

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

September 9, 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 Anguiano, Cohen, Drake, Elliott, Estolano, Guber, Hernandez, Kounalakis, Lansing, Leib, Lott, Makarechian, Park, Pérez, Reilly, Sherman, Sures, Torres, and Zaragoza

In attendance: Regents-designate Blas Pedral, Pouchot, and Timmons, Faculty Representatives Cochran 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, Senior Vice President Colburn, Chancellors Block, Christ, Gillman, Hawgood, Khosla, Larive, May, Muñoz, Wilcox, and Yang, and Recording Secretary Clark

The meeting convened at 10:35 a.m. with Chair Estolano presiding.

Chair Estolano welcomed the Board of Regents and members of the public to this virtual "State of the University" event, with remarks to be given by President Drake on his vision for the University.

1. PUBLIC COMMENT

Chair Estolano 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. Wandralee Lindtzie, UC San Francisco employee and member of the UC Administrative Professionals Network, requested that UC restore non-represented staff salary increases, which had been withheld from July 2020. Ms. Lindtzie referenced Governor Newsom's California State budget restoration plan for both the University of California and California State University systems and stated that the restoration funding was estimated at over \$1.5 billion. She suggested that part of this funding be applied to restore salary increases for non-represented employees.
- B. Melissa Munio, Teamsters representative and member of the bargaining team for Administrative Officer 2 (AO2) employees, expressed her dismay about recent bargaining negotiations that have continued since January 2021. Ms. Munio shared that the University proposals for salary ranges have all illustrated lower pay maximums and were below median salary amounts for other non-represented employees. She stated that the UC proposals were not reflective of salary range medians from sources of UC's own market research. AO2 staff were paid in the 36th percentile of their salary range, compared to senior executives or leadership,

who tended to be paid in excess of the 80th to 90th percentile of their salary ranges. More than 80 percent of AO2 staff were paid below their median salary ranges. Ms. Munio outlined a number of reasons for the current financial stability of the University, including a restoration of State funding and federal stimulus funding. The University was adequately positioned to increase salaries for AO2 employees and Ms. Munio urged the Board to provide competitive fair wages and respect at the bargaining table.

- C. Maia Bailey, member of Teamsters Local 2010, expressed concern that a year has passed from the inception of their bargaining unit contract and that agreement has not been reached with the University on fair pay ranges. Ms. Bailey shared that her AO2 colleagues worked diligently, were committed to upholding the highest work ethics of excellence for their work, and sought fair wages for their labor. Ms. Bailey urged the Board to support their demands for fair pay and salary ranges.
- D. Amber Height, member of Downtown Crenshaw Rising and Crenshaw Community, expressed disappointment about the sale of the Baldwin Hills Crenshaw Mall to David Schwartzman and believed that the Board had supported and endorsed the acquisition of the Mall by Mr. Schwartzman. Ms. Height's organization had placed one of the highest bids to acquire the landmark Mall to continue its support of this community and to promote its vision of Black stabilization that would benefit this community.

2. **VISIONS AND GOALS FOR THE UNIVERSITY OF CALIFORNIA**

Chair Estolano greeted and thanked Regents, Chancellors, faculty, President Drake, staff, students the State of California has given to the world – the University of California, and the public for taking part of the virtual State of the University event. Chair Estolano acknowledged and thanked President Drake for his leadership since his return to University of California a year ago. UC Presidential inaugurations have moved away from traditional ceremonies; however, Chair Estolano believed that this was the time to reflect on the state of the University of California and to give President Drake this opportunity to share his vision of the future for the University of California. Chair Estolano raised three questions and challenges for the UC community: How do we maintain and enhance our excellence at the University? How do we promote equity at the UC and in California? How do we maintain the sense of urgency that allows us to offer innovative solutions in a time when so many are experiencing crisis fatigue? Chair Estolano implored the UC community to meet these three goals with excellence, equity, and urgency. She spoke of the excellence and high standards in UC's missions of education, research and public service, which had been demonstrated during the COVID-19 pandemic. UC shared its contributions with the world from testing, tracing to vaccinating and other efforts. The University's contributions emphasized innovation, and President Drake had remarked that this institution was built 150 years ago to meet the types of challenges faced over the past 18 months.

Chair Estolano highlighted that the University maintains its call to excellence through research, graduate studies, healthcare delivery, pedagogy, administration, and service to

the public because the University is needed in the community. The University would support equity and expand its ability to deliver benefits by providing a UC education to more Californians and by addressing the inequitable impacts of the COVID-19 pandemic. In doing so, the University would support graduate students who were affected by delays of the pandemic. The University has committed to this year's largest diverse incoming freshman class in University history. The University would take the initiative in addressing increased representation of women, women in the workplace, women business owners, and people of color, who have statistically had greater responsibilities at home and through their work. By diversifying UC's spending power more broadly, recovery with equity meant that UC could support more Californians through economic mobility, along with a UC education. The University's excellence was critical to responding to many aspects of the pandemic and the University would lead by example and continue to work for a more equitable society.

The University's research was faced with one of the greatest challenges of this time – climate change. UC must lead the way in innovation, policy ideas, care, and values which would secure the health and habitability of the planet. Currently, UC was involved with over 1,000 climate-related projects and pioneering innovations in various sectors. Working on every aspect of this existential threat, UC faculty and researchers on all ten campuses, three National Laboratories, and UC Agriculture and Natural Resources were actively producing research, data, and interventions that policymakers and the planet needed now. The work being done by the University of California was now more relevant than ever before. Chair Estolano encouraged UC to continue being the premier public research university in the world, the leader in climate research, and to respond to the urgency of today's crises. Faculty and researchers should continue their fine work so policymakers, agencies, philanthropists, funders, activists, entrepreneurs, and investors benefit from their efforts. Chair Estolano looked forward to highlighting UC researchers' work in collaborating with others on saving the planet. She thanked everyone at UC for their extraordinary efforts in response to the COVID-19 pandemic and expressed certainty that California was moving towards a recovery phase.

Chair Estolano asserted that the state of the University was very strong. She urged the enterprise to think beyond the recovery phase and to think in a boldly Californian way about its role in remaking the state in a time of great environmental and social change. She underscored the importance of the University's agility, ingenuity, creativity, flexibility, responsiveness, and resilience. These characteristics would allow the University to find creative ways to expand its reach to more areas and communities as it educates more Californians. Chair Estolano challenged the UC enterprise to embrace its role as an indispensable University dedicated to excellence and equity in a time of urgency.

President Drake noted that this address would normally be given at a Regents retreat, in the context of an in-depth conversation about the University's position and its future direction. He appreciated having this opportunity of a virtual meeting and having the Board join in this discussion. While the University has focused much of its efforts reacting to pandemic-related crises, he stated that it was important for this discussion to focus on the future of the University as well. President Drake reflected upon the last year and its

achievements in a very challenging period and presented examples of UC accomplishments. The heroic efforts of UC Health colleagues have been awe-inspiring as they stood in the forefront of science and technology, developing one of the first systems of in-house testing of the coronavirus. UC scientists helped the world to understand how the virus works, leveraged three-dimensional printing for face shields, and helped California establish a pilot statewide electronic application to reduce the spread of COVID-19. President Drake thanked all UC Health personnel for their hard work and efforts during this time. In the face of losses due to COVID-19, the courage of UC healthcare workers, patients, and families had been stunning. In the most sorrowful of times, UC healthcare colleagues have stood in the place of families in the last moments of patients' lives and accomplished this with grace and humility. The impact of the pandemic was felt not only in UC's healthcare enterprise but in myriad ways. The University was able to move to virtual instruction and transform its operations in a number of weeks. The resilience shown by faculty, staff and students was extraordinary and has proven the University's fortitude and commitment. President Drake spoke of the University's success in bringing students back to campuses under regional public health concerns and even in the height of the flu and COVID-19 surge season. The University achieved much lower rates of COVID-19 case positivity than surrounding community areas. Two campuses, UC Davis and UC San Diego, received national recognition for innovation and the quality of their efforts, and all UC campuses exceeded expectations for students returning to campus with lower rates of positivity, which showed that the University's directives were successful.

President Drake noted that the campuses have shown tremendous creativity and care in meeting student's basic needs. At this time, there has been a collective recognition of the need to address the racial inequity that has plagued the U.S. throughout its history. To engage the UC community in these issues, the University sought input from numerous stakeholder groups in developing its UC Community Safety Plan.

President Drake drew attention to the fact that, while many universities were struggling, the University saw historic increases in applications. There were almost 250,000 freshmen and transfer applications for fall 2021, the largest and most diverse applicant pool in UC history, and this was reflected in the admitted class. Forty-three percent of California freshmen came from underrepresented groups, 45 percent were first-generation students, and 45 percent came from low-income families. These were historic figures. Four- and six-year graduation rates were also at historic highs, as were the numbers of degrees awarded.

The University had also enjoyed historic support from State and federal leaders. The 2021-22 budget benefited from the largest State investment in UC history. President Drake thanked elected officials and agencies for State and federal research funding that supports UC scholars, campuses, and the UC community. These robust grants and funding to UC yielded nearly ten percent of all U.S. research publications the prior year. With regard to UC's economic impact, the University supported almost 530,000 jobs, approximately two percent of California jobs, directly or indirectly, and generated an economic impact of \$82.1 billion. During the last year, the University's job protection plan saved over 1,600 jobs and provided savings to the campuses that enabled them to support staff salaries during a challenging time.

President Drake acknowledged that the University had not yet achieved all the goals of its efforts and initiatives, such as those addressing equity and inclusion and student basic needs. UC was affected systemwide by the Accellion data breach, and this illustrated the scope and impact of cyber security threats in the world today.

President Drake identified imperatives for the coming year. The first was occurring now, as students returned to campus. The University had the task of successfully implementing its vaccine and masking policy as an example to the country as well as for its own sake. The Community Safety Plan was a bold step forward for the University. The Plan would set new standards of safety, security, and respect that UC community members rightfully expect. The continued evolution of technology-enhanced and online education would make the path to a UC degree clearer and, for many students, shorter. Each year, the newly enacted cohort tuition plan would provide millions of dollars in need-based aid to UC's financially most vulnerable students, while offering stability and predictability. Over time, the University hoped to make a debt-free pathway to a UC degree clearly available to almost all UC students. Shorter time to degree, better student financial support, and more technology-enhanced education would allow for more enrollment growth at UC. The demand for a UC education had never been higher and the value of a UC degree had perhaps never been greater. Expansion could increase UC contributions to California and the University's ability to help address the world's most pressing problems. There was a compelling need for UC to increase its capacity. The University could accomplish this through a combination of growth in the traditional sense, with faculty, students, buildings, and the physical capacity to grow, and in other ways, increasing online courses, establishing new sites for innovative learning, such as the UCDC program in Washington, D.C., and partnering with others programmatically to maximize the use of existing space. Taking these steps, UC hoped to grow at a rate that would allow it to add the equivalent of a new campus by the end of the current decade. The University had set a goal of increasing its student population by roughly 20,000 undergraduates and graduate students by 2030 and expanding its faculty accordingly. The University believed that it could achieve this growth while maintaining its excellence. A working group of chancellors and Office of the President and campus representatives had already been established to develop a strategy and an action plan for achieving this growth.

President Drake expressed confidence that the University, working together, could enter a new era. He hoped that future historians, looking back at this chapter in UC's history, would see that this was an ambitious chapter of unrivalled commitment to opportunity for UC students. He concluded by addressing the crisis of climate change, which was becoming more obvious by the day. The fight against climate change lies at the intersection of the University's teaching, research, and public service missions. The depth and breadth of the University would allow it to address this crisis meaningfully. UC could take direct steps, such as moving away from fossil fuels and supporting regenerative, sustainable farming. President Drake affirmed UC's commitment to do all it could to be a leader in these efforts. The University would not let any barriers keep it from helping California and the world rise to the challenge of climate change or any of the other compelling crises of this time. UC would exemplify the highest ideals of scholarship, community engagement, equity, and the celebration of its diversity. The University's collective talent would be

combined and focused on building a California that helps to lead everyone toward a brighter future.

The meeting adjourned at 11:15 a.m.

Attest:

Secretary and Chief of Staff