formed in June 2014 by President Napolitano, had been asked to develop initial recommendations for the consideration of the President and the Regents. After the Task Force presented its seven recommendations to the Regents in September 2014, it was tasked with helping to implement those recommendations. The Task Force added an eighth recommendation in January 2015, at which time Ms. Vacca updated the Regents on progress in implementation of four of the recommendations on an ambitious schedule. Implementation has been inclusive of all constituents across the University, and particularly targeted for UC’s student population.

At this meeting Ms. Vacca would update the Regents on progress implementing the remaining four recommendations.

Ms. Vacca observed that many related activities were occurring in addition to those of the Task Force. The Regents were aware of the findings related to the California State Audit. In June, the Task Force had provided the State auditors a one-year report on its progress implementing the Task Force's recommendations. She acknowledged the importance of the Audit's findings, but said they would not drive the work of the Task Force, which would focus on implementing what it determined to be best practices. The federal Office for Civil Rights also had issued guidance for institutions of higher education, providing for example, different ways that the work of the Title IX coordinator could be more robust. The Office for Civil Rights had originally focused its investigation on 90 to 100 institutions of higher education; that scope had been expanded to include almost all higher education institutions. Ms. Vacca cautioned that input from the Office for Civil Rights is mainly guidance, since at this point there were very few case settlements from which to learn. It could take as long as three to four years to receive results of audits of the Office for Civil Rights. Changes had also been made to the Clery Act by the Violence Against Women Reauthorization Act. These ongoing developments must be taken into consideration by the Task Force in addition to its own work.

Ms. Vacca noted that some of the Task Force's four July milestones are very complex and must be examined comprehensively. She emphasized that the Task Force's main focus was to implement the recommendations in a meaningful and thoughtful manner for UC students.

The first July milestone is to adopt systemwide standards for investigation, adjudication, and sanctions. The Task Force must take into account the changing external requirements and various cases being litigated while drafting a student adjudication model. Areas of emphasis were due process, increased collaboration and communication among various campus offices, improved communication with complainants and respondents, and ensuring consistent appeal grounds with an impartial hearing body. Investigators, members of appeal bodies, and those making decisions about sanctions would undergo specialized training. The difference between the legal system and the student disciplinary process must be taken into account to clarify the roles of all participants. Investigation standards that previously had not been consistent across the University would be developed based on a trauma-informed approach and would include procedures for communication and documentation. At this point, the Task Force had developed a draft student adjudication model and investigation standards that were being reviewed across the University. Developing sanctions would also be complex. A framework for student conduct and disciplinary actions exists; the framework being considered for sexual assault and sexual violence is generally similar, but considerations raised in litigated cases have shown the complexities involved. The legislative activity occurring in this area also would have an influence.

Regent Zettel asked if the Task Force was using external legal consultants who specialize in this area. Ms. Vacca commented that the Task Force had consulted with a nationally

known outside expert and had also made use of the expertise within the UC system, including President Napolitano, the Office of the General Counsel, and campus legal teams.

Regent Lansing congratulated President Napolitano and Ms. Vacca for their leadership in developing these processes, which could serve as a model for other institutions.

Regent Reiss expressed appreciation for the committed leadership of President Napolitano, Ms. Vacca, and the chancellors.

Ms. Vacca reported that the July milestone to develop a comprehensive training and education plan for students, faculty, and staff would be implemented in September. The training would be consistent with federal and State regulations. Rather than mandate a training approach, the University would mandate the basic training content, which campuses could supplement as they see fit. This approach appeared to be welcomed by campuses, as they could determine the best way to approach their particular campus cultures. By the end of the first six weeks of school, every incoming student would receive the core content. All feedback received had been considered and the training content was supported by the consensus of more than 200 key University constituents. UC's single online system to supplement training for undergraduate and graduate students, faculty, and staff is a best practice for the nation.

Another July milestone is the initiation and development of a systemwide standard data management system that would help determine the effectiveness of various efforts in achieving desired outcomes. Common metrics and definitions were being developed. The Task Force would work with UC experts on outcome metrics to determine if methods adopted did in fact make a difference. Ms. Vacca anticipated that outcome metrics would be brought to the Regents in approximately a year.

The eighth recommendation added in January was to provide equitable support services to respondents. Ms. Vacca recalled that in January each campus had established a full-time, dedicated, confidential, and privileged care advocate for complainants. In the course of its deliberations, the Task Force realized that equitable services should be provided to respondents as well. In September, a Respondent Services Coordinator position would be implemented at all UC campuses. These coordinators would be trained and could refer respondents to appropriate internal or external support services.

In closing, Ms. Vacca emphasized the importance of communication, particularly with students. The Task Force is still learning about what would be most effective in this new arena, so listening to stakeholders would continue to be extremely important. Within the University, each campus and organization has its own culture. Students have been very helpful in identifying gaps in programs. The Task Force would focus on faculty and staff as it moves forward and Ms. Vacca anticipated that investigation and sanctioning in that arena would be difficult and must be approached thoughtfully. Due process must be a key consideration; processes must be fair and equitable for all parties. The University is not a court of law, but rather has a student disciplinary and administrative function. The Task

Force is trying to balance restorative services with due process. She emphasized that prevention could make a difference in campus culture. Peer-to-peer education is not currently part of the training model, but is considered important by students. This is being reviewed, but would be a difficult area to sustain. Some campuses currently use peer-to-peer education, with varying levels of success. The University has applied for a grant to fund peer-to-peer education.

Ms. Vacca expressed appreciation for the work of her staff, and the support of the President, the Regents, chancellors, and campus staff in these efforts.

Regent Makarechian asked if the University had considered requiring that students take a one- or two-credit course in sexual violence. Ms. Vacca said students have inquired about getting credit for acting as peer trainers and the Task Force had discussed adding such a course to the curriculum, but those options had not been developed at this point. Faculty leadership would have to be consulted. Regent Makarechian said that sexual violence was a prevalent societal problem and suggested establishing a deadline for considering adding such a course. Ms. Vacca added that it would be a good idea, but was not part of the initial focus of the Task Force.

Regent Newsom applauded the efforts of the Task Force. He noted that the University had recently been sued in federal court by plaintiffs who accused the Regents of deliberate indifference on this issue and who had repeatedly visited his office. Many people are still very dissatisfied, feeling that the University is moving in the right direction, but that many gaps remain. Regent Newsom mentioned the recent case at UC San Diego in which a male student fought his suspension as a result of a charge of sexual assault and prevailed in court. Regent Newsom asked what effect that case would have on UC's efforts and for Ms. Vacca's response to that decision. Ms. Vacca said that the issues raised by that court decision would be taken into consideration by the Task Force. President Napolitano added that it would be important to provide both the support services needed by survivors of sexual assault, ensuring that processes are fair to all parties, and that student disciplinary processes are fair. She agreed with Ms. Vacca that the University is not a court of law and some legal standards do not work well in the student disciplinary process, an issue that would have to be worked through by the University community. The President noted that the legal and regulatory framework in this area is changing, citing the lack of clarity from the federal government. A major focus of the University would be in education and prevention, to keep its campuses as safe as possible. The work of the Task Force would evolve and would require a consistent and persistent effort by the University. Regent Newsom acknowledged the encouraging direction of these efforts and applauded the early leadership of President Napolitano. Ms. Vacca acknowledged that the work of the Task Force would be ongoing and would have to consider continuing changes from litigation and legislation.

Regent Reiss noted the importance of the prevention of sexual assault through changing campus cultures.

Regent-designate Brody asked if consideration had been given to having a dedicated staff position to handle this area, given Ms. Vacca's other responsibilities. Ms. Vacca noted that the President recently approved such a position and interviews were currently being conducted.

Regent Ortiz Oakley asked if UC was coordinating its efforts with California State University (CSU). Ms. Vacca responded that a group consisting of representatives from CSU, California Community Colleges, and private colleges conferred on pending legislation and best practices.

Committee Chair Island thanked President Napolitano, Ms. Vacca, and the entire UC community for their efforts, emphasizing that there is no higher priority than providing a safe, secure, and welcoming environment for UC students, faculty, and staff.

3. **ESTABLISHMENT OF A JOINTLY OPERATED RESEARCH AND EDUCATION INSTITUTION WITH TSINGHUA UNIVERSITY IN SHENZHEN, CHINA, BERKELEY CAMPUS**

The President of the University recommended that the Regents:

- A. Approve the participation of the Berkeley campus in a non-profit jointly operated research and education institution with Tsinghua University to be named the Tsinghua-UC Berkeley Shenzhen Institute (TBSI) to operate the institute and associated research centers in Shenzhen, China, and in Berkeley subject to the following conditions:
- (1) The institution will be jointly operated by Tsinghua University and The Regents, each having a 50-percent interest in the institution. Under Chinese law, The Regents' contribution will be in-kind contribution of research services and expertise, academic mentoring of graduate students, and the use of UC Berkeley's name as described below.
 - (2) The Shenzhen municipal government will provide the capital contributions and fixed assets required to operate the institute. The initial phase of funding will be approximately \$52 million for activities in Shenzhen. Activities in Berkeley will be funded by the Tsinghua Education Foundation (N.A.), Inc. (TEFNA) in an amount of \$22 million over five years.
 - (3) The institution will be governed by a governing board. The Berkeley Chancellor will appoint four members to the board. Tsinghua University will appoint four members to the board and the Shenzhen municipal government will appoint three members.
 - (4) TBSI will have two Institute Co-Directors and two Deputy Co-Directors; in each case one will be appointed by UC Berkeley and one by Tsinghua

University. The institute will initially include three research centers that will be led by Co-Directors. UC Berkeley and Tsinghua University will each appoint a Co-Director for each research center. The Institute Co-Directors will also serve in two of the six Center Co-Director positions based on their research areas of interest.

- (5) The use of UC Berkeley's name will be licensed to the new non-profit entity for co-branding purposes in connection with the operation of TBSI, which will be consistent with both California statutes and University of California policy.
 - (6) Prior to the establishment of the new institution, the initial formational documents and any amendments shall be subject to the approval of the Chancellor following consultation with the General Counsel.
 - (7) A three-party agreement among Tsinghua University, The Regents, and the Shenzhen municipal government will be signed based on the agreement between Tsinghua University and The Regents. The three-party agreement will constitute Shenzhen's endorsement of TBSI and Shenzhen's funding commitment to the establishment and operation of TBSI. No new legal entity will be created as a result of the three-party agreement.
 - (8) Under the applicable People's Republic of China (PRC) regulations permitting jointly operated Sino-foreign educational institutions to operate in a preparatory phase prior to required approval by the PRC Ministry of Education, Tsinghua University and UC Berkeley intend to operate the institution in this manner under the name "TBSI (in Preparation)," as is common in the PRC, and in accordance with applicable PRC regulations.
 - (9) Either party may terminate the Master Affiliation Agreement by providing 90 calendar days' notice. Upon termination, UC Berkeley and Tsinghua University will dissolve the institution or Tsinghua University will acquire UC Berkeley's interest. In either case, the license to use the name TBSI will be terminated. UC Berkeley may invoke its termination right for any reason, including, but not limited to, (i) the disapproval by the Ministry of Education of TBSI as a Sino-foreign jointly operated research and educational institution; (ii) any uncured material breach by Tsinghua University of its obligations to UC Berkeley; or (iii) the failure of the Shenzhen municipal government or TEFNA to provide the necessary funding previously committed.
- B. Authorize the President or her designee, following consultation with the General Counsel, to approve and execute (i) any documents reasonably required to participate in the jointly operated institution as described above, including but not limited to a Master Affiliation Agreement, an Agreement on a Sino-Foreign

Jointly Operated Educational Institution, Articles of Association for the institution, an Inter-Institutional Agreement for the management of intellectual property in accordance with the terms of the Master Affiliation Agreement, and sponsored research agreements for research performed at UC Berkeley; and (ii) any modifications, addenda, or amendments (collectively, “amendments”) provided, however, such amendments do not materially reduce the rights of The Regents or materially increase the obligations of The Regents.

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Committee Chair Island briefly introduced the item. Provost Dorr said this item requested approval of the participation of UC Berkeley in a nonprofit, jointly operated research and education institute with Tsinghua University in Shenzhen, China, to be named the Tsinghua–UC Berkeley Shenzhen Institute (TBSI). The nonprofit would operate the Institute and its associated research centers in Shenzhen and in Berkeley subject to conditions specified in the materials provided to the Regents. The proposed Institute has been long in the making, beginning with collaborations among faculty from the two institutions and their shared research interests, and has developed into a plan for a formal relationship that would support outstanding research and doctoral education, both at UC Berkeley and the Tsinghua campus in the Shenzhen municipality. The Berkeley campus had been diligent and resourceful in creating a strong proposal that would bring UC Berkeley considerable opportunities for outstanding research and doctoral education. The proposal’s contractual, legal, policy, and risk management strategies are the best possible for the Berkeley campus and the University.

Chancellor Dirks said TBSI represented an important opportunity for the Berkeley campus to partner with a distinguished university, arguably China’s best in science and engineering. UC Berkeley has had partnerships of various kinds with Tsinghua since the late 1970s. The current proposal for an Institute stems from faculty collaborations. TBSI would be an important part of UC Berkeley’s strategy to engage with China and other parts of Asia more proactively, particularly with academic partners. He acknowledged that working in China with a Chinese university would present both great opportunities and unique challenges.

The Institute would include three research centers, each co-led by a UC Berkeley and a Tsinghua faculty member. The first center would study the environment and new energy, such as battery and solar cell materials, waste water treatment, air quality technology, and smart energy grids, particularly applied to transportation and cities that make use of innovative technologies. The second research center would study information technology and data science in areas ranging from wearable biosensors and sensor networks to nanomaterials. The third center would focus on precision medicine and health care in the fields of biomaterials and fabrication, imaging and detection devices and systems, and health policy and public health. The research would be basic and exploratory.

The Institute would provide enhanced research opportunities and support for UC Berkeley's doctoral students, and access to expensive equipment and facilities that are hard to acquire and to which UC Berkeley does not have access. The Institute would offer the potential for strengthening ties with Chinese companies that could also help sponsor research and development, and would allow the complex, multidisciplinary collaboration necessary to confront major social and economic global challenges. The partnership could lead to further opportunities for collaboration, such as a joint climate change institute that could support current negotiations between the U.S. and China around climate change.

Assistant Vice Chancellor Patrick Schlesinger discussed the legal and operational aspects of the Institute. If approved, the University would enter into a master affiliation agreement with Tsinghua University to establish a new legal entity, known as a Sino-foreign nonprofit research and educational institution, comprised of two co-equal partners, with UC Berkeley and Tsinghua University each having a 50-percent ownership interest. The Institute would have an unusual feature compared with U.S. institutions in that it would have the active participation of the Shenzhen municipal government. The governing board of the new Institute would be comprised of four members appointed by the UC Berkeley chancellor, four members appointed by the president of Tsinghua University, and three members appointed by the Shenzhen municipal government. To protect the University, the Berkeley campus consulted with UC's retained counsel in China to build protections into the agreement, including the requirement that certain decisions such as annual operating plans and budgets, substantial transfer of assets, and appointment of other members, would require a supermajority. As a new entity, the Institute would require the approval of the People's Republic of China Ministry of Education.

Mr. Schlesinger advised that the Institute's funding would come from two sources. The Shenzhen municipal government would provide \$52 million in an initial phase of funding, \$21 million of which would be used to construct new facilities and provide new equipment. In addition, UC Berkeley would receive \$22 million over a five-year period from the Tsinghua Education Foundation for Institute activities that would occur at UC Berkeley. UC Berkeley would send its students to the Institute in Shenzhen and Tsinghua students would conduct research at UC Berkeley. Under Chinese law, UC's expertise, the mentorship of students, and the use of the UC Berkeley name would be considered an in-kind contribution; no UC Berkeley capital contributions or assets would be provided.

The Institute would not bestow joint or TBSI degrees. Each university's students would be admitted under their own academic programs and would receive their own university's degrees. All activities of UC Berkeley academic personnel would be conducted within established University policy. Core Berkeley faculty members would be expected to spend eight weeks during the summer months teaching courses and providing advice on research laboratory operations, not affecting their academic year appointment. These activities would be consistent with outside professional activities and the faculty would be considered consultants when they perform this work. The kind of advice faculty would

provide would be consistent with the advice that occurs normally in research collaborations.

Mr. Schlesinger discussed the proposal's financial effects and serious risks. Any international collaboration requires a close analysis of risk and collaborations in China would require an even higher degree of due diligence. The risk for UC Berkeley of conducting research in China is no greater than that faced by other U.S. universities or companies doing business in China. In fact, UC would be following the model of other universities such as the University of Michigan, New York University, and Duke University in creating joint institutions in China. The University has attempted to mitigate risk in two ways. First, from an early point in consideration of the collaboration, UC engaged counsel in China to advise on Chinese regulatory matters, intellectual property considerations, and export control. In addition, an academic partner such as the prestigious Tsinghua University has experience working with other U.S. partners. Financial risk would be mitigated by not having the University contribute its own funds. Risks related to facilities, academic personnel, or student policies had been reviewed since the prior fall with the UC Office of Ethics, Compliance and Audit Services. Any research in China would involve questions about export controls, which have been addressed in two ways. The University's export control consultant is vetting every project the Institute is considering and would continue to do so in the future. UC's China counsel would be used to ensure compliance with Chinese export control laws. The compliance strategy would be the same as that used by UC campuses and other U.S. universities currently doing work in China, which is to perform fundamental research so that all research results would be published and broadly disseminated in the scientific community. This approach would reduce the possibility of having sensitive information that might be transmitted in ways outside the established controls.

Mr. Schlesinger discussed the risk that the project would not work out for any number of reasons and could damage UC's reputation in China and its strategy in Asia. The agreement would include strong termination provisions allowing either party to terminate at its discretion without cause on 90 calendar days' notice. The kinds of events that could cause termination would include the failure of the Chinese Ministry of Education to approve the Institute or a failure to receive funding from the Shenzhen municipal government. Under such circumstances, the agreement could be terminated, and the parties would agree to dissolve the corporation or Tsinghua University would have to acquire UC's assets; in either case the ability to use UC Berkeley's name would cease. In sum, Mr. Schlesinger commented that UC Berkeley saw this as a chance to enhance its research capability significantly, and as a unique opportunity for its students and faculty.

Committee Chair Island observed that this unique proposal would involve issues of intellectual property and legal considerations.

Regent Gould asked if other U.S. universities' affiliations in China had a similar involvement of a Chinese municipal government's having board membership and the largest financial risk. He commented that the Shenzhen municipal government could overrule any agreement that might exist about intellectual property. Regent Gould asked

for more information about UC's protections and the role of the Shenzhen municipal government in the Institute, including its rights if the agreement were terminated.

Mr. Schlesinger responded that some U.S. universities' affiliations had participation of Chinese municipal governments and some did not. The Duke Kunshan University that had similar participation of a municipal government had just begun, but seemed to be operating successfully to this point. Mr. Schlesinger acknowledged concern about future revenue from any licensed inventions should the agreement be terminated. UC Berkeley had been advised by counsel that, although this is an area of developing law, Chinese courts pay particular attention to the intention of the parties as expressed in the agreement. As many protections as possible have been incorporated in the agreement. Counsel also advised that the Chinese government has many of the same rights the U.S. government has reserved for itself in research it funds, such as march-in rights. UC's Chinese counsel advised that the risk of the intellectual property provisions of the agreement not being honored would be very low. The Chinese government could look at inventions that would be developed. Counsel advised that the Chinese government might exercise its march-in rights if a cure for a disease affecting the Chinese population were developed. In general, the Chinese government has a record similar to that of the United States, which had never exercised its march-in rights.

Regent Makarechian observed that the 11-member board would be in control of the Institute. The Shenzhen municipal government would control the budget through its funding. Control of transfer of assets would occur only upon termination. Other issues would be decided by simple majority, so day-to-day operations could be controlled by the Chinese. He questioned UC Berkeley's participation in an Institute that would be controlled by the Chinese. Mr. Schlesinger responded that the Berkeley campus did not envision the Institute as being controlled by the Chinese. The operating budget and annual operating plan require supermajority approval and would be developed by the academic partners. He added that the Shenzhen municipal government would be motivated to have the Institute be successful and would rely on UC Berkeley's and Tsinghua University's expertise. Tsinghua University had recently been granted its own constitutional autonomy within China and would have an interest in accomplishing the academic, research, and educational mission of the Institute. Regent Makarechian reiterated that supermajority approval of the operating budget and plan would occur only once a year, but day-to-day operations required only a simple majority vote that would not be controlled by UC Berkeley. Mr. Schlesinger responded that day-to-day operations would be controlled by the co-directors of the Institute. Regent Makarechian said the Shenzhen municipal government would also control funding and asked what decisions could be made by a simple majority. Mr. Schlesinger replied that daily operational policies could be decided that did not conflict with the annual operations plan.

Regent Makarechian asked who would decide what research would be conducted and the Institute's ethics policies. Mr. Schlesinger responded that, once the research centers were included in the annual operating budget and plan, daily operations would be determined by the directors. Chancellor Dirks added that UC Berkeley's assumption, based on other academic collaborations that have taken place between Berkeley and Tsinghua faculty, is that faculty would have a shared interest in maintaining the integrity of their research. If

that were not the case, UC Berkeley would terminate the agreement. He acknowledged sensitivity about the participation of the Shenzhen municipal government. He noted that there would be a combined eight board members from the two universities.

Regent Makarechian asked what the driving force was propelling UC Berkeley's participation in this Institute. Chancellor Dirks replied that the driving force was significant funding for facilities and new equipment that UC Berkeley faculty and students were eager to use. Regent Makarechian asked if the Institute was being formed only because of the funding and asked if UC Berkeley would establish a research institute in Korea if it offered similar funding. Chancellor Dirks noted that research collaborations between Berkeley and Tsinghua faculty have been conducted for decades.

Regent Makarechian asked for more detail about which decisions could be made by a simple majority of the board of the Institute and which would require a supermajority. He noted that the University had prior projects in China about which the Chinese changed the terms after they had been established and the University had no recourse. He advised exercising great caution with this agreement, as the Shenzhen municipal government could change regulations that could affect the Institute and the University would have no recourse.

Regent Varner asked for clarification of intellectual property rights and how revenue from and control of commercial applications of research would be handled going forward and in the case of termination. Mr. Schlesinger advised that intellectual property rules in China follow U.S. principles in a number of ways. Ownership of intellectual property follows inventorship. UC Berkeley faculty would be working as consultants, but would agree to assign their rights back to The Regents, just as they do as University employees. The partners would have joint ownership. Under the agreement, licensing revenue during the period of operation would be shared and managed through an inter-institutional agreement, just as UC has done with other international partners. Upon termination, UC would have 50-percent ownership of any future revenue streams. This arrangement would be ultimately reviewed by the Shenzhen municipal government. UC's China counsel has advised that to the maximum extent possible the Chinese courts would honor the agreement of the parties, subject to the march-in rights of the government, which were unlikely to be exercised.

Regent Ortiz Oakley asked about the value this venture would have for UC Berkeley, given the risk it would be taking, and what the repercussions for the Berkeley campus would be should the Regents not approve the Institute. Mr. Schlesinger responded that the facilities that would be made available to UC Berkeley faculty and students were unique and would not be available on the Berkeley campus. For example, one project would involve the construction of "smart" buildings with innovative technologies. In addition, doctoral researchers would be added to UC Berkeley laboratories, increasing their research output. UC Berkeley faculty would propose the areas of research of highest interest to them. Chancellor Dirks expressed his view that lack of approval for this affiliation would prejudice further collaborations with Tsinghua, which is interested in pursuing collaborations in the field of climate change science and policy. Tsinghua was

very involved in the Chinese government's proposals that were part of the U.S.-China Joint Announcement on Climate Change in November 2014. Chancellor Dirks expressed hope that UC Berkeley could collaborate with Tsinghua on overall climate goals in support of the upcoming 2015 United Nations Climate Change Conference in Paris and subsequently. The main loss to UC Berkeley would be the opportunities presented by the Institute and its support for basic research in areas with extremely expensive equipment and facility costs.

Regent Ortiz Oakley asked what would happen if UC Berkeley decided to terminate the affiliation midway through construction of an Institute facility in Berkeley. Mr. Schlesinger pointed out that the Institute's facilities would be in Shenzhen; investment at UC Berkeley would be in graduate students and increased research capacity using existing facilities. Provost Dorr added that Tsinghua is based in Beijing with a branch in Shenzhen.

Regent Newsom expressed appreciation for the effort Chancellor Dirks has put into this extraordinary opportunity and asked about partnerships that other U.S. universities and companies have with Tsinghua. Chancellor Dirks replied that Tsinghua's partnership with the University of Washington had been considered for a long time and involved a \$40 million commitment from Microsoft. His discussions with leadership of other universities that have partnered with Tsinghua have all demonstrated support of continued collaboration. Tsinghua had been given constitutional autonomy by the Chinese government in part to protect it from the kind of political interference that could cause concern. To date, all faculty collaboration agreements between UC Berkeley and Tsinghua have been honored. Regent Newsom asked how the \$22 million the Berkeley campus would receive from the Tsinghua Education Foundation would be used and over what time period. Chancellor Dirks responded that it would be used to support students over five years. The Chinese government is not permitted to export funds to support either students or facilities, but Tsinghua alumni could raise funds in the United States that could be used here. Regent Newsom asked if there would be ongoing costs after five years that UC Berkeley would bear. Chancellor Dirks said there would be none. Regent Newsom commented that the risk of the affiliation's not being successful would be nominal for UC Berkeley. Chancellor Dirks agreed, adding that termination would only oblige UC Berkeley to support affected students for the remainder of the calendar year.

Regent Newsom asked if the campus had concerns about the Institute's cyber security. Mr. Schlesinger responded that cyber security was an important concern and it would be essential to follow all export control laws strictly. Fundamental research would involve less sensitive information, as it would be shared broadly throughout the world. Even in fundamental research, an item could be produced that would be subject to U.S. or Chinese export controls. In China, UC would be careful not to engage in any prohibited or restricted research. In the Institute's research at UC Berkeley, every project would be vetted to ensure that none of the information is subject to controls. If there are items that have to be licensed, the U.S. Department of Commerce would be consulted through its interagency license review process to ensure that it would be acceptable to ship the item to the United States.

Regent Sherman asked who would be in control of the licensing of any intellectual property. Mr. Schlesinger replied that licensing would be done by UC for all inventions that it owns; Tsinghua would do its own licensing for inventions that it owns. Regent Sherman asked about inventions developed jointly through the Institute. Mr. Schlesinger said ownership would follow inventorship; each inventor would own a joint undivided interest. Regent Sherman asked about the provision that upon termination Tsinghua would acquire UC's interest and asked if Tsinghua would pay for the intellectual property created in the Institute. Mr. Schlesinger said that would depend on whether the Institute were dissolved or if Tsinghua would buy out UC Berkeley's interest. In the latter case, Tsinghua would acquire UC's interests. At that time UC would not be required to sell all of its future income, only its operational assets.

Regent Ruiz expressed support for UC's creating partnerships with other universities globally. He recalled that he had travelled earlier in the year with UC Davis to China on a World Food Center program that included universities from around the world. At the university they visited, a Chinese Communist Party official had an oversight role equivalent to that of the president of the university. Regent Ruiz expressed concern about issues that could arise as a result of the unpredictability of the Chinese government. While this proposal would offer great opportunities for reward, it would also hold a good deal of risk. Much work must be done to establish clear guidelines and ways to manage risk. Chancellor Dirks acknowledged that all Chinese universities had a Communist Party Secretary who had a senior role. This proposal would give UC an opportunity to explore the possible benefits of a collaboration with very little risk. UC Berkeley would be transparent about what it learns from this venture.

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

The meeting adjourned at 10:35 a.m.

Attest:

Secretary and Chief of Staff