

The Regents of the University of California

PUBLIC ENGAGEMENT AND DEVELOPMENT COMMITTEE

July 21, 2021

The Public Engagement and Development Committee 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 Guber, Lansing, Leib, Lott, Ortiz Oakley, Reilly, Sherman, and Torres; Advisory member Horwitz; Chancellors Block, Larive, May, Muñoz, and Wilcox; Staff Advisor Tseng

In attendance: Regents-designate Blas Pedral and Timmons, Assistant Secretary Lyall, Managing Counsel Shanle, Provost Brown, Executive Vice President and Chief Financial Officer Brostrom, Vice Presidents Gullatt, Maldonado, and Nation, and Recording Secretary Li

The meeting convened at 10:15 a.m. with Committee Chair Reilly presiding.

Committee Chair Reilly stated that it was an honor to serve as Chair of the Committee with Vice Chair Regent Torres. She thanked former Chair Regent Leib for his advice and for his vision for community engagement. She hoped to continue the visits that Regent Leib and then Regent Stegura had planned prior to the COVID-19 pandemic.

1. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the meeting of May 12, 2021 were approved, Regents Guber, Lansing, Leib, Lott, Ortiz Oakley, Reilly, Sherman, and Torres voting "aye."¹

2. DIVERSITY IN UC INNOVATION AND ENTREPRENEURSHIP: CAMPUS SPEAKER

[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.]

Vice President Maldonado stated that the University recently launched a study on who was participating in UC's innovation and entrepreneurship (I&E) ecosystem, who was applying for patents, and which UC start-up companies were led by women or underrepresented minorities (URM). This study was particularly important given the disparate impact of COVID-19 on small businesses and start-up companies. Not engaging more women and URM in the I&E ecosystem was both an economic issue and a national security issue, and it was the University's goal to lead the nation in a more equitable I&E ecosystem.

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

Damon Tull, Director for Industry Alliances at the UC Davis Graduate School of Management and the Mike and Renee Child Institute for Innovation and Entrepreneurship, shared the planning process for a systemwide Committee on Diversity, Equity, and Inclusion in Innovation and Entrepreneurship (DEI in I&E), as well as what UC has learned about threats to U.S. primacy in innovation. An ad hoc committee, comprised of leaders from the Office of the President (UCOP) and UC campuses, first met in August 2020 and presented its findings to the President's Innovation Council (PIC) at UCOP in October 2020. In January 2021, Ms. Maldonado approved a 90-day "sprint" to plan the systemwide Committee on DEI in I&E, and the six-month plan to establish the Committee on DEI in I&E was submitted to UCOP in May.

I&E inequality had a substantially negative impact on U.S. global competitiveness. If the U.S. had addressed racial bias in I&E 20 years ago, an estimated \$16 trillion would have been added to U.S. gross domestic product (GDP), almost double the current amount. In 2020, 0.6 percent of venture capital went to black founders. Black, Hispanic, and women founders were perceived as higher-risk investments and received funding at lower valuation than their white and Asian counterparts. California could play a role in effecting change, as 34 percent of all U.S. venture capital deals occurred in California, and 21 percent of all small business innovative research grants were made to California companies. The ad hoc committee organized all I&E activity under three categories—funding, education and training, and infrastructure. Of the 501 I&E activities identified at UC, 12.6 percent was related to funding, 48.7 percent was related to education and training, and 30 percent was related to infrastructure. Seventy-three percent of education and training activities in I&E at UC was informal, or without a course number. UC was reaching out to donors and funding organizations to bring an entrepreneurial mindset to students. However, recruiting, data collection, metrics, and valuation varied greatly and were often passive and donor-dependent.

One study of an unnamed UC campus found that Hispanic/Latina women were underrepresented in introductory I&E courses and zero African Americans enrolled in four introductory I&E courses in 2018–19. First-generation and low-income student populations were not reflected in I&E course enrollment. This presented an opportunity for faculty and student advisors to encourage underrepresented groups to enroll in these courses. One survey conducted by UCOP found that over 44 percent of UC incubator founders were alumni, 23 percent were students, and nearly 17 percent were not affiliated with UC. Investments in UC incubator infrastructure were benefitting UC faculty, staff, students, and alumni, but more could also be done to serve a broader population in California. Students with parents who had received four-year degrees were more likely to have the connections, margin, and capital to pursue entrepreneurship, but this was unsustainable amid the global competition the U.S. faced and presented an opportunity to better support first-generation and underrepresented students in I&E.

In fiscal year 2020, over 3,000 invention disclosures were filed at UC, but demographic data was available for only 445 inventors. Roughly 36 percent of disclosures were made by women, but more data were needed to fully understand the intellectual property (IP)

production pipeline. Until the tracking system is improved, UC could require valid student or employee identification in disclosure databases. Mr. Tull presented a chart of stakeholders from UC, government, and the investment community. Within the Committee on DEI in I&E, there would be subgroups in funding, education and training, infrastructure, and data. As a next step, UC needed to create a working definition of I&E in order to establish DEI objectives. This initiative would serve as a resource for solving I&E challenges at campus and systemwide levels. UC could lead changes to the national economy, sustain UC's global leadership in innovation, and make economic recovery in the state and the nation more inclusive and equitable. Mr. Tull asked the Regents to champion this initiative among their colleagues and senior leadership at UC, help promote it to stakeholders for their input, and establish sustainable funding.

Regent Leib suggested that the Special Committee call upon Mr. Tull for his advice. He asked Mr. Tull what the Regents could immediately implement to improve DEI in I&E at UC. Mr. Tull replied that funding for the systemwide Committee on DEI in I&E, further data analysis, and engagement with stakeholders, particularly those in the corporate and investment communities, were needed. UC could create programs that help those in science, technology, and engineering have a better understanding of the investment community. Ms. Maldonado added that the data was fragmented and scattered. One of the recommendations in the Report of the Regents Working Group on Innovation Transfer and Entrepreneurship was the replacement of UC's patent tracking system. The new tracking system could include a database for collecting the data that Mr. Tull suggested. Mr. Tull stated that UC should make certain fields mandatory in its I&E database.

Regent Leib asked whether the ad hoc committee compared UC DEI in I&E with other institutions. Mr. Tull responded that the ad hoc committee focused primarily on California but had heard about work that was being done in the State of Washington and the Massachusetts Institute of Technology.

Chancellor Block shared that UCLA created a living and learning community for students interested in entrepreneurship and aimed to make it diverse and accessible to all students. UCLA was inspired by the University of Maryland, which devoted an entire dormitory to entrepreneurship. UCLA could share what it has learned with other campuses.

3. STATE INVESTMENTS IN THE UNIVERSITY OF CALIFORNIA FOR 2021–22

[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.]

Associate Director Meredith Turner stated that, of the \$1.2 billion that the State was investing in the University this year, \$547 million was ongoing funding that included over \$300 million to restore UC's base budget and a five percent unallocated increase for the campuses. The Office of the President (UCOP) line item was removed, so UCOP and UCPath operations could return to campus assessment, which would give more flexibility to chancellors and the system. The State budget funded Regents' priorities such as UC Programs in Medical Education (PRIME), Student Academic Preparation and Educational

Partnerships (SAPEP), student mental health, and student financial aid. UC received \$325 million for deferred maintenance and energy upgrade projects, and over \$350 million in one-time funding for targeted investments such as cancer research, animal shelter grants, and medical facilities at UC San Diego and UC Riverside. The State budget also included \$500 million for a new grant program for UC and California State University (CSU) campus expansion and UC, CSU, and California Community Colleges affordable housing projects. Ms. Turner acknowledged the Regents, President Drake, UC leadership, students, faculty, staff, and friends of UC for their advocacy of a strong State budget. She also acknowledged the UC Advocacy Network (UCAN), whose members contacted lawmakers more than 3,500 times. She thanked Governor Newsom and legislators for these historic investments.

Regent Reilly asked who decided how funding would be allocated to programs like SAPEP and UC Prime. Ms. Turner replied that there were timeframes for encumbering funds. Vice President Gullatt stated that SAPEP funding was one-time funding that had to be encumbered over a two-year period, or by June 30, 2024. Funding for student mental health and student basic needs was ongoing funding, which was allocated as part of the University's annual appropriation process and distributed annually to campuses around October. Executive Vice President and Chief Financial Officer Brostrom noted that UCOP would be meeting with vice chancellors of planning and budget regarding student mental health and other ongoing programs.

Regent Lansing expressed gratitude to Governor Newsom, the Legislature, and UC staff for their hard work in making this State allocation possible. She felt that UC had the necessary funding to continue its important work and serve students and faculty.

Regent Leib observed that, this year, chancellors, UCOP staff, and particularly President Drake successfully made a case for why UC needed these funds. He asked how SAPEP funding would be used. Ms. Gullatt replied that the \$22.5 million one-time funds for SAPEP doubled available SAPEP funds in 2021–22. SAPEP funding peaked in the early 2000s at \$80 million in permanent funding, so this was the first time in over 15 years that SAPEP has received substantial investment. SAPEP offered academic enrichment programs for K–12, community college, and UC undergraduate students, including college admissions advising and application assistance, A–G transcript evaluation, UC Scout, and partnerships with schools, community-based organizations, as well as researcher-practitioner partnerships with businesses and industry.

Regent Leib, noting the role of SAPEP in the diversity of the incoming class, expressed his hope that the University could develop a proposal for more SAPEP funding. Progress has been made with Latino(a) enrollment, but African American enrollment remained low.

Regent Reilly asked if this year's SAPEP funding would go toward bolstering existing programs or adding new programs. Ms. Gullatt responded that the funding would go toward expanding campus-based academic summer and year-round programs for prospective freshman and transfer students. Programs included Advanced Placement boot camps, pre-college academies, summer session, and summer research and graduate school preparation.

The funds would also go toward increasing access to UC academic preparation programs in underserved regions of the state; expanding UC Scout and data tools for addressing A–G course availability gaps; outreach to students from Local Funding Formula Plus schools and community colleges with fewer students going to UC; student-initiated programs for retention, graduation, and graduate school attainment; and Destination College Advising Corps, which placed UC graduates in high-need middle and high schools to provide college advising and application and financial aid assistance.

Regent Lott stated that alumni could help build this pipeline by sharing their UC experience so that the University can increase yield, not just admissions. In her view, UC eligibility meant eligibility in nearly any school across the country.

Ms. Gullatt shared how State funding benefited student mental health and basic needs. The 2021 State Budget Act allocated \$15 million in ongoing funding for UC student mental health, supplementing the \$5.3 million of State funding awarded in 2019. The Equity in Mental Health Funding Plan ensured that these funds would be used toward evidence-based strategies to address the behavioral health crisis and equity gaps. The University could use these funds to reimagine its mental health model and make sure that every campus could provide early intervention, treatment, and recovery support. Some students might need a peer coach, while others might need clinical treatment and medication. The \$15 million was separated into four categories: comprehensive prevention and early intervention programs; comprehensive recovery and treatment support programs; community well-being; and research and data innovation. Ms. Gullatt anticipated that funding would be allocated to campuses according to these categories by October 2021. This year's State Budget Act did not include new funds for basic needs, but UC did have \$18.5 million in ongoing funding, which was distributed according to Regents' recommendations and the expanded, more holistic definition for basic needs from the Special Committee on Basic Needs. The definition included nutritious, sufficient food; safe, secure, and adequate housing; health care and mental health care; affordable transportation; personal hygiene; and emergency needs and needs for students with dependents. Those funds were distributed to campuses based on three-year spending plans in 2019. The impact and outcomes of basic needs interventions and programs would be presented at a future Regents meeting.

Vice President Nation presented the history of UC PRIME and how State funding for PRIME would be used. When President Drake had been the Vice President for Health Affairs nearly 20 years ago, UC aimed to increase total medical student enrollment by about ten percent in ways that aligned with its public service mission and with a particular focus on medically underserved communities. UCOP asked the schools of medicine to develop programs with a clear identity, a focus on the communities to be served, a plan for specific student outreach and recruitment strategies, an assessment of an applicant's fit for PRIME during admissions, curricular enhancements, clinical training sites relevant to future practice, and dedicated faculty membership. From the 2008 recession and subsequent State budget reductions to the passage of this year's State budget, two-thirds of planned PRIME enrollment slots were unfunded by the State. Currently, there were 365 students, 67 percent of whom were from underrepresented groups, enrolled across six PRIME programs: Rural PRIME at UC Davis, PRIME-Latino Community at UC Irvine,

PRIME-Urban Underserved at UCSF, San Joaquin Valley PRIME by UCSF, PRIME-Leadership and Advocacy at UCLA, and PRIME-Health Equity at UC San Diego. There were 470 graduates, many of whom were California students who aimed to practice in those same communities. This year's State Budget provided \$12.9 million in ongoing funding that would support faculty and student success. This was modeled on \$39,600 per medical student, with one-third set aside for need-based financial aid. This would also go toward previously unfunded enrollments, new programs for Native American communities offered by UC Davis and UC San Diego, and new programs for the African American community offered by UC Riverside and UC Irvine. All six UC medical schools would benefit from this funding, resources would be stabilized, PRIME would grow to 11 programs and a total enrollment of 500 students, and financial aid would be increased. Dr. Nation thanked the Regents for their strong support of this funding priority.

Regent Reilly stressed the importance of PRIME at a time when the state faced a decrease in physicians, particularly in underserved regions.

4. **FEDERAL GOVERNMENTAL RELATIONS UPDATE**

[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.]

Associate Vice President Chris Harrington stated that, on top of the over \$2 billion that the University received in federal support for the COVID-19 pandemic, it also received an average of \$11 billion for education, research, and health care. In April, Federal Governmental Relations (FGR) delivered UC's fiscal year 2022 funding priorities, developed in consultation with the Office of the President, campuses, medical centers, and the National Laboratories, to the U.S. Congress for its consideration in drafting appropriations bills. The U.S. House of Representatives Labor, Health and Human Services, Education, and Related Agencies funding bill would increase the maximum Pell Grant award by \$400 to \$6,895, investments in work-study, the Federal Supplemental Educational Opportunity Grant, Federal TRIO programs, the Year Up program, support for basic needs, and support for minority-serving institutions. The bill would also provide \$49 billion for the National Institutes of Health, one of the leading federal agencies supporting UC research, \$6.5 billion more than in FY 2021, and \$3 billion would go toward establishing the Advanced Research Projects Agency for Health to advance scientific breakthroughs for diseases such as amyotrophic lateral sclerosis (ALS), Alzheimer's disease, diabetes, and cancer. UC researchers were well-positioned to receive these funds. The House Commerce, Justice, Science, and Related Agencies Funding Bill was set to provide more than \$9 billion to the National Science Foundation, an increase of \$1 billion but shy of UC's request of \$10 billion. The House Energy and Water appropriations bill would allocate \$7 billion to the Department of Energy Office of Science, nearly \$4 billion below UC's request. In Mr. Harrington's view, this was a good start overall. The U.S. Senate had not started writing its appropriations bills, and FGR would continue its advocacy of UC funding priorities. Congress was unlikely to complete its appropriations bills by the start of the next fiscal year and would need to pass continuing resolutions in

order to keep funding the government. This would give Congress more time to negotiate the legislation that it would send to President Biden for his signature.

In June, a bipartisan group of senators negotiated a \$1.2 trillion infrastructure package with the White House. The proposal would invest in clean transportation, water, universal broadband internet, and clean energy, but it did not include UC's infrastructure priorities, such as doubling the Pell Grant, reinstating advanced refunding bonds, graduate medical education, and UC's research, medical centers, and seismic concerns. FGR was working to include these priorities in a separate reconciliation package, which would include social infrastructure funding. FGR was optimistic about the possibility of funding for increasing the Pell Grant.

5. FUTURE GOALS OF THE COMMITTEE FOR THE UPCOMING YEAR

[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.]

Committee Chair Reilly noted that this Committee gave Regents the opportunity to highlight UC's community partnerships and what it was doing for the state.

Staff Advisor Tseng suggested that presentations topics convey to current and potential staff, and particularly alumni, that UC was an employer of choice with a wide range of career paths. Committee Chair Reilly noted that UC was the state's third largest employer.

Regent Leib suggested that the Committee visit a community college in Riverside, as had been planned prior to the onset of the COVID-19 pandemic in light of the number of transfer students admitted to UC this year.

Regent Leib suggested that the Committee visit one of the northernmost California counties due to the low numbers of students from that region attending UC. He suggested media presence at such a visit.

Regent Leib suggested that the Committee visit a Student Academic Preparation and Educational Partnerships (SAPEP) program in East Los Angeles and invite local legislators to join. If State lawmakers are able to see firsthand how this funding was spent and how these programs benefit students, it could improve the University's chances of receiving more funding for these programs in the next State budget request. Committee Chair Reilly wished to share information about SAPEP programs with other schools across the nation. UC campuses should reflect the diversity of the state. Regent Torres noted that he and Committee Chair Reilly had discussed similar goals for the Committee.

Regent Lansing suggested that Regents continue meeting with legislators. She also suggested that Regents should meet and thank UC's large donors, as well as meet with potential donors. Regents could host in-person gatherings when it was safe to do so. In Regent Lansing's view, the same outreach applied to legislators should be applied to donors. Committee Chair Reilly suggested a presentation on the role of private

philanthropy at UC, particularly why donors gave to UC, what donors gained from giving to UC, and how to increase the University's donor base. UC was not built on private philanthropy like private universities and could learn more. Regent Lansing suggested that chancellors could invite potential donors to their campuses to hear Regents speak. Committee Chair Reilly stated that she and Regent Torres wished to continue what Regent Leib and then Regent Stegura started.

Committee Chair Reilly was considering an initiative entitled "UC in My Community," which would highlight the impact of having a UC campus on public health, education, businesses, and nonprofit organizations in a local community. The Committee could have a dialogue from leaders from these arenas and determine how UC could enhance and strengthen partnerships with its communities. Chancellor Block stated that stakeholders such as school superintendents could comment candidly on UC's relationship with the community. Chancellor May noted the timeliness of this proposal as the community was very engaged in the Davis campus' COVID-19 response. Chancellor Muñoz stated that UC Merced wished to create a sense of reciprocity with the surrounding community. He shared that UC Merced had an economic impact of over \$500 million annually on the central San Joaquin Valley. He echoed Chancellor Block's suggestion to have members of the community share what UC was doing well and what it could do better. Provost Brown remarked that UC had an obligation, an opportunity, and a need to be more regionally inclusive. He suggested learning about regional needs so that UC can better link its research and public policy efforts to those needs. He recalled that UC Merced Executive Vice Chancellor Gregg Camfield had said that UC should be the state's go-to experts. Chancellor Larive shared that UC Santa Cruz was focused on a more regional approach, establishing strong partnerships in Santa Cruz County, Monterey County, and Santa Clara County. This created stronger relationships with community college partners, California State University Monterey Bay, and San Jose State University. With these partners, UCSC could do much to facilitate education and economic development in the region.

The meeting adjourned at 11:45 a.m.

Attest:

Secretary and Chief of Staff