THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
March 18, 2021

The Regents of the University of California met on the above date by teleconference meeting conducted in accordance with Paragraph 3 of Governor Newsom's Executive Order N-29-20.

Members present: Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Sures

In attendance: Regents-designate Lott, Torres, and Zaragoza, Faculty Representatives Gauvain and Horwitz, Secretary and Chief of Staff Shaw, General Counsel Robinson, Provost Brown, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President Byington, Executive Vice President and Chief Operating Officer Nava, Vice President Brown, Chancellors Block, Christ, Gillman, Hawgood, Khosla, Larive, May, Muñoz, Wilcox, and Yang, and Recording Secretary Li

The meeting convened at 8:35 a.m. with Chair Pérez presiding.

1. **PUBLIC COMMENT**

Chair Pérez explained that the public comment period permitted members of the public an opportunity to address University-related matters. The following persons addressed the Board concerning the items noted.

A. Eric Halgren, UC San Diego professor, addressed smokestack emissions on University campuses, which had not significantly changed in 13 years, and stated that there were no plans to reduce them. The only way to reduce these emissions was to replace fossil fuel burning with electric power, which would fully become renewable pursuant to State and federal mandates. He called on UC to declare a new goal of carbon-free energy systems, to compete for funds proposed in the federal green infrastructure bill, and to require that all new UC buildings have electric energy systems. UC could be a true leader in the climate emergency.

B. Jacquelyn Holmes, UCSD staff member and Chair of the Council of UC Staff Assemblies (CUCSA), stated that policy-covered staff received no merit increases last year while represented staff did. Decisions about staff increases should be equitable. The 2019 median annual salary for policy-covered staff was less than $70,000, and the proposed 1.5 percent merit increase would have virtually no positive economic impact after taxes and cost increases. CUCSA suggested a five percent increase for policy-covered staff, which was less than two years of increases for most represented staff. Given staff's outstanding efforts under extraordinarily challenging circumstances, every policy-covered staff member in good standing should receive the highest possible increase.

C. Rohan Prasad, UC Berkeley student, expressed his support for staff and lecturers in their pursuit of fair wages. He urged the Regents not to renew UC's contract with Harris Ranch, which killed hundreds of cows per day and was the largest slaughterhouse in California. Harris Ranch employees alleged instances of sexual harassment and assault, and Harris Ranch kept employees working despite outbreaks of COVID-19. According to a recent study, Harris Ranch produced about 33 percent of the air pollution in the Central Valley.

D. Crystal Petrini, UC Riverside staff member and Chair-Elect of CUCSA, stated that policy-covered staff received no merit increases last year while represented staff did. Decisions about staff increases should be equitable. The 2019 median annual salary for policy-covered staff was less than $70,000, and the proposed 1.5 percent merit increase would have virtually no positive economic impact after taxes and cost increases. CUCSA suggested a five percent increase for policy-covered staff, which was less than two years of increases for most represented staff. Given staff's outstanding efforts under extraordinarily challenging circumstances, every policy-covered staff member in good standing should receive the highest possible increase.

E. Søren Whiting, UC Santa Cruz student and Vice Chair of the UCweVOTE Campaign for the UC Student Association (UCSA), stated that it was critical to mobilize students for the 2022 elections and that students do not face academic penalties for involvement in civic activities or volunteering. UCweVOTE asked that the Regents urge the Academic Senate to approve a non-mandatory instruction day or a digital alternative on Election Day in 2022.

F. Crystal James, nurse at Ronald Reagan UCLA Medical Center, spoke about nurse staffing. During the COVID-19 pandemic, UCLA performed a high number thoracic transplants but had not hired new nurses in this time. Nurses were understaffed and working additional shifts while facing challenges at home. She called on the Regents to eliminate hiring hurdles and allow UCLA to hire enough nurses to meet current and future demands of the thoracic transplant unit. Being understaffed affected patient care and safe nursing practices.

G. Greg Kendall, UC nurse, called for improvements to the working conditions of UC nurses. He shared that he was greatly affected when a younger patient who was recently in remission from cancer died of COVID-19 in the intensive care unit (ICU) where he worked. In the same ICU was a nurse who contracted COVID-19 from an agitated patient who pulled off her mask. He stated that a return to normal would be a return to a system of disparity that prioritized profit over people. Nurses were tired of being understaffed, undervalued, and overworked.

H. Mia McIver, UCLA lecturer and President of University Council-American Federation of Teachers (UC-AFT), spoke about the labor negotiations between UC and lecturers, who taught one-third of student credit hours systemwide. For two years, Labor Relations had provided no proposal for lecturers' evaluation and rehiring process. Lecturers were leaving UC, having taught for one year or less, without being evaluated. Students were affected as a result, and lecturers were far more likely to be women. Ms. McIver stated that Labor Relations has been hostile, disdainful, and unresponsive. UC-AFT strongly urged the Regents to make clear to Labor Relations that its approach was unacceptable.

I. Lisa Kessler addressed the Comprehensive Parnassus Heights Plan at UCSF and stated that the Board had not sought a binding memorandum of understanding with the City of San Francisco, which was raised by the Board at the last Regents meeting as a condition of approving the project's Environmental Impact Report. She added that UCSF was facing lawsuits that were not typical and that the Board was making permanent and binding agreements that it had no intention of honoring. The project would negatively affect the local community and the city. She urged the Board to read the hundreds of letters and comments that were submitted about the project.

J. Terrisa Bukovinac, Executive Director of Pro-Life San Francisco, asked the Regents to address the use of human fetal tissue in research at UCSF. She stated that UCSF was violating the federal Born-Alive Infants Protection Act, and that thousands of live dismemberment procedures had occurred to supply research quotas with the oversight of an ethics board and the full support of the Regents.

K. Benjamin James, UCSC student and researcher, shared his family's experience with UCSC Early Education Services (EES). His daughter was thriving at the EES preschool, and he was not confident that a privatized preschool would provide the same quality of care and education that his daughter was currently receiving from trained, Title V experts. Mr. James underscored the importance of training and compensating educators and demanded that any new school operate under the same working conditions and with the same staff and standards.

L. Leslie Lodwick, UCSC student and researcher, spoke in opposition to contracting Bright Horizons as part of the Student Housing West project. Many school districts were moving away from for-profit school operators in favor of community school models like that of EES. UCSC student parents, many of whom were first-generation students, underrepresented students, and students of color, pleaded with the campus not to move forward with the proposal but were told that the decision had been made. UC could listen to student families or perpetuate systemic racism and barriers to higher education.

M. Alvin Cha, UC Merced staff member and member of CUCSA, stated that policy-covered staff received no merit increases last year while represented staff did. Decisions about staff increases should be equitable. The proposed 1.5 percent merit increase would have virtually no positive economic impact after taxes and cost increases. CUCSA suggested a five percent increase for policy-covered staff, which was less than two years of increases for most represented staff. Given staff's outstanding efforts under extraordinarily challenging circumstances, every policy-covered staff member in good standing should receive the highest possible increase.

N. Jeff Girod, UCR staff member and member of CUCSA, stated that policy-covered staff received no merit increases last year while represented staff did. Decisions about staff increases should be equitable. The 2019 median annual salary for policy-covered staff was less than $70,000, and the proposed 1.5 percent merit increase would have virtually no positive economic impact after taxes and cost increases. CUCSA suggested a five percent increase for policy-covered staff, which was less than two years of increases for most represented staff. Given staff's outstanding efforts under extraordinarily challenging circumstances, every policy-covered staff member in good standing should receive the highest possible increase.

O. Puanani Brown addressed item P4, *University of California Efforts to Combat Climate Change*, and spoke in opposition to the Thirty Meter Telescope (TMT) project. She stated that UC investments were harming indigenous people and that the TMT would be the 22nd telescope on Mauna when the legal limit was set at 13. According to Hawaii Supreme Court Justice Michael Wilson, the TMT also violated the norms of environmental law. Mauna Kea was a conservation district where the largest groundwater aquifer of the whole archipelago was located, and fuel leaks had been reported at other telescopes. There were already too many telescopes on Mauna Kea built without the consent of Hawaiian people, and the TMT would affect the fragile ecosystem and biodiversity in the area.

P. Danielle Bermudez, UCM graduate student and UC Santa Barbara alumna, stated that the social and public impact of a UC degree was difficult to measure, given the many barriers faced by immigrant, indigenous, and international graduate students. Students in her program had asked for an external review of policies and leadership and wished to be able to express their views without the fear of academic abuse, interference, or retaliation. Students should have autonomy in their own bylaws. She asked the Regents to support students in these aims and invited them to read more about the case of UC Merced graduate student Dishanka Gogoi.

Q. Jason Rabinowitz, Secretary-Treasurer of Teamsters Local 2010, called on UC to give immediate attention to the union's proposal of providing 128 hours of additional leave. Union members had exhausted their leave hours due to the pandemic and urgently needed additional leave. Mr. Rabinowitz thanked UC for partnering with the union last year to protect members' safety and employment, and he asked UC to act quickly on this issue.

R. Emily Jenkins, UCLA staff member, urged the University to provide 128 hours of additional COVID-19 administrative leave. She had exhausted her COVID-19 leave hours and had difficulty finding childcare. Her husband was not able to work a normal schedule because he was caring for their children. She could not use the few sick leave and vacation hours that she had left solely for childcare purposes.

S. Livia Solari, UC Berkeley student, addressed item P4 and questioned the University's commitment to a cleaner, more resilient, and equitable future. The TMT threatened Mauna Kea's fragile ecosystem, endemic species, and the largest aquifer of the Hawaiian island chain. Indigenous people were stewards of 80 percent of the earth's biodiversity despite making up five percent of the global population. UC remained involved in the TMT project despite opposition from Native Hawaiian protectors, and it must withdraw from all involvement from the TMT project.

T. Kyra Rice, UC staff member, shared her experience of contracting COVID-19 at work. She exhausted her COVID-19 leave due to long-term symptoms and childcare difficulties, and she used over 70 hours of sick leave and vacation time to recover, going to appointments during lunch breaks. She called on UC to keep its promise and provide an additional 128 hours of COVID-19 leave so that those who contracted COVID-19 could heal and so that staff could care for their children.

U. Paulette Carney, UCSC staff member, addressed the Student Housing West project. She stated that EES was a State-funded, Title V program supported by the California Department of Education and that its teachers met the guidelines for such a program. The campus had a three-phase contract to design, build, and operate a new childcare facility using Bright Horizons, a for-profit childcare center, and replacing existing early education teachers. She urged the Regents to put a stop to this plan and to support UCSC's students and dedicated staff.

V. Drew Scott, Skilled Trades Director of Teamsters Local 2010, called for a stop to further curtailments and layoffs. He stated that, with the combined funding from the Coronavirus Aid, Relief, and Economic Security Act, the Coronavirus Response and Relief Supplemental Appropriations Act, and the American Rescue Plan, UC was expected to receive a total of about $1.3 billion, with nearly $734 million that could go to operations.

W. Gretchen Verdugo, UC Irvine Staff Assembly member, stated that policy-covered staff received no merit increases last year while represented staff did. Decisions about staff increases should be equitable. The 2019 median annual salary for policy-covered staff was less than $70,000, and the proposed 1.5 percent merit increase would have virtually no positive economic impact after taxes and cost increases. The UCI Staff Assembly suggested a five percent increase for policy-covered staff, which was less than two years of increases for most represented staff. Given staff's outstanding efforts under extraordinarily challenging circumstances, every policy-covered staff member in good standing should receive the highest possible increase.

X. Michael McCarrin, UCSC graduate student and parent of a child enrolled in EES, praised EES and its staff and spoke in opposition to the UCSC contract with Bright Horizons, a private company that he believed had every incentive to underachieve. If UCSC insisted upon entering into a public-private partnership, then this project should be advertised and rebid to match the current standard of care, which would include paying teachers correctly. He suggested committing resources to expand EES instead.

Y. Thao Nguyen, UCSC graduate student and parent of a child enrolled in EES, called for the preservation of EES and asked the Regents to reconsider the contract with Bright Horizons. This new contract would allow higher student-teacher ratios, more caregivers with less training, and a higher price for inferior care. Without access to affordable, high-quality childcare from EES, UC Santa Cruz would see a dramatic decrease in students of color, especially women of color.

Z. Violet Barton, UCM graduate student and President of the UCM Graduate Students of Color Coalition, stated that students were forced to sign contracts prohibiting them from engaging in political activism; students with disabilities were segregated and forced to work without accommodations; international students were terminated for traveling to their home countries to participate in funerals or practice religious beliefs. In particular, Ms. Barton called attention to the case of Dishanka Gogoi, a graduate student whose teaching assistant position was terminated. She called for restoring the promise of a UC education to the most vulnerable students.

AA. Edwin Bish, UC Berkeley staff member, expressed disappointment in UC Berkeley's labor contract negotiators, whose proposed pay range was lower than what was currently published by the Office of the President. According to UC Berkeley, his position was worth less now that he was in a union. Mr. Bish was a 17-year career employee who had received awards and commendations, and his fellow Administrative Officer 2 colleagues were accomplished staff.

BB. Veronica Pallan, UC San Diego student, addressed item P4 and spoke in opposition to the TMT project. In order to combat climate change, UC must understand the relationship that indigenous people had with the land and how colonial ideas have affected everyone's lives. Ms. Pallan noted indigenous burial sites on several campuses and the indigenous land on which campuses were located.

2. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Upon motion duly made and seconded, the minutes of the meetings of December 15, 2020 and January 19, 20, and 21, 2021 were approved, Regents Butler, Drake, Estolano, Guber, Kounalakis, Lansing, Leib, Makarechian, Mart, Ortiz Oakley, Park, Reilly, Sherman, Stegura, and Sures voting "aye."[1]

3. REMARKS FROM STUDENT ASSOCIATIONS

President Drake introduced UC Student Association (UCSA) President Aidan Arasasingham, who was also External Vice President of the UCLA Undergraduate Students Association Council.

Mr. Arasasingham began his remarks by recalling, at the beginning of the COVID-19 pandemic, UCSA's call to keep dormitories and dining halls open; provide support to

[1] Roll call vote required by the Bagley-Keene Open Meeting Act [Government Code §11123(b)(1)(D)] for all meetings held by teleconference.

student workers who lost income; provide free COVID-19 testing and telehealth access to students; subsidize technology costs; provide pass/no pass and flexible grading options; and not to raise tuition. He credited student consultation and representation for the support that UC provided to students and campus reopening plans. Students helped build a campus culture focused on public health, and UC student COVID-19 positivity rates were among the lowest in the nation. Student advocates helped secure over $1 billion in federal stimulus, half of which would go directly to students. He contrasted the relationship between the University and its students with struggles students faced at other institutions. However, students in California still grappled with the pandemic, systemic racism, and high costs. International, disabled, and low-income students were calling for the option of hybrid instruction; not all students had the privilege of returning to on-campus learning. Students with dependents, non-traditional students, student workers, and low-income students called for a debt-free pathway to graduation, modernization of the Cal Grant, and doubling the Pell Grant. Students of color and students affected by incarceration were leading movements to re-envision campus safety through resource reallocation, mental health support, transparency, and accountability. Mr. Arasasingham acknowledged the recent killings of Asian-American women two days prior, over 3,800 hate incidents against Asians and Pacific Islanders in the U.S., and the indictment of a UCLA undergraduate student who participated in the U.S. Capitol riots in January. It was incumbent to stand against these acts of hatred in UC campus communities and in the country, and UC must listen to students and let them lead based on their lived experiences. These best practices of student engagement, consultation, representation, and leadership must continue. Students were not part of UC's shared governance model, but the pandemic changed this in practice. Mr. Arasasingham closed his remarks by quoting California State Assemblymember Jose Medina and stated that, in matters of affordability, access, safety, and equity, students looked forward to writing the next chapter with the University as partners in recovery and rebuilding.

President Drake introduced the UC Graduate and Professional Council (UCGPC) President Gwen Chodur, who was also External Vice President of the UC Davis Graduate Student Association and member of the Systemwide Basic Needs Committee.

Ms. Chodur began her remarks by recalling the beginning of the COVID-19 pandemic and contrasting it with the state's current vaccination effort, as well as UC's campus reopening plans, resumption of research, and the new normal. UCGPC was set to begin its intense State and federal advocacy, alongside student advocacy partners across the country, regarding issues such as research funding, mental health, Title IX reform, immigration, and the campus experience. The recognition that the pandemic amplified existing inequalities would underlie UCGPC advocacy efforts. UCGPC would continue to support UCSA's push to double the Pell Grant, which would make attending graduate school more of a possibility, and join systemwide efforts to increase funding for UC Programs in Medical Education (PRIME). UCGPC would also be supporting Deferred Action for Childhood Arrivals (DACA) students by advocating for the passage of the Dream and Promise Act. Ms. Chodur shared that she was also a Teaching Assistants Consultants Fellow in the Center for Educational Effectiveness at UC Davis, and she was pleased that the work of the Center, as well as other centers and initiatives, was being recognized in item A1, *Using*

Curricular Innovations and Enhancements to Address Equity Gaps, during the Academic and Student Affairs Committee meeting. Aside from improving the classroom experience, UC must also consider students' entire campus experience. University Council-American Federation of Teachers (UC-AFT) lecturers were still without a contract, and the economic burden stemming from the loss of housing revenue was being borne by graduate students. Students of color and students affected by the carceral system demanded that UC build safe and supportive campuses for all students. UC must acknowledge how its healthcare policies affected access to certain types of care and students training to become healthcare providers. UC must recognize the impact that investing in certain projects would have on the indigenous members of the UC community, and she asked the Board to discuss the Thirty Meter Telescope project at the May meeting. Acknowledging the recent violence in Atlanta, Ms. Chodur underscored that the Asian American community was wanted and valued, and supported by the University.

4. **UPDATE OF THE WORKING GROUP ON INNOVATION TRANSFER AND ENTREPRENEURSHIP**

[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.]

Regent Leib, Chair of the Working Group on Innovation Transfer and Entrepreneurship, explained that technology transfer was the translation of ideas from faculty and students into real-world solutions, such as medicines, addressing climate change, and breakthroughs like clustered regularly interspaced short palindromic repeats (CRISPR). The Working Group was comprised of himself, Regents Park, Estolano, and Muwwakkil, Regent Emeritus Um, Chancellors Block and Khosla, subject matter experts, and seven advisory groups. The Working Group met 12 times over the past year, held many sub-group meetings, and examined each campus' technology transfer program. The Working Group sought best practices from other institutions such as Stanford University, Columbia University, Massachusetts Institute of Technology, Carnegie Mellon University, and the University of Texas, and it spoke to stakeholders such as faculty, administrators, inventors, and investors. According to a report published by the Milken Institute, no UC campuses were among the top universities for technology transfer, and two UC campuses were among the top 40. From its examination of various components of technology transfer, the Working Group learned that the University was beset with bureaucracy and delays. At an upcoming Regents meeting, there would be a proposal to create a new Regental Special Committee tasked with implementation of recommendations from the Working Group

Regent Leib highlighted the Working Group's seven areas of focus and suggestions. The first area of focus was governance. Campus technology transfer programs were still required to seek permission and approval from the Office of the President (UCOP) to proceed. Chief Investment Officer (CIO) Bachher proposed that campuses manage their own equities, and General Counsel Robinson proposed more campus autonomy. The second area of focus was policies. The Working Group engaged the campuses to modernize policies, making them more equitable and relevant. These revised policies would be brought to the Regents for approval, and the new Special Committee would refine them, regularly review them, and make them more accessible. The third area of focus was funding. A “proof of concept fund” was needed for early-stage development. Mr. Bachher pledged to work with the Working Group in establishing this fund. The fourth area of focus was faculty and culture. The Working Group asked the Academic Senate to consider adding innovation in tenure decisions, as well as leaves of absences for faculty. The Working Group also suggested establishing a systemwide recognition program. The fifth area of focus was patent tracking. The systemwide patent tracking system was outdated, and many campuses had developed their own systems as a result. The Working Group suggested integrating these campus systems with the systemwide version to ensure proper reporting and accounting. The sixth area of focus was performance metrics. UC must track the right metrics. The seventh area of focus was enforcement. UC should set up a system to review its rights and decide whether to pursue owed money. The Working Group looked forward to partnering with President Drake on these ideas.

Regent Park, Vice Chair of the Working Group, recalled that the Office of the CIO had deemed research the new driver of the economy and industry. UC seemed well positioned to take advantage of this new vision but needed much intentionality and motivation. The Working Group’s inquiry over the last year demonstrated that UC systemwide processes, technology, and governance were no longer very helpful and sometimes a hindrance. Many research universities were going through a similar transformation, and those that had invested in and optimized their innovation and entrepreneurship operations were reaping benefits such as licensing, company formation, faculty improvement, business partnerships, and philanthropy. The University was not following the trend of other institutions; UC campuses have been engaged in these efforts for some time. Innovation and entrepreneurship were a logical extension of research and another way in which UC could give back to society and the economy while engaging faculty, staff, and students in 21st century challenges. Innovation and entrepreneurship integrated UC’s research, public service, and teaching missions, and the University should embrace this as part of its 21st century identity. This was not limited to science, technology, engineering, and mathematics (STEM) fields; there was potential for the humanities and social sciences as well. UC must be equity-minded in its approach so that campuses that do not have access to as many resources, business partnerships, or philanthropy would not be left behind. The Working Group was committed to helping all campuses realize their potential.

Regent Estolano remarked that the best types working groups were not those that created reports that were filed away, but rather created the change they sought to accomplish. The Working Group had made some progress and engaged in tremendous conversations with campuses and UCOP. The University could harness the “power of ten,” since campuses each had different strengths, and these recommendations could help campuses tap into those strengths. UC needed to distinguish the processes that required oversight and those that could be carried out at campus that had the capacity. UCOP also had a role of providing capacity to campuses that needed it. For example, UC Merced had many Ph.D. students and provided many opportunities for undergraduate research, but it needed the capacity for technology transfer. Regent Estolano underscored the importance of the Working Group’s partnership with the Academic Senate in developing the recommendations, which would enable faculty to receive recognition, take leaves of absences, and have this type of work considered in tenure and promotion decisions. This would not be limited to STEM fields. These changes would shape a culture that reinforced some of the best parts of UC: shared governance, public service, and giving back to Californians.

Regent Muwwakkil expressed appreciation for how strongly student voices were represented in the Working Group, both through his participation and through student advisors. This conversation had not been about revenue generation; rather, the Working Group focused on having the ability, means, and incentives to translate UC innovations into direct and positive community impact. Given the focus on community impact, the humanities, the social sciences, and the arts were fundamental, so the full breadth of UC campuses were included in this conversation. Undergraduate students, working in alignment with graduate students and faculty, would be part of and benefit from this culture shift. These students would have broader access to the work they were already doing. He wished to provide assurances that the Working Group was being mindful and was not trying to turn the University into something it was not.

Regent Leib recognized Josh Green of Carbon, Inc.; Michael Kahn of Crowell & Moring; Sue Siegel of General Electric; and Joseph Walker of JP Morgan Chase & Co.; Regent Emeritus Um; and Chancellors Block and Khosla for dedicating many hours to this effort.

Regent Lansing noted that, for many years, the world benefited from UC's contributions, but UC did not benefit economically. Gatorade, for example, was developed at the University of Florida, which still received royalties. She stated that profit should not be viewed negatively, and that there had been a culture of fear regarding profiting from anything at the University. However, UC could give to community, control pricing, and generate revenue. The State budget currently had a surplus, but Regent Lansing recalled a time when UC was raising tuition every year. By generating revenue through these means, UC would be able to hire more faculty, provide more programs, improve access, stop raising tuition, and perhaps even lower tuition. She recalled explaining to one UC scientist that, by monetizing drugs that it develops, UC could make them available to more people and control costs. Regent Leib expressed agreement, adding that there had been much money that UC could have pursued.

Faculty Representative Gauvain noted design laboratories and community service activities that Stanford University had integrated into its technology transfer efforts, which were very popular with students, and encouraged the Working Group to develop something similar in its proposals. She also wished to see innovation better highlighted as it related to UC's public service mission, with the concern that innovation could be lost in the emphasis on technology transfer and entrepreneurship. UC's engagement with the community could potentially become entrepreneurial, but the main motive should be enrichment of those connections. For example, University-Community (UC) Links has developed computer clubs for students in underserved communities for decades. Another example was Homeboy Industries, a gang rehabilitation program whose initial goal was not to be entrepreneurial but to change a community. Individuals with these types of ideas should have a place in the University's efforts.

Regent Stegura asked if the Working Group found barriers, such as intellectual property agreement barriers between UC and faculty regarding the retention of royalties, which might have stifled the creation of products. Regent Leib replied that most barriers came from delays and bureaucracy, which could be greatly reduced if UC updated its policies and campuses had more autonomy. Regent Estolano added that the Working Group explored the possibility of providing five percent equity. Mr. Kahn stated that campuses had their own venture capitalists, entrepreneurs, and others dedicated to these efforts, but they were not fully empowered to optimize their productivity and efficiency despite being in the best position to do so. The Working Group's governance recommendations would try to address this.

Regent Stegura noted alumni involvement in innovation and stewardship, citing UC Riverside's Highlander Venture Fund as an example. Regent Leib stated that UCOP agreed that it was burdensome to have to approve every agreement, even standard ones. Still, UCOP could be a source of support when campuses did need it, such as in instances of patent pooling. Regent Estolano noted that the relationship that the University builds with founders or creators of intellectual property was more important than obtaining more equity in a deal. A positive interaction with UC could lead to much philanthropy in the future. This was another example of money that UC could have pursued.

Regent Reilly asked about the greatest challenges to improving the technology transfer process given the University's size. Regent Park replied that UC's size, "systemness," and complexity presented great opportunities and hindrances. UC's achievement of these goals was not inevitable; the University must be intentional in its approach. Regent Leib opined that UC's greatest challenge was overcoming inertia from believing it could not change. By developing commonsense, practical ideas, he believed that UC could drive innovation, help more companies, disseminate more ideas, and attract the bestfaculty and students.

Regent Makarechian shared his belief that the creation of the Working Group was the most important aspect of these efforts. He recalled a report that had been created more than ten years ago that was never implemented. At the time, Regent Makarechian had requested that a Regental Committee be created that would receive biannual reports on the report's implementation, which did not happen. Regent Leib stated the creation of a Regental Special Committee would be presented for approval in May.

Staff Advisor Jeffrey, noting her previous experience working with the UC Berkeley technology transfer office, praised the accuracy of the seven areas of focus. Key among the recommendations were delegating more authority and control to the campuses, the proof of concept fund, and updating policies, which she recalled were a source of frustration for staff. She looked forward to seeing these recommendations implemented.

President Drake thanked all who participated in the process, and he welcomed this opportunity, especially that of active campus involvement, with enthusiasm. Chair Pérez thanked the members of the Working Group, especially those who were not on the Board.

5. **BEYOND ECONOMIC IMPACT: UNDERSTANDING SOCIETAL IMPACTS AND PUBLIC VALUE OF A UC DEGREE**

[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.]

Provost Brown began his remarks by stressing that it must be the nature and purpose of a great university to contribute to the advancement of the public good. An accountability framework must include the demonstration of personal and public value that was both social and economic. This presentation would explore indices of UC's economic impact, including the University's contributions to California's gross domestic product, as well as UC's impact on California society. Mr. Brown shared the example of Bryan Osorio Trujillo, a first-generation student from Delano, California who attended UC Berkeley, where he learned about the farmworker movement and participated in student government. After graduating UC Berkeley, Mr. Trujillo ran for Delano City Council and was elected. Early in the COVID-19 pandemic, he recommended passage of an eviction moratorium. After the pandemic, he hoped to address gang violence and establish places to gather and community programs for youth. Mr. Trujillo recently ran for mayor of Delano and won. The value of his UC degree was not only what it brought to himself and his family, but also what he brought to Delano and even California. In Mr. Brown's view, this was the California Dream. UC was not only making an economic impact on California, the nation, and the world; it was also making social and cultural contribution as well.

Vice President Pamela Brown stated that, according to UC's recently released economic impact report, UC generated $82 billion in economic activity each year; $21 of economic output was generated for every dollar of State support to UC. Of the more than 500,000 jobs that UC supported through its spending, it employed about 229,000 full- and part-time faculty and staff, making UC the third largest employer in the state. UC leadership focused on job protection during the pandemic to protect its employees and avoid adding hardship to the state. About 25 percent of UC employee compensation went to State and federal income taxes; the entire system's operations contributed $12 billion in federal, State, and local tax revenues. To better understand UC's societal impacts and the public value of a UC degree. Institutional Research and Academic Planning (IRAP) at the Office of the President (UCOP) examined prior research and data collected and considered new information that it could produce. Ms. Brown presented a framework that was created in collaboration with the American Association of Community Colleges, American Association of State Colleges and Universities, and Association of Public and Land Grant Universities. The public and personal benefits in the framework were intertwined. For example, private economic benefit such as employment or higher earnings could lead to public economic benefits of less reliance on government programs or greater tax revenues. Private social capital benefits such as field expertise, leadership, or teamwork skills could benefit the public when used to support civic engagement or in employment. IRAP planned to create an inventory of indicators matching this framework and find relevant data on UC students, using earnings data from the California Employment Development Department (EDD) and graduation data from the National Student Clearinghouse. IRAP partnered with Collegiate Leaders in Increasing MoBility (CLIMB) for new insight on data, and it looked at data from the networking website LinkedIn, the social networking website Facebook, and the Department of Consumer Affairs for occupational and business start-up information and data from the Department of State for information about voter registration.

UC earnings continued to grow across disciplines. Alumni earned more than the state median earnings for bachelor's degree recipients five years after graduation and surpassed the state median earnings for graduate degree recipients ten years after graduation. Given that over 40 percent of UC undergraduate students came from low-income families, a UC degree promoted upward mobility and helped addressed growing income inequality. *The New York Times* named UC "California's upward-mobility machine" because of UC's Pell Grant recipient graduation rate. A UC degree also advanced intergenerational mobility and the California Dream. The majority of Pell Grant recipients earned more than their parents within five years of graduation, and first-generation students earned more than their parents within seven years of graduation. More than one-third of UC's lowest-income students moved from the bottom 20 percent to the top 20 percent of income. Low-income and higher-income students were just as likely to later own a home. Provost Brown remarked that home ownership was associated with not only wealth development, but also community growth, development, and stability.

Vice President Brown stated that many alumni worked in occupations that benefit the public good, such as education and healthcare. UC-trained teachers worked in over 75 percent of California public schools, and UC doctorate recipients made up 25 percent of UC faculty and 20 percent of California State University (CSU) faculty. The current UC President, CSU chancellor, and California Community College chancellor were all UC alumni who were creating a vision for higher education that benefits the entire society. UC had the largest health science education program in the nation, training 50 percent of medical students and residents in California. More than 70 percent of health science students and 60 percent of medical residents remained in the state. UC sought to expand its coverage of medical personnel such as doctors, nurses, dentists, and veterinarians across the state through programs such as UC Programs in Medical Education (PRIME), which encouraged graduates to work in underserved communities and encouraged students from these communities to pursue a medical career.

Alumni were vital to major businesses in California. Ms. Brown presented a chart on UC degree recipients who worked at Kaiser Permanente (Kaiser). Alumni from all ten UC campuses worked at Kaiser. Medical degree recipients were more likely to work as doctors there, and Ph.D. recipients were working in research and analysis. Science, technology, engineering, and mathematics (STEM) degree recipients were pharmacists, optometrists, nurses, and medical doctors. Social sciences majors had roles ranging from social workers and counselors, business and financial positions, to leadership positions.

Alumni also created jobs and were more likely to own a small business than the national average. Ms. Brown introduced several of the 3,400 California companies founded or co-founded by alumni, whose work included drone technology, adaptive learning technologies, recycling and reuse of materials, and solar technology. These companies sought to solve problems and employed other Californians.

Alumni gave back to their communities, passing the national giving rates eight years after graduation. Alumni were more likely to vote than registered voters in their age groups. UC students and alumni volunteered. For example, UniCamp was a weeklong sleepaway summer camp for children from low-income families in Los Angeles and was run by UCLA students. Camp counselors raised funds to lower costs for campers and served as mentors. Sheila Ann Kuehl, California's first openly gay legislator and first woman to serve as Speaker Pro Tempore of the State Assembly, credited UniCamp for her decision to pursue a career in public service.

Mr. Brown stated that the personal and public benefits of a UC degree were intertwined and represented a sense of hope and opportunity that was embedded in the California Dream. UC was helping the state respond to the pandemic, and it could support California's post-pandemic economic and social recovery. Reinvestment in UC would yield sure and multiple returns.

Chair Pérez praised the presentation and expressed pride in what was presented. In his view, these positive attributes reinforced the urgency of improving student, faculty, and staff diversity, especially given UC alumni's disproportionate role in many sectors. Ms. Brown expressed agreement and her passion for the UC 2030 goals, because eliminating equity gaps would increase opportunities for new generation students. The majority of California high school students were Pell-eligible, first-generation, or underrepresented, and UC must help them succeed and pursue graduate degrees in key fields that need diversity. UC would also have its own pool to diversify the professoriate. This was critical for both UC and CSU. Provost Brown stated that UC faced an aging professoriate and needed professoriate growth that matched enrollment growth.

Staff Advisor Tseng shared that she had worked at UniCamp as a UCLA student, and it provided her with many learning opportunities that she would not have otherwise had, including raising money, which was work that she did now. Ms. Tseng continued to engage with UC because of the connection she felt, and this connection was crucial to staff recruitment and retention, as well as making UC an employer of choice. Students who become staff could bring their institutional knowledge with them.

Regent Ortiz Oakley shared that John Friedman of Brown University researched the value of postsecondary education. He hoped UC would continue to articulate value in this way and move away from *U.S. News and World Reports* rankings. Vice President Brown stated that IRAP partnered with Mr. Friedman in examining economic mobility data. Provost Brown added that he had Regent Ortiz Oakley's previous comments of accountability in mind when he was planning this presentation. IRAP was crafting accountability metrics that better matched what the University valued.

Regent Kounalakis expressed hope that this presentation was a call to action. She has often spoken about California's system of public higher education's role in the national economy and in preserving democracy. Twenty-seven percent of Californians were foreign-born, as opposed to the national average of 14 percent. Immigrant and first-generation students in California were pursuing their dreams through public higher education regardless of background. As an ex officio member of both the Board of Regents and the California Community Colleges Board of Governors, she believed that UC must do better. Many young people were not benefiting from the public higher education system because it was too hard to navigate, it was too expensive, or they lacked family support or experience. Taking every opportunity to monetize the University's success would help make UC affordable and accessible, which would lead to the success of both the system and the state. She looked forward to using this report and data. Mr. Brown underscored Regent Kounalakis' comments about the contributions that immigrants make following their UC experience, as well as UC's role in addressing educational inequities in California.

Regent Stegura asked what proportion of nonresident and international students stayed in California after graduation. Vice President Brown stated that more than half of domestic nonresidents stayed in the state, an estimate that IRAP based on UC alumni addresses and match rates with EDD data, which did not include data from the federal government, the second largest employer in the state. It was more difficult to obtain data on international students. Based on alumni addresses, about 60 percent of international alumni were still in California, a higher rate than found in EDD data, which IRAP believed was deflated. Ms. Brown wished to conduct an alumni survey to better pinpoint these data. Regent Stegura offered the help of Alumni Associations of UC (AAUC) on such a survey.

Regent-designate Zaragoza stated that, while some barriers to the University could be reformed via legislation, such as State Assembly Bill 928, for students of color or low-income students, barriers to entering the professoriate, pursuing graduate education, or even applying to UC were financial in nature. The cost of attendance must be examined. Students who obtain the maximum amount of financial aid were still struggling, taking off-campus jobs and unable to participate in internships. These wealth gaps affected alumni giving and held back the state. On some campuses, the student homelessness rate was ten to 20 percent. Regent-designate Zaragoza believed that financial aid was the key to fixing all of these issues. Doubling the Pell Grant and President Drake's plan for a path to debt-free UC were a start. Provost Brown stated that broader access to UC was meaningful and vital, adding that some of UC's problems were self-inflicted. He had focused on the financial aid model from the beginning of his tenure as Provost. Many did not understand how a progressive financial aid model worked. A lack of tuition increases meant less financial aid, and those who complained most about tuition did not pay it. He hoped that the Pell Grant is doubled, that there is a path to debt-free UC, and that UC could increase tuition and employ its progressive financial model.

Regent Muwwakkil noted that one-third of UC graduates were also California Community College graduates. A feature of a UC education, which resulted in such great outcomes, was the research environment, wherein students who engage in inquiry take the skills they acquire and benefit the outside world. This must be optimized, and increasing faculty and graduate students would facilitate this. Racial disparities in the undergraduate, graduate, and faculty populations would persist in the workplace and the professoriate.

Regent Makarechian shared that a detailed UC economic impact report that included the UC Health system was included in the February Health Services Committee meeting.

6. **UPDATE OF COVID-19 IMPACT ON THE UNIVERSITY OF CALIFORNIA: UC HEALTH ISSUES**

[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.]

President Drake stated that UC Health was the epicenter of many changes that took place in the last year. He praised Executive Vice President Byington, a nationally recognized leader in her own right, for the quality and consistency of her reporting on the COVID-19 pandemic to the Regents and the University.

Dr. Byington thanked President Drake for his comments. March marked one year of the pandemic in the U.S., which was in a much more hopeful place than it was a year ago. She thanked every employee, student, trainee, and leader in the UC Health system for their extraordinary, essential work. Dr. Byington presented maps comparing transmission "hot spots" across the country. Significant progress had been made since February, and the U.S. was coming out of a third surge in COVID-19 cases. The numbers remained fairly high, with 66,000 cases per day, so that much work needed to be done to prevent a fourth surge. Deaths were declining across the country but rates were still high. California numbers mirrored the national numbers. Currently, 87 percent of Californians were in a county in the red or "substantial" risk tier. All UC locations were in a county in the red tier except for UC Merced. Dr. Byington presented a chart of national COVID-19 hospitalizations. California had about 4,200 people hospitalized, an improvement over 13,000 hospitalizations in February. The COVID Tracking Project, the source of the map used in this presentation, concluded its work on March 7, because it believed that the data from the Centers for Disease Control and Prevention (CDC) were more accurate now. UC Health had 178 COVID-19 inpatients, which was similar to the peak number last summer. She felt that herd immunity could be declared among UC healthcare workers, about 85 percent of whom had received both doses of the vaccine. UC Health was testing fewer employees for COVID-19 because fewer were experiencing symptoms, and case positivity was now less than one percent. There were fewer than ten cases per week in March. UC Health hoped to replicate these results among campus essential workers and in the community.

During the COVID-19 surge in January, UC Health postponed non–life-threatening surgeries. People avoided care that was not COVID-related, so the number of emergency room visits remained flat. Ambulatory care increased because of the option of virtual care. Average daily census remained relatively flat, but discharges were declining as COVID-19 patients were staying longer, which meant fewer elective surgeries. A decline in income was expected. The medical centers' lost revenue in December, January and February was attributed to the rescheduling of non-essential procedures. The medical centers' management of these procedures kept UC hospitals open and functioning. Hospitals were also losing less revenue and providing more care than they did in April.

Dr. Byington shared data from the CDC. In the last month, the CDC, whose activity was now aligned with what infectious disease physicians would expect, released new reports on health disparities, masking, guidance for vaccinated people, and variants. Dr. Byington presented a chart of disparities in people 25 years old and younger. Disparities among racial/ethnic minorities were greatest earlier in pandemic, and relative improvements were related to worsening numbers of cases in the white population. Disparities were persistent in the American Indian/Alaskan Native, Native Hawaiian/Pacific Islander, and Hispanic/Latino(a) populations. In counties with mask mandates, cases and death rates slowed down; in counties that allowed on-site restaurant dining, cases and death rates increased. Per CDC guidance, vaccinated people could now interact with other vaccinated people indoors or with one household of non-vaccinated people indoors with no prevention methods. Masking, ventilating, social distancing, and hand washing were still recommended when vaccinated people interacted with unvaccinated, high-risk people or multiple unvaccinated households. The B.1.1.7 variant was the most common variant in the U.S. The efficacy of the Pfizer, Moderna, and Johnson and Johnson vaccines seemed to be preserved for this variant. There were some declines in vaccine efficacy for the B1.351 and P.1 variants, but vaccines provided some efficacy overall. The AstraZeneca vaccine, which was shown to be ineffective against the B.1.351 variant, would be completing trials in the U.S. and data from a 30,000-member trial might be available very soon.

Dr. Byington provided examples of UC meeting its public service mission to patients, communities, and the nation. Professors Arghavan Alisoltani-Dehkordi and Adam Godzik from UC Riverside wrote a paper on COVID-19 variants that was recently published in *Nature*. UCSF Health found that COVID-19 test positivity was higher among Latino(a) patients, so it sent postcards to Latino(a) patients about COVID-19 testing and prevention, translated a patient website into Spanish, and answered patient questions via telephone. UCSF Health then saw a decline in positive cases among Latino(a) patients, which was sharper than declines seen in the entire City of San Francisco. UC Health was learning more about “long COVID.” According to a study by UC Irvine Health and UCLA Health researchers, which was published in the *New York Times*, 27 percent of people with COVID-19 had symptoms after 60 days, even if they had mild or no symptoms with their original infection. Women were more likely to have long-term symptoms than men, and the median age of people with long COVID was 50 years. Symptoms were divided in five clusters. This study was made possible by the Center for Data Driven Insights and the UC COVID Research Data Set. UC San Diego took waste water samples from both residence and non-residence buildings, and this helped UCSD target testing and lower costs. These innovations were featured on the television program “60 Minutes.”

Novavax reported that its vaccine had 96.4 percent efficacy against mild, moderate, and severe COVID-19 in a Phase 3 trial conducted in the United Kingdom, with 100 percent protection against hospitalization and death. A Phase 2 trial in South Africa indicated 55.4 percent protection against the B.1.351 variant for HIV-negative people. This was a two-dose vaccine given 21 days apart and was refrigerator-stable for three months. Data was likely to come to the U.S. Food and Drug Administration for potential authorization in May, so the U.S. might have a fourth vaccine later in the spring. The U.S. administered 113 million vaccine doses and averaged 2.1 million per day. Eighty-one million shots had been administered since the Biden-Harris inauguration, part of the administration’s goal of administering 100 million shots in 100 days. More than 70 percent of 75-year-olds and more than 60 percent of 65-year-olds have received their first dose. One in eight adults were fully vaccinated. The U.S. had 38 percent immunity and could reach 70 percent immunity by the summer. A Denmark study showed that individuals who had COVID-19 in the first wave of infection had 80 percent protection in the second wave of infection, and protection lasted at least seven months. In February, UC Health signed a contract with Blue Shield for vaccines but was receiving a declining number of doses, about 7,000 to 10,000 per week for first dose administration, which was far less than UC Health's capacity of administering 200,000 to 250,000 per week. UC developed a systemwide vaccine volunteer registry, and 1,600 volunteers made up of alumni, faculty, staff, and students were delivering vaccines across the UC system and in underserved communities. UC Davis partnered with the Consulate of Mexico and sent a mobile health clinic to administer vaccines in the Latino(a) communities in the Sacramento area. UCSF Professor Kim Rhoads partnered with community organizations to vaccinate eligible Oakland residents, working with the black community and other communities that needed vaccines most. A UCSD Health mobile clinic was taking vaccines to essential workers in the Otay Mesa area. UCD Professor David Tom Cooke, who documented his vaccine experience to instill more vaccine confidence in the black community, participated in the California Endowment's "Roll Up Your Sleeve" campaign and was featured in an animated series. Dr. Byington concluded her remarks by expressing her continued optimism and hope.

Chair Pérez shared his recent volunteer experience at a UC San Diego vaccination center and encouraged other Regents to do the same. Referencing a *San Francisco Chronicle* article that reported that California was one of the five worst states for vaccinations, he asked about vaccine equity rates for those over 65 or over 75 years of age in California. Dr. Byington stated that vaccine prioritization by age alone would lead to equity issues. Latino(a), black, and other minority populations were less likely to be in those age groups. UC Health saw the need to increase equity in California and reach out to younger populations, those with chronic conditions, and essential workers. This was one concern that UC Health had about the vaccine effort; the University could play a larger role than it was currently playing given vaccine allocations. Chair Pérez remarked that he saw no indication that Blue Shield had more experience with health equity than UC. Kaiser Permanente received an outsized allocation despite not seeing Medicaid patients.

Chair Pérez asked if income data could be factored into the comparison of test positivity among Latino(a) patients at UCSF and at San Francisco General Hospital. He asked if UC's share of patients was representative of income categories in San Francisco. Dr. Byington replied that she would try to obtain this information. UC Health had a social vulnerability index on all its patients. The UCSF and San Francisco General Hospital data matched well until UCSF engaged in the discussed interventions, after which they differed.

Chair Pérez expressed great concern about California being one of the five worst states in the U.S. in terms of equity. He called attention to the overlap of those who were least vaccinated, those with the highest rates of infection, and those in denser housing situations. If vaccination was being used to reduce the number of new infections, targeting people with disproportionate rates of infection and higher R0 factors should be a significant priority. Dr. Byington stated that this has been a priority for UC Health, and she congratulated UC medical centers for immunizing employees, especially essential workers in lower pay scales or living in multi-generational households. Employees were asked to bring their parents and grandparents with them to be vaccinated.

Regent Makarechian asked if vaccination would be required of students occupying the dormitories. Dr. Byington responded that this was now under discussion. Vaccines in the U.S. were still under emergency use authorization, which would make them difficult to mandate, but some could be fully licensed by August or September.

Regent Makarechian asked if dormitory occupancy would be changed. Dr. Byington replied that, when modeling campus vaccination rates of 50 or 75 percent, double occupancy appeared possible without increased transmission. The greater the proportion of vaccinated students, the safer campuses would be in the fall. Dormitory occupancy would also depend greatly on State guidance.

Regent Makarechian asked if UC would follow State guidance on food service. Dr. Byington responded in the affirmative. UC was sharing its modeling and predictions with the State. With vaccination, UC campuses could possibly have more normal density and in-person instruction. Getting students vaccinated when they are eligible should be a priority for the system.

Regent Makarechian asked if the goal of 70 percent immunity included people who had COVID-19. Dr. Byington responded in the affirmative, adding that the hope was that immunity would last during the vaccination effort. Regent Makarechian asked how long immunity from past infection would last. Dr. Byington replied it would last at least seven months. She hoped that vaccine immunity would last longer. Those with natural immunity must be followed month-by-month.

Chair Pérez asked if the difference between the ability to mandate the vaccine that was approved versus one that had emergency use authorization was a legal distinction. Dr. Byington responded in the affirmative.

Regent Sherman asked if there was data on asymptomatic transmission of COVID-19 from a vaccinated person to an unvaccinated person. Dr. Byington replied that, according to data from Israel, there was a 94 percent reduction in asymptomatic transmission. As more data is released, there might be more changes to what vaccinated people are allowed to do. For now, people were still asked to wear masks to prevent asymptomatic transmission.

Regent Sherman shared that Israel obtained a massive allocation of vaccines from Pfizer and was able to vaccinate nearly its entire population because it agreed to share its data with Pfizer. He asked if UC was making similar arrangements. Dr. Byington stated that is a decision of the federal government, which had received more vaccines from manufacturers in the last month. An individual entity like UC was not able to enter into such negotiations. Regent Sherman asked if UC's allocation was dictated at the federal level. Dr. Byington replied that the allocation went from the federal level, to the State level, and then to the University.

Regent Sherman noted that Paris, France had shut down and asked about Dr. Byington's fears of what could go wrong. Dr. Byington replied that she feared complacency. Case counts had gone back up in 17 states. With about 37 percent immunity in the U.S., she had great concern about a possible fourth surge.

Regent Reilly asked whether the State's new plan, which would distribute 40 percent of vaccines to the poorest zip codes, would make a difference. She shared that Clinic by the Bay, which she co-founded, was located in the Excelsior District, a working-class and primarily Latino(a) neighborhood in San Francisco. Clinic by the Bay just received its allotment of vaccines and began to vaccinate patients. She hoped that the new equity plan would help. Dr. Byington expressed concern about the lack of healthcare providers in some zip codes. Vaccines must be matched with providers, who could distribute them where they are needed. Blue Shield would be sharing a new vaccine distribution methodology with all health systems later that day.

Regent Reilly asked if people were not returning for their second dose of the vaccine, and, if so, how that affected efficacy. Dr. Byington stated that, for vaccines that require two doses, some attrition was expected. According to CDC, being two weeks late in receiving the second dose was acceptable; in other words, one could have a six-week window between doses. The United Kingdom was trying a 12-week period between vaccines. Dr. Byington was not confident in vaccine immunity if a year had passed between doses.

Regent Lansing expressed strong concern about low vaccine allocation despite UC Health being well equipped to vaccinate the underserved in the state. She urged Regents and others in attendance to contact Governor Newsom and legislators about this issue.

Regent-designate Zaragoza asked about international students returning in the fall. Dr. Byington replied that this was being discussed. UC would accept most international vaccines, but she would like to see more data on some of them. Much would depend on students' home country travel restrictions. UC would still be testing people entering the campuses, and there was discussion about whether to sequester people. If international students could travel from their home country and enter the U.S., the University would be able to receive them.

Regent-designate Zaragoza shared that there were anecdotes about the struggles that international students of other universities in the U.S. were facing, such as having difficult sleep schedules in order to attend synchronous online classes, as well as some student deaths. She asked what type of assistance international students were receiving at UC. Dr. Byington responded that UC had vigorous virtual mental health services. She did not know if international students were accessing these services, but domestic students were.

Regent Leib asked Dr. Byington if her herd immunity modeling assumed that more people have had COVID-19 than was recorded and how she arrived at her estimate. Dr. Byington stated that, through modeling, it was believed that there were four cases of COVID-19 for every one case reported in the U.S. Regent Leib noted that this was 120 million people, or one-third of the country. Dr. Byington responded in the affirmative.

Regent Leib opined that vaccine companies probably sought data from Israel because its medical records were completely in an electronic format. Dr. Byington noted that the U.S. was much larger than many countries; it was easier for smaller countries to have more a unified, electronic health record. All of the UC Health system used one single electronic health record system, which enabled it to have systemwide data. UC Health had information on 40 million to 50 million encounters, and it shared data regularly. There was no single electronic health record system in the U.S. Dr. Byington predicted that a discussion on having a single system, either as part of recovery from the pandemic or a way to aggregate data at the federal level, was forthcoming.

Chair Pérez noted that UC Health patient software was not integrated across different locations. Dr. Byington replied that UC Health locations were using different instances of Epic software. UC Health did integrate data; piecing together data flows was something the Center for Data-Driven Insights did every day. Investing in a single instance of Epic for all locations, employees, and students was worth considering. UCSD Health put all its employees, patients, and students into one instance of Epic.

7. COMMITTEE REPORTS INCLUDING APPROVAL OF RECOMMENDATIONS FROM COMMITTEES

Chair Pérez stated that Chairs of Committees and Special Committees that met the prior day and off-cycle would deliver reports on recommended actions and items discussed, providing an opportunity for Regents who did not attend a particular meeting to ask questions.

Report of the Academic and Student Affairs Committee

The Committee presented the following from its meeting of March 17, 2021:

A. ***Using Curricular Innovations and Enhancements to Address Equity Gaps***

Regent Butler reported that the University was using curricular innovations to address equity gaps, especially in the science, technology, engineering, and mathematics (STEM) fields, in order to achieve the UC 2030 goals. Vice provosts, deans of undergraduate education, and teaching and learning directors regularly shared best practices across campuses. Marco Molinaro, Assistant Vice Provost for Educational Effectiveness at UC Davis, and Linda Adler-Kassner, Associate Dean for Undergraduate Education at UC Santa Barbara, described their programs and discussed how to enhance this work, especially in light of the COVID-19 pandemic. UC has requested $240 million from the State over four years to support these efforts.

B. ***Approval of Multi-Year Plans for Professional Degree Supplemental Tuition for Seventeen Graduate Professional Degree Programs***

The Committee recommended that the Regents approve the multi-year plans for charging Professional Degree Supplemental Tuition (PDST) for 17 graduate professional degree programs as shown in Display 1.

DISPLAY 1: Professional Degree Supplemental Tuition Levels for 17 Programs[2]

	Current	Proposed Professional Degree Supplemental Tuition Levels[3]		
	2020–21	**2021–22**	**2022–23**	**2023–24**
Civil and Environmental Engineering, UC Berkeley				
Resident PDST Level	$6,490	$6,686	$6,888	$7,096
Nonresident PDST Level	$12,654	$13,034	$13,426	$13,830
Information Management and Systems, UC Berkeley				
Resident PDST Level	$8,264	$8,264	$8,678	$9,112
Nonresident PDST Level	$8,264	$8,264	$8,678	$9,112
Product Development, UC Berkeley				
Resident PDST Level	$30,870	$32,414	$34,044	N/C[4]
Nonresident PDST Level	$30,870	$32,414	$34,044	N/C
Translational Medicine, UC Berkeley (Jt. UCSF)				
Resident PDST Level	$35,154	$35,154	$35,154	$35,154
Nonresident PDST Level	$35,154	$35,154	$35,154	$35,154
Nursing, UC Davis				
Resident PDST Level	$12,795	$12,795	$12,795	N/C
Nonresident PDST Level	$12,795	$12,795	$12,795	N/C
Preventive Veterinary Medicine, UC Davis				
Resident PDST Level	$6,060	$6,060	$6,243	$6,429
Nonresident PDST Level	$6,540	$6,540	$6,741	$6,939
Nursing, UC Irvine				
Resident PDST Level	$12,795	$12,795	$12,795	N/C
Nonresident PDST Level	$12,795	$12,795	$12,795	N/C
Urban and Regional Planning, UC Irvine				
Resident PDST Level	$6,489	$6,489	$6,489	$6,489
Nonresident PDST Level	$6,489	$6,489	$6,489	$6,489
Art, UCLA				
Resident PDST Level	$8,478	$8,478	$8,478	N/C
Nonresident PDST Level	$5,298	$5,298	$5,298	N/C
Nursing, UCLA				
Resident PDST Level	$12,795	$12,795	$12,795	N/C
Nonresident PDST Level	$12,795	$12,795	$12,795	N/C
Public Health, UCLA				
Resident PDST Level	$7,200	$7,200	$7,200	N/C
Nonresident PDST Level	$7,656	$7,656	$7,656	N/C
Medicine, UC Riverside				
Resident PDST Level	$25,188	$25,188	$25,188	$25,944
Nonresident PDST Level	$25,188	$25,188	$25,188	$25,944

[2] Redlined text reflects revisions to the original multi-year plans recommended by the workgroups.
[3] The amounts reflect the maximum PDST levels to be assessed, effective as of the academic year indicated. Assessing PDST levels less than the level indicated requires approval by the President with the concurrence of the Chancellor. PDST levels may be assessed beyond the period covering the program's approved multi-year plan but not in excess of the maximum levels specified in the final year.
[4] "N/C" indicates program years that were not considered by the Regents.

Public Policy, UC Riverside				
Resident PDST Level	$5,952	$5,952	$5,952	$5,952
Nonresident PDST Level	$5,952	$5,952	$5,952	$5,952
Pharmacy (4-yr), UC San Diego				
Resident PDST Level	$27,789	$28,626	$29,487	$30,375
Nonresident PDST Level	$27,789	$28,626	$29,487	$30,375
Nursing, UCSF				
Resident PDST Level	$12,795	$12,795	$12,795	N/C
Nonresident PDST Level	$12,795	$12,795	$12,795	N/C
Pharmacy (3-yr), UCSF				
Resident PDST Level	$31,260	$31,260	$31,260	N/C
Nonresident PDST Level	$31,260	$31,260	$31,260	N/C
Physical Therapy, UCSF				
Resident PDST Level	$13,362	$13,362	$13,362	N/C
Nonresident PDST Level	$13,362	$13,362	$13,362	N/C

Regent Butler reported that 11 programs did not request PDST increases, and all proposals were reviewed by the Office of the President and found to meet all Regental policy requirements. Regent Anguiano formed two work groups of Regents, both of which suggested that multi-year PDST programs presented to the Committee should be no more than three years long, except for the UC Berkeley Product Development program, which should be two years long. These shorter timeframes provided an opportunity to reassess progress in areas such as outreach, retention, and diversity.

Upon motion of Regent Butler, duly seconded, the recommendation of the Academic and Student Affairs Committee was approved, Regents Butler, Cohen, Drake, Elliott, Estolano, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Sures voting "aye" and Regent Kounalakis voting "no."

Report of the Compliance and Audit Committee

The Committee presented the following from its meeting of March 17, 2021:

A. ***Approval of the External Audit Plan for the Year Ending June 30, 2021***

The Committee recommended that the PricewaterhouseCoopers (PwC) external audit plan for the University for the year ending June 30, 2021, as shown in Attachment 1, be approved.

Regent Elliott reported that no changes to the plan's scope were recommended for the year.

B. ***Update on Implementation of Recommendations from State Audit of University of California Admissions Policies and Practices***

Regent Elliott reported that UC's next progress report on its implementation of the State Auditor's 12 recommendations was due March 22. The Office of the President (UCOP) presented analysis and findings regarding athletic and nonathletic admission cases, changes to admissions processes, and the status of implementation. The Committee suggested that the Academic and Student Affairs Committee look into increasing high school participation in the Eligibility in the Local Context (ELC) program.

Upon motion of Regent Elliott, duly seconded, the recommendation of the Compliance and Audit Committee was approved, Regents Butler, Cohen, Drake, Elliott, Estolano, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Sures voting "aye."

Report of the Finance and Capital Strategies Committee

The Committee presented the following from its meeting of March 17, 2021:

A. ***Consent Agenda:***

Preliminary Plans Funding and External Financing, Chemistry Building Seismic Improvements, Santa Barbara Campus

The Committee recommended that:

(1) The 2020–21 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Santa Barbara: Chemistry Building Seismic Improvements – preliminary plans – $4 million to be funded from external financing supported by State General Fund appropriations ($4 million).

(2) The President of the University shall be authorized to obtain eternal financing not to exceed $4 million plus related interest expense and additional related financing costs to finance the preliminary plans for the Chemistry Building Seismic Improvements. The President shall require that:

a. Interest only, based on the amount drawn, shall be paid on the outstanding balance during the planning period.

b. The primary source of repayment shall be from State General Fund appropriations, pursuant to the Education Code Section 92493 et seq. Should State General Fund appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.

c. The general credit of the Regents shall not be pledged.

B. ***Budget, Scope, External Financing, and Design Following Action Pursuant to the California Environmental Quality Act, School of Medicine Education Building II, Riverside Campus***

The Committee recommended that:

(1) The 2020–21 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Riverside: School of Medicine Education Building II – preliminary plans – $6.4 million to be funded from external financing supported by State General Fund appropriations.

To: Riverside: School of Medicine Education Building II – preliminary plans, working drawings, construction, and equipment – $100 million to be funded from external financing supported by State General Fund appropriations.

(2) The scope of the School of Medicine Education Building II shall provide an approximately 90,000-gross-square-foot new instructional facility for medical education, including furniture and equipment, and all associated site work and utilities.

(3) The President of the University shall be authorized to obtain external financing in an amount not to exceed $100 million plus related interest expense and additional related financing costs to finance the School of Medicine Education II. The President shall require that:

a. Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.

b. The primary source of repayment shall be from State General Fund appropriations, pursuant to the Education Code Section 92493 et seq. Should State General Fund appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.

c. The general credit of the Regents shall not be pledged.

(4) Following review and consideration of the environmental consequences of the proposed School of Medicine Education Building II project, as required by the California Environmental Quality Act (CEQA), including any written information addressing this item received by the Office of the Secretary and Chief of Staff no less than 24 hours in advance of the beginning of this Regents meeting, testimony or written materials presented

to the Regents during the scheduled public comment period, and the item presentation, the Regents:

a. Adopt the Initial Study and Mitigated Negative Declaration for the School of Medicine Education Building II project.

b. Adopt the Mitigation Monitoring and Reporting Program for the School of Medicine Education Building II project and make a condition of approval the implementation of mitigation measures within the responsibility and jurisdiction of UC Riverside.

c. Adopt the CEQA Findings for the School of Medicine Education Building II.

d. Approve the design of the School of Medicine Education Building II, Riverside campus.

(5) The President be authorized, in consultation with the General Counsel, to execute all documents necessary in connection with the above.

C. ***Set Aside Approval of Design, Student Housing West Project, Santa Cruz Campus***

Consistent with the judgment entered by the Santa Cruz County Superior Court on October 30, 2020, the Committee recommended that the Regents:

(1) Set aside the March 14, 2019 adoption of the California Environmental Quality Act Findings and Statement of Overriding Considerations approving the Student Housing West Project, Santa Cruz campus, as made final on March 27, 2019.

(2) Set aside the March 14, 2019 adoption of the Mitigation Monitoring and Reporting Program for the Student Housing West Project, as made final on March 27, 2019.

(3) Set aside the March 14, 2019 approval of the design of the Student Housing West Project, as made final on March 27, 2019.

D. ***Budget, Scope, External Financing, Amendment #9 to the UCSF 2014 Long Range Development Plan and Design Following Action Pursuant to the California Environmental Quality Act, Mission Bay East Campus Phase 2 Clinical Building and Mission Bay East Campus Phase 2 Parking Garage, San Francisco Campus***

The Committee recommended that:

(1) The 2020–21 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

a. From: San Francisco: Mission Bay East Campus Phase 2 Clinical Building – preliminary plans – $23 million to be funded from hospital reserves.

To: San Francisco: Mission Bay East Campus Phase 2 Clinical Building – preliminary plans, working drawings, construction, and equipment –$335,843,000 to be funded from external financing.

b. From: San Francisco: Mission Bay East Campus Phase 2 Parking Garage – preliminary plans and working drawings – $4.5 million to be funded from auxiliary reserves.

To: San Francisco: Mission Bay East Campus Phase 2 Parking Garage – preliminary plans, working drawings, construction, and equipment – $65.98 million to be funded from external financing.

(2) The Regents approve the scope of the:

a. Mission Bay East Campus Phase 2 Clinical Building to construct a new clinical building of approximately 182,800 gross square feet (GSF) to consist of an ambulatory surgery center (48,200 GSF), adult primary and secondary multi-specialty clinics (61,400 GSF), pharmacy (4,800 GSF), building support (28,400 GSF), and shelled space (40,000 GSF) for future buildout of additional specialty clinics to accommodate growth.

b. Mission Bay East Campus Phase 2 Parking Garage to provide a new parking garage of up to 500 spaces and approximately 4,100 gross square feet (GSF) to consist of office and administrative space for UCSF Transportation Services staff (3,400 GSF) and building support (700 GSF).

(3) The President of the University be authorized to obtain external financing:

a. For the Mission Bay East Campus Phase 2 Clinical Building, external financing from the Medical Center Pooled Revenue Bond 2020 Series N bonds in an amount not to exceed $335,843,000 plus additional related financing costs. The President shall require that:

(i) Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.

(ii) As long as the debt is outstanding, general revenues from UCSF Health shall be maintained in an amount sufficient to pay the debt service and to meet the related requirements of the authorized financing.

(iii) The general credit of the Regents shall not be pledged.

b. For the Mission Bay East Campus Phase 2 Parking Garage, external financing in an amount not to exceed $65.98 million plus additional related financing costs. The President shall require that:

(i) Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.

(ii) As long as the debt is outstanding, general revenues from the San Francisco campus shall be maintained in an amount sufficient to pay the debt service and to meet the related requirements of the authorized financing.

(iii) The general credit of the Regents shall not be pledged.

(4) Following review and consideration of the environmental consequences of the proposed Mission Bay East Campus Phase 2 Clinical Building and Parking Garage projects, as required by the California Environmental Quality Act (CEQA), including any written information addressing this item received by the Office of the Secretary and Chief of Staff to the Regents no less than 24 hours in advance of the beginning of this Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents:

a. Adopt the CEQA Findings for the Mission Bay East Campus Phase 2 Clinical Building and Parking Garage projects, having considered both the UC San Francisco 2014 Long Range Development Plan (LRDP) Final Environmental Impact Report (FEIR) and Addendum #5 to the UC San Francisco 2014 LRDP FEIR.

b. Approve Amendment #9 to the UC San Francisco 2014 Long Range Development Plan.

c. Approve the design of the Mission Bay East Campus Phase 2 Clinical Building project.

d. Approve the design of the Mission Bay East Campus Phase 2 Parking Garage project, San Francisco campus.

(5) The President, in consultation with the General Counsel, be authorized to execute all documents necessary in connection with the above.

Regent Makarechian stated that this parking garage was extraordinarily expensive because of its proximity to San Francisco Bay and a design that accounted for liquefaction in a seismic event. The cost per parking space of this project would not be included in future comparable project information.

E. ***Parnassus Research and Academic Building, San Francisco Campus***

Regent Makarechian reported that Chancellor Hawgood explained the need to replace UC Hall with a new Research and Academic Building. Nearly all the funding for this project would be coming from philanthropy, with very little coming from the campus.

F. ***Risk Services Update: Insurance Coverage Changes and the Use of the University's Captive Insurance Company, Fiat Lux, and Commercially Purchased Policies***

Regent Makarechian reported that the Committee discussed various scenarios, reducing total coverage from $270 million to $190 million, and the substantial risk of future payments. The Committee suggested that UCOP and the Office of the Chief Financial Officer develop ideas and procedures for minimizing risks, especially in areas of sexual harassment, which had been eliminated from coverage.

G. ***Integrated Capital Asset Management Program***

Regent Makarechian reported that the Integrated Capital Asset Management Program (ICAMP) was a great tool for tracking a building portfolio of approximately 140 million gross square feet. The report listed maintenance and deferred maintenance projects in areas such as air conditioning and plumbing. A full report was forthcoming and could be used when advocating to the Legislature.

H. ***Sacramento Ambulatory Surgery Center, UC Davis Health, Davis Campus***

This information item was not summarized.

I. ***Significant Information Technology Projects Report for the Period September 1, 2020 through December 31, 2020***

This information item was not summarized.

J. ***Mid-Year Report of the UC Office of the President's Budget to Actual Expenditures and Second Quarter Forecast for Fiscal Year 2020–21***

This information item was not summarized.

Upon motion of Regent Makarechian, duly seconded, the recommendations of the Finance and Capital Strategies Committee shown above were approved, Regents Butler, Cohen, Drake, Elliott, Estolano, Kounalakis, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Sures voting "aye."

K. ***Approval of Design Following Action Pursuant to the California Environmental Quality Act, Student Housing West Project, Santa Cruz Campus***

Following review and consideration of the environmental impacts of the proposed Student Housing West project, as required by the California Environmental Quality Act (CEQA), including any written information addressing this item received by the Office of the Secretary and Chief of Staff no less than 24 hours in advance of the beginning of this Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Committee recommended that the Regents:

(1) Adopt the CEQA Findings and Statement of Overriding Considerations for the Student Housing West project.

(2) Adopt the Mitigation Monitoring and Reporting Program for the Student Housing West project, and make a condition of approval the implementation of mitigation measures within the responsibility and jurisdiction of the Santa Cruz campus.

(3) Approve the design of the Student Housing West project, Santa Cruz campus.

Regent Makarechian explained that this item had faced much opposition when the Regents approved it two years prior. Parties both in favor of and opposed to the project were invited to speak to the Board and UC entered into litigation related to the project. The cost of alternative sites was not included in the previous item. Rather, the Santa Cruz campus stated that the proposed site was the least expensive one according to a campus study. Regent Makarechian and others objected to this, so the Committee delegated a review of the project's costs to him, Regent Park, and Regent Cohen. The item was now before the Regents because a judge ruled that the full Board should review those costs as well. The campus' need for housing, the project's opponents, and its proponents had not changed. State Senator John Laird wrote a letter partially in support of and partially opposed to the project. Regent Makarechian recalled that, two years ago, 20 to 30 students were sleeping in their cars because of housing costs and were harassed by campus police. Since that time, housing prices and rental rates rose by about 20 percent, and students were in desperate need of housing and food. While the federal government maintained that the U.S. had no inflation, the Federal Reserve did not include housing, food, and energy in its inflation calculation. UC was trying to make housing units available and ensure that rent was at least 30 percent below market rates. The Regents received about 500 pages of documents from supporters and opponents of the project. In Regent Makarechian's view, it was very important to approve this project, which would provide about 3,000 additional beds for students, staff, and faculty. The Committee supported the project.

Regent Leib expressed his understanding of the need for housing, but the correspondence from Mr. Laird about building on the meadow concerned him. He was opposed to the item because of Mr. Laird's involvement in the City of Santa Cruz, formerly as a city councilmember, mayor, and now State legislator. Mr. Laird believed that there was an opportunity for the parties to come to consensus, but Regent Leib was concerned about litigation and opposition from prominent UCSC alumni. Chair Pérez noted that two Committee members had voted against the item.

Regent Butler asked if the Committee discussed the privatization of childcare, which had been raised during the public comment period. Chair Pérez responded in the negative. The Committee discussed alternative sites and alternatives to densification.

Chair Pérez directed Regent Butler's question to Chancellor Larive. Chancellor Larive clarified that the business terms for this project were approved in 2019, and the campus would not be seeking new business terms approval so long as the earlier terms were met. The contract with the childcare service provider, which was not part of this item, would expand childcare to the children of employees. UCSC was the only campus that did not offer childcare to the children of employees. Prior to the Regents' approval of the project in 2019, having conducted research on childcare and having encountered challenging licensing issues, the campus determined that engaging an organization that specializes in childcare operation at the planned scale was the best option. UCSC pursued a contract with Bright Horizons, which operated childcare centers at UCSF and UCLA. UCSC would continue to subsidize the cost of childcare, and rates would be consistent with what students currently paid.

Regent Butler expressed concern about public comments that had been made regarding the quality of life and economic conditions for the instructors providing childcare services. She supported increasing housing but not reducing wages and standards of living for the instructors. Regent Butler stated that she would support the project if there would be further discussion about budgeting for those services.

Chair Pérez asked Chancellor Larive if the childcare element had been previously approved by Board and if it was within the jurisdiction of the Board. Chancellor Larive replied that she did not know. In the contract that UC entered into, current childcare staff who did not wish to continue would be offered employment in another capacity at the same wage. This had been shared with the Regents. There would also be annual assessments of the childcare, and, in year three of operation, UCSC would conduct a major review of whether to renew the contract for service. Executive Vice President and Chief Financial Officer Brostrom stated that childcare in general was not part of the business terms, only the construction of the childcare element in the planned family student housing.

Regent Cohen stated that no answer had been given to public comment regarding the degradation of the quality of childcare. A review three years from now might show that the standard of care was met, but public comment indicated that the standard of care had been lowered in the request for proposal (RFP). He asked Mr. Brostrom if the discussion of childcare was outside of the Regents' regular domain or if it would be presented as a separate item. Mr. Brostrom replied that he did not know but could find out. These business terms were strictly about construction.

Chair Pérez clarified that this vote pertained to approval of the project, not the business terms. He and Regent Leib had voted against approving it, and eight Committee members voted to approve it. Childcare was not part of the Committee's discussion.

Regent Park recalled that concerns had been expressed during public comment about Bright Horizons two years ago. She suggested that further scrutiny of childcare terms and childcare be a separate item on the agenda. This item was about the siting of childcare, not who provides it. In her view, this was a fair area of inquiry of the Board, but she would not want to delay the approval of the construction of housing and a childcare site on those grounds. Discussing the provision of childcare deserved more time than what was being provided here.

Regent Makarechian stated that the Committee engaged in considerable discussion about whether rental rates would be at least 30 percent below market rate. During the discussion, Chancellor Larive had stated that she did not yet know the cost and could not commit to that number. Regent Makarechian believed that the Committee voted in favor of the project because of Chancellor Larive then stated her commitment to make rental rates at least 30 percent below market rate. In the approved business terms, rental rates were 47 percent below market rate. To change that number, the business terms would have to be brought back to the Regents for approval. Mr. Brostrom stated that he would be looking at the business terms with the campus and the developer.

Regent Cohen asked that the Regents receive a response to the public comment concerns regarding childcare within the next week. Chancellor Larive stated that the campus would provide that answer.

Chair Pérez asked that UCOP provide a separate report about whether shifting from UC employees providing childcare to contracted employees complied with Regents Policy 5402: Policy Generally Prohibiting Contracting for Services.

Regent Butler asked the campuses that contracted with Bright Horizons for more information about the outcome of their in-house childcare employees after they contracted out childcare services to Bright Horizons.

Upon motion of Regent Makarechian, duly seconded, the recommendation of the Finance and Capital Strategies Committee in item K above was approved, Regents Cohen, Drake, Elliott, Estolano, Kounalakis, Lansing, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Reilly, Sherman, Stegura, and Sures voting "aye" and Regents Butler, Leib, and Pérez voting "no."

Governance Committee

The Committee presented the following from its meeting of March 17, 2021:

A. ***Amendment of the Schedule of Reports to the Regents***

The Committee recommended that the Schedule of Reports be amended as shown in Attachment 2.

Chair Pérez explained that this amendment would consolidate the Annual Report on Ethics and Compliance and the Annual Report on Internal Audit Activities into an Ethics and Compliance Audit Services Annual Report, change report due dates so that they are aligned with the availability of data, and move the Annual Report on Sustainable Practices from the Public Engagement and Development Committee to the Finance and Capital Strategies Committee.

B. ***Amendment of the Charters of the Special Committee on Nominations and Health Services Committee***

The Committee recommended to the Regents that:

(1) The Special Committee on Nominations Charter be amended as shown in Attachment 3, requiring appointment of members for one-year terms annually in September.

(2) The Health Services Committee Charter be amended as shown in Attachment 4.

Chair Pérez explained that a technical amendment to the Health Services Committee Charter would correct the total number of Committee members and add language that is consistent with other Committee Charters regarding external advisors and reimbursement and conflict of interest disclosure.

Upon motion of Chair Pérez, duly seconded, the recommendations of the Governance Committee were approved, Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Sures voting "aye."

Report of the Health Services Committee

The Committee presented the following from its meeting of February 10, 2021:

A. ***Update of the COVID-19 Impact on the University of California: UC Health Issues***

This item was not summarized.

B. ***Consent Agenda:***

(1) ***Approval of Sacramento Ambulatory Surgery Center, UC Davis Health, Davis Campus***

This item was not summarized.

(2) ***UC Health Capital Financial Plan***

This item was not summarized.

C. ***Annual Report on Student Health and Counseling Centers and the UC Student Health Insurance Plan***

This item was not summarized.

D. ***Speaker Series – Translating Evidence into Action: Benioff Homelessness and Housing Initiative, San Francisco Campus***

Regent Lansing reported that UCSF was using research-driven solutions to address homelessness, which was especially crucial during the COVID-19 pandemic.

E. ***University of California Systemwide Economic, Fiscal, and Social Impact Analysis Report: UC Health Impact***

Regent Lansing reported that the Committee learned that UC Health had been identified by a number of economic reports for its role in serving underserved populations and its impact on the people of California.

F. ***UC Health Working Group on Conflicts of Interest and Commitment and Reporting on Outside Professional Activities***

Regent Lansing reported that these efforts were ongoing and that UC Health took issues of conflict of interest and reporting on outside activities very seriously.

Report of the Investments Committee

The Committee presented the following from its meeting of February 18, 2021:

A. ***Update on University of California Investment Products – Retirement, Endowment, and Working Capital***

Regent Sherman reported that, at the end of 2020, these assets totaled $152.7 billion, an increase of $14 billion from the previous quarter. The General Endowment Pool had $16.6 billion and a one-year rate of return of 15.1 percent. The pension had $82.4 billion and a one-year rate of return of 12.6 percent. The working capital had $22.1 billion; the Short Term Investment Pool had a one-year rate of return of 1.3 percent, and the Total Return Investment Pool had a one-year return rate of 11.1 percent. The UC Retirement Savings Program had $31.5 billion. UC investments saw significant increases from the beginning of 2021 to the date of the meeting. The Committee discussed the asset allocation of the pension, as well as taking a cautious approach to UC's relationship with Chinese companies.

B. ***Private Credit as an Asset Class and Amendment of Regents Policy 6101: University of California Retirement Plan Investment Policy Statement, Regents Policy 6102: UC General Endowment Pool Investment Policy Statement, and Regents Policy 6111: University of California Retirement Savings Program Defined Contribution Plan, Tax Deferred 403(B) Plan, and 457(B) Deferred Compensation Plan Investment Policy Statement***

The Committee recommended that the Regents:

(1) Amend Regents Policy 6101 – UCRP Investment Policy Statement, as shown in Attachment 5.

(2) Amend Regents Policy 6102 – GEP Investment Policy Statement, as shown in Attachment 6.

(3) Amend Regents Policy 6111 – UCRSP comprised of the 401(a) Defined Contribution Plan, Tax Deferred 403(B) Plan, and 457(B) Deferred Compensation Plan Investment Policy Statement, as shown in Attachment 7.

It was recommended that the Regents confirm, ratify, and approve all actions and that these actions be effective July 1, 2020.

Regent Sherman reported that UC had been investing in private credit for some time, and this proposal would separate these investments into their own asset class that a dedicated team would manage. This would distinguish private credit from fixed income instruments, which had low interest rates. The Office of the Chief Investment Officer hoped to achieve higher returns through private transactions.

Upon motion of Chair Pérez, duly seconded, the recommendation of the Governance Committee was approved, Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Sures voting "aye."

Report of the Public Engagement and Development Committee

The Committee presented the following from its meeting of March 17, 2021:

A. ***Conversation with Assemblymember Jose Medina***

Regent Leib reported that California State Assemblymember Jose Medina, who chaired the Assembly Committee on Higher Education and was a member of Budget Subcommittee No. 2 on Education Finance, engaged the Committee in conversation. Mr. Medina was very complimentary of President Drake, and he shared that he was co-chairing this year's UC Legislative Roundtable. During the last two months, Regents had continued to meet with legislators via teleconference.

B. ***State Governmental Relations Update***

Regent Leib stated that the Committee received a report on the restoration of State funds to the University and the bills that State Governmental Relations was tracking.

C. ***Federal Governmental Relations Update***

Regent Leib reported that, while still early, the University was gaining a better understanding of what federal stimulus money it would be receiving. The Committee expressed its appreciation to Federal Governmental Relations for its partnership with students on a campaign to double the Pell Grant award amount.

D. ***University of California Efforts to Combat Climate Change***

Regent Leib reported that the Committee heard a presentation from Office of the President leadership and faculty on UC's efforts to combat climate change. UC Merced Professor Tracey Osborne spoke about systemwide efforts to address climate justice, and UC Irvine Professor Jack Brouwer spoke about using hydrogen as fuel. UC San Diego Vice Chancellor Sandra Brown presented on the CalTestBed initiative, a partnership with the California Energy Commission to provide vouchers to clean energy innovators that could be used at UC testing facilities. In Regent Leib's view, UC's tremendous efforts could make a huge impact. He also noted the technology transfer opportunities from the innovations presented at the meeting. Committee members, especially Regent Lansing, acknowledged the late

Regent Bonnie Reiss and her many contributions to environmental causes, both in her professional activities and as a Regent. Last year, 35 students received the Bonnie Reiss Carbon Neutrality Initiative Student Fellowship.

<u>Report of the Special Committee on Nominations</u>

The Special Committee presented the following from its meeting of March 17, 2021:

Appointment of Regent to the Health Services Committee

The Special Committee recommended to the Regents that Regent Sures be appointed as a member of the Health Services Committee, to serve out the unexpired term of Regent Zettel on the Committee, effective immediately through June 30, 2022.

Upon motion of Regent Sherman, duly seconded, the recommendation of the Special Committee on Nominations was approved, Regents Butler, Cohen, Drake, Elliott, Estolano, Guber, Lansing, Leib, Makarechian, Mart, Muwwakkil, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Stegura, and Sures voting "aye."

8. **REPORT OF INTERIM, CONCURRENCE AND COMMITTEE ACTIONS**

Secretary and Chief of Staff Shaw reported that, in accordance with authority previously delegated by the Regents, action was taken on routine or emergency matters as follows:

<u>Approvals Under Interim Authority</u>

A. The Chair of the Board, the Chair of the National Laboratories Committee, and the President of the University approved the following recommendation:

Appointment of Chair of the Governing Board of Lawrence Livermore National Security, LLC

(1) Regent Jonathan "Jay" Sures be appointed as an Executive Committee Governor (voting member) and Chair of the Lawrence Livermore National Security, LLC, Board of Governors, replacing Regent Zettel, effective March 1, 2021.

(2) The President of the University be authorized, in consultation with the General Counsel, to execute all documents necessary in connection with the above-described actions.

B. The Chair of the Board, the Chair of the Finance and Capital Strategies Committee, and the President of the University approved the following recommendation:

Approval of Indemnification Terms in Agreement for Gift of Limited Liability Company Interests from Major Donor, San Diego Campus

That the University of California be authorized to assume third-party liability under indemnification provisions contained in two restrictive covenants and an encroachment removal agreement that are recorded against parcels of real property owned by Ruette Nice LLC, all of the membership interests of which are being gifted to the San Diego campus.

Approvals Under Committee Authority

C. At its January 19, 2021 meeting, the Health Services Committee approved the following recommendations:

(1) ***Approval of UC Davis Health Leadership Appointment and/or Compensation Actions for Certain Senior Management Group Employees, UC Davis Health, Davis Campus***

a. Appointment of and compensation for David Lubarsky, M.D., as Vice Chancellor – Human Health Sciences and Chief Executive Officer – UC Davis Health, Davis campus, as follows:

i. Per policy, appointment of David Lubarsky, M.D., as Vice Chancellor – Human Health Sciences and Chief Executive Officer – UC Davis Health, Davis campus, at 100 percent time, in the Chief Executive Officer (UC Davis Medical Center) Market Reference Zone.

ii. Per policy, an annual base salary of $772,500.

iii. Per policy, continued participation in the Health Sciences Compensation Plan with a negotiated "Y" payment of $200,700.

iv. Per policy, eligibility for standard pension and health and welfare benefits and standard senior management benefits including eligibility for Senior Management Life insurance and Executive Salary Continuation for Disability (eligible after five consecutive years of Senior Management Group service).

v. Per policy, eligibility to participate in the UC Employee Housing Assistance Program, subject to all applicable program requirements.

vi. Per policy, eligibility to accrue sabbatical credits as a member of tenured faculty, consistent with academic personnel policy.

vii. A research allowance in connection with his tenured faculty appointment. This allowance is not compensation, and Dr. Lubarsky will continue to use it only for those expenses related to his research as allowed under University policy.

viii. Dr. Lubarsky will continue to comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.

ix. This action will be effective as of January 1, 2021.

b. Market-based salary adjustment for Bradley Simmons as Chief Operating Officer, UC Davis Medical Center, Davis campus, as follows:

i. Per policy, a market-based salary adjustment of 20 percent, increasing Mr. Simmons's annual base salary from $628,318 to $754,000, as Chief Operating Officer, UC Davis Medical Center, Davis campus, at 100 percent time.

ii. Per policy, continued eligibility to participate in the Short Term Incentive (STI) component of the Clinical Enterprise Management Recognition Plan (CEMRP) with a target award of 15 percent ($113,100) of base salary and a maximum potential award of 25 percent ($188,500) of base salary, subject to all applicable plan requirements and Administrative Oversight Committee approval. Any actual award will be determined based on performance against pre-established objectives.

iii. Per policy, continued eligibility for standard pension and health and welfare benefits and standard senior management benefits including eligibility for Senior Management Life insurance and Executive Salary Continuation for Disability (eligible after five consecutive years of Senior Management Group service).

iv. Per policy, continued eligibility to participate in the UC Employee Housing Assistance Program, subject to all applicable program requirements.

v. Continuation of monthly contribution to the Senior Management Supplemental Benefit Program.

vi. Mr. Simmons will continue to comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.

vii. This action will be effective as of January 1, 2021.

COMPARATIVE ANALYSIS FOR DAVID LUBARSKY, M.D.

Recommended Compensation
Effective Date: January 1, 2021
Annual Base Salary: $772,500
Health Sciences Compensation Plan: Negotiated "Y" payment in the amount of $200,700
Total Cash Compensation: $973,200
Funding: Non-State-Funded (UC Davis Health Revenue)

Prior Career Incumbent Compensation
Title: Chief Executive Officer – UC Davis Medical Center
Annual Base Salary: $904,788
Clinical Enterprise Management Recognition Plan (CEMRP): Short Term Incentive
(STI): $135,718 (at 15 percent target rate)
Target Cash Compensation:* $1,040,506
Funding: Non-State-Funded (UC Davis Health Revenue)

*Target Cash Compensation consists of base salary and, if applicable, incentive and/or stipend.

COMPARATIVE ANALYSIS FOR BRADLEY SIMMONS

Recommended Compensation
Effective Date: January 1, 2021
Annual Base Salary: $754,000
Clinical Enterprise Management Recognition Plan (CEMRP) – Short Term Incentive (STI): $113,100 (at 15 percent target rate)
Target Cash Compensation:* $867,100
Funding: Non-State-Funded (UC Davis Medical Center Revenue)

Prior Compensation
Title: Chief Operating Officer – UC Davis Medical Center
Annual Base Salary: $628,318
Clinical Enterprise Management Recognition Plan (CEMRP) – Short Term
Incentive (STI): $94,248 (at 15 percent target rate)
Target Cash Compensation:* $722,566
Funding: Non-State-Funded (UC Davis Medical Center Revenue)

*Target Cash Compensation consists of base salary and, if applicable, incentive and/or stipend.

(2) ***Approval of Market-Based Salary Adjustment for John Duncan Campbell as Chief Operating Officer – UCSD Physician Network, UC San Diego Health, San Diego Campus***

The following items in connection with the market-based salary adjustment for John Duncan Campbell as Chief Operating Officer – UCSD Physician Network, UC San Diego Health, San Diego campus:

a. Per policy, a market-based salary adjustment of 30 percent, increasing Mr. Campbell's annual base salary from $330,300 to $429,500, as Chief Operating Officer – UCSD Physician Network, UC San Diego Health, San Diego campus, at 100 percent time.

b. Per policy, continued eligibility to participate in the Short Term Incentive (STI) component of the Clinical Enterprise Management Recognition Plan (CEMRP) with a target award of 15 percent ($64,425) of base salary and a maximum potential award of 25 percent ($107,375) of base salary, subject to all applicable plan requirements and Administrative Oversight Committee approval. Any actual award will be determined based on performance against pre-established objectives that are established and approved annually in accordance with policy and plan requirements, including by the Health System CEO, Chancellor, and Administrative Oversight Committee.

c. Per policy, continuation of standard pension and health and welfare benefits and standard senior management benefits, including continuation of eligibility for senior management life insurance and executive salary continuation for disability (eligible and vested as a result of five or more consecutive years of Senior Management Group service).

d. Per policy, continued eligibility to participate in the UC Employee Housing Assistance Program, subject to all applicable program requirements.

e. Per policy, continuation of monthly contribution to the Senior Management Supplemental Benefit Program as Mr. Campbell retains his current position.

f. Mr. Campbell will continue to comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.

g. This action will be effective January 1, 2021.

COMPARATIVE ANALYSIS

Recommended Compensation
Effective Date: January 1, 2021
Annual Base Salary: $429,500
Clinical Enterprise Management Recognition Plan (CEMRP): Short Term Incentive (STI): $64,425 (at 15 percent target rate)
Target Cash Compensation:* $493,925
Funding: Non-State-Funded (UC San Diego Health Revenue)

Current Compensation
Title: COO – UCSD Physician Network
Annual Base Salary: $330,300
Clinical Enterprise Management Recognition Plan (CEMRP): Short Term Incentive (STI): $49,545 (at 15 percent target rate)
Target Cash Compensation:* $379,845
Funding: Non-State-Funded (UC San Diego Health Revenue)

*Target Cash Compensation consists of base salary and, if applicable, incentive and/or stipend.

D. At its February 10, 2021 meeting, the Health Services Committee approved the following recommendations:

(1) ***Approval of Sacramento Ambulatory Surgery Center, UC Davis Health, Davis Campus***

UC Davis Health's proposed presentation of the Sacramento Ambulatory Surgery Center (SASC Project) and subsequent presentations and requests to the Finance and Capital Strategies Committee at its future meetings for approval, including approvals of (1) preliminary plans funding and (2) budget, external funding, and design following action pursuant to the California Environmental Quality Act (CEQA) for the SASC Project, and (3) any amendment or modification to the foregoing.

(2) ***UC Health Capital Financial Plan***

That the Health Services Committee waive its authority to review the UC Health-related projects included in the 2020–26 Capital Financial Plan approved by the Regents in November 2020, subject to the following conditions:

a. The Health Services Committee's waiver shall not apply to the following projects:

UC Davis	Inpatient Regional Strategy
UC San Diego	Hillcrest Replacement Hospital
UC San Francisco	UCSF Benioff Children's Hospital Oakland Phase 2

b. The Health Services Committee's waiver shall apply only to the extent of UC Health-related projects at the medical centers and campuses occurring during fiscal years 2020–21 to 2025–26 (Waived Projects).

c. Any Waived Project requiring review, approval, concurrence, or other action by the Finance and Capital Strategies Committee shall require consultation with the Executive Vice President – UC Health.

9. REPORT OF MATERIALS MAILED BETWEEN MEETINGS

Secretary and Chief of Staff Shaw reported that, on the dates indicated, the following were sent to the Regents or to Committees:

To the Regents of the University of California:

A. From the Executive Vice President of UC Health, a COVID-19 and Coronavirus Update. January 8, 2021.

B. From the President of the University, a letter outlining the Governor's 2021–22 budget plan, specifically highlighting key areas of the funding proposal pertaining to the University of California. January 8, 2021.

C. From the Secretary and Chief of Staff to the Regents, a press release regarding the UC plans for fall 2021 in-person instruction to resume across the ten campuses. January 11, 2021.

D. From the Secretary and Chief of Staff to the Regents, the Summary of Communications Received for December 2020. January 15, 2021.

E. From the President of the University, the *Annual Report on Major Capital Projects Implementation, Fiscal Year 2019–20.* January 15, 2021.

F. From the President of the University, the *Annual Report on the University of California Housing Assistance Programs,* Fiscal Year 2019–20. January 27, 2021.

G. From Regent Zettel, a letter and press release announcing the appointment of Kim Budil as President of Lawrence Livermore National Security, LLC (LLNS) and the 13th Director of Lawrence Livermore National Laboratory (LLNL). January 28, 2021.

H. From the President of the University, a memo from the UC Riverside Chancellor regarding the campus' Hispanic-Serving Institution status. January 29, 2021.

I. From the Vice President, the UC Agriculture and Natural Resources Newsletter, Volume 5, Number 1. February 1, 2021.

J. From the Executive Vice President of UC Health, a COVID-19 and Coronavirus Update. February 5, 2021.

K. From the Chair of the Board and the President of the University, an update on the University's allocations in the Governor's 2021–22 budget. February 17, 2021.

L. From the Secretary and Chief of Staff to the Regents, the Summary of Communications Received for January 2021. February 25, 2021.

M. From the Secretary and Chief of Staff to the Regents, a letter announcing the membership of the Special Committee on Nominations. March 2, 2021.

N. From the President of the University, a public service announcement featuring President Drake discussing the importance of the COVID-19 vaccine and a media release, *UC President Drake urges more eligible Californians, especially in hardest hit communities, to get vaccinated against COVID-19*. March 3, 2021.

O. From the Secretary and Chief of Staff, an email announcing that the Senate Rules Committee unanimously approved the confirmation of Regents Makarechian and Sures. March 3, 2021.

To the members of the Compliance and Audit Committee:

P. From the President of the University, the *External Audit of UC Hastings College of the Law* for year ended June 30, 2020. January 27, 2021.

To the members of the Finance and Capital Strategies Committee:

Q. From the President of the University, the *2019–20 Annual Report on New Indirect Cost Rates*. January 15, 2021.

R. From the President of the University, the *2020 Annual Report on Debt Capital and External Finance Approvals.* February 19, 2021.

To the members of the Governance Committee:

S. From the President of the University, *Semi-Annual Report for Outside Professional Activities* for the period July 1, 2020 through December 31, 2020. January 27, 2021.

T. From the President of the University, *Annual Report on Compensated Outside Professional Activities for Reporting Period July 1, 2019 through June 30, 2020: Deans and Certain Other Full-Time Faculty Administrators.* February 19, 2021.

To the members of the Public Engagement and Development Committee:

U. From the Associate Vice President, External Relations and Communications, the Federal Update, 2021, Issue 1. January 29, 2021.

V. From the Senior Vice President and Associate Vice President, External Relations and Communications, a letter and background information announcing the February 8, 2021 UC launch of “Double the Pell,” a campaign in partnership with the UC Student Association that calls on Congress to reinvest in the federal Pell Grant program. February 5, 2021.

W. From the Associate Vice President, External Relations and Communications, the Federal Update, 2021, Issue 2. February 25, 2021.

The meeting adjourned at 2:10 p.m.

Attest:

Secretary and Chief of Staff