

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

January 20, 2022

The Regents of the University of California met on the above date by teleconference meeting conducted in accordance with California Government Code §§ 11133.

Members present: Regents Anguiano, Cohen, Drake, Elliott, Estolano, Guber, Hernandez, Kounalakis, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Sures, 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 Li

The meeting convened at 8:45 a.m. with Chair Estolano presiding.

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. Sarah Stockwell, UC San Diego faculty member, shared her concerns about the University's response to climate change. She stated that UC was emitting one million tons of carbon dioxide per year and that many of her students were desperate for UC to be part of the solution. She asked that UC devote extra funds from the Legislature for shovel-ready campus electrification projects and set concrete milestones for each year for the next decade.
- B. Cynthia Garcia, UCLA nurse and member of the California Nurses Association (CNA), called on the Regents to provide healthcare workers with additional COVID-19 leave hours, extend leave to new employees, maintain safe isolation and return-to-work guidelines, cancel elective surgeries, and increase staffing. Nurse exhaustion throughout California has led to high turnover rates and difficulty recruiting enough staff. Nurses, responsible for four to five patients at one time, struggled to provide the expected level of care.
- C. Christianne Abboud, UC Irvine nurse and CNA member, called for safe staffing levels, stronger patient protections, and pay parity for UCI nurses, who were the lowest paid in the UC system. She stated that CNA has been advocating for increased staffing even before the COVID-19 pandemic, and that UCI management

should have increased staffing to prepare for this surge of the pandemic much earlier.

- D. Erika Bjork, Oak Park resident, spoke in support of the California Hospital Tower project at UC Davis and urged the Regents to approve it. Ms. Bjork, an 18-year resident and homeowner in Oak Park, shared that the project would have a tangible, positive impact on the surrounding community. Oak Park's diversity, proud history, and community spirit were tied to the Davis campus.
- E. Nan Renner, UCSD staff member, encouraged the Regents and President Drake to change the University's climate action goal from carbon neutral to fossil-free. She asked that UC make and execute plans to electrify the ten campuses, stop burning fracked methane gas, and support worker rights and student well-being.
- F. Jeffrey Hirsch, UCLA physician and professor, expressed concern about a statement posted on the UCLA Department of Asian American Studies website in May 2021. He stated that the statement was hostile to and questioned the legitimacy of the State of Israel, that it maligned and marginalized Jewish students, that Jewish students were being attacked on U.S. college campuses, and that it was dangerous to allow academic departments to wade into international political conflicts with one-sided statements.
- G. Diana Garcia, UC Santa Barbara alumna, asked the Regents to withdraw from the Thirty Meter Telescope (TMT) project. She stated that the U.S. has illegally occupied Hawaii for 129 years, that TMT was a colonial project built on sacred land, and that the Regents were complicit through the University's financial contribution to the project. Referring to item A4, *Update on Undocumented Student Support*, Ms. Garcia stated that, in 2018–19, the Office of the President spent less than \$1 million on the Undocumented Students Initiative and \$10 million on TMT.
- H. Eduardo Rosales, UC staff member and representative of Teamsters Local 2010, stated that union members have provided essential services to students and staff during the last two years despite health risks. He asked the Regents to provide additional COVID-19 paid sick leave hours and to fairly compensate workers.
- I. Kirsten Willer, UC Berkeley staff member and representative of Teamsters Local 2010, asked UC to bargain in good faith with the union and to increase worker compensation. She shared that her pay rate was not keeping pace with inflation, which made living in the Bay Area and starting a family difficult. Ms. Willer added that talent was being driven away from the University because of pay issues.
- J. Michael Cahn, UCLA faculty member and representative of the UCLA Bicycle Academy, stated that cars destroyed community, deprived people of active and healthy modes of transportation, made people sick, and were a leading cause of the climate emergency. The UCLA Bicycle Academy supported the UC Green New

Deal and called on Executive Vice President Byington to fulfill her promise to develop an active transportation policy for UC's medical centers and offices.

- K. Laulani Teale, Hawaii resident, asked UC to divest from the TMT project, a human rights violation, and reinvest the money from the project in maintaining wellness during the pandemic. She shared that Native Hawaiian elder Liko Martin was being persecuted for protesting the project.
- L. Dan Russell, UC Berkeley staff member and President of University Professional and Technical Employees–Communications Workers of America (UPTE-CWA) Local 9119, asked the Regents to provide more paid administrative leave for staff recovering from COVID-19, quarantining due to an exposure at work, and childcare, as well as provide leave for staff who were hired after October 2021, who had no such leave in the midst of a new wave of COVID-19 infections. Governor Newsom has called for more paid administrative leave, but it had not yet been legislated.
- M. Matias Campos, UCSF faculty member and pharmacist, asked the Regents for additional paid administrative leave and other relief for staff and faculty during the surge of the Omicron variant.
- N. Taryn D'Amore, UC Santa Cruz student, urged the Regents to continue to provide remote instruction to students without housing or other extenuating circumstances. She shared her own struggles with housing due to negligent landlords and wildfire. Other students lived in their cars or dropped out of school.
- O. Mitra Zarinebaf, UCSC student, called for menstrual equity on campuses. Assembly Bill 367, signed into law last October, only encouraged UC to provide free menstrual products, but this was a matter of basic needs. With campus stores closed, it was difficult to locate menstrual products without access to transportation. Studies have shown that inadequate access to menstrual products resulted in students having lower levels of engagement and focus in social and academic life.
- P. Anh Diep, UC Merced alumna, spoke on behalf of the UC Union Coalition and urged UC to provide an additional 128 hours of paid administrative leave to all UC employees; extend leave programs to the end of 2022 and leave hours to all new hires; restore sick, vacation, paid time off, or other benefit time retroactive to January 2021; and enhance the California Division of Occupational Safety and Health (Cal/OSHA) emergency standards. Ms. Diep emphasized the importance of extended paid sick leave at UCM, a campus comprised predominantly of first-generation, underrepresented, and non-traditional students.

2. **APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

Upon motion duly made and seconded, the minutes of the meetings of November 16, 17, and 18, 2021 were approved, Regents Anguiano, Cohen, Drake, Elliott, Estolano, Guber,

Hernandez, Kounalakis, Lansing, Leib, Makarechian, Ortiz Oakley, Park, Pérez, Reilly, Sherman, Sures, and Zaragoza voting “aye.”¹

3. **REMARKS FROM STUDENT ASSOCIATIONS**

President Drake introduced the UC Student Association (UCSA) President Esmeralda Quintero-Cubillan.

Ms. Quintero-Cubillan began her remarks by noting the similarities between January 2022 and March 2020. Campuses continued to see high COVID-19 positivity rates, and students faced uncertainty with little concrete guidance from UC except for communications from individual chancellors. Students needed more than two weeks to make arrangements in response to changes in instruction, changes that could affect their family income. Some students sought multiple jobs to support their families during the pandemic. Ms. Quintero-Cubillan urged the chancellors and the University to act more decisively and to be considerate of students when communicating their decisions. She also called for dispensing health care more evenly across the system and asked that campuses with more resources support those with fewer resources, such as UC Santa Barbara, UC Santa Cruz, UC Riverside, and UC Merced. Access to testing and vaccines should not vary by campus. Inequitable funding across campuses exacerbated the issues that students raised. The pandemic has revealed the failings of the Education Financing Model (EFM)—campuses serving more low-income students and students of color, such as UCM, UCR, and UCSC, have less funding for resources and programs that promoted student retention and degree completion. UC needed to fix the EFM and reassess who and what it values. Ms. Quintero-Cubillan ended her remarks by sharing her suggestions for navigating the pandemic: never unjustifiably exposing students to COVID-19, housing and food security for students and staff to prevent unsafe home environments, mandated twice-monthly testing to all students and members of the campus community, academic accommodations, housing and academic support for international students, showing compassion to students, and timely communication between UC administration and elected student officials.

President Drake introduced the UC Graduate and Professional Council (UCGPC) President Gwen Chodur.

Ms. Chodur began her remarks by expressing support for the vote to increase chancellor compensation. She believed that people should be paid what they are worth, that UC must recognize the costs associated with attracting and retaining talent, and that competition with peer institutions and cost of living should be factors in the salaries of all faculty, staff, and students. This was not currently the case for graduate students, something Ms. Chodur hoped that United Auto Workers (UAW) 2865 and Student Researchers United (SRU)-UAW could remedy through collective bargaining. She was profoundly skeptical of the University’s ability to meet the terms of Governor Newsom’s proposed funding compact, such as adding 2,500 full-time equivalent graduate students and a 20 percent increase in the number of students graduating with doctoral degrees by 2026–27. The pandemic has

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

already created delays for student researchers that could last years, and this growth required resources and would add stress to an already challenged system. To meet the goals of the compact, more students would need to enroll, or students would need to graduate on an expedited timeline. More Ph.D. students meant that more faculty supervisors and staff were needed. Scholarship support in professional master's programs was limited, so UC could lose prospective students to other institutions or more students would graduate with substantial student loan debt. Many campuses were already experiencing acute housing shortages. Much of the \$200.5 million increase in State support to the UC budget has already been allocated, and the basic needs line item has remained the same. According to UC's own experts, basic needs insecurities contributed to achievement gaps, such as lower graduation rates and grade point averages. UC must heed expertise when enacting policy, and must be able to incorporate additional students into the existing campus ecosystem. Ms. Chodur closed her remarks by emphasizing that the University should not make commitments to the State that it could not keep when provided with inadequate support.

4. **REMARKS FROM COUNCIL OF UC STAFF ASSEMBLIES**

President Drake introduced Crystal Petrini, UC Riverside staff member and the President of the Council of UC Staff Assemblies (CUCSA).

Ms. Petrini explained that CUCSA had representatives from the ten campuses, Agriculture and Natural Resources, Lawrence Berkeley National Laboratory, and the Office of the President (UCOP), and has advocated for policy-covered staff for nearly 50 years. The 2021 UCOP/CUCSA Employee Engagement Survey had a 52 percent response rate, the highest since the survey was first administered in 2012. These results were compared with previous results and with those of other organizations. In 2021, 90 percent of respondents were working from home or had a hybrid schedule. There were slight improvements in all categories since 2019 except retention, which has been in decline since 2017. Forty-three percent of respondents were seriously considering leaving UC, with salary, career advancement, and work-life balance as reasons. UC fell behind the national norm in matching pay to performance, trying different ways to address challenges, confidence in achieving personal career objectives, and the ability to report unethical practices without fear of reprisal. Individual contributors and supervisors responded less favorably than managers and directors, and early career staff responded less favorably than staff with longer tenures. Men responded significantly more favorably than women, nonbinary, and transgender respondents, especially with regard to empowerment, diversity, and inclusion. Staff of color responded less favorably than white staff. With 4.5 million people in the U.S. voluntarily resigning in November 2021 alone, employees were reevaluating their choices, and UC was struggling to retain talent and fill vacancies. Those who were leaving UC experienced inequity or did not feel respected, valued, or supported. Retention issues cost institutional knowledge, added work, and affected the quality of service provided. CUCSA was ready to work with the University to address these issues and to help UC become an employer of choice. UC could create a culture of belonging by recognizing employees as their whole selves, and the proposed 4.5 percent salary increase demonstrated UC's desire to improve staff conditions. CUCSA would continue addressing pay for performance in light of inflation and the rising cost of living.

Regent Leib asked for a wider forum so that Regents could hear more staff comments. Chair Estolano stated that this portion of the meeting was meant to provide such a forum for staff. She suggested that she and Regent Leib meet with CUCSA officers to examine the survey results in more detail.

5. **UPDATE ON 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.]

Executive Vice President Byington began her presentation by sharing a graph indicating the sharp rise of Omicron variant infections across the country and around the world. The Omicron variant became the dominant isolate in the U.S. in five weeks. The World Health Organization (WHO) projected that the Omicron variant could infect half of Europe within two months, and the U.S. projected that 40 percent of its population would be infected with Omicron in that time. In comparison, the Delta variant infected 11 percent of the U.S. from June to November 2021, and a serious influenza season infects about ten percent of the U.S. population over a four- to five-month period. Dr. Byington noted that the Omicron wave was occurring at a time when a portion of the world population had COVID-19 immunity. The U.S. was averaging over 800,000 cases per day, up from a peak of 250,000 cases per day last winter. Hospitalizations surpassed those of the last winter surge, when there were no vaccines, and there were far more than the expected number of excess deaths. California was averaging 272 new cases per 100,000, up from 13 cases per 100,000 in December, and jumped from six million to seven million confirmed cases within ten days. UC Health hospitals had 742 COVID-19 inpatients and this number was expected to exceed the number of hospitalizations during the last surge. In this surge, hospitals were seeing more infected children, especially those younger than five, more patients with COVID-19 seeking care for other conditions, and more infections among healthcare workers, resulting in short staffing. UC Health has not had to implement crisis standards of care or the California Department of Public Health (CDPH) recommendation of allowing infected healthcare workers to work, but these might need to be implemented if the surge does not abate.

A study led by UC Berkeley Assistant Professor Joseph Lewnard found that those infected with Omicron could expect a better outcome than those infected with Delta or other variants. This did not mean Omicron was mild, especially for the unvaccinated and in places where overwhelming numbers of cases could lead to stress on health systems. Dr. Byington presented a chart of UC Health intensive care unit (ICU) admissions during the pandemic, which were now lower than early in the pandemic but not lower than the Delta wave. There was still severe disease resulting from Omicron and Delta in California. Studies also indicated that the effects of mild COVID-19 infection, such as cellular dysregulation in the brain and functional mobility impairments, could last longer than previously thought. Although 52 percent of the world was fully vaccinated, only 9.5 percent of people in low-income countries have received at least one dose. One report found 181 countries not on track to achieve a 70 percent vaccination rate in 2022, including

the U.S., which ranked 74th in the world in vaccinations. The compliance rate of UC's vaccine mandate was nearly 98 percent among employees and over 99 percent of students. Dr. Byington presented a graph comparing vaccination rates at UC campuses with rates of the surrounding communities. She stressed that vaccine mandates work. In California, unvaccinated individuals were nearly four times more likely to become infected with COVID-19, eight times more likely to be hospitalized, and almost 21 times more likely to die from it. Data from CDPH indicated that those who received booster doses were more protected than those who were fully vaccinated, which helped inform the University's policy decision to require booster doses across the campuses. All campuses were disseminating information about effective masking. Dr. Byington presented a graph showing the level of protection provided by different types of masks.

The U.S. Food and Drug Administration has authorized oral antiviral treatment for COVID-19, but it would not be widely available in the U.S. until at least April. Research from UCSF, UC Berkeley, and their partners indicated that rapid antigen testing was still effective. UC was working to identify a testing supply for systemwide needs. Dr. Byington expressed her belief that those who survive the Omicron surge would have immunity until the spring or summer. UC should use this time, reassess the needs of populations, and strengthen its pandemic response. Dr. Byington underscored the importance of a population response rather than an individual response and identified five things that must be done. The first and most urgent was reaching 70 percent world vaccination in 2022; more vaccination meant new variants would be less likely to emerge. The second was addressing vaccine hesitancy and misinformation in the U.S. Over 200,000 have died of COVID in the U.S. since vaccines became widely available, and there were 2,000 COVID deaths per day. Natural immunity would not be enough to sustain and protect society. The third was building a resilient infrastructure, including testing, sequencing, and data infrastructure, in the U.S. or at least at UC. The fourth was making masking normative across the country and worldwide. People needed to have access to high-quality masks and know when to use them. The fifth was enacting strong policies that promote resilience, such as available childcare, increased support for healthcare workers, and national sick leave policies.

Regent Lansing asked about the effectiveness of a fourth dose of the vaccine, citing a study from Israel about its limited effectiveness. Dr. Byington expressed her belief that the COVID vaccine should be standardized like the influenza vaccine. Immunocompromised individuals needed three messenger ribonucleic acid (mRNA) vaccines as their primary series and would need four doses to be up to date. Those with healthy immune systems needed three doses of mRNA vaccine to be up to date. Israel was the first country to investigate a fourth dose, but Dr. Byington believed that it was too early to know when and what type of dose would be necessary. She suggested waiting for further studies. In one year, a variant-specific vaccine or an annual booster might be needed.

Regent Lansing asked if a fourth dose was still recommended for immunocompromised individuals and if it was dangerous for them. Dr. Byington responded that these individuals should consult with their physician. Another option was a long-term monoclonal antibody infusion for those who cannot produce a reaction to the vaccine. Regent Lansing asked if

antibody levels would be tested before the infusion. Dr. Byington responded in the affirmative.

Regent Lansing asked if all FDA-approved rapid tests were the same and what percentage of the Omicron variant rapid tests could detect. Dr. Byington replied that the FDA-approved rapid tests under emergency use authorization were very similar. BinaxNOW was the rapid test validated by UCSF. Comparing rapid with polymerase chain reaction (PCR) tests, UCSF found that, when the PCR test showed a positive result with a cycle threshold value of less than 30, the rapid test also showed a positive result 95 percent of the time.

Regent Lansing remarked that the BinaxNOW test was difficult to acquire. Dr. Byington stated that UC Health has been urging the federal government to make rapid testing available since February 2020. Regent Lansing asked if the other FDA-approved rapid tests were as good as BinaxNOW. Dr. Byington responded in the affirmative, noting their emergency use authorization. Testing multiple times increased the effectiveness of the test.

Regent Zaragoza asked how much paid sick leave was guaranteed to UC employees and if more needed to be done. Dr. Byington noted the challenge of many becoming sick at the same time. She was very impressed with UC's existing sick leave policies and the additional COVID leave. She suggested that this question be addressed to Human Resources. Staff Advisor Lakireddy shared that COVID sick leave has been extended until June. Communications should be tailored to staff and be available in more languages. Executive Vice President and Chief Operating Officer Nava stated that the timetable for employees to use their COVID sick leave has been extended. Vice President Lloyd's office was working with campus leaders to ensure an appropriate amount of coverage available.

President Drake asked for more information about circumstances in which staff did not have sufficient COVID-19 administrative leave. Ms. Nava replied that Ms. Lloyd was examining this issue and that information would be provided to him.

Regent Reilly asked why there was less discussion about herd immunity and a 70 percent immunity threshold. Dr. Byington replied that this was no longer an achievable goal. This threshold was derived from the R-naught (R_0) of the virus. Because the R_0 of the virus has increased so dramatically, everyone needed to be immune. This virus would eventually be endemic, but Dr. Byington believed that it would take years, not weeks. She predicted that new variants would arise after a period of increased immunity post-Omicron.

Regent Reilly asked why the Omicron variant was so transmissible. Dr. Byington replied it could be due partly to Omicron's shape and ability to bind in the upper airway. A large amount of virus could be in the nose, and the virus has evolved to move easily. Measles was more transmissible than Omicron and remained an upper threshold.

Regent Park asked how Regents could augment efforts to advocate global vaccine policy. Dr. Byington replied that the research of academic health centers was vital to the response to the pandemic. For instance, Baylor College of Medicine and Texas Children's Hospital

created a vaccine that they were distributing worldwide patent-free. Dr. Byington stated that she could speak further about this topic at a Health Services Committee meeting.

Regent-designate Blas Pedral asked how much longer the Omicron surge would last and whether campuses should continue to send digital notifications regarding the surge. Dr. Byington expressed her belief that the surge could peak the following week, with the number of hospital cases lagging behind the number of community cases. UC should be prepared to remain in a significant surge period that requires extra safety precautions through January and February. She suggested signing up for CA Notify via mobile phones.

Chair Estolano asked when hospitalizations would peak. Dr. Byington stated that UC modeling indicated a peak at the end of January but was uncertain. She did not believe that UC hospitals would likely resume normalcy until March.

Chair Estolano asked if students could anticipate returning to in-person instruction in the spring. Dr. Byington replied that, barring an unforeseen mutant, students should be able to return to in-person instruction. In the future, widely available antiviral treatments could reduce hospital admissions. President Drake noted the outcomes for masked and fully vaccinated individuals during the current surge, as well as the effectiveness of and high compliance with UC policies. Campuses were seeing declining case numbers. Chair Estolano underscored the need for better childcare support and a national leave policy. This was not the last variant or the last pandemic.

Regent Zaragoza asked if it was safe to return to in-person instruction on February 1, and if so, how that would be conveyed to students, faculty, and staff. Dr. Byington responded that the systemwide coordinating committee would be gathering to discuss these issues. Students were present at all the campuses, which has increased their isolation and quarantine space and were not currently overwhelmed. Testing guidance was being followed and positivity rates were declining. Dr. Byington believed that campuses could recreate “bubbles” as they had in previous surges.

The Board recessed at 10:50 a.m.

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The Board reconvened at 2:40 p.m. with Chair Estolano presiding.

Members present: Regents Anguiano, Blum, Cohen, Drake, Elliott, Estolano, Guber, Hernandez, Kounalakis, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, 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, Vice President Brown, Chancellors Block, Christ,

Gillman, Hawgood, Khosla, Larive, May, Muñoz, Wilcox, and Yang, and
Recording Secretary Li

6. UNIVERSITY OF CALIFORNIA CAPACITY WORKING GROUP 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.]

President Drake briefly introduced the work of the UC Capacity Working Group. Since the fall, a group of chancellors and leaders from the Office of the President (UCOP) have been engaged in analysis and preparing a systemwide plan of action. The Working Group has discussed traditional and non-traditional ways to expand UC enrollment: regional collaborations, summer session and UC Extension, degree completion programs, online programs and courses, and off-campus study abroad programs and internships. This spring, the Working Group would examine how the University could accelerate its timely graduation goals and expand reach in underserved regions in order to add 20,000 graduate and undergraduate students by 2030. Governor Newsom’s proposed 2022–23 State budget would provide support for enrollment growth, and UC’s goals aligned with those of State legislators. President Drake emphasized that these changes must enable inclusive access and success, and that there was no “one size fits all” approach. He praised the campuses’ flexibility and creativity in pursuing a tailored mix of strategies.

Su Jin Jez, Executive Director of California Competes, began her remarks by noting that 6.8 million Californians age 25 to 64 did not have a college degree. According to the California Competes study “Get Ready: Introducing the Millions of Adults Planning to Enroll in College,” as of October 2020, 19 percent of Californian adults age 25 and older intended to enroll in higher education in the next two years. This was a survey of all Californians, not only those without degrees. California public higher education could not absorb 5.1 million new students, and institutions were not currently designed to serve adult learners, so UC could play a role in the evolution of higher education to support adult learners and lifelong learning. Ms. Jez presented a map indicating demand for higher education by region. Demand was highest where there were few or no UC campuses, such as Imperial County and the Central Valley. Demand was also high in Los Angeles County. There was a correlation between regional interest and percentage of the Latino(a) population in that region. Ms. Jez presented a chart of demand for higher education by institution and race/ethnicity. One in five Latino(a) adults intended to enroll in college in the next two years, Latino(a) and Black Californians were more likely to prefer public universities, and preference for a public university and community college were about even for White and Asian Californians. Interest in public universities was strongest among younger adults, middle-income households, and women. There were 3.9 million adults interested in taking courses exclusively online, with the highest interest among women, Latino(a) Californians, those age 25 to 44, and those with household incomes below \$75,000.

Vice President Brown shared findings from a survey of students who entered UC but did not complete their degrees, which received about 4,000 responses. About 90 percent of

respondents showed some level of interest in returning to UC for a bachelor's degree or professional certificate, with most preferring a bachelor's degree. Sixty-five percent were working full-time at one or more jobs, and 15 percent were working part-time. Respondents noted financial challenges, such as debt from prior enrollment, and concerns about academic preparedness. Each campus has a reentry program, and UC Merced was launching a bachelor's degree completion pilot program in the fall using one-time State funds. While timely graduation has improved somewhat, first-year retention rates declined among Pell Grant recipient, first-generation, and underrepresented minority (URM) students in the 2020 cohort. This could be attributed to challenges with remote instruction, but campuses cited the cumulative effect of being in a pandemic for two years and challenges such as the need to work and care for family members.

Chancellor Gillman presented online options that could help increase capacity. Prior to the pandemic, UC Irvine was already accustomed to the online modality, which was supported by faculty and the campus Division of the Academic Senate. When surveyed, about ten percent of UCI students preferred all online classes, 20 percent preferred all in-person classes, and most preferred a choice of online and in-person classes. On average, UCI students who took online summer courses had better time to degree than those who did not. More summer offerings could help students complete their degrees in a timelier fashion, which could create more capacity at campuses. UCI planned to increase its percentage of online summer offerings from 30 to 50 percent, which could result in 300 to 500 more degrees per incoming class. More online options throughout the academic year would allow students to participate in quarter- or semester-long internships or externships, UC Washington Center or study abroad programs, and cooperative education programs. Expansion would not necessarily create a physical burden for campuses. The Irvine campus was currently piloting a fully online, undergraduate business administration degree for transfer students. The program increased undergraduate capacity by about 200 students; improved access for rural, underserved, and place-bound students; and was strongly supported by UCI School of Business faculty. The UCI Division of the Academic Senate was evaluating the program and would provide a report.

Chancellor Larive presented efforts at UC Santa Cruz to increase capacity through three-year degree pathways. UCSC's three-year graduation rate grew from two percent for the freshman cohort entering in 2010 to 6.9 percent for the cohort entering in 2018, the result of a multi-year initiative to design 21 three-year degree pathways that rely heavily on summer session. Outreach and support begins with prospective students and continues through their time at UCSC. Summer online learning has also been available whether students were on a three-year or more normal pathway, and the Santa Cruz campus was taking an accelerated approach to developing more online summer courses, many of which carry over into the academic year. This year, the UCSC Division of the Academic Senate approved a pilot program for summer 2022 that allowed departments and units to choose course modality; the program would likely increase the number of online courses in the summer. "Slug Orientation" was now a mandatory, credit-bearing online summer course that introduced students to summer online learning at the start of their campus experience. The arts faculty was developing an online creative technologies undergraduate degree program that included online games development. This approach to an inclusive and

accessible arts education could be particularly attractive to transfer students. The campus was also working with Degrees When Due, an initiative of the Institute for Higher Education Policy that helped universities identify and reduce barriers and identified students who had not completed their degrees. Next steps at UCSC included working with the divisional Senate to reduce or eliminate barriers, such as enhancing the degree audit process, and building a strategic advising initiatives team.

President Drake stated that these campus efforts fit well with the University's overall plan to increase capacity for California students.

Regent Ortiz Oakley remarked that UC was working to increase capacity for traditional students, not the population of Californians highlighted in the California Competes report. Demand for higher education from adult learners has continued to increase, while demand from traditional students was declining. He predicted that UC would not always receive a record number of applications from traditional students. Other universities were building capacity to serve adult learners. For example, the University of Massachusetts affiliated with Brandman University because adult learners in Massachusetts were choosing other institutions. Regent Ortiz Oakley expressed his hope that UC could engage in this conversation so that it can weather forthcoming changes. The University did have expertise regarding adult learners. When the California Community College system was developing Calbright College, it worked with UCSC Extension. UC Irvine's School of Education recently partnered with Calbright College to study adult learners.

Regent Zaragoza called on the University to become more involved in aspects of higher education that did not have a direct impact on UC. For instance, she did not observe much UC advocacy for Cal Grant reform despite its effect on transfer students. Many community college faculty had experience with teaching online courses while UC faculty did not, which had an impact on the University during the pandemic. She asked how many UC lower division courses were offered online and whether the number had changed during the pandemic. Ms. Brown replied that UC had data on the number of students who have taken at least one online courses. Goals would be set based on data from 2019–20 because it was unclear in following years whether instruction was online or remote. This would be part of the capacity building plan.

Regent Zaragoza asked if there were data on campuses with a higher demand for housing. Executive Vice President and Chief Financial Officer Brostrom replied that UC had the campuses' detailed housing plans; most campuses had goals for two- to four-year housing guarantees. The University added 22,000 beds in the last four years and planned to add 24,000 more in the next four years. At some campuses, projects were delayed by California Environmental Quality Act litigation. Through the Merced 2020 Project, UC Merced had added enough beds for a two-year housing guarantee for all students and had the ability to expand. Mr. Brostrom offered to share these data with the Regents.

Regent Hernandez asked how financial aid was provided to Pell or Cal Grant recipients during summer session. Chancellor Larive responded that the Pell Grant and Cal Grant were distributed through the financial aid office, and summer session was included in that

distribution. At UCSC, a portion of summer session tuition was set aside for campus financial aid. Last summer, for example, students with a zero-dollar family contribution who enrolled in ten units would receive \$5,600 in summer aid, about \$2,700 above the cost of summer tuition. Online summer session allowed students to work or stay with family.

Staff Advisor Tseng underscored the importance of expanding staff support with enrollment expansion, especially in light of burnout currently experienced by staff. She had spoken to several chancellors about a staff degree completion program. Many UC staff seeking career advancement needed a degree or certification to be eligible for certain positions. This would provide staff with another way to engage with the University. She believed that UC should be a part of people's lives in some capacity, whether they are pursuing a four-year degree or taking one course.

Regent Reilly asked Chancellor Larive to clarify if all new students were required to take an online summer course before attending on-campus classes. Chancellor Larive responded in the affirmative. The one-unit online orientation course introduced students to university life and their residential college's curriculum. Previously, in-person student orientation limited participation from certain demographics, so this was more equitable, thoughtful, and intensive. Regent Reilly asked if the course was synchronous. Chancellor Larive replied that the course had multiple components—lectures, assignments, and discussions—that spanned several weeks. However, she was not sure all components were synchronous.

Regent-designate Blas Pedral asked Ms. Jez how UC could ensure that its online offerings matched career opportunities in various regions in the state. Ms. Jez responded that UC should work to provide high-quality online education and ensure that online education is closing equity gaps instead of creating them. The University needed close partnerships with employers, including UC itself. There were new statewide programs connecting first-generation students and students of color with potential jobs, career exploration, and professional networking. UC should consider what particular communities need, such as internships, work-study, stronger alumni networks, or coffee interviews for first-generation students. Ms. Jez offered to share more information about increasing higher education employment engagement. California Competes would be releasing a study on this topic in the summer.

Chair Estolano concluded the discussion by expressing her belief that Regents could do more. She shared some of the Board's duties as listed in Regents Policy 1100, Statement of Expectations of Members of the Board: setting policy, advocacy, planning, ensuring adequate resources and their effective management, and advocating for the needs of external constituencies. In her view, Regents should have a longer-term vision across Committee assignments to expand UC's delivery of higher education to Californians from every region, background, and field. While President Drake and the chancellors were creating detailed growth plans, the Regents should address barriers like adverse judicial rulings; promote partnerships with the public higher education segments; pursue long-term funding like bond measures; explore unconventional ideas like repurposing shopping malls to create education hubs; and convey to businesses, unions, civil rights and social justice groups, parents, taxpayers, and industry leaders why supporting UC is crucial to the state's

prosperity. For these reasons, Chair Estolano has asked Regent Anguiano to join her in co-chairing a Regents Task Force on Enrollment Growth Strategies. The Task Force would be charged with exploring and building support for long-term efforts to grow undergraduate and graduate enrollment in a manner that maintains academic excellence, achieves inclusive access and success, and enables more Californians throughout the state to benefit from a UC education. The Task Force would advocate for growing faculty, staff, and facilities. Regents Park, Cohen, and Hernandez, Regent-designate Blas Pedral, Faculty Representative Horwitz, and Staff Advisor Lakireddy have agreed to participate.

7. **ANNUAL REPORT ON SUSTAINABLE PRACTICES**

[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 David Phillips provided a demonstration of the Annual Report on Sustainability Practices online. Due to reduced campus populations during the COVID-19 pandemic, many metrics were outliers compared to those of previous years. The pandemic also provided many learning opportunities. In 2021, University water usage decreased by 11 percent and energy usage decreased by seven percent; these reductions were not larger because many drivers of water and energy use were not tied to campus populations. For instance, UC kept heating and cooling systems in buildings running and kept watering landscapes and trees. The University needed to find new opportunities to save resources and move beyond asking individuals to modify their behaviors. This year's report focused on climate justice and UC's growing contributions. Climate justice, as defined by the UC Center for Climate Justice, recognized the disproportionate impacts of climate change on low-income communities and communities of color around the world, the people and places least responsible for the problem. Mr. Phillips highlighted some of UC's climate justice efforts featured in the report. At UC Riverside, researchers were studying the shrinking of the Salton Sea and the high rates of asthma in the surrounding community. Ten UCLA researchers were awarded \$956,000 to identify the communities in Los Angeles most vulnerable to climate change and the interventions needed. UC Davis Health physicians were documenting how the increasing severity and number of wildfires were affecting mental health. Campuses were prioritizing hiring faculty who understood the junction of equity, environmental health, and climate change, such as UC Berkeley's recent cluster hire of five faculty members.

The University's renewable energy procurement has continued to grow. The UC Clean Power Program supplied about 30 percent of UC's electricity and served eight campuses and three health systems. The ten campuses, Agriculture and Natural Resources, and the Office of the President all had renewable energy projects. According to the U.S. Environmental Protection Agency, UC used more green power than any other college or university in the country and ranked seventh in on-site green power generation compared with corporations and governments. Fifty-five percent of UC electricity came from renewable or carbon-free sources. All campuses and health systems were able to reduce greenhouse gas emissions to 1990 levels by 2020. Net greenhouse gas emissions decreased by about 24 percent in 2020 compared with 2019. Much of this could be attributed to the

pandemic reducing travel and the number of people commuting to campus. UC had much more to do to become carbon neutral and fossil-free. This year's report provided more granular emissions data and showed UC's carbon offset purchases. Campuses purchased compliance and voluntary offsets. Most offsets were part of compliance requirements from the California Air Resources Board's Cap-and-Trade Program, and most of the remaining gas emissions at UC locations came from natural gas.

Mr. Phillips acknowledged the concerns raised by faculty and students during the public comment period. If one were to count only on-campus emissions and excluded 2019 offsets and emissions from commuting, air travel, purchased electricity, UC did emit nearly one million tons of greenhouse gas emissions, about the same as it did in 2009. UC also grew tremendously, about 24 percent, in those ten years, so flat emissions reflected efforts to become more efficient during that growth. Moving toward carbon neutrality, like UC Davis has begun to do with its Big Shift initiative, was challenging for UC due to previous investments in gas-fired combined heat and power plants in the 1990s and 2000s. These plants were superior to other options at the time, and the State encouraged UC to construct these plants to reduce the state's reliance on other electrical supplies. Seven campuses constructed these plants, all of which were still operating and providing relatively low-cost power and resilience during outages. Decarbonizing power production while maintaining reliability was a key challenge for UC and California. Constructing all-electric central plants was possible, as Stanford University had done several years ago, but most campuses have been unable to find funds to develop detailed engineering plans for the transition. Therefore, UC's 2025 carbon neutrality goal relies heavily on biomethane and offsets, but the University must continue reducing on-site emissions. However, systemwide capital investments of \$3 billion to \$5 billion were likely needed to electrify UC campuses, and campus utility expenses would increase significantly as well. Securing funding for climate action without clear paybacks has been difficult in light of UC's many competing priorities, such as enrollment growth, deferred maintenance, and seismic safety. The University needed strong partnerships and would be asking the State for one-time funding to develop electrification plans. These plans would address how UC would transition away from fossil fuels in a way that provides community benefit and mitigates UC's impact on disadvantaged communities; what capital investments were needed; and how UC's electrification actions could advance California's broader climate goals.

8. **SMALL BUSINESS AND SUPPLIER DIVERSITY RESULTS AND STRATEGY 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.]

This item was deferred.

9. **COMMITTEE REPORTS INCLUDING APPROVAL OF RECOMMENDATIONS FROM COMMITTEES**

Chair Estolano 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 January 19, 2022:

A. *Update on the University of California, Irvine – Measuring Undergraduate Success Trajectories Project (UCI-MUST)*

This item was not summarized.

B. *Transfer Student Success and Experience*

This item was not summarized.

C. *The Changing Financial Aid Landscape*

This item was not summarized.

D. *Update on Undocumented Student Support*

This item was not summarized.

E. *The University of California as a Hispanic- and Minority-Serving Research University System*

This item was not summarized.

F. *Update on Supporting Students with Disabilities at the University of California*

This item was not summarized.

Report of the Finance and Capital Strategies Committee

The Committee presented the following from its meeting of January 19, 2022:

A. *Consent Agenda:*

- (1) *Preliminary Plans Funding, Bechtel Engineering Center Renovation and Addition, Berkeley Campus*

The Committee recommended that the 2021–22 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Berkeley: Bechtel Engineering Center Renovation and Addition – preliminary plans – \$5.9 million to be funded with gift funds.

(2) ***Preliminary Plans Funding, Hot Water Conversion Sprocket District and Thermal Energy Storage Heat Recovery Chillers, Davis Campus***

The Committee recommended that the 2021–22 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Davis: Hot Water Conversion Sprocket District and Thermal Energy Storage Heat Recovery Chillers – preliminary plans – \$5.1 million to be funded from campus funds.

(3) ***Preliminary Plans Funding, Peninsula Outpatient Center Tenant Improvements, San Francisco Campus***

The Committee recommended that the 2021–22 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

San Francisco: Peninsula Outpatient Center Tenant Improvements – preliminary plans – \$2.5 million funded from hospital reserves.

B. ***Preliminary Plans Funding, Thurgood Marshall College Undergraduate Student Housing, San Diego Campus***

The Committee recommended that the 2021–22 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

San Diego: Thurgood Marshall College Undergraduate Student Housing – preliminary plans – \$33.2 million to be funded from housing auxiliary reserves.

C. ***Budget, Scope, External Financing, Long Range Development Plan Amendment No. 1, and Design Following Action Pursuant to the California Environmental Quality Act, California Hospital Tower, Davis Health Campus***

The Committee recommended that:

(1) The 2021–22 Budget for Capital Improvements and the Capital

Improvement Program be amended to include the following project:

From: Davis: California Hospital Tower – preliminary plans, Advanced Work Phase working drawings and Advanced Work Phase construction – \$234,218,000 funded with hospital reserve funds.

To: Davis: California Hospital Tower – preliminary plans, design, construction, and equipment – \$3,773,251,000 to be funded from external financing (\$2,325,000,000) and hospital reserve funds (\$1,448,251,000).

- (2) The scope of the California Hospital Tower project be approved. The project shall consist of the construction of approximately 909,000 gross square feet (gsf) of medical inpatient, operating rooms, and support services space, providing approximately 332 patient beds, and an upgrade to the campus central utility plant. Site development shall include landscape and hardscape, utilities, and pathways to integrate the new tower into the campus. The square footages noted are subject to change as the design is refined through the progressive design-build process. The scope of work also includes approximately 82,000 gsf of renovations to the existing Pavilion. The proposed renovations to the existing Pavilion will include work to the emergency department, imaging, and education areas.
- (3) The President of the University be authorized to obtain external financing in an amount not to exceed \$2,325,000,000 plus additional related financing costs to finance the California Hospital Tower project. 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. As long as the debt is outstanding, the general revenues of UC Davis Health shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.
 - c. The general credit of the Regents shall not be pledged.
- (4) Following review and consideration of the environmental consequences of the California Hospital Tower 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 to the Regents no less than 48 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. Following review and consideration of the previously certified California Hospital Tower Environmental Impact Report (EIR) of which the California Hospital Tower and Long Range Development Plan Amendment No. 1 is a part, determine that no further environmental analysis pursuant to CEQA is required and adopt the CEQA Findings and Statement of Overriding Considerations.
 - b. Make a condition of approval the implementation of applicable mitigation measures within the responsibility and jurisdiction of UC Davis as identified in the Mitigation Monitoring and Reporting Program adopted in connection with the California Hospital Tower EIR.
 - c. Approve Long Range Development Plan Amendment No. 1 to the UC Davis Sacramento Campus 2020 Long Range Development Plan Update.
 - d. Approve the design of the California Hospital Tower project.
- (5) The President be authorized, in consultation with the General Counsel, to execute any agreements and documents reasonably required to implement the foregoing, including any subsequent agreements, modifications, or amendments thereto, provided that such agreements, modifications, amendments or related documents are materially consistent with the terms above and do not otherwise materially increase the obligations of the Regents or materially decrease the rights of the Regents.

Regent Cohen stated that there would be a presentation on progress made on community outreach at a future meeting.

D. *Authorization of Medical Center Pooled Revenue Bonds External Financing*

The Committee recommended that the President of the University be authorized to:

- (1) Issue bonds in an aggregate principal amount not to exceed \$2 billion plus financing costs under the University's Medical Center Pooled Revenue Bond indenture. As long as the bonds are outstanding, the medical centers receiving such proceeds shall satisfy the following requirements:
 - a. The medical centers receiving proceeds, Davis, Irvine, Los Angeles, San Diego, and San Francisco (the "Medical Centers"), shall maintain revenues in amounts sufficient to pay the debt service and meet the related requirements of the authorized financing.
 - b. The general credit of the Regents shall not be pledged.

- (2) Take all necessary actions related to the action approved above, including, but not limited to, approval, execution, and delivery of all necessary or appropriate financing documents.

E. ***Amendment of Regents Policy 5309: Policy on the University of California Employee Housing Assistance Program***

The Committee recommended that Regents Policy 5309: Policy on the University of California Employee Housing Assistance Program be amended as shown in Attachment 1 to add the Zero Interest Supplemental Home Loan Program product and that balloon payments be allowed exclusively for the Zero Interest Supplemental Home Loan Program. The Program is intended to prioritize assistant professors. Reports on the Program shall be provided as part of regular annual reporting for the UC Housing Assistance Program.

F. ***Falling Leaves Foundation Medical Innovation Building, Irvine Campus***

This item was not summarized.

G. ***Review of the Governor's January Budget Proposal for 2022–23***

Regent Cohen reported that the Committee was presented with a positive State budget outlook.

Upon motion of Regent Cohen, duly seconded, the recommendations of the Finance and Capital Strategies Committee shown above were approved, Regents Cohen, Drake, Elliott, Estolano, Hernandez, Kounalakis, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Pérez, Reilly, Sherman, Sures, Torres, and Zaragoza voting “aye.”

H. ***Budget, Scope, External Financing, and Design Following Action Pursuant to the California Environmental Quality Act, Pepper Canyon West Student Housing, San Diego Campus***

The Committee recommended that:

- (1) The 2021–22 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Diego: Pepper Canyon West Upper Division Undergraduate Student Housing – preliminary plans – \$20 million to be funded with auxiliary – student housing reserves.

To: San Diego: Pepper Canyon West Student Housing – preliminary plans, working drawings, construction, and equipment – \$365 million to be funded with external financing (\$362.5 million), auxiliary – housing reserves from the Office of the President

(UCOP) Housing Assistance Program (\$1 million), and campus funds (\$1.5 million).

- (2) The scope of the Pepper Canyon West Student Housing project be approved. The project shall provide approximately 580,500 gross square feet (gsf), including 1,316 new beds (1,297 undergraduate student beds, 13 beds for resident student advisors, and three two-bedroom units for resident professional staff) for a total of 572,500 gsf of housing and 8,000 gsf of retail space in two high-rise (22- and 23-story) towers, each with connected mid-rise (five-story) buildings. Public realm improvements shall include installing the west rim pedestrian and bicycle trail and completing landscape, hardscape, and open space restoration on the west and south sides of Pepper Canyon. The scope includes demolition of 11 buildings (304 beds) and removing and landscaping the surface parking lot P406 (approximately 100 parking spaces).
- (3) The President of the University be authorized to obtain external financing in an amount not to exceed \$362.5 million, plus additional related financing costs to finance Pepper Canyon West Student Housing. 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. As long as the debt is outstanding, general revenues from the San Diego campus shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.
 - c. The general credit of the Regents shall not be pledged.
- (4) Following review and consideration of the environmental consequences of the proposed Pepper Canyon 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 48 hours in advance of the beginning of the Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents:
 - a. Make a condition of approval the implementation of applicable mitigation measures within the responsibility and jurisdiction of UC San Diego, as identified in the Mitigation Monitoring and Reporting Program adopted in connection with the 2018 Long Range Development Plan (LRDP) Environmental Impact Report (EIR).
 - b. Adopt the CEQA Findings for Pepper Canyon West Student

Housing having considered the 2018 LRDP EIR for the La Jolla Campus and Addendum No. 9 to the 2018 LRDP EIR for Pepper Canyon West Student Housing.

- c. Approve the design of the Pepper Canyon West Student Housing project, San Diego Campus.

Regent Makarechian moved that this item be postponed until the March meeting and that the Regents hold the San Diego campus to a commitment of rents that were 30 percent below market rate. He stated that he was appointed to the Finance and Capital Strategies Committee with the understanding that he would opine on and help guide UC's construction budgeting in order to save money, build affordable student housing, and lower the cost of education and student debt. For the past 14 years that he has served as Regent, Regent Makarechian enforced an unwritten expectation that any UC rental student housing project be at least 30 percent below market rate. He drew this amount from the cost of land in a construction project, and since UC did not have to pay for the land it used, he believed that both the cost of construction and rent should be at least 30 percent lower. This was true of the 30,000 units built in the past 12 years. The proposed housing project was the first without a 30 percent below-market expectation, and Regent Makarechian suggested potential cost savings. In his view, the budget for this project was \$100 million more than off-campus housing projects. He believed that the University saved \$10 million per acre in the cost of land, \$50 million to \$60 million in the cost of building a parking structure or underground parking. The proposed building would not have its own boilers, a savings of \$2 million to \$3 million. Regent Makarechian expressed his passion for providing student housing and increasing density. He did not believe UC should charge off-campus, luxury rental rates for on-campus housing. He stated that tabling this item until the March meeting would give the Chancellor and the Executive Vice President and Chief Financial Officer time to revise the project budget. Regent Makarechian offered to volunteer his time connecting them to local developers who could help reduce this project's budget. He urged the Regents to support this amendment.

Executive Vice President and Chief Financial Officer Brostrom stated that budget and financial feasibility data were presented for project approval and were not meant to reflect final rates. The financial feasibility rate of 4.25 percent was a better predictor of what student rents would be. The last three housing projects had financial feasibility rates of under three percent. A 150 basis point cushion was used because the final financial feasibility rate was not yet known.

Regent Leib asked if Regent Makarechian was requiring that the rent for this project be 30 percent below market rate. Regent Makarechian replied in the affirmative, adding that the campus would not be able to set rent at 30 percent below market rate with such high budget numbers. He understood that the final numbers would be lower; he asked that a commitment of setting rent at 30 percent below market rate be in the item if the Board wished to approve the project now.

Regent Cohen shared that this was discussed at length during the Committee meeting, and Chancellor Khosla explained his rationale for what was proposed. While 30 percent below market rate was a good goal, he asked that such commitments be in writing and not an unspoken agreement between a Committee Chair and a campus. He expressed comfort with the project moving forward given the lengthy discussion.

Regent Kounalakis expressed respect for Regent Makarechian's expertise and stated that she was baffled by UC housing project budgets. She was proud of the approval of about 22,000 beds during her time as a Regent, a statement of commitment by the Regents to provide more student housing. She stated that she would support the project, because she did not believe that slowing it down was the solution. To her knowledge, UC San Diego construction projects did not typically feature public-private partnerships or third party contractors, and UCSD has outperformed other campuses in terms of quality and cost per square foot. She shared Regent Makarechian's concerns but suggested giving the campus the benefit of the doubt. Regent Kounalakis asked for more information about campuses' design and construction processes and to explore how UC could avoid spending top dollar for every element of construction. In her view, campus processes could be driving up costs. Barring requirements such as prevailing wage, market rate construction was not as expensive. Ultimately, taxpayers and students covered these costs.

Regent Pérez stated that UCSD has been a leader in total number of beds and units created over the last ten years and cost containment. UCSD housing costs were at or among the lowest of any UC campus. UCSD was the first to commit to building 20 percent below market rate. Regent Pérez identified as an issue how the comparative market was defined. This project was well below 30 percent of the market rate if the market was the La Jolla area. If the market is defined as the broader San Diego communities, 20-plus percent below market would be a more honest reflection. A campus should not be punished for being transparent and for having a portfolio cost model. All UCSD undergraduate students paid the same amount for rent. In Regent Pérez's view, pricing this project differently would require changing the campus' approach to housing projects. The University must maximize affordability not only for one building, but for its total portfolio of housing.

Regent Pérez made a substitute motion to vote to approve this item as presented and ask that the campus and the Office of the President report to the Regents different strategies to increase cost containment for all student housing.

Regent Makarechian stated that he would support the substitute motion if it requires that the San Diego campus report to the Regents the project's final budget and final commitment for rent by March. He noted that housing projects at other campuses committed to 30 percent below market rate; this would be the first time a campus was committing to 20 percent below market rate.

Regent Pérez stated that his substitute motion would remain unchanged.

Upon motion of Regent Pérez, duly seconded, the recommendation in item H above of the Finance and Capital Strategies Committee as amended was approved, Regents Cohen, Drake, Elliott, Estolano, Hernandez, Kounalakis, Lansing, Leib, Lott, Ortiz Oakley, Pérez, Reilly, Sherman, Torres, and Zaragoza voting “aye” and Regent Makarechian voting “no.”

Report of the Governance Committee

The Committee presented the following from its meeting of January 19, 2022:

Approval of Market-Based Salary Adjustments for Certain Level One Senior Management Group Employees, as Discussed in Closed Session

The Committee recommended approval of the salary adjustment percentages for certain Level One Senior Management Group employees, within policy, effective March 1, 2022, as noted below:

Title	Incumbent		Current Salary	Annual Base Salary After Proposed Adjustments¹	Comparative Market Percentile
Chancellor – UCB	Carol	Christ	\$581,266	\$637,798	40.2%
Chancellor – UCD	Gary	May	\$540,911	\$587,865	33.8%
Chancellor – UCI	Howard	Gillman	\$562,256	\$596,497	34.9%
Chancellor – UCLA	Gene	Block	\$511,630	\$639,953	40.5%
Chancellor – UCM	Juan	Munoz	\$437,750	\$521,896	25.3%
Chancellor – UCR	Kim	Wilcox	\$444,194	\$552,638	29.4%
Chancellor – UCSB	Henry	Yang	\$451,362	\$579,750	32.8%
Chancellor – UCSC	Cynthia	Larive	\$437,750	\$543,036	28.0%
Chancellor – UCSD	Pradeep	Khosla	\$505,598	\$613,707	37.2%

1-Chancellors remain eligible for merit and/or general increases under annual systemwide salary programs

The base salaries described above shall constitute the University’s total commitment for base salary until modified by the Regents, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

Chair Estolano stated that nine of ten UC chancellors had base salaries below the 50th percentile of the market for their position, eight of whom had base salaries below the 25th percentile. The proposed adjustments would ensure that all UC chancellors have a base

salary that is, at minimum, equal to the 25th percentile of the market. This would help the University remain competitive and recognize its current chancellors as leaders of top-ranking campuses in the nation. The Committee had approved an amendment by Regent Pérez to increase the salaries in one step rather than three steps as recommended by a working group that Chair Estolano appointed.

Upon motion of Chair Estolano, duly seconded, the recommendation of the Governance Committee was approved, Regents Drake, Elliott, Estolano, Hernandez, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Pérez, Reilly, Sherman, Sures, Torres, and Zaragoza voting “aye,” Regent Cohen voting “no,” and Regent Kounalakis abstaining.

Report of the Health Services Committee

The Committee presented the following from its meeting of December 15, 2021:

A. ***Update from the Executive Vice President of UC Health***

This item was not summarized.

B. ***UC Health Capital Financial Plan***

This item was deferred.

C. ***UC San Francisco Health Sciences Strategy, San Francisco Campus***

This item was not summarized.

D. ***Medical Education Landscape in California and Context for Future Growth***

This item was not summarized.

E. ***Speaker Series – Innovations in Medical Education***

This item was not summarized.

F. ***UC Health Collaborative Program Deep Dive – Leveraging Scale for Value***

This item was deferred.

The Committee presented the following from its meeting of January 18, 2022:

G. ***Approval of Appointment of and Compensation for Suresh Gunasekaran as Chief Executive Officer, UCSF Health, San Francisco Campus as Discussed in Closed Session***

The Committee recommended approval of the following items in connection with the appointment of and compensation for Suresh Gunasekaran as Chief Executive Officer, UCSF Health, San Francisco campus:

- (1) Per policy, appointment of Suresh Gunasekaran as Chief Executive Officer, UCSF Health, San Francisco campus, at 100 percent time.
- (2) Per policy, an annual base salary of \$1.85 million.
- (3) Per policy, a hiring bonus of 20 percent of base salary (\$370,000), which is intended to make the hiring offer market-competitive and assist in securing acceptance of the offer. The hiring bonus will be paid in a lump sum subject to the following repayment schedule if Mr. Gunasekaran separates from the University or accepts an appointment at another University of California location within two years of the appointment: 100 percent if separation occurs within the first year of employment and 50 percent if separation occurs within the second year of employment, subject to the limitations under policy.
- (4) Per policy and starting in the 2022–23 plan year, eligibility to participate in the Clinical Enterprise Management Recognition Plan’s (CEMRP) Short Term Incentive (STI) component, with a target award of 20 percent of base salary (\$370,000) and maximum potential award of 30 percent of base salary (\$555,000), subject to all applicable plan requirements and Administrative Oversight Committee approval. The 2022–23 plan year starts on July 1, 2022 and ends on June 30, 2023, and the first possible short term incentive award will be determined following the close of the 2022–23 plan year. Any actual award will be determined based on performance against pre-established objectives and may be prorated in the first year of participation.
- (5) Per policy and starting in the 2022–25 performance period, eligibility to participate in the Clinical Enterprise Management Recognition Plan’s (CEMRP) Long Term Incentive (LTI) component, with a target award of ten percent of base salary and a maximum potential award of 15 percent of base salary, subject to all applicable plan requirements and Administrative Oversight Committee approval. The 2022–25 performance period starts on July 1, 2022 and ends on June 30, 2025, and the first possible long term incentive award will be determined following the close of the 2022–25 performance period. The LTI uses rolling three-year performance periods, and any actual award will be determined based on performance against pre-established objectives over each three-year LTI performance period.
- (6) Per policy, standard pension and health and welfare benefits and standard senior management benefits, including eligibility for senior management

life insurance upon start date and eligibility for executive salary continuation for disability after five consecutive years of Senior Management Group service.

- (7) Per policy, reimbursement of actual and reasonable moving and relocation expenses associated with relocating Mr. Gunasekaran's primary residence, subject to the limitations under Regents Policy 7710: Senior Management Group Moving Reimbursement.
- (8) Per policy, eligibility to participate in the UC Employee Housing Assistance Program, subject to all applicable program requirements.
- (9) The new Chief Executive Officer will comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.
- (10) This action will be effective on the start date of March 1, 2022.

The compensation described above shall constitute the University's total commitment until modified by the Regents, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

H. ***Consent Agenda:***

Proposed Request for the Peninsula Outpatient Center Tenant Improvements, San Francisco Campus

The President of the University recommended that the Health Services Committee authorize the San Francisco campus to request approval from the Finance and Capital Strategies Committee for (1) preliminary plans funding for the Peninsula Outpatient Center Tenant Improvements project and (2) budget and design pursuant to the California Environmental Quality Act for the project at a future date, and (3) any amendment or modification to the foregoing.

No irrevocable commitment is being made through this authorization.

Upon motion of Regent Pérez, duly seconded, the recommendations of the Health Services Committee were approved, Regents Cohen, Drake, Elliott, Estolano, Hernandez, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Pérez, Reilly, Sherman, Sures, Torres, and Zaragoza voting "aye" and Regent Kounalakis abstaining.²

² The Health Services Committee has the authority to approve this recommendation per its Charter, without further action by the Board. However, a Regent requested that a subsequent vote be taken by the Board.

Report of the National Laboratories Committee

The Committee presented the following from its meeting of January 18, 2022:

A. ***Annual Report on Fiscal Year 2021 National Laboratory Performance Ratings***

This item was not summarized.

B. ***State of the Laboratory: Los Alamos National Laboratory***

This item was not summarized.

C. ***Approval of Project Funding Using Capital and Campus Opportunity Fund Monies to Support the Southern California Hub Program***

The Committee recommended that the President of the University, or his delegate, be authorized to expend an additional \$300,000 of Capital and Campus Opportunity Fund funds to support the Southern California Hub program in FY 2021–22.

Upon motion of Regent Kounalakis, duly seconded, the recommendation of the National Laboratories Committee was approved, Regents Cohen, Drake, Elliott, Estolano, Hernandez, Kounalakis, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Pérez, Reilly, Sherman, Torres, and Zaragoza voting “aye.”

Report of the Public Engagement and Development Committee

The Committee presented the following from its meeting of January 19, 2022:

A. ***Conversation with State Senator Bill Dodd***

This item was not summarized.

B. ***Impact of the University of California’s National Laboratories***

This item was not summarized.

C. ***State Governmental Relations Update***

This item was not summarized.

D. ***Update on State and Federal Government Partnerships and Budget Impacts on Climate Change***

This item was not summarized.

Report of the Special Committee on Innovation Transfer and Entrepreneurship

The Special Committee presented the following from its meeting of December 16, 2021:

A. ***Innovation Transfer and Entrepreneurship Transformation Update***

This item was not summarized.

B. ***Proposed Plan for Business Process Review and Patent Tracking System Replacement***

This item was not summarized.

C. ***Including Innovation and Entrepreneurship in Promotion and Tenure Decisions***

This item was not summarized.

D. ***Academic Personnel Leaves of Absence for Innovation and Entrepreneurship Update***

This item was not summarized.

E. ***Innovation and Entrepreneurship in the Arts, Humanities and Social Sciences***

This item was not summarized.

F. ***UC Faculty Inventors and Founders***

This item was not summarized.

Report of the Academic and Student Affairs Committee and Finance and the Capital Strategies Committee

The Academic and Student Affairs Committee and Finance and Capital Strategies Committee presented the following from their joint meeting of November 18, 2021:

Strategic Campus Overview, San Francisco Campus

This item was not summarized.

The Committees presented the following from their joint meeting of January 20, 2022:

Strategic Campus Overview, Davis Campus

This item was not summarized.

10. RESOLUTION IN APPRECIATION – SHERRY LANSING

Upon motion of Regent Drake, the following resolution was adopted, Regents Blum, Cohen, Drake, Elliott, Estolano, Hernandez, Kounalakis, Lansing, Leib, Lott, Makarechian, Ortiz Oakley, Pérez, Reilly, Sherman, Torres, and Zaragoza voting “aye.”

WHEREAS, on the occasion of her retirement from the Board of Regents of the University of California, the members of the Board wish to express their heartfelt appreciation to Sherry Lansing for the wise counsel, enthusiasm, and empathy she brought to the deliberations of this body from 1999 to the present; and

WHEREAS, she has provided incomparable leadership to the University as a Regent, including as Chair of the Board from 2011 to 2013, with a warm demeanor, the deft touch of a master facilitator who cultivates consensus, and a passion for health and education, manifested in her skillful steering of the Health Services Committee and stewardship of the University’s health enterprise for over a decade, as well as her long service on the Committee on Educational Policy and its successor, the Academic and Student Affairs Committee, as vice chair of the Public Engagement and Development Committee, and on search committees for three presidents and multiple chancellors and University executives; and

WHEREAS, the University has benefited immeasurably from her ability to bring people together and to nurture the relationship between the University and State legislators in Sacramento in formal and informal ways, serving as an ardent champion for the University and always foregrounding her deep and abiding commitment to making a high-quality, student-centered education accessible to all; and

WHEREAS, she achieved great professional distinction in the movie industry as the first woman to head a major film studio as President of 20th Century Fox and later as Chair and Chief Executive Officer of Paramount Pictures, where she produced iconic Academy Award-winning films, and later dedicated her considerable talent and visionary leadership to multiple civic boards and philanthropic foundations, including The Carter Center, created a scholarship program for Big Brothers Big Sisters of Greater Los Angeles, and co-founded Stand Up To Cancer and the EnCorps STEM Teachers Program; and

WHEREAS, with boundless energy and a generous heart, she established the Sherry Lansing Foundation, which promotes cancer research, public education and “encore careers,” a vocation uniting her talents, passion and brilliance at connecting people and purpose in the service of public good; and

WHEREAS, in appreciation for her remarkable 22 years of devoted service as a member of the Board of Regents of the University of California, the Regents do hereby confer upon Sherry Lansing the title Regent Emerita;

NOW, THEREFORE, BE IT RESOLVED that the Regents of the University of California express their great affection and deep admiration for Sherry Lansing, who has enriched the

University in countless ways as a member of the Board of Regents, extend their fondest best wishes to their beloved friend and colleague as they mark the end of an era, and direct that a suitably inscribed copy of this resolution be presented to her as an expression of the Board's profound gratitude.

President Drake stated that the University has benefited from Regent Lansing's strength and passionate support for the campuses, students and staff. Her many roles on the Board have included Chair of the Board, Chair of the Health Services Committee, and steward of UC's health enterprise. He noted her role in the health enterprise's dramatic growth. President Drake recalled his friendship and collaboration with Regent Lansing, which began when he first joined the Office of the President as systemwide Vice President for Health Affairs in 2000. It was that same friendship that helped him decide to return to UC to serve as president. He observed the love Regent Lansing put into the world and the respect she received in return, and looked forward to the next phase of UC's relationship with her.

Regent Blum congratulated Regent Lansing for her work as Regent. He and Regent Lansing joined the Board at around the same time. He thanked Regent Lansing for her support when he served as Chair of the Board. He stated that she was a close friend whose accomplishments were the result of hard work.

Regent Torres shared that he has known Regent Lansing for nearly 30 years and emphasized her support for and love of young people, as well as her legacy as a mathematics teacher.

Regent Pérez stated that Regent Lansing was a star and essential for both the Regents and of Paramount Pictures. He has turned to Regent Lansing countless times for her wisdom, counsel, experience, and humanity when he served as Speaker of the State Assembly and on the Board. Regent Lansing has been known as always being responsive. She has helped realize dreams of education and opportunity for millions of Californians. He was proud to join fellow Regents in honoring Regent Lansing's service and sacrifice on behalf of UC.

Regent Kounalakis praised Regent Lansing's remarkable career; six of Paramount Pictures' ten highest grossing films were made when she led the studio. Despite these achievements, Regent Lansing still gave her sharp wit, passion, and love to the University and its students. Regent Kounalakis was inspired by Regent Lansing's ability to see every student's potential and to make their journeys smoother and more rewarding, as well as the many hours she contributed to UC in her 22 years of service.

Regent Zaragoza stated that she had only seen Regent Lansing through a screen, which applied both to her service as a Regent and to her film career. She praised Regent Lansing's wisdom, thoughtful questions, and commitment to understanding the student experience.

Regent Reilly recalled that Regents Blum and Lansing helped her feel welcome when she first joined the Board. She thanked Regent Lansing for her friendship, mentorship, and for lighting the way for many women with her career.

Regent Leib expressed respect for Regent Lansing's career at Paramount Pictures, noting that she was the first woman to run a production studio, and for her service on the Board. He emphasized her humanity and sense of caring.

Staff Advisor Tseng recalled that Regent Lansing once said that she was "not retiring, just rewiring." She praised Regent Lansing's perspective, outlook on life, and impact on others.

Regent-designate Blas Pedral stated that seeing Regent Lansing ask questions and observing her candor motivated her to ask more questions. She noted Regent Lansing's impact on Student Regents and other student leadership and that her legacy would live on.

Chair Estolano recalled Regent Lansing's warmth as she welcomed her to the Board. Regent Lansing's sense of caring, compassion, kindness, and passion and commitment to UC were palpable and infectious and set a beautiful tone for the Board. She was able to turn to Regent Lansing during moments of difficulty for her sense of fairness and decency. She thanked Regent Lansing for touching her life and contributing to California.

Regent Makarechian praised Regent Lansing and thanked her for her service.

Regent Lansing stated that she was overwhelmingly touched by all the kind words and responded to each person who made remarks. It was an incredible honor to serve as Regent for the past 22 years. She was appointed by then Governor Gray Davis and reappointed by then Governor Arnold Schwarzenegger. She would miss serving on the Board, one of the greatest honors of her life. One of the greatest unexpected benefits of her service has been the friendships with current and past Regents. Because of the leadership of President Drake, Executive Vice President Byington, the chancellors, UC hospital chief executive officers, Secretary and Chief of Staff Shaw, and the Regents who served alongside her, Regent Lansing believed that UC was much stronger than when she joined the Board in 1999. There was much to be proud of and much more to accomplish, but she was confident that UC would thrive. While her role would be different, her passion and love for the University would remain the same, and her devotion and advocacy would continue indefinitely. She expressed her hope that that she would be called upon to help UC as Regent Emerita.

11. **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:

Approvals Under Interim Action

- A. The Chair of the Regents, the Vice Chair of the Regents, and the President of the University approved the following recommendation:

Technical Amendment of Multi-Year Tuition and Financial Aid Plan

It is recommended that a technical amendment be approved to item B1, *Multi-Year Tuition and Financial Aid Plan*, approved by the Regents on July 22, 2021. Attachment 1 to the item, "Proposed Adjustments to Student Charges," erroneously indicated that 44 percent of the tuition and Student Services Fee increase for graduate professional students would be set aside for financial aid. The correct figure is 40 percent, as stated elsewhere in the item. This technical amendment corrects that error.

Approvals Under Committee Authority

- B. At its June 23, 2021 meeting, the Health Services Committee approved the following recommendation:

Proposed Request for the UCSF Benioff Children's Hospital Oakland Master Facilities Plan Phase 2 Including New Hospital Pavilion, San Francisco Campus

Authorize UCSF to request approval from the Finance and Capital Strategies Committee at a future date for (1) preliminary plans funding, budget, and external financing for the UCSF Benioff Children's Hospital Oakland Master Facilities Plan Phase 2 including New Hospital Pavilion program and (2) any amendment or modification to the foregoing. No irrevocable commitment is being made through this authorization.

- C. At its October 20, 2021 meeting, the Health Services Committee approved the following recommendation:

Approval of Incentive Compensation Using Health System Operating Revenues for Fiscal Year 2020–21 for Carrie Byington, M.D. as Executive Vice President – UC Health, Office of the President, as Discussed in Closed Session

The Clinical Enterprise Management Recognition Plan (CEMRP) incentive award for Carrie Byington, M.D. as Executive Vice President – UC Health, Office of the President, in the amount of \$260,940, which is comprised of a short term incentive award for the 2020–21 CEMRP plan year. The total recommended incentive award is 30 percent of Dr. Byington's base salary as of June 1, 2021 (\$869,800).

The incentive compensation described shall constitute the University's total commitment regarding incentive compensation until modified by the Regents or the President, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

12. 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 Secretary and Chief of Staff, announcing the appointment of Regent Hernandez as a member of the Special Committee on Nominations. November 5, 2021.
- B. From the President of the University, *Annual Report on Major Capital Projects Implementation, 2020-21*. November 23, 2021.
- C. From the Secretary and Chief of Staff to the Regents, the Summary of Communications Received for October 2021. December 2, 2021.
- D. From the President of the University, announcing that the University and the United Auto Workers reached an agreement regarding the formation of a new collective bargaining unit for UC graduate student researchers (GSRs). December 9, 2021.
- E. From the President of the University, the University of California *Medical Centers Reports for the Three Months Ended September 30, 2021*. December 10, 2021.
- F. From the Secretary and Chief of Staff, announcing the appointments of Regent Zaragoza as a member of the Finance and Capital Strategies Committee and Regent Sures as the Vice Chair of the Compliance and Audit Committee, and the resignations of Regents Zaragoza and Sures from the Academic and Student Affairs Committee. December 10, 2021.
- G. From the President of the University, the *Annual Report on the University of California Housing Assistance Program, Fiscal Year 2020-21*. December 21, 2021.
- H. From the Secretary and Chief of Staff to the Regents, the Summary of Communications Received for November, 2021. December 22, 2021.
- I. From the President of the University, an email to the UC Chancellors requesting that a plan be implemented for January 2022 return to campus due to the rapid rise of COVID-19 cases as the Omicron variant spreads. December 22, 2021.
- J. From the President of the University, an email announcing that nearly all UC campuses will have modified instruction in January to protect campus health and safety due to the Omicron variant of COVID-19 and providing details on January instruction, testing protocols, vaccine booster requirement, and additional public health measures. January 5, 2022.

To the members of the Compliance and Audit Committee:

- K. From the President of the University, the *UC Chief Financial Officer's Division Office of Risk Services Biennial Report for FY 2019–20 through FY 2020–21*. November 10, 2021.

To the members of the Finance and Capital Strategies Committee:

- L. From the President of the University, the *New Indirect Cost Rates* for the year ended June 30, 2021. November 10, 2021.
- M. From the President of the University, the *Significant Information Technology Projects Report* for the period May through August 2021. November 10, 2021.

To the members of the Health Services Committee:

- N. From the President of the University, the *2020 Annual Report on Health Sciences Compensation Plan Participants' Total Compensation that Exceeds the Reporting Threshold*. November 10, 2021.

To the members of the Investments Committee:

- O. From the Chief Investment Officer, a UC Health news release, "UCI Health and UC Investments team up to advance solutions for healthcare challenges." December 20, 2021.

To the members of the Public Engagement and Development Committee:

- P. From the Associate Vice President, External Relations and Communications, the *Federal Update, 2021, Issue 10*. November 23, 2021.
- Q. From the Associate Vice President, External Relations and Communications, the *Federal Update, 2021, Issue 11*. December 20, 2021.

The meeting adjourned at 4:55 p.m.

Attest:

Secretary and Chief of Staff

Additions shown by underscoring

**REGENTS POLICY 5309: POLICY ON THE UNIVERSITY OF CALIFORNIA
EMPLOYEE HOUSING ASSISTANCE PROGRAM**

POLICY SUMMARY/BACKGROUND

This policy is intended to work in conjunction with Bylaw 22.2 (c) of the Regents of the University of California (Regents), which provides the Regents with the approval authority for the University of California Employee Housing Assistance Program (Program) policies. The Program is administered by the University of California Home Loan Program Corporation (Corporation).

POLICY TEXT

A. University of California Housing Assistance Program

Program loans provide financing using deeds of trust secured on real property to assist faculty and other eligible employees with the purchase of a primary residence. Program loans are available for eligible employees at the University of California (University) campuses, Lawrence Berkeley National Laboratory, UC Hastings College of the Law (UC Hastings) and the University's Office of the President and Division of Agriculture and Natural Resources.

B. Eligibility

The eligible population for Program participation consists of full-time University appointees with positions in the following categories:

1. Academic Senate members.
2. Academic titles equivalent to titles held by Academic Senate members as defined in University policy.
3. Acting Assistant Professors.
4. Senior Management Group employees.
5. UC Hastings faculty members
6. University or UC Hastings employees who will be appointed to any of these eligible categories effective no more than 180 days after loan closing.
7. Other appointees who have received required additional approvals to be eligible for participation.

C. Eligible Properties

1. Properties financed using a Program loan must be used primarily for residential, non-income producing purposes.
2. Eligible properties are limited to Single Family Residences, Condominiums and properties located in a Planned Unit Development.
3. The subject property must be the principal place of residence for the participant throughout the term of the loan, other than during absences for sabbatical leave or other approved leaves of absence.

D. General Loan Parameters

1. The sum of monthly mortgage payments (principal and interest) of the Program loan and all other loans secured by the subject property may not exceed 40% of the participant's household income.
2. Program loan payments shall be made by payroll deduction while a participant is on salary status, unless it is not administratively feasible.
3. Program loans are not assumable.
4. Program loans carry no prepayment penalty.
5. Program loans carry no balloon payments, with the exception of the Zero Interest Supplemental Home Loan Program (ZIP-SHLP).
6. Program loans are condition of employment loans.
7. Program participation may continue during the term of the participant's employment, as long as the subject property continues to meet the requirements for an eligible property. If the subject property no longer meets these specifications, the Program loan shall be reviewed for appropriate disposition.

E. Loan Options

1. The University of California Employee Housing Assistance Program is comprised of the following loan options:
 - a. Mortgage Origination Program (MOP)
 - b. Graduated Payment Mortgage Origination Program (GP-MOP)
 - c. 5/1 Mortgage Origination Program (5/1-MOP)

- d. Supplemental Home Loan Program (SHLP)
 - e. Centrally-Funded Supplemental Home Loan Program (CF-SHLP)
 - f. Interest-Only Supplemental Home Loan Program (IO-SHLP)
 - g. Zero Interest Supplemental Home Loan Program (ZIP-SHLP)
2. Detailed descriptions of the available loan options are included in the Program Implementation Guidelines that are incorporated into Presidential guidance.

COMPLIANCE/DELEGATION

1. All housing loans issued by the University are governed by Program policies. The President is authorized to take all appropriate actions associated with the administration of the Program that are in conformance with standard mortgage industry procedures for the origination and servicing of mortgage loans. Specific procedures for administering the Program are included in the Program Implementation Guidelines that are incorporated into Presidential guidance. The President is also authorized to administer the periodic sale of selected Program loan pools.
2. Implementation and compliance with this policy shall be administered by the Office of the Executive Vice President - Chief Financial Officer (or any successor position based on a change of title). The Office of the Executive Vice President - Chief Financial Officer is authorized to represent the University in administrative transactions with financial institutions, lenders, and governmental and other agencies in matters related to the day-to-day operation of the Program.
3. The President is required to report to the Regents annually on the status of the Program.

NO RIGHT OF ACTION

This policy is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the University of California or its Board of Regents, individual Regents, officers, employees, or agents.

PROCEDURES AND RELATED DOCUMENTS

1. University of California Housing Assistance Program - Implementation Guidelines.
2. University of California Home Loan Program Corporation Master Note Agreement.
3. University of California Home Loan Program Corporation Services Agreement.

Changes to procedures and related documents do not require Regents approval, and inclusion or amendment of references to these documents can be implemented administratively by the Office

of the Secretary and Chief of Staff upon request by the unit responsible for the linked documents.