

The Regents of the University of California

NATIONAL LABORATORIES COMMITTEE

July 19, 2023

The National Laboratories Committee met on the above date at the UCSF-Mission Bay Conference Center, San Francisco campus.

Members present: Regents Cohen, Hernandez, Matosantos, Reilly, Robinson, and Sures; Ex officio members Drake and Leib; Advisory members Cochran and Powell; Chancellors Hawgood, Khosla, and May; Staff Advisor Emiru

In attendance: Regents Elliott, Ellis, Lee, and Park, Regents-designate Beharry and Pack, Secretary and Chief of Staff Lyall, General Counsel Robinson, Provost Newman, Executive Vice President and Chief Operating Officer Nava, Interim Senior Vice President Reese, Vice President Leasure, Chancellors Block, Christ, Gillman, Muñoz, Wilcox, and Yang, and Recording Secretary Li

The meeting convened at 4:45 p.m. with Committee Chair Sures presiding.

1. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the meeting of January 18, 2023 were approved, Regents Cohen, Drake, Hernandez, Leib, Matosantos, Reilly, Robinson, and Sures voting “aye.”¹

2. ALLOCATION OF LLC FEE INCOME TO BE EXPENDED IN FISCAL YEAR 2023–24

The President of the University recommended that the President be authorized to expend an estimated \$29.69 million from the University’s net share of Triad National Security, LLC (Triad) and Lawrence Livermore National Security, LLC (LLNS) income earned in the respective LLC 2023 fiscal years (FY),² as projected by the LLCs, for the purposes and in the amounts described below:

- A. An estimated \$2 million for the University’s contractually required share of compensation-related costs for LLC staff that are not reimbursed by the federal government under the prime contracts, including up to \$400,000 for the UC/Los Alamos National Laboratory (LANL) Entrepreneurial Postdoctoral Fellowship Program and \$100,000 for the LANL childcare center. Any unspent funds allocated

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

² The University also remains a member of Los Alamos National Security, LLC (LANS), which managed Los Alamos National Laboratory through October 31, 2018. It is not expected that LANS will earn any appreciable net fee income during this next fiscal year.

for this purpose will be transferred to the Capital and Campus Opportunity Fund (paragraph H).

- B. Consistent with the approved FY 2023–24 Office of the President (UCOP) budget, an appropriation in the amount of \$7.72 million for FY 2023–24 to the Office of the President’s budget for federally unreimbursed costs of University oversight of its interests at LANL and Lawrence Livermore National Laboratory (LLNL), paid or accrued July 1, 2023 through June 30, 2024, including, but not limited to, an allocable share of the costs of the President’s Executive Office, the Provost, the Academic Senate, Human Resources, Compliance and Audit, Financial Accounting, UC National Laboratories (UCNL), Federal Governmental Relations, Office of Research and Graduate Studies, UC Legal, Office of the Secretary and Chief of Staff to The Regents, UCOP facility charges, and the University-appointed Governors on the Boards of the LLCs. Any unspent funds allocated for this purpose will be transferred to the Capital and Campus Opportunity Fund (paragraph H).
- C. An appropriation in the amount of \$2.2 million to the LLNS/LANS Post-Contract Contingency Fund (PCCF) for FY 2023–24. Consistent with the approved FY 2023–24 UCOP budget, the President is authorized to spend up to \$1.6 million on the University’s proposal-related efforts to manage the Frederick National Laboratory for Cancer Research. Any income generated by the PCCF reserve fund under the University’s Short Term Investment Pool (STIP) shall be reserved exclusively for the PCCF. In the event that the actual LLC income varies from the \$29.69 million projection, the President is authorized to revise the allocation to the PCCF, up or down, in his discretion.
- D. No appropriation for FY 2023–24 to the fully funded LLC Fee Contingency Fund. Any income generated by the LLC Fee Contingency Fund under the University’s STIP shall be reserved exclusively for the LLC Fee Contingency Fund.
- E. An appropriation in the amount of \$10 million for FY 2023–24 for the UC Laboratory Fees Research Program and other research relevant to the missions of the National Laboratories and the University, including the UC-National Laboratory Graduate Student Fellowship Program. In the event all or part of this funding for the UC Laboratory Fees Research Program is not spent in FY 2023–24, the funding will be carried over to FY 2024–25 for the same purpose. In the event that the actual LLC income varies from the \$29.69 million projection, the President is authorized to revise this allocation, up or down, in his discretion.
- F. An appropriation in the amount of \$300,000 to fund the affiliation agreement between the University and the Livermore Lab Foundation (LLF). In the event all or part of this funding for LLF is not spent in FY 2023–24, the funding will be carried over to FY 2024–25 for the same purpose, subject to an ongoing affiliation agreement.

- G. An appropriation in the amount of \$1 million for FY 2023–24 for the Accelerating Therapeutic Opportunities for Medicine (ATOM) collaboration.
- H. An appropriation in the amount of \$4.3 million for FY 2023–24 for the Capital and Campus Opportunity Fund (CCOF). Consistent with the approved FY 2023–24 UCOP budget, the President is authorized to spend up to \$2 million of CCOF funds on the SoCal Hub initiative and \$300,000 of CCOF funds on the UC Postdoctoral Fellowship in Technology and International Security program, a collaboration of UCSD and UC-affiliated National Laboratories. Any income generated by this fund under the University’s STIP shall be reserved exclusively for this fund. In the event that the actual LLC income varies from the \$29.69 million projection, the President is authorized to revise the allocation to the CCOF, up or down, in his discretion.
- I. An appropriation in the amount of \$500,000 in FY 2023–24 for the Triad Reserve Fund. Any income generated by this fund under the University’s STIP shall be reserved exclusively for this fund. In the event that the actual LLC income varies from the \$29.69 million projection, the President is authorized to revise the allocation to the Triad Reserve Fund, up or down, in his discretion.
- J. Consistent with the approved FY 2023–24 UCOP budget, an appropriation in the amount of \$1.67 million for FY 2023–24 for the purpose of business development, which would support the University’s efforts to explore and develop opportunities to participate in the management of one or more Department of Energy National Laboratories and other Federally Funded Research and Development Centers (FFRDCs) in addition to the three current UC-affiliated National Laboratories. Formal bids on specific National Laboratory or FFRDC contracts would be subject to further Regental approval. Any unspent funds appropriated for this purpose will be transferred to the Capital and Campus Opportunity Fund (paragraph H).

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

Vice President Leasure introduced the item, an annual request to approve an expenditure plan based on estimated fees earned from Los Alamos National Laboratory (LANL) and Lawrence Livermore National Laboratory (LLNL).

Upon motion duly made and seconded, the Committee approved the President’s recommendation and voted to present it to the Board, Regents Hernandez, Matosantos, Reilly, Robinson, and Sures voting “aye.”

3. **APPOINTMENT OF REGENT AS VOTING MEMBER AND CHAIR OF THE BOARD OF DIRECTORS OF THE TRIAD NATIONAL SECURITY, LLC**

The Chair of the Board and the President of the University recommended that:

- A. The appointment of Regent Jay Sures as a voting Director of the Boards of Directors of Triad National Security, LLC, effective January 1, 2024, be approved; and
- B. The appointment of Regent Jay Sures as Chair of the Board of Directors of Triad National Security, LLC, effective January 1, 2024, be approved.

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

Vice President Leasure explained that, per the operating agreement for Los Alamos National Laboratory, the Chair of the Board of Directors of Triad National Security, LLC is appointed by the Board of Regents. Michael Anastasio, former Director of Lawrence Livermore National Laboratory and Los Alamos National Laboratory, had served as the Chair for about 3.5 years. Mr. Anastasio had expressed interest in completing his tenure as Chair this year, hence the recommendation of Regent Sures to serve as the next Chair.

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board, Regents Cohen, Hernandez, Matosantos, Reilly, and Robinson voting "aye" and Regent Sures abstaining.

The meeting adjourned at 4:50 p.m.

Attest:

Secretary and Chief of Staff