**Committee on Academic Planning & Budget**

**Jennifer Grandis, MD Chair**

**March 16, 2022**

**11:10-1:00pm**

**Zoom**

**Present:** Jenny Grandis (Chair), Marc Steurer (Vice Chair), Christian Vaisse, Dorio Appollonio, Duan Xu, Joel Kramer, Jill Hollenbach, Linda Franck, Marta Margeta, Mijung Park, Nejleh Abed, Steve Hetts, Alicia Murasaki, Academic Senate Analysts: Ken Laslavic, Todd Giedt, & Sophia Root

Guests: Mike Clune, Lundy Campbell, Eileen Murphy, Alissa Stallings and Gardner Trimble (Development)

**DRAFT Minutes**

1. **Call to Order**

Chair Grandis called the meeting to order at 11:10 AM.

**ACTION: February Minutes were approved.**

1. **Chair’s Report**
	* 1. Executive Council: Chair Grandis did not have an EXC committee report.
		2. UC Merced Medical School: Chair Grandis reported that there is considerable discussion around UC Merced establishing its own medical school.

**Discussion**: Members asked whether HR matters fell under APB’s charge; Senate Executive Director Giedt responded that historically, this has been the case.

1. **Vice Chair's Report (UCPB)**
	1. Rebenching Subcommittee (Don Senear) – UCPB Vice Chair Senear reported that the Rebenching working group has met twice since the last UCPB meeting, and has formalized principles for rebenching. There is general agreement that enrollment should be the basis for per-campus funding, with set-asides minimized to the greatest extent possible. Simplified student weights are preferred. Models of various changes to student weights have revealed smaller changes than one might expect in campus funding ratios, but the treatment of set asides can make a large difference. The working group plans to evaluate carefully the set asides, agreeing that they should be specific and time-limited.
	2. TFIR (David Brownstone) – TFIR has requested a copy of the legal opinion regarding recalled employees and employer provided health insurance, but the task force has not yet received it. Should the opinion prevail, RASC and UC Path will experience greater pressures. There has been no information regarding the ad-hoc COLA adjustment for the oldest UC retirees. Problems with pharmacy coverage due to implementation of new software for RASC continue. TFIR is communicating with RASC leadership regarding the situation. Many staff plan to retire, and even though RASC has hired a new executive director, challenges are persistent and slow to remedy. The Senate has a role urging the University to examine its procedure for large software purchases, as many recent ones have been highly problematic. All University staff and faculty are eligible for Public Service Loan Forgiveness (PSLF), and previously-denied applicants can reapply. The program requires extensive documentation and the filing deadline is October 1, 2022. TFIR has asked UCFW to help in publicizing eligibility for the program.It is important that the following [link](https://ucnet.universityofcalifornia.edu/working-at-uc/livingwell/wellbeing/Public-Service-Loan-Forgiveness-Program.html) be shared widely. Chief investment officer will remove fossil fuels from retirement savings funds. UC has 2% of its investments in Russia that may need changing.
	3. TF-ANR (Evelyn Kaufman) – ANR is in favor of an external review to provide UC with information re-relationship with the seven non-AES campuses. The LAO report states that AES status for UCM and UCSC was considered. ANR funding has increased, but future funding and distribution are not clear.
	4. Consultation with Senate Leadership (Robert H)
* COVID transmission rates on campuses have been much lower than in their surrounding communities.
* Affiliation Agreements: The University has signed contracts regarding affiliation with Dignity Health Services and Adventist Health, with negotiations continuing with the Veterans Administration, Providence, and the Indian Health Services. Most patent issues will devolve to campuses, including tracking patents. UCOP will provide back-up services, with a data warehouse of patents.
* Regents: Chair Estolano's term as Chair has ended, and Regent Leib will become the new Chair of the Board of Regents.
* State Budget: State revenues are projected to be higher than previously thought, and the University plans to ask for $1.6B in one-time funds.
* Undergraduate Enrollment: A court case treating growth in student numbers as a CEQA "project" triggering additional environmental review has resulted in UC Berkeley being enjoined to cap student enrollment at the 2020 amount. The resulting reduction in admission offers will cascade throughout the system. In addition, cities may use the same argument in lawsuits against other UC campuses.
* Online Degrees: The CEQA case is one of many factors pressuring the UC for fully-online degrees. Vice Chair Cochran presented slides showing that few UC comparators provide fully online degrees; those that do are either through extension (with a degree certificate that is from extension or has a name that signals online - not a BA or BS) or the degree major is clearly adult education. Those offering fully online degrees, such as Arizona State University and Penn State, do not use their main campus, do not experience increased diversity, have low completion rates, have high student/faculty ratios, and use lower-paid non-ladder rank faculty. Furthermore, these campuses spend less on those programs but do not discount costs to students. The Senate has asked the Education Policy Committee to engage in a "get-ready" exercise for UC online degrees, and to provide principle and program ideas. UC Online (formerly ILTI) has an advisory committee, which has met and is working to define UC Online and its work.
* Achievement Relative to Opportunity: The Senate continues to push for socialization of the concept of Achievement Relative to Opportunity (ARO) in faculty reviews. The Mitigating COVID-19 Effects on Faculty Working Group is writing its final report.
* Climate Memorial: Chair Horwitz hopes to move a vote on the proposed Climate Memorial forward at the next Assembly, in order to have time for semester-based campuses to vote.
	+ 1. Budget Consultation with UCOP (Sejja) – The University is requesting that all enrollment (including enrollment above prior caps), student mental health, basic needs support, and capital outlays receive funding this year. The state expects at least a $475B surplus. How much of the surplus allowed for operational costs is limited by the 1979 State Appropriations Act. The governor has indicated a preference for one-time funding requests. Support for previously unfunded enrollment growth of 2020-21 is possible. President Drake spoke before the legislative budget committee and noted that the UC compact shared their goals of affordability, access, and equity, and that the UC wants to close graduation gaps. There were legislative hearings on climate resiliency and student mental health. The current lawsuit and injunction restricting UC Berkeley’s enrollment complicates the University’s request for enrollment funding at the legislative level. There is a large bond issue moving forward - UCSF Parnassus rebuild/ Davis tower. $1B hedge bc interest rates are increasing (mostly for Parnassus).
		2. Admissions Planning and Implications – Todd Greenspan, Director, Academic Planning, Institutional Research and Planning, reported that the President’s plan to grow 20,000 students by 2030 is relatively modest: since 2014, the University has added 20,000 undergraduates, and 80,000 from 2000-2021. The 2008 enrollment growth plan was altered by the recession of 2008-2009. Undergraduate enrollment is projected to grow by approximately 2500 students from 2020-21 to 2021-22. There is continued interest in increasing graduate student numbers on campuses. The governor’s planned budget and compact would add 7,132 more undergraduate in-state students for 2022-23, then 7,000 additional undergraduate in-state students and 2,500 graduate students from 2023-2027. Aligning the four-year growth plans, the President’s proposed growth plan, and the governor’s compact is the current work for enrollment planning. The UC has begun to emphasize to the legislature the effect on students of continued unfunded enrollment growth. The legislature and the UC both care about graduation gaps, equity, and time to graduation.
1. **Senate Consultation** – *Mike Clune*
2. Senior Associate Vice Chancellor and Chief Financial Officer Mike Clune went over the new UCSF Finance website, ‘Finance Explained,’ which is behind MyAccess under the label of ‘Finance Secure’ and requires a VPN if being accessed off-campus. The website is divided into six sections: The latest, the basics, sources of funds, use of funds, funds flow, financial plans and results (annual, quarterly results/plans). An additional section will be a section for PIs (F&As, etc.). Mike plans to work on documenting an outline about “Five things about UCSR Finance and PIs need to know” that would include information on where your F&A cost recover goes, where your structure and operation funds on gift assessment goes, and why you are being recharged for certain services. The latest section is intended to cover the news and should be updated at least monthly.

**Discussion**: Members applauded the new website and pledged to spread the word. One thing that might be missing is information on the decision-making process and insertion points for input from faculty. Members also asked about the creation of a personalized dashboard to which Mike responded that a F&A dashboard was created a few years ago; but since all F&A are pooled, the amounts were about the same for everyone. That being said, Finance will continue to work on the dashboard.

1. 95% Rule/5% Gap: The timeline for the 5% salary gap is not yet available and needs addressing via the Senate in engaging the individual Deans. At issue is both the number of faculty impacted, but also, even for those who are getting the funding, the manner in which they are getting these funds. Next steps may include the Senate engaging with the Deans’ offices. The other option would be to have Steve request a discussion with the Chancellor's budget and investment committee. It is important for the committee to ask the administration to make a decision and if the decision is not to get involved, then to make that decision transparent. Moreover, there should be a structure in place. Furthermore, it is unclear as to how many faculty members are impacted. The population mentioned are entirely soft money (non-clinician) researchers whose departments will not give them a no questions asked coverage of the amount. The manner in which to ensure equity when allocating the five percent. Ideally the campus should cover the cost because of the following arguments: 1) relatively small amount of money; 2) it is the right thing to do; 3) we are doing work for the university; 4) we are generating overhead; 5) we support the reputation of the department; and 6) this is an undue burden on faculty with the potential to complicate relationships. For example, one member who has the 5% covered, admitted that the means by which the amount is covered may be an awkward conversation with leadership that junior faculty are not prepared to have. It was noted that gathering data is problematic; thus, a task force needs to be created for this project.
2. **Development/UDAR – Endowed Chairs & Distinguished Professorships**

APB is interested in finding the data around the allocation of resources to faculty, with an eye towards equity. Eileen Murphy, Executive Director of University Development leads a team that does fundraising for clinical units. Much of the funding is from grateful patients. UCSF is fortunate to raise a great amount of distinguished professorships and endowed chairs. UCSF largely follows the intention and wishes of the donors and they often select the original holder of the chair, who is often related to the reason that the donor is giving. Eileen restated the Committee’s interest in which faculty members hold the endowed chairs. She articulated that donors often identify the holders of these endowed chairs, as many of these donors are grateful patients. That said, an academic search process is utilized. Gardner Trimble remarked that anecdotally approximately 20-40% are cases in which the donor expresses a preference for a particular faculty member to hold an endowed chairship. Many other donors just express an area where the endowed chair should be located. That said, this data is not tracked by UDAR, nor is it tracked by the individual Schools.

**Discussion**: A couple questions were brought up in discussion: 1) how much of the gifts fall into that category; 2) what percentage of new endowed chairs are “targeted” and what are entirely discretionary. Gardner Trimble, head of the gift and endowment planning unit, drafts all of the letters and has a window into the chairs. The number of professorships that expressed preference are not currently being tracked. Anecdotally, likely between 20% and 40% of donors express a preference for the holder of the chair. However, the department does get a fair number that are directed toward a specific area of research. Those are often from foundations and grateful patients and they are disproportionately represented in the “targeted” gift. Members expressed disappointment that these data are not tracked because it seems to be a significant gap, which will forestall any equity analysis of endowed chairs. Members also asked how many times a donor request (for an individual) does not get fulfilled. Gardner responded that this is extremely rare (e.g., faculty member leaving the University and violations of faculty conduct). Members also asked the percentages of endowed chairs in the various Schools. Alissa responded that UDAR does keep data of this (<https://giving.ucsf.edu/endowed-professorships>); but the majority are certainly located in the SOM, with a few in the Chancellor’s Office. Eileen added that only the first holder of the chair would be selected by the donor; future holders are identified by an academic process. Chair Grandis asked about the number of new endowments that are created on an annual basis. Alissa responded that on average, there are approximately ten new endowed chairs per year. Chair Grandis asked for the template/boiler-plate language. Gardner added that many departments reallocate monies to create new chairs, which UDAR is not involved with. Alissa remarked that data on the fund’s flows would probably be kept by the Deans and that a ‘chairship’ starts at $1M with a 5% annual payout (e.g., $50K per year). However, some older $500K chairships have been grandfathered. Sometimes, efforts are made to bring older endowments up to the $1M level. UDAR does not have any data on the number of the distinguished professorships. Another member asked how many are held onto by departments for recruitment purposes. UDAR responded that these data would be very difficult to track and the reason for this is due to how letters are processed. Members of the committee were surprised to hear that less than half of chairs are donor directed, which is contrary to the message members are constantly getting. One thing the department tries to do is track who is an endowed chair: <https://giving.ucsf.edu/endowed-professorships>

**ACTION: APB will make a formal data request, along with sending the dataset to HR for associated gender and URM data.**

1. **Systemwide Reviews**

Senate Analyst presented an overview of the proposed policies under systemwide review.

1. **Executive Session**

None

1. **Old Business**
2. **New Business**
3. **Adjourn**

The meeting was adjusted at 1:00 pm.