

**ACADEMIC AND STUDENT AFFAIRS COMMITTEE
FINANCE AND CAPITAL STRATEGIES COMMITTEE**

January 22, 2025

The Academic and Student Affairs Committee and the Finance and Capital Strategies Committee met jointly on the above date at the UCSF–Mission Bay Conference Center, San Francisco campus and by teleconference meeting conducted in accordance with California Government Code §§ 11133.

Members present: Representing the Academic and Student Affairs Committee: Regents Anguiano, Beharry, Hernandez, Leib, Pack, Park, Salazar, and Sarris; Ex officio members Drake and Reilly; Chancellors Lyons, Muñoz, and Wilcox; Advisory members Palazoglu and Wang; Staff Advisor Emiru

Representing the Finance and Capital Strategies Committee: Regents Chu, Cohen, Elliott, Kounalakis, Makarechian, and Sures; Ex officio members Drake and Reilly; Chancellors Hawgood and Larive; Advisory members Brooks, Cheung, and Komoto; Staff Advisor Frias

In attendance: 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, Executive Vice President Rubin, Senior Vice President Turner, Vice President Maldonado, Chancellor Frenk, and Recording Secretary Johns

The meeting convened at 12:00 p.m. with Finance and Capital Strategies Committee Chair Cohen presiding.

UPDATE ON THE MULTI-YEAR COMPACT BETWEEN THE GOVERNOR AND THE UNIVERSITY OF CALIFORNIA

[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 discussion, a brief update on the 2023–24 Multi-Year Compact Annual Report which was also submitted to the State.

Executive Vice President and Chief Financial Officer Brostrom observed that the Compact between the Governor and the University has been critical in providing stable funding to advance shared goals outlined in six broad policy categories. As part of the Compact, UC agreed to provide an annual progress report. There were 22 individual goals within the six broad policy areas and the University has made significant progress, with 18 goals achieved in 2023–24, including all the goals related to affordability, intersegmental collaboration, workforce preparedness, and online offerings.

Vice President Brown reported that over the last two years, UC has been able to expand access to almost 7,800 full-time equivalent (FTE) California resident undergraduates. This was in part due to State support for swapping non-resident for resident students at the Berkeley, Los Angeles, and San Diego campuses, and the State's prioritizing the achievement of these overall enrollment goals above the achievement of a ratio of two California resident freshmen for every one California Community College transfer student. In 2023–24, the ratio was 2.2, and the Office of the President was working with the campuses to achieve the two-to-one ratio. Regarding graduate student enrollment, the goal was to add 2,500 FTEs over the Compact period. This goal would take longer to achieve, in part due to deferred enrollment during the COVID-19 pandemic. The University expected continued growth in graduate student enrollment. With respect to improving student success and advancing equity, the University set goals and aspirations for itself for 2030. One such goal was to achieve a 76 percent four-year graduation rate for undergraduates. In the Compact, the goal was to achieve half this progress through 2025–26. The four-year graduation rate was currently around 73 percent. The pandemic has had an effect on graduation rates. One promising sign was recent improvement in first-year student retention rates, particularly for Pell Grant recipients and students from underrepresented groups.

Associate Vice President Caín Diaz commented that the University made significant progress in 2023–24 in its efforts to provide a debt-free pathway to students, both from additional financial aid generated under the Tuition Stability Plan and through campus efforts to examine ways to address non-tuition costs such as textbooks, housing, and transportation. In addition, expanded financial support from the federal government through Pell Grants and the State through the Middle Class Scholarship program has been critical. Continued progress would depend on the future availability of financial support through these programs and continuation of current modest inflationary adjustments. While the University was currently meeting this Compact goal, it would require focus and monitoring to continue on this path.

Committee Chair Cohen asked about transfer student enrollment. He noted that transfer students were only a subset of the full scope of the student body at community colleges. He asked about this circumstance and UC's effort to achieve the two-to-one ratio. Ms. Newman responded that UC was making a great deal of effort to enlarge the number of community colleges participating in the transfer program. Currently, only about half of the community colleges in California were as actively involved as they could be, given the qualities of their students. The University was developing new outreach and preparation programs, including an experimental program through UC Merced which offers mathematics courses via videoconferencing. These video courses, which are essential for community college students who plan to study in the science, technology, engineering, and mathematics (STEM) fields, are taught by UC Merced faculty and are intended for community colleges in rural areas that do not have the capacity to offer those courses to meet the need of their students. The University hoped that these efforts would facilitate the transfer process. UC had support from the Bloomberg Philanthropies for many of these outreach efforts and recognized that there was a degree of inequality in transfer. The community college campuses that tended to be most active in the transfer process were those closer to a UC campus with students who were somewhat more affluent and often members of majority rather than minority populations. The University understands that it has work to do and is deeply engaged. UC was among the most successful universities in the country in accepting transfer students, but there was complexity in the matter of which community colleges were involved.

Regent Beharry asked about funding for achieving the Compact goal of increasing intersegmental collaboration, and if increasing this funding would also help UC to achieve other goals for graduation rates and affordability. He asked why the Report indicated that no funding was required beyond the five percent base budget increase for the “access to online courses” goal. Mr. Diaz responded that the investments for any of these goals needed to be thought of as being provided in addition to support for the University’s core operations. The State could not cut funding to core operations and then separately provide funding for specific goals; this would not work. Mr. Brostrom added that UC efforts on transfer were captured in the first two Compact goal categories: increasing access; and improving student success and advancing equity. He stated his understanding that the intersegmental collaboration goal concerned a data project. Ms. Brown confirmed that the data project was a primary focus of the intersegmental collaboration goal. She explained that UC had achieved the Compact goal of providing access to online course offerings; for this reason, the Report indicated that no funding was required.

Regent Anguiano stressed that UC should remain focused on the Compact goals regardless of funding. She asked about UC’s collaboration with community colleges on curriculum by leveraging UC online courses. Ms. Newman responded that the experimental program at UC Merced, if successful, would represent a big step forward. UC Merced faculty were preparing online versions of two key courses that were gateways to the STEM majors. These courses would be launched via synchronous videoconferencing, and there was the possibility of asynchronous learning as well. Community college instructors would support students on site in rural community colleges where the numbers of interested students were too small to make it feasible to send a faculty member there in person. If there is agreement on scheduling, one can set up courses on multiple community college campuses at the same time in different parts of the state and thereby break a troublesome barrier to transfer. If this program is successful, UC would expand it to other academic subjects as a supplement to existing instruction by community college faculty. The University had many other programs providing high school students with A-G subject completion opportunities. Ms. Newman offered to prepare a more thorough response. Regent Anguiano requested this information and expressed support for this type of program, which could increase the number of transfer students.

Committee Chair Cohen expressed agreement with Regent Anguiano on the point that these goals were inherent in the University’s vision. While State support might be a problem for a few years in the immediate future, these goals represented strong commitments over decades, and UC must maintain momentum in pursuing these goals.

The meeting adjourned at 12:20 p.m.

Attest:

Secretary and Chief of Staff