

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

September 21, 2023

The Regents of the University of California met on the above date at the Luskin Conference Center, Los Angeles campus and by teleconference at 1200 Taraval Street, San Francisco and 106 E. Babcock Street, Bozeman, Montana.

Members present: Anguiano, Batchlor, Chu, Cohen, Drake, Ellis, Guber, Kounalakis, Lee, Leib, Makarechian, Matosantos, Park, Pérez, Raznick, Reilly, Robinson, Sarris, Sherman, and Tesfai

In attendance: Regents-designate Beharry, Pack, and Salazar, Faculty Representatives Cheung and Steintrager, Staff Advisors Emiru and Mackness, Secretary and Chief of Staff Lyall, General Counsel Robinson, Chief Compliance and Audit Officer Bustamante, Provost Newman, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President and Chief Operating Officer Nava, Interim Senior Vice President Reese, Vice Presidents Brown and Gullatt, Chancellors Block, Christ, Gillman, Hawgood, Khosla, Larive, May, Muñoz, Wilcox, and Yang, and Recording Secretary Li

The meeting convened at 8:40 a.m. with Chair Leib presiding.

1. PUBLIC COMMENT

Chair Leib 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. Puneet Singhania, UC Riverside graduate student, called attention to the graduate student housing crisis. Mr. Singhania asked that the University employ innovative strategies to reduce construction costs and increase and maximize the availability of on-campus housing for graduate students.
- B. Daniel Mitchell, UCLA Professor Emeritus and representative of the emeriti associations of UCLA, UC Santa Barbara, and UCSF, shared that the cancellation of health insurance coverage for retirees' surviving spouses, which he raised at a previous meeting, has been resolved following outreach from a UC representative. Mr. Mitchell explained that the solution included extending the grace period for survivors and restoring coverage to survivors whose coverage was cancelled.
- C. Aya Almasri, UCLA student and representative of Ignite at UCLA, asked Regents to expand student access to rape test kits. As an intern at her local district attorney's office, Ms. Almasri learned that the majority of sexual assault cases were dismissed due to insufficient evidence. She regarded access to sexual assault forensic examinations as a basic need, remarking that, due to the lack of test kits on campus,

most victims would not be able to collect evidence within the first 72 hours of an assault and would face financial constraints.

- D. Dulce Corum, UCLA staff member, spoke in support of the Opportunity for All campaign. Ms. Corum stated that opportunities for undocumented students to share their skills were diminishing, even for those with Deferred Action for Childhood Arrivals (DACA) status. She asked UC to implement the proposed strategy of the Opportunity for All campaign so that students could have a chance to give back to their communities.
- E. Jeanne Roe Smith, Chaplain and Executive Director of 580 Cafe, called on UC to implement the proposed strategy of the Opportunity for All campaign. She remarked that the chain link fence around the building in which this meeting was being held demonstrated fear and a wish to protect one's assets instead of sharing one's resources, and that fences also symbolized the barriers to education, resources, and opportunities that undocumented students faced daily. Ms. Roe Smith stated that undocumented students' intellectual and personal capacity were exploited by institutions that promised to support them.
- F. Vanesa Cruz Granados, UC Irvine student, thanked the Regents for their recent action regarding equitable employment opportunity and anticipated the full implementation of the proposed strategy of the Opportunity for All campaign. She expressed excitement at the prospect of no longer being exploited outside of the education system and shared that she previously worked 60 miles from campus due to limited work opportunities.
- G. Betsy Latimore, UC Irvine staff member, expressed appreciation to the University for providing time for public comment. She expressed support for ensuring that individuals felt heard and valued.
- H. Heidi Martinez, UCLA staff member and Council of UC Staff Assemblies (CUCSA) delegate, spoke in opposition to increasing staff contributions to the pension. Policy-covered staff received no salary increase in 2021, and inflation outpaced salary increases in 2022 and 2023. As a result, policy-covered staff have struggled to afford increases in rent, utilities, and the cost of health care, and increasing staff contributions to the pension would further erode staff's purchasing power. Ms. Martinez expressed concern about how this would affect retention, and CUCSA strongly encouraged UC to leave retirement contributions unchanged.
- I. Dennis McIver, Office of the President (UCOP) staff member and Immediate Past Chair of CUCSA, shared that the last two annual pay increases for policy-covered staff were below five percent while inflation exceeded six percent and that policy-covered staff's purchasing power has continued to decline given the rising cost of rent, utilities, health insurance, and more. Policy-covered staff across the system were choosing between remaining at UC and affording their expenses, which harmed the University's capacity for research, teaching, and public service.

CUCSA suggested a seven percent increase for all policy-covered staff in good standing.

- J. Lucine Torosian, President of UCLA Staff Assembly and CUCSA delegate, welcomed Regents to her alma mater and quoted Chancellor Block, who attributed UCLA's success in college rankings to the contributions of its staff, faculty, students, alumni, and friends. She asked how UC retained staff given high rates of voluntary turnover and the financial challenges that policy-covered staff faced. CUCSA strongly urged the Regents to leave retirement contributions unchanged and called for a seven percent increase for all policy-covered staff in good standing.
- K. Nathan McCall, UC Santa Cruz staff member, expressed gratitude to the Regents for authorizing recent annual increases for non-represented staff who go years without annual increases. He recalled that, during the Investments Committee meeting, Chief Investment Officer Bachher mentioned increasing staff contribution to the pension due to a net outflow that needed to be addressed. Mr. McCall thanked Regent Makarechian for comparing such an increase to a salary reduction and for suggesting pay increases during that meeting.
- L. Thyra Cobbs, UCLA transfer student, called on UCOP to establish a permanent endowment of \$1 billion for Black student recruitment. She stated that Black students at UCLA have compared the campus to a slave plantation and that UCLA has not properly memorialized two former students and Black Panthers who were killed on campus in 1969. Ms. Cobbs added that the Black Bruin Resource Center had a leaking roof, that Black staff filed lawsuits against the director of the UCLA Community Programs Office, and that students faced retaliation for speaking against anti-Black sentiments. She was disappointed in the Regents for their reaction to this request and hoped that they would express their support for Black Students consider establishing this endowment.
- M. Gretchen Verdugo, UC Irvine Staff Assembly member and UCI alumna, reiterated comments made by Mr. McIver. Ms. Verdugo shared that she was a single mother with four children in college and the primary caregiver of a family member undergoing cancer treatment. She stated that staff wages fell behind the rising costs of basic needs. CUCSA suggested a seven percent increase for all policy-covered staff in good standing.
- N. Cindy Guzman, undocumented UC Santa Barbara student, spoke in support of the prompt implementation of the proposed strategy of the Opportunity for All campaign. Ms. Guzman stated that, following a recent federal court decision, undocumented students could no longer rely on DACA for protection or job security, and undocumented students without DACA status were entering UC this school year. In her view, these students' ability to thrive relied on the prompt removal of hiring restrictions. Ms. Guzman shared that she has never been placed in an internship in her field of study and that she was afraid for her career prospects. She believed that quick implementation of the proposed strategy of the Opportunity

for All campaign would enable her to gain experience in her field. She urged the University to work with undocumented student leaders.

- O. Kaeleigh Hayakawa, UC Irvine staff member and CUCSA delegate, shared that a recent retention survey from the College and University Professional Association for Human Resources found high rates of voluntary turnover in higher education. The number of UC vacancies was currently double the pre-pandemic average. Policy-covered staff faced diminishing buying power, and rising healthcare costs and insurance contributions were eroding staff's total compensation and exacerbating staffing challenges, which affected faculty and student success. CUCSA believed that compensation was an important tool for retaining institutional talent and suggested a seven percent increase for all policy-covered staff.
- P. Abraham Cruz, undocumented UCLA student, thanked Regents for unanimously voting to approve the Regents Policy on Equitable Student Employment in May. He commended the Regents for their commitment to removing hiring restrictions for all UC students regardless of immigration status. According to a recent federal court ruling, DACA recipients like Mr. Cruz would no longer be able to seek renewal. He shared that access to UC employment would change the livelihoods of thousands of undocumented students. Mr. Cruz urged the Regents' working group to prioritize undocumented student perspectives and to heed experts from the UCLA Center for Immigration Law and Policy.
- Q. Mercedes Limon, UC San Diego student, addressed equal access to employment for undocumented students. She stated that undocumented students could not access CalFresh or work on campus, instead taking jobs that might underpay, overwork, or exploit them. These students were unable to gain experience they needed, through fellowships, research, or clinical hours, to pursue a professional degree. Ms. Limon called on the Regents' working group to find legal loopholes that would make such opportunities available to undocumented students.
- R. Ahilan Arulanantham, Professor at UCLA School of Law and Co-Director at the Center for Immigration Law and Policy, shared that, having researched how the proposed strategy of the Opportunity for All campaign could be implemented, he believed that there was no legal barrier to permitting all students to work at UC regardless of immigration status. Mr. Arulanantham reasoned that, since UC admits undocumented students and employs individuals with DACA status, many of the human resources processes needed were already in place. He encouraged UC administrators and the Office of the General Counsel to speak to him and others from the Center for Immigration Law and Policy.

Chair Leib welcomed students returning for the fall term and new Faculty Representative Steven Cheung, M.D. Previously, Dr. Cheung was Chair of the UCSF Division of the Academic Senate and served on a number of Division and Systemwide Senate Committees.

Chair Leib noted that the Special Committee on Innovation Transfer and Entrepreneurship held its final meeting and highlighted the progress that has been made since the Special Committee was launched. He thanked Regent Park for her guidance, Regents and chancellors who served on the Regents Working Group on Innovation Transfer and Entrepreneurship, and President Drake and Provost Newman for their leadership.

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

Upon motion duly made and seconded, the minutes of the meetings of July 19 and 20, 2023 were approved, Regents Anguiano, Batchlor, Chu, Cohen, Drake, Ellis, Guber, Kounalakis, Lee, Leib, Makarechian, Matosantos, Pérez, Raznick, Reilly, Robinson, Sarris, Sherman, and Tesfai voting “aye.”¹

3. **REMARKS FROM STUDENT ASSOCIATIONS**

President Drake introduced new UC Student Association (UCSA) President Celene Aridin, who served as External Vice President for the Associated Students of UC Davis last year.

Ms. Aridin, who was pursuing an International Relations major and Arabic minor at UC Davis, shared that she had previously served as Student Observer for the Public Engagement and Development Committee. Ms. Aridin shared that low enrollment among Black students was a trend systemwide, and that students have called on the University to establish a \$1 billion endowment for Black student recruitment and retention. At UC San Diego, which recently received a \$13 million endowment, Black students made up 3.2 percent of the student population. Ms. Aridin reported that students were frustrated with the lack of resources for Black students and that some students were encouraging Black students not to apply to UC. She stated that the University should invest in underserved communities instead of industries that manufacture weapons. She asked that UC build a network that would generate funding for an endowment for Black students.

Ms. Aridin called attention to the limited access to health care for UC Merced students and residents in the Central Valley, noting that one student life has been lost as a result. There were only 47 physicians per 100,000 residents in the San Joaquin Valley, and Merced County had only two hospitals. The University must work with the State to invest in infrastructure to ensure that UC Merced students have the same access to medical care as students at other campuses. About 40 percent of UC undergraduate students did not have the UC Student Health Insurance Plan (SHIP) and had to pay large sums to access testing for sexually transmitted infections. Students were disappointed with the University’s opposition to Assembly Bill (AB) 1749, which was co-sponsored by students and would expand transfer pathways, and both UC and California Community College students opposed AB 1281, which would implement a transfer pilot program. She asked that, in the future, UC work together with students and that student perspectives be considered by UC and the State.

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

President Drake introduced UC Graduate and Professional Council (UCGPC) President Ryan Manriquez.

Mr. Manriquez shared that, on September 5, following an alarm, he was unable to evacuate from Intersection Apartments, the new graduate and professional student housing at UC Berkeley, due to insufficient resources for students with disabilities. In July, after touring the facilities, he had contacted Intersection Apartments and UC Berkeley Housing to request a disability evacuation chair, but one had not been installed by the time students began moving into the apartments in August. When Mr. Manriquez was unable to evacuate, he felt fearful, helpless, trapped, and alienated. Although he later learned that the alarm had been set off by construction, the experience caused him emotional damage and prevented him from attending one of his favorite classes. Less than 24 hours later, UC Berkeley student Tricia Nguyen and her personal care attendant were unable to evacuate during a fire drill due to the lack of a disability evacuation chair. The safety of severely disabled students has not been fully considered in planning and construction on campus. After Mr. Manriquez contacted UC Berkeley Vice Chancellor for Student Affairs Stephen Sutton about the incident, Mr. Sutton offered his deepest apologies. On September 7, students were informed that the Office of Disability Access and Compliance was offering individualized emergency preparedness consultations to students with disabilities. A disability evacuation chair was installed 48 hours after the incident occurred. Mr. Manriquez planned to review policies with Staff Advisor Mackness. He underscored that it should not take such an experience to install fundamental safety measures for students with disabilities.

Mr. Manriquez asked how the perspectives of disabled students could be included in future housing development. He stated that less than five percent of housing nationwide was truly accessible, and that students with disabilities should be providing their insights and expertise to campus administrators. Severely disabled students had full-time personal care attendants, mobility aids, and medical equipment and needed housing on the first floor. Disabled students would notice that what might comply with the Americans with Disabilities Act (ADA) might not work well in practice. ADA was the minimum and not the maximum. He called for the inclusion of disabled engineering, design, and architecture students in these efforts; these students and the University would both benefit. Mr. Manriquez stated that what he and Ms. Nguyen experienced could happen anywhere in the system. The lack of accessibility detracted from disabled students' experience at UC. Many students did not know where to turn or whom to trust, and having to contact multiple campus departments for assistance was very overwhelming. Disability programs could help students navigate services in addition to providing them so that students could focus on education. In light of increased funding and forthcoming recommendations from the Systemwide Advisory Workgroup on Students with Disabilities, UC must be intentional in how it serves students with disabilities. Mr. Manriquez invited Regents to attend UCGPC's first in-person Graduate Summit on November 4. Presentations and discussions from the conference would determine UCGPC's advocacy agenda for the year. Topics included financing, the Opportunity for All campaign, campus climate, and health. California Secretary of State Shirley Weber would be the keynote speaker.

President Drake apologized for the University’s failure to live up to its policies. He pledged that, by the November meeting, all chancellors would ensure that what Mr. Manriquez experienced would not occur on their campuses. The University would ensure that policy and practice are aligned.

The Board recessed at 9:35 a.m.

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The Board reconvened at 12:25 p.m. with Chair Leib presiding.

Members present: Regents Anguiano, Batchlor, Chu, Cohen, Drake, Ellis, Kounalakis, Leib, Makarechian, Matosantos, Park, Raznick, Reilly, Robinson, Sarris, Sherman, and Tesfai

In attendance: Regents-designate Beharry and Salazar, Faculty Representatives Cheung and Steintrager, Staff Advisors Emiru and Mackness, Secretary and Chief of Staff Lyall, General Counsel Robinson, Provost Newman, Chief Compliance and Audit Officer Bustamante, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President and Chief Operating Officer Nava, Interim Executive Vice President King, Interim Senior Vice President Reese, Vice Presidents Brown and Maldonado, Chancellors Block, Christ, Hawgood, Khosla, Larive, May, Muñoz, Wilcox, and Yang, and Recording Secretary Li

4. UPDATE ON THE SPECIAL COMMITTEE ON INNOVATION TRANSFER AND ENTREPRENEURSHIP

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

Provost Newman introduced the item. In May 2021, the Regents Working Group on Innovation Transfer and Entrepreneurship published “From Discovery to Societal Impact: A Roadmap to Unleashing UC Innovation and Entrepreneurship.” The report included 14 recommendations, one of which was the formation of the Special Committee on Innovation Transfer and Entrepreneurship to oversee the implementation of the remaining recommendations. The first recommendation, refreshing the Office of the President’s (UCOP) roles, responsibilities, and business processes, was well under way. The fourth recommendation was replacing the Patent Tracking System (PTS), a UCOP-based system that was over 30 years old and could no longer support the needs of the innovation lifecycle. PTS was used by most UC campuses and Agriculture and Natural Resources for royalty accounting and tracking patents, licenses, and matters related to intellectual property (IP). Following a rigorous procurement process, the University has selected a vendor, was in contract negotiations, and was developing a campus allocation model. UCOP Information Technology Services was determining how to maximize the use of UC staff as the University implements the new IP management solution. Full implementation was anticipated by 2028. The seventh recommendation was the modernization of systemwide policies. The Presidential Policy on Equity would no longer apply to campuses who

manage innovation and entrepreneurship (I&E), and the Presidential Policy on Patents would transfer policy exceptions from UCOP to the campus level. Guidance on conflicts of interest in licensing have been updated, and conflict of interest and conflict of commitment policies were being updated. With regard to the second recommendation, transitioning equity management from UCOP to the campuses, UC San Diego and UC Berkeley have begun managing their own equity. To implement the third recommendation, transitioning legal review and compliance to the campuses, UC Legal worked closely with campuses to understand the challenges they faced. The eighth and ninth recommendations pertained to promotion and tenure and leaves of absence. In 2022, then Provost Michael Brown provided clarity and guidance on policies to campuses, which would encourage departments to recognize I&E activities. The Regents planned to launch a recognition program for the tenth recommendation, and the President's Entrepreneurship Network Council would take up an I&E rebranding effort for the eleventh recommendation. The 12th recommendation was examining UC's strengths and weaknesses in protecting its IP rights. UC Legal revised licensing templates, improved patent litigation procedure, and partnered with the UCOP Office of Innovation Transfer and Entrepreneurship to benchmark metrics and with the UCOP Office of Ethics, Compliance and Audit Services (ECAS) to revise audit processes. President Drake has appointed 15 members to the President's Entrepreneurship Network Council, to continue projects initiated by the Regent's Working Group. The Council, comprised of UC experts, external advisors, and business leaders, has begun meeting.

Richard Lyons, Associate Vice Chancellor for Innovation and Entrepreneurship at UC Berkeley, shared his experience as a member of the President's Entrepreneurship Network Council. A project team was formed to focus on proof-of-concept funding, and the Council aimed to achieve three goals over the next two years and deliver value to campuses. The Council planned to communicate quarterly with campus vice chancellors for research and vice chancellors for innovation and entrepreneurship, as well as communicate with other key members of campuses every six months.

Regent Park explained that the Regents would vote on an action item to update Regents Policy. The Board has partnered with the Office of the Chief Financial Officer to allocate \$2 million this fiscal year to finance proof-of-concept funding that would be managed and distributed by the President's Entrepreneurship Network Council. The University would also be advocating for additional State funding. In addition, the Board has partnered with the Office of the Chief Investment Officer (CIO) to fund the development of more technology transfer from underinvested sectors and regions, particularly campuses with the most unrealized opportunities. Changing policy was slow but necessary work. The proposed revision to Regents Policy would set the expectation that UC I&E policies would be timely, relevant, clearly communicated, consistently applied, and would protect and advance the University. The revision proposed an external analysis every five years of the effect of I&E efforts on job creation, tax revenue, economic development, philanthropy, and recruitment and retention. Similar to chancellors' recognition programs, the Board also wished to recognize outstanding contributions to I&E. Regent Park concluded her remarks by thanking campus leadership, the Office of the General Counsel, UCOP Research and

Innovation, ECAS, the Regents, President Drake, former Provost Brown and current Provost Newman, the chancellors, external advisors, and Regents' office staff.

Chair Leib recalled that many of these efforts transpired during the COVID-19 pandemic. He thanked Regent Park for her dedication to this endeavor. Provost Newman also thanked Regents Leib and Park on behalf of UC faculty and leadership, especially for the Regents' commitment to proof-of-concept funding.

5. **AMENDMENT OF REGENTS POLICY 5105: POLICY ON INNOVATION TRANSFER AND ENTREPRENEURSHIP**

The Chair of the Special Committee on Innovation Transfer and Entrepreneurship and the Chair of the Board recommended that the Regents amend Regents Policy 5105: Policy on Innovation Transfer and Entrepreneurship, as shown in Attachment 1.

[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.]

Upon motion of Regent Park, duly seconded, the recommendation of the Chair of the Special Committee on Innovation and Entrepreneurship and the Chair of the Board was approved, Regents Anguiano, Batchlor, Chu, Cohen, Drake, Ellis, Leib, Makarechian, Matosantos, Park, Raznick, Reilly, Robinson, Sherman, and Tesfai voting "aye."

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

Chair Leib stated that Chairs of Committees and Special Committees that met at this meeting 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 September 20, 2023:

Regent Park noted that the items presented to the Committee pertained to the theme "how and where UC happens" from the report issued by the Task Force on Institutional Growth. These presentations demonstrated what the University already does and where it should expand efforts.

A. ***Climate Action Initiative***

This item was not summarized.

B. ***Responding to the State's Need for a Highly Prepared and Diverse K–12 Teacher Workforce: UC's Educator Preparation and Professional Learning Programs***

This item was not summarized.

C. ***Update on Off-Campus Opportunities***

This item was not summarized.

D. ***Expanding Opportunities for College Credit in High School: The University of California in Partnership with the National Education Equity Lab***

This item was not summarized.

Report of the Compliance and Audit Committee

The Committee presented the following from its meeting of September 20, 2023:

A. ***Update on Mandatory Training Compliance***

This item was not summarized.

B. ***University of California Compliance with State Assembly Bill 481***

The Committee recommended approval of the military equipment use policy as shown in Attachment 2 and the equipment inventory contained in the 2023 annual report as shown in Attachment 3, in order to comply with California Assembly Bill 481.

Regent Cohen explained that much of the discussion focused on policies related to the safe and effective use of drones on campuses.

C. ***Implementation Progress of University of California Community Safety Plan***

This item was not summarized.

Upon motion of Regent Cohen, duly seconded, the recommendation of the Compliance and Audit Committee was approved, Regents Anguiano, Batchlor, Chu, Cohen, Drake, Ellis, Kounalakis, Leib, Makarechian, Matosantos, Park, Raznick, Reilly, Robinson, Sherman, and Tesfai voting “aye.”

Report of the Finance and Capital Strategies Committee

The Committee presented the following from its meeting of September 20, 2023:

A. ***Consent Agenda:***

- (1) ***External Financing Related to the 2023 State Budget Act***

The Committee recommended that:

a. The 2023–24 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

i. ***UC Riverside Campus Expansion Project***

From: Riverside: Undergraduate Teaching and Learning Facility – preliminary plans– \$6.8 million to be funded from State General Funds.

To: Riverside: Undergraduate Teaching and Learning Facility – preliminary plans– \$6.8 million to be funded from external financing supported by State General Funds for the UC Riverside Campus Expansion Project.

ii. ***UC Berkeley Clean Energy Project***

From: Berkeley: Heathcock Hall – preliminary plans, working drawings, construction, and equipment – \$150 million to be funded by gift funds (\$90 million); campus funds (\$30 million); and State funds (\$30 million).

To: Berkeley: Heathcock Hall – preliminary plans, working drawings, construction, and equipment – \$150 million to be funded by gift funds (\$90 million); campus funds (\$30 million); and external financing supported by State General funds for the UC Berkeley Clean Energy Project (\$30 million).

iii. ***UC Higher Education Student Housing Grant Program***

(1) From: Santa Cruz: Kresge College Non-Academic – preliminary plans, working drawings, construction, and equipment – \$429,594,000 to be funded by State funding from the Higher Education Student Housing Grant Program (\$89 million), Auxiliary – Student Housing/Dining reserves (\$8.5 million), Auxiliary– Student Fee Reserves (University Fee Reserves) (\$1.2 million), Auxiliary – Parking reserves (\$100,000), General Campus Funds (\$28,666,000), external

financing supported by Student Housing/Dining (\$295,325,000), and external financing from Century Bonds (\$6,803,000).

- To: Santa Cruz: Kresge College Non-Academic – preliminary plans, working drawings, construction, and equipment – \$429,594,000 to be funded by external financing supported by State General funds for the Higher Education Student Housing Grant Program (\$89 million), Auxiliary – Student Housing/Dining reserves (\$8.5 million), Auxiliary– Student Fee Reserves (University Fee Reserves) (\$1.2 million), Auxiliary – Parking reserves (\$100,000), General Campus Funds (\$28,666,000), external financing supported by Student Housing/Dining (\$295,325,000), and external financing from Century Bonds (\$6,803,000).
- (2) From: Irvine: Mesa Court Residence Hall Expansion – design, construction, and equipment – \$80,659,000 to be funded from Higher Education Student Housing Grant funds (\$65 million), external financing (\$14,779,000), and auxiliary reserves (\$880,000).
- To: Irvine: Mesa Court Residence Hall Expansion – design, construction, and equipment – \$80,659,000 to be funded from external financing supported by State General funds for the Higher Education Student Housing Grant Program (\$65 million), external financing (\$14,779,000), and auxiliary reserves (\$880,000).
- (3) From: San Diego: Pepper Canyon West Student Housing – preliminary plans, working drawings, construction, and equipment – \$385 million to be funded with external financing (\$382.5 million), auxiliary-housing reserves from the Office of the President

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

To: San Diego: Pepper Canyon West Student Housing – preliminary plans, working drawings, construction, and equipment – \$385 million to be funded with external financing (\$282.5 million), external financing supported by State General funds for the Higher Education Student Housing Grant Program (\$100 million), auxiliary-housing reserves from the Office of the President Housing Assistance Program (\$1 million), and campus funds (\$1.5 million).

- b. External financing be approved in an amount not to exceed \$6.8 million plus related interest expense and additional related financing costs to finance the Riverside campus's Undergraduate Teaching and Learning Facility project. The following requirements shall be satisfied:
 - i. The primary source of repayment shall be from State General fund appropriations. Should State General Fund appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.
 - ii. The general credit of the Regents shall not be pledged.
- c. External financing be approved in an amount not to exceed \$30 million plus related interest expense and related financing costs to finance the Berkeley campus's Heathcock Hall project. The following requirements shall be satisfied:
 - i. The primary source of repayment shall be from State General fund appropriations. Should State General Fund appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.
 - ii. The general credit of the Regents shall not be pledged.
- d. Additional external financing be approved in an amount not to exceed \$89 million plus related interest expense and additional related financing costs to finance the Santa Cruz campus's Kresge

Non-Academic project. The following requirements shall be satisfied:

- i. The primary source of repayment shall be from State General fund appropriations. Should State General Fund appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.
 - ii. The general credit of the Regents shall not be pledged.
- e. Additional external financing be approved in an amount not to exceed \$65 million plus related interest expense and related financing costs to finance the Irvine campus's Mesa Court Residence Hall Expansion project. The following requirements shall be satisfied:
- i. The primary source of repayment shall be from State General fund appropriations. Should State General Fund appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.
 - ii. The general credit of the Regents shall not be pledged.
- f. The primary source of repayment of approved external financing be amended in an amount not to exceed \$100 million plus related interest expense and additional related financing costs to finance the San Diego campus's Pepper Canyon West Student Housing project as follows. The following requirements shall be satisfied:
- i. The primary source of repayment shall be from State General fund appropriations. Should State General Fund appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.
 - ii. The general credit of the Regents shall not be pledged.

(2) ***Preliminary Plans Funding, 2200 Bancroft Housing Project, Berkeley Campus***

The Committee recommended that the 2023–24 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Berkeley: 2200 Bancroft Housing Project – preliminary plans – \$7.06 million to be funded with campus funds.

(3) ***Preliminary Plans Funding, Parnassus Central Campus Site Improvements, San Francisco Campus***

The Committee recommended that the 2023–24 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

San Francisco: Parnassus Central Campus Site Improvements – preliminary plans – \$4.1 million funded from campus funds.

(4) ***Integrated Form of Agreement and Procurement Strategy, UCSF Benioff Children’s Hospital Oakland New Hospital Building, San Francisco Campus***

The Committee recommended that:

- a. The proposed Integrated Form of Agreement (IFOA) procurement methodology for the design, construction, and development of the UCSF Benioff Children’s Hospital Oakland New Hospital Building project, based on selection premised upon a combination of qualifications and business terms followed by competitive negotiation, be determined to be in the best interest of the University pursuant to Section 10503(e) of the California Public Contract Code.
- b. The President of the University, in consultation with the General Counsel, be authorized to execute all documents necessary in connection with the above.

B. ***Preliminary Plans Funding, Ronald Reagan UCLA Medical Center Fourth Floor Patient Care Reconfiguration, UCLA Health, Los Angeles Campus***

The Committee recommended that the 2023–24 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Los Angeles: Ronald Reagan UCLA Medical Center Fourth Floor Patient Care Reconfiguration, UCLA Health – preliminary plans – \$9 million to be funded with hospital reserves.

C. ***Budget, Scope, External Financing, and Design Following Consideration of an Addendum to the Children’s Hospital and Research Center Oakland Campus Master Plan Environmental Impact Report Pursuant to the California***

Environmental Quality Act, UCSF Benioff Children's Hospital Oakland Infrastructure Improvements, San Francisco Campus

The Committee recommended that:

- (1) The 2023–24 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:
 - From: San Francisco: UCSF Benioff Children's Hospital Oakland Infrastructure Improvements – preliminary plans – \$3 million funded from hospital reserves.
 - To: San Francisco: UCSF Benioff Children's Hospital Oakland Infrastructure Improvements – preliminary plans, working drawings, construction, and equipment – \$66 million funded from external financing.
- (2) The scope of the UCSF Benioff Children's Hospital Oakland Infrastructure Improvements project be approved to include demolition and relocation of Pacific Gas and Electric power lines and a California Department of Transportation retaining wall, disconnection of utilities and exiting connections to the AB and BC Buildings, and renovation of space in the Outpatient Center, 5700 Martin Luther King, and 4242 Broadway locations.
- (3) The President of the University be authorized to obtain external financing for the UCSF Benioff Children's Hospital Oakland Infrastructure Improvements project in an amount not to exceed \$66 million plus additional related financing costs. 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 UCSF Health shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.
 - b. The general credit of the Regents shall not be pledged.
- (4) Following review and consideration of the environmental consequences of the proposed UCSF Benioff Children's Hospital Oakland Infrastructure Improvements 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 the Regents meeting, testimony or written materials presented to the Regents during the

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

- a. Adopt the CEQA Findings for the UCSF Benioff Children's Hospital Oakland Infrastructure Improvements project, having considered the Children's Hospital and Research Center Oakland Campus Master Plan Project Final Environmental Impact Report (CMP Final EIR) and Addendum No. 2 to the Final EIR.
- b. Adopt the Mitigation Monitoring and Reporting Program for the UCSF Benioff Children's Hospital Oakland Infrastructure Improvements project and make a condition of approval the implementation of applicable mitigation measures within the responsibility and jurisdiction of the San Francisco campus.
- c. Approve the design of the UCSF Benioff Children's Hospital Oakland Infrastructure Improvements project, San Francisco campus.

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

D. ***Budget, Scope, External Financing, and Design Following Consideration of an Addendum to the Comprehensive Parnassus Heights Plan Environmental Impact Report Pursuant to the California Environmental Quality Act, Parnassus Research and Academic Building and West Campus Site Improvements, San Francisco Campus***

The Committee recommended that:

- (1) The 2023–24 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

From: San Francisco: Parnassus Research and Academic Building and West Campus Site Improvements – preliminary plans for the entire project with working drawings, and construction for the Site and Make Ready Work portion– \$98.4 million funded from external financing.

To: San Francisco: Parnassus Research and Academic Building and West Campus Site Improvements – preliminary plans, working drawings, construction, and equipment for the entire project – \$843.1 million funded from external financing (\$428.1 million) and gifts (\$415 million).

- (2) The scope of the Parnassus Research and Academic Building and West Campus Site Improvements project be approved to include the construction

of a nine-story, approximately 323,000-gross-square-foot (GSF) new academic and research building, including the demolition of UC Hall (148,000 GSF), and extensive site improvements to the west campus area (approximately 1.65 acres) including a new primary east-west pedestrian artery (Promenade).

- (3) The President of the University be authorized to obtain additional external financing for the Parnassus Research and Academic Building and West Campus Site Improvements project of \$329.7 million for a total not to exceed \$428.1 million plus additional related financing costs. 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 the San Francisco 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 Parnassus Research and Academic Building and West Campus Site Improvements 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 the Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents:
 - a. Adopt the CEQA Findings for the Parnassus Research and Academic Building and West Campus Site Improvements project, having considered both the previously certified Comprehensive Parnassus Heights Plan Final Environmental Impact Report (CPHP Final EIR) and the Addendum #1 to the CPHP Final EIR.
 - b. Adopt the Parnassus Research and Academic Building and West Campus Site Improvements Mitigation Monitoring and Reporting Program and make a condition of approval the implementation of applicable mitigation measures within the responsibility and jurisdiction of the San Francisco campus.
 - c. Approve the design of the Parnassus Research and Academic Building and West Campus Site Improvements project, San Francisco campus.

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

E. ***Design Following Consideration of an Addendum to the 2018 Long Range Development Plan Environmental Impact Report Action Pursuant to the California Environmental Quality Act, Science Research Park, San Diego Campus***

The Committee recommended that, following review and consideration of the environmental consequences of the proposed Science Research Park 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:

- (1) Adopt the CEQA Findings for the Science Research Park project, having considered the 2018 Long Range Development Plan (LRDP) Environmental Impact Report (EIR) for the La Jolla Campus and Addendum No. 13 to the 2018 LRDP EIR for the Science Research Park project.
- (2) 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 LRDP EIR.
- (3) Approve the development concept update and design of the Science Research Park project, San Diego campus.

F. ***Budget, Scope, External Financing, and Design Following Consideration of an Addendum to the North District Development Plan Environmental Impact Report Pursuant to the California Environmental Quality Act, North District Phase 2, Riverside Campus***

The Committee recommended that:

- (1) The 2023–24 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Riverside: North District Phase 2 – preliminary plans – \$8,275,000 funded from campus funds.

To: Riverside: North District Phase 2 – preliminary plans, working drawings, construction, and equipment – \$348.7 million to be funded from external financing supported by State General Funds for the Higher Education Student Housing Grant Program (\$126 million), external financing (\$217.7 million), and campus funds (\$5 million).

- (2) The scope of the North District Phase 2 project be approved. The project shall provide an approximately 436,000-gross-square-foot new housing facility, including approximately 1,568 new beds. The scope includes student housing support services, associated parking, and site amenities serving the entire North District Development (e.g., recreational fields), furniture and equipment, and related site work and utilities.
- (3) The President of the University be authorized to obtain external financing in an amount not to exceed \$217.7 million, plus additional related financing costs to finance the North District Phase 2 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 from the Riverside 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) The President be authorized to obtain additional external financing in an amount not to exceed \$126 million, plus related interest expense and additional financing costs to finance the North District Phase 2 project. The President shall require that:
 - a. The primary source of repayment shall be from State General Fund appropriations. Should State General Fund appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.
 - b. The general credit of the Regents shall not be pledged.
- (5) Following review and consideration of the environmental consequences of the proposed North District Phase 2 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. Adopt the CEQA Findings for the North District Phase 2 project, having considered both the North District Development Plan Environmental Impact Report (EIR) and Addendum No. 1 to the EIR for the North District Development Plan.
 - b. Make a condition of approval implementation of the applicable mitigation measures within the responsibility and jurisdiction of UC Riverside as amended in the Mitigation Monitoring and Reporting Program adopted in connection with the North District Plan EIR.
 - c. Approve the design of the North District Phase 2 project, Riverside campus.
- (6) The President or his designee be authorized, in consultation with the General Counsel, to execute all documents necessary in connection with the above. This would include any agreements between the Regents and Riverside Community College District or the California Community Colleges Chancellor's Office related to the design, development, construction, financing, and long-term management, or operations and maintenance of the North District Phase 2 project.

G. *Preliminary Discussion of the University's 2024–25 Operating Budget*

Regent Cohen reported that there would be further discussion about the budget at a future meeting.

Regent Cohen noted that one action item, *Budget, Scope, External Financing, and Design Following Adoption of a Mitigated Negative Declaration Pursuant to the California Environmental Quality Act, Gayley Towers Redevelopment, Los Angeles Campus*, had been deferred by the Committee. Committee members had raised a number of questions, and he anticipated that the item would be presented at the November 2023 meeting.

Upon motion of Regent Cohen, duly seconded, the recommendations except in items A3 and D above of the Finance and Capital Strategies Committee were approved, Regents Anguiano, Batchlor, Chu, Cohen, Drake, Ellis, Kounalakis, Leib, Makarechian, Matosantos, Park, Raznick, Reilly, Robinson, Sarris, Sherman, and Tesfai voting “aye.”

Upon motion of Regent Cohen, duly seconded, the recommendations in items A3 and D above of the Finance and Capital Strategies Committee were approved, Regents Anguiano, Batchlor, Cohen, Drake, Ellis, Kounalakis, Leib, Makarechian, Matosantos, Park, Raznick, Reilly, Robinson, Sarris, Sherman, and Tesfai voting “aye” and Regent Chu abstaining.

Report of the Governance Committee

The Committee presented the following from its meeting of September 20, 2023:

A. ***Approval of Appointment of and Compensation for David Rubin, M.D., as Executive Vice President – UC Health, Office of the President as Discussed in Closed Session***

The Committee recommended approval of the following items in connection with the appointment of and compensation for David Rubin, M.D. as Executive Vice President – UC Health, Office of the President:

- (1) Per policy, appointment of David Rubin, M.D., as Executive Vice President – UC Health, Office of the President, at 100 percent time.
- (2) Per policy, an annual base salary of \$960,000.
- (3) Per policy, a hiring bonus of 20 percent of base salary (\$192,000), which is intended to make the hiring offer market-competitive and to assist in securing Dr. Rubin's acceptance of the offer. The hiring bonus will be paid in two equal lump sums of \$96,000 on or about December 1, 2023, and on or about December 1, 2024, and will be subject to the following repayment schedule if Dr. Rubin voluntarily separates from the University of California or voluntarily separates from this position to accept an appointment at another University of California location within two years of his appointment: \$96,000 if separation occurs within the first year of employment and \$96,000 if separation occurs within the second year of employment, subject to the limitations under policy. Any unpaid hiring bonus amounts will be forfeited at the time of separation.
- (4) This position is no longer eligible for participation in the Clinical Enterprise Management Recognition Plan (CEMRP).
- (5) Per policy, reimbursement of actual and reasonable moving and relocation expenses associated with relocating Dr. Rubin's primary residence, subject to the limitations under Regents Policy 7710, Senior Management Group Moving Reimbursement. If Dr. Rubin voluntarily separates from this position prior to completing one year of service or accepts an appointment at another University of California location within 12 months of his initial date of appointment, he will be required to pay back 100 percent of these moving and relocation expenses.
- (6) Per policy, eligibility to participate in the UC Employee Housing Assistance Program, subject to all applicable program requirements.

- (7) Per policy and contingent upon the San Francisco campus's approval of a tenured academic appointment, eligibility to accrue sabbatical credits as a member of the tenured faculty, consistent with academic personnel policy.
- (8) Per policy, standard pension and health and welfare benefits and standard senior management benefits, including eligibility for senior manager life insurance and eligibility for executive salary continuation for disability after five consecutive years of Senior Management Group service.
- (9) For any outside professional activities, Dr. Rubin will comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.
- (10) This action will be effective as of Dr. Rubin's hire date, estimated to be on or about October 23, 2023.

The compensation described above shall constitute the University's total commitment until modified by the Regents or 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.

B. *Approval of Incentive Compensation for Fiscal Year 2022–23 for Jagdeep Singh Bachher as Chief Investment Officer and Vice President – Investments, Office of the President as Discussed in Closed Session*

The Committee recommended approval of an incentive award of \$810,102 for Plan Year 2022–23, under the Office of the Chief Investment Officer Annual Incentive Plan (AIP), for Jagdeep Singh Bachher as Chief Investment Officer and Vice President – Investments, Office of the President. The recommended incentive award represents 101 percent of Mr. Bachher's total salary paid as of the end of the plan year of \$804,483.

The incentive compensation described above 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.

Upon motion of Regent Sherman, duly seconded, the recommendations in items A and B above of the Governance Committee were approved, Regents Anguiano, Batchlor, Chu, Cohen, Drake, Ellis, Leib, Makarechian, Matosantos, Park, Raznick, Reilly, Robinson, Sarris, and Sherman voting "aye," Regent Kounalakis abstaining, and Regent Tesfai voting "no."

C. ***Amendment of Regents Policy 7707, Senior Management Group Outside Professional Activities***

The Committee recommended that the Regents amend Regents Policy 7707, Senior Management Group Outside Professional Activities, as shown in Attachment 4.

D. ***Dates of 2025 Regents Meetings***

The Committee recommended that the following dates of Regents meetings for 2025 be approved:

2025

January 21–23, 2025

March 18–20, 2025

May 13–15, 2025

July 15–17, 2025

September 16–18, 2025

November 11–13, 2025

Upon motion of Regent Sherman, duly seconded, the recommendations in items C and D above of the Governance Committee were approved, Regents Anguiano, Batchlor, Chu, Cohen, Drake, Ellis, Kounalakis, Leib, Makarechian, Matosantos, Park, Raznick, Reilly, Robinson, Sarris, Sherman, and Tesfai voting “aye.”

President Drake welcomed David Rubin, M.D. as the new Executive Vice President for UC Health, a UCSF alumnus with extensive leadership experience, medical expertise, an understanding of academic healthcare settings, and invited him to make introductory remarks. Dr. Rubin stated that he has yet to find a health system with UC Health’s vision for community health and wellness, which he saw embodied in campus leaders and staff at the Office of the President during the interview process. He believed that the policies that address the challenging needs of UC Health’s diverse work force, patients, and students were foundational to achieving that vision. Dr. Rubin looked forward to partnering with President Drake, the Regents, and the UC community to improve upon the University’s commitment to health equity, healthcare access, high-quality care, pioneering biomedical research, and training the next generation of healthcare and public health professionals.

Report of the Health Services Committee

The Committee presented the following from its meeting of August 9, 2023:

A. ***California Institute for Immunology and Immunotherapy, Los Angeles Campus***

Regent Reilly reported that the Committee approved this item unanimously.

B. ***Addition of Quality Performance Metrics to the Clinical Quality Dashboard as Recommended by the University of California Health Clinical Quality Committee***

The Committee recommend approval of the addition of four categories of performance measures to the University of California Health Clinical Quality Dashboard: (1) quality and patient safety issues reported to the California Department of Public Health and the Joint Commission (including patient complaints); (2) risk management early identification of potential claims; (3) healthcare provider behaviors that undermine a safe, respectful, and reliable environment of patient care; and (4) population health, including efforts to reduce health disparities.

C. ***UC Health Policy/Governmental Relations Update***

This item was not summarized.

D. ***Update on University of California Health's Center for Data-Driven Insights and Innovation***

This item was not summarized.

Upon motion of Regent Reilly, duly seconded, the recommendation in item B above of the Health Services Committee was approved, Regents Anguiano, Batchlor, Chu, Drake, Kounalakis, Makarechian, Matosantos, Park, Raznick, Reilly, Robinson, Sarris, Sherman, and Tesfai voting "aye."

Report of the Investments Committee

The Committee presented the following from its meeting of September 19, 2023:

Review of Fiscal Year 2022–23 Performance for UC Retirement, Endowment, and Working Capital Assets

Regent Robinson reported that the Committee heard a presentation on the performance of UC investment assets in fiscal year 2022–23. Total assets grew to \$164 billion, and the pension increased by 10.1 percent. The endowment returned 8.8 percent, and working capital increased by seven percent. Regents had questions following the public comment period about increasing the employee contribution to the pension, and Chief Investment Officer (CIO) Bachher explained that pension investments must return an average of 7.5 percent in order to maintain 83 percent funding. In the near and medium term, the Office of the CIO sought investment opportunities in energy transition, private credit, and distressed real estate. The University's fossil-free investments in passive indices have outperformed those that include investments in fossil fuel companies.

Report of the Public Engagement and Development Committee

The Committee presented the following from its meeting of September 20, 2023:

A. ***Conversation with Senator Scott Wiener***

This item was deferred.

B. ***Leading the Way: The UC National Center on Free Speech and Civic Engagement and Key Concepts in Expression and Academic Freedom***

Regent Reilly reported that the Committee heard a presentation about the UC National Center on Free Speech and Civic Engagement and how the Center advances the understanding of expression, engagement, and democratic learning.

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

Regent Reilly reported that the Committee heard an update on issues pertinent to the University and the possibility of a federal government shutdown.

D. ***State Governmental Relations Update***

Regent Reilly reported that the Committee heard an update on the conclusion of the 2023 legislative session. She praised the office of State Governmental Relations for its efforts during a challenging State budget year.

Report of the Special Committee on Innovation and Entrepreneurship

The Special Committee presented the following from its meeting of August 28, 2023:

A. ***Innovation and Entrepreneurship at UC Santa Cruz***

Regent Park reported that the Special Committee meeting was held at UC Santa Cruz and thanked Chancellor Larive and her staff for hosting the meeting and sharing with the Special Committee UCSC's innovation and entrepreneurship goals.

B. ***Inclusive Innovation and Equitable Entrepreneurship (I2E2) Update***

This item was not summarized.

C. ***Innovation and Entrepreneurship in the Humanities and Social Sciences: A Roadmap for Transforming Library Operations***

This item was not summarized.

D. *Speaker Series: Dr. Sri Kurniawan*

This item was not summarized.

E. *Global Update and Report Recommendations*

This item was not summarized.

F. *A Conceptual Framework for Defining and Measuring the Value of UC's Innovation and Entrepreneurship Enterprise*

This item was not summarized.

G. *Update on Entrepreneurship Initiatives*

This item was not summarized.

Report of the Special Committee on Nominations

The Special Committee presented the following from its meeting of September 20, 2023:

Appointment of Regents to Standing Committees for 2023–24 and Appointment of Faculty Representatives as Advisory Members to Standing Committees for 2023–24

The Special Committee recommended that:

- A. Regent Lee be appointed to the Academic and Student Affairs Committee and the Public Engagement and Development Committee, effective immediately through June 30, 2024.
- B. Regent Rivas be appointed to the Academic and Student Affairs Committee and the Compliance and Audit Committee, effective immediately through June 30, 2024.
- C. Regent Raznick be appointed to the Academic and Student Affairs Committee and be removed from the Finance and Capital Strategies Committee, effective immediately through June 30, 2024.
- D. Faculty Representatives be appointed as advisory members of Standing Committees, effective immediately through August 30, 2024 as follows:
 - (1) Faculty Representative Steintrager be appointed as an advisory member of the Academic and Student Affairs Committee, Public Engagement and Development Committee, and the Investments Committee.

- (2) Faculty Representative Cheung be appointed as an advisory member of the Compliance and Audit Committee, Finance and Capital Strategies Committee, and the National Laboratories Committee.

Upon motion of Regent Anguiano, duly seconded, the recommendation of the Special Committee on Nominations was approved, Regents Anguiano, Batchlor, Chu, Drake, Kounalakis, Leib, Makarechian, Matosantos, Park, Raznick, Reilly, Sarris, and Tesfai voting “aye.”

7. UC ARTIFICIAL INTELLIGENCE COUNCIL

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

Chief Compliance and Audit Officer Bustamante stated that, despite the potential of artificial intelligence (AI) and the University’s increased use of AI to improve efficiency, effectiveness, and equity in operations, AI also posed ethical, privacy, safety, equity, and security risks. State and federal governments have also increased their attention on AI due to economic and national security considerations. In 2020, the Presidential Working Group on Artificial Intelligence was established to address systemwide ethics and compliance concerns related to AI and to enable UC to withstand and influence regulation that would affect higher education. The Working Group was comprised of 32 faculty and staff from the ten campuses, UC Legal, the Office of Ethics, Compliance and Audit Services, Procurement, Office of the Chief Information Officer, Research and Innovation, UC Health, and more. Members represented disciplines such as computer science, engineering, law, policy, medicine, and the social sciences, and focused on four domains: health care, student experience, policing, and human resources. The Working Group created UC’S Responsible AI Principles, the first in higher education, and provided recommendations regarding their incorporation into UC operations. The Principles, including accountability, privacy, security, transparency, fairness, nondiscrimination, and the promotion of human values such as civil and human rights, were meant to guide decision-making and mitigate risks like bias and discrimination. Among the Working Group’s recommendations were the establishment of a standing AI council; integrating AI Principles into procurement and oversight; developing risk and impact assessment tools; and creating a centralized database for higher-risk AI technologies.

Alex Anh-Tuan Bui, UCLA Professor of Radiological Sciences, Bioengineering, and Bioinformatics, stated that the UC Presidential Council on AI included members from the ten campuses who had varied expertise. In 2023–24, the Council would focus on three areas: developing a third-party risk and impact assessment for the procurement of AI-enabled technology; documenting the AI-enabled technology used in UC operations; and developing a training and engagement toolkit addressing the use of AI-enabled technology in high-risk areas at UC. The rapid development of the AI landscape, generative AI tools, promising domains such as health care, and varying guidance among the campuses all posed challenges for the University.

Hillary Noll Kalay, Senior Principal Counsel at the Office of the General Counsel, stated that there were currently very few laws that explicitly regulated AI, but many existing laws did protect privacy and civil liberty rights. The Family Educational Rights and Privacy Act (FERPA), the Health Insurance Portability and Accountability Act (HIPAA), and the Information Practices Act required that individuals be informed about how UC uses their identifiable information, limited how the information could be used and disclosed, and required that data be secured. The Equal Employment Opportunity Commission recently issued guidance with respect to algorithmic decision-making about job applications and employees and cautioned that such tools could violate Title VII of the Civil Rights Act. Laws that did not directly apply to UC or did so under limited circumstances were also beginning to address AI. The Federal Trade Commission (FTC) advised that the FTC Act would prohibit the sale of racially biased algorithms, and false and unsubstantiated claims about an AI product would also be a violation of the law. Under the California Privacy Rights Act, one had the right to opt out of a business' use of automated decision-making. Europe's General Data Protection regulation required consent before the use of automated decision-making. The European Union (EU) AI Act was being finalized and would mandate development and use requirements for AI products based on the level of risk they posed. This legislative session, California Assembly Bill (AB) 302 would require State agencies, not including UC, to conduct an inventory of all high-risk AI systems that are being proposed, developed, used, or procured by the agency. The California Bot Law prohibited misleading individuals communicating with AI into thinking they were communicating with a person. Bills that did not progress this year would have required annual impact assessments by AI deployers and developers. On September 6, Governor Newsom issued an executive order that called for a report examining potentially beneficial use cases and risks for generative AI tools used by the State; guidelines for public sector procurement and use of generative AI; criteria for evaluating equitable outcomes in the development and implementation of high-risk uses of generative AI, and a formal partnership between the Governor's office with UC Berkeley and Stanford University to evaluate the impact of generative AI in California and how the state could advance its leadership in this industry.

Mr. Bustamante stated that the U.S. government was considering changes to regulations that would require informed consent, data protection, and research oversight with regard to AI used to recruit and enroll human subjects in studies, identify patterns and trends in human subject data, and develop new treatments for diseases and conditions. The federal government was also considering regulation and executive orders to address risks posed by AI-powered biotechnology, such as the potential use of synthetic biology to create biological weapons.

Mr. Bui stated that the U.S. Food and Drug Administration (FDA) has begun to provide guidance for the use of AI in clinical decision-making, but the quick evolution of algorithms has made oversight challenging. Safety and efficacy must be ensured, and individuals must be protected against discrimination and bias. There were questions of where errors are made and who is responsible for them.

Ms. Kalay noted that the EU AI Act, which was set to be enacted in 2026, has already affected U.S. law, such as the California bill requiring risk assessments. The U.S. Senate recently announced a bipartisan framework for AI legislation, and the White House was developing an executive order that would provide guidance to federal agencies on AI use.

8. **SYSTEMWIDE STRATEGIC INVESTMENT PLAN AND UC HEALTH DIVISION FISCAL YEAR 2023–24 BUDGET, OFFICE OF THE PRESIDENT**

[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. **REPORT OF MATERIALS MAILED BETWEEN MEETINGS**

Secretary and Chief of Staff Lyall 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 President of the University, a letter outlining the Budget Act of 2023–24 and the funding provided to the University. July 12, 2023.
- B. From the President of the University, a message announcing the retirement of the UCLA Chancellor. August 2, 2023.
- C. From the Vice President of Institutional Research and Academic Planning, the 2023 UC Accountability Report. August 3, 2023.
- D. From the Chief Investment Officer and Vice President of Investments, a news release, “Real Estate and Equities Lead UC’s Investment Assets to \$164 billion at Close of Fiscal Year.” August 4, 2023.
- E. From the Chancellor of UC Berkeley, a letter to the campus community regarding Cal Athletics and the Changing Landscape of Intercollegiate Athletics. August 4, 2023.
- F. From the Associate Vice President of Federal Governmental Relations, Federal Update, 2023, Issue 7. August 9, 2023.
- G. From the Secretary and Chief of Staff to the Regents, letters announcing the appointments to the Committees to Advise the President on the Selection of Chancellors for the Berkeley and Los Angeles campuses. August 27, 2023.
- H. From the Secretary and Chief of Staff to the Regents, items containing UC Berkeley’s response to a recently reported incident on campus, including a

statement on “Support for the UC Berkeley Jewish Community” from the Division of Equity and Inclusion. August 31, 2023.

- I. From the Chancellor of UC Berkeley, an email announcing that UC Berkeley will join the Atlantic Coast Conference beginning with the 2024–25 academic year September 1, 2023.
- J. From Vice President of Agriculture and Natural Resources (ANR), UC ANR Newsletter, August 2023, Volume 7, Number 8. September 1, 2023.

To the Members of the Governance Committee

- K. From the President of the University, Annual Report on Executive Compensation for Calendar Year 2022. August 3, 2023.

To the Members of the Health Services Committee:

- L. From the President of the University, Presidential Directive to Chancellors regarding medical licensure for trainees. August 29, 2023.

The meeting adjourned at 1:50 p.m.

Attest:

Secretary and Chief of Staff