EXECUTIVE SUMMARY

Purpose of the Council: To initiate, coordinate and implement academic planning that promotes the quality and diversity of the academic experience; provide advice on the campus budget, capital planning and allocations of resources and space.

Highlights:

- Council participated in the academic program review of seven units (four departments and three programs)
- Council reviewed several systemwide proposals, including two rounds of recommendations by the UC Commission on the Future as well as the UCPB “Choices” Report
- Council reviewed several campus-specific proposals, including four proposals to establish new centers and one to establish a new organized research unit (ORU) institute
- Council considered seven requests for Exception to Open Recruitment (EOR)
- Council reviewed three proposals to establish endowed chairs
- Council actively engaged in presentations and discussion regarding post-employment benefits at the University of California
- Council leadership (as well as other Senate leadership) continued with budget discussions and dialogue as part of the Chancellor’s Advisory Committee on Budget Strategy
COUNCIL ON PLANNING AND BUDGET
ANNUAL REPORT: 2009-10

I. Overview

Meetings

The Council on Planning and Budget (CPB) met for twenty regularly scheduled sessions during the 2009-10 academic year (eight in fall, six in winter, and six in spring).

CPB’s agendas typically included the following items:
- Academic program reviews
- Review of campus issues (policies, procedures, reports, etc.)
- Review of systemwide issues (reports, proposals, etc.)
- Consultations with University officials
- Review of 10-year capital plan
- Exceptions to open recruitment (EORs)
- Endowed chair proposals

Council Membership:

Jane Mulfinger; Art (CPB Chair and UCPB Rep)
Denise Bielby; Sociology
Collie Conoley; Counseling, Clinical, School Psychology
Bob Koegel; Counseling, Clinical, & School Psychology (CPB Vice Chair, and Chair of Committee on Development & Community Relations)
Steven Gross, Music
Joao Hespanha, Electrical & Computer Engineering
Stephen Humphreys, History
Gary Leal; Chemical Engineering
Carlos Levi; Materials
Gary Libecap, Bren School of Environmental Science & Management
Shirley Geok-Lin Lim, English
Ken Millett, Mathematics
Harry Nelson, Physics
Laury Oaks, Feminist Studies (Chair of Committee on Academic Planning & Resource Allocation)
Linda Putnam; Communication
Charles Samuel; Molecular, Cellular & Developmental Biology (Chair of Committee on Capital & Space Planning)
Fikret Yegul, History of Art & Architecture
Cori Lantz, Associated Students Rep
II. Academic Program Reviews

CPB participated in the academic program review of the following departments and programs in 2009-10:

1. Department of Education
2. Global & International Studies Program
3. Department of Linguistics
4. Media Arts & Technology Program
5. Department of Molecular, Cellular, & Developmental Biology (MCDB)
6. Department of Philosophy
7. Technology Management Program (coordinated by the Dean of Engineering)

Reviews of these units were first given to one of four ad hoc area subcommittees (Engineering/ MATP; Social Sciences/ Global Studies/ Education; Humanities & Fine Arts/ College of Creative Studies; and Mathematical, Life, & Physical Sciences/ Bren), which then forwarded its comments and recommendations to the full council.

When asked to provide recommendations for the Program Review Panel (PRP) reviews for 2011-12, Council voiced concern that many departments had not been reviewed in ten or more years. According to the Academic Program Review Procedures, six departments are to be reviewed each academic year, allowing a complete campus review to be accomplished within an eight-year cycle. CPB submitted the following prioritized list for program reviews:

- Computer Engineering Program
- Sociology
- Art
- Film & Media Studies
- Feminist Studies
- Counseling, Clinical, & School Psychology

III. Exceptions to Open Recruitment

In accordance with UCSB’s *Campus Policies and Procedures on Academic Personnel*, departments may request an exception to open recruitment (EOR) for two reasons, in the absence of an approved FTE or an open search: 1) the hire or retention of a Senate faculty member involves a hire for a spouse or domestic partner; or 2) an unanticipated opportunity for a ladder faculty appointment of an individual whose unique qualifications and outstanding promise or accomplishment will make an extraordinary contribution to the campus’ goals of excellence and diversity.

CPB received seven requests for exceptions to open recruitment. Council ultimately endorsed all of these requests, although it expressed reservations for some of them. Three EOR requests were made through the President’s Post-Doctoral Fellowship Program, which was extended through 2011. This program allows for the UC Office of the President to fund the FTE for the position for the first five years; thereafter funding is
to be provided by the campus. One EOR request was made in conjunction with an FTE transfer request for a lecturer with a “continuing appointment” to be appointed as a Senior Lecturer with Security of Employment (LSOE).

IV. Review of Endowed Chair Proposals

In accordance with UCSB’s Policy on Endowed Chairs, CPB was consulted regarding the appropriateness of the proposed subject area and its conformity with the academic mission of our campus. CPB received and endorsed three endowed chair proposals:

1. Culler Endowed Chair in Computer Science
2. Dangermond Endowed Chair in Geography
3. Rosing-Raab Endowed Chair in Theoretical Astrophysics at the Kavli Institute for Theoretical Physics (KITP)

The Committee on Development and Community Relations reviewed each proposal and drafted a response for discussion at the following CPB meeting. Council submitted final recommendations to the Executive Vice Chancellor via the Office of Academic Personnel.

V. Review of Campus Issues

The Council on Planning and Budget participated in reviews of the following campus issues during the 2009-10 academic year:

FTE Planning

Because of the budget crisis, planning for academic appointments was considerably different this year. As per the Executive Vice Chancellor’s letter to the Deans last year, there were no new allocations of faculty FTE this year.

FTE Transfer Requests

CPB reviewed two requests to transfer FTEs from the disestablished Law & Society Program to other academic units (the Department of Sociology and the Global & International Studies Program). Council supported both of these requests.

Proposed Masters Degree in Actuarial Science

The Council on Planning & Budget (CPB) reviewed a proposal to establish a Master of Science degree in Actuarial Science, within the Department of Statistics and Applied Probability (PSTAT). While CPB noted the niche that such a degree would occupy as being the only such graduate program in California, it withheld its endorsement and cited several concerns.

First, CPB questioned how this proposal would contribute to solving problems identified by the Program Review Panel during their latest review, especially in regard to a need for
“a coherent and consistent mission that infuses a strategic plan and cuts across its initiatives.” Council was also concerned about the resource requirements of the proposed degree, both now and in the future. Which courses would be added for the Actuarial MS degree, and what resource needs are to be requested? And finally, CPB expressed concerns regarding the distribution of responsibility for running the program. What is the burden/benefit of the program with regard to the program’s co-directors? Would this program place undue responsibility on them?

Position paper by Committee on Academic Personnel (CAP) regarding Faculty Salaries

Council provided informal review of the position paper by the Committee on Academic Personnel (CAP) regarding faculty salaries. “Option 1” was most favored by the Council, but without further analysis regarding the potential plan to defund unfilled FTE, many on CPB were uneasy about advocating this method. There was also some discussion about the analysis in the CAP report in relation to the distinctions of off-scale origin (merit, recruitment, retention, or market forces).

Proposal to establish Center for Biological Engineering and Science (CBES)

CPB reviewed the proposal to establish a Center for Biological Engineering and Science (CBES) and found the proposal a worthy project and an excellent way to streamline research and teaching among biology, engineering, and physical sciences. Council conditionally supported the proposal but sought clarity from the two deans (Engineering and MLPS) and the EVC as to where the resources would come from and how the budget would be handled.

CPB raised several specific concerns about the proposal:

1. Given the current economic climate, CPB wondered where the resources would come from to fund this project.
2. CPB sought feedback from the current Executive Committee of the College of Engineering and the departments involved.
3. CPB requested clarification on the relationship between CBES and the BioMolecular Science and Engineering Program (BMSE).
4. CPB also wondered if “Center” would be the correct name for the proposed unit. Is it really a research program or a “Department of Bioengineering”?

Proposal to establish Center for Scientific Computing (CSC)

Council reviewed the proposal to establish a Center for Scientific Computing (CSC) and gave its support. The proposed center would extend efforts already in place, providing expert computing services to a large number of stakeholders—including high performance computing for graduate students, postdocs, faculty, the local community, other universities, and international collaborations. The proposal did not anticipate any significant budgetary or administrative changes relative to the current CNSI-MRL HPC
operations. There were no requests to alter the current space allocations, even though CSC might house some equipment at North Hall Data Center after its renovation.

Proposal to establish Center for Science & Engineering Partnerships (CSEP)

CPB reviewed a proposal to establish a Center for Science & Engineering Partnerships (CSEP), a non-ORU center within the California NanoSystems Institute (CNSI). Overall, CPB saw this proposal as explicating what CNSI is already doing. Council approved the request with the understanding that the restructuring of this Center would help the research mission of the University and the change would require no further resources from UCSB. Council noted that no additional UCSB resources would be given to the center after a three-year period; CSEP should therefore be self-supporting within the three-year time frame.

Proposal to establish the Earth Research Institute

Council reviewed the proposal to establish the Earth Research Institute, which would disestablish the Institute for Crustal Studies and the Institute for Computational Earth System Science and merge these two units into a new multidisciplinary research program—the Earth Research Institute. Council endorsed the proposal with the qualification that additional resources would be achieved through external funding sources. In general, CPB saw the proposed restructuring as an asset to the university and a logical merger of the two existing institutes. Council supported the merger of these two units insofar as the new institute would not add to the campus’s resource debt.

Course Buy-Out Proposal

Council reviewed a proposal for a campus-wide course buy-out policy. Buy-outs using non-ORU extramural funds are the core of the guideline. The guidelines under review did not include intradepartmental arrangements to modify teaching responsibilities to allow periods of teaching release, Senate/departamental arrangements, or ORU / departmental arrangements, nor standard leaves or sabbaticals. Buy-outs using extra-departmental non-Senate UCSB funds, for example from the Administration, that are not related to departmental or ORU service were thought by CPB to be similar to buy-outs using extramural funds. CPB favored “guidelines,” over a course buy-out “policy.”

CPB felt that course buy-outs should not be encouraged, but can be a useful mechanism when used infrequently and for purposes that benefit the institution. Council was concerned that the development of this “policy” may be an indication that UCSB might move toward a salary structure where a portion of the 9-month salary must be supported with extramural funds. CPB was strongly opposed to any ramification of this guideline in that direction. CPB offered several suggestions that it felt should be included into a course buy-out guideline common to all divisions.
Law and Society Proposals

Council on Planning & Budget endorsed a proposal to discontinue the undergraduate degree in Law and Society and to disestablish the Law and Society Program, even though the final stages of the process by which this decision was taken seemed somewhat opaque.

Terabit Optical Ethernet Center

Council provided a cursory review of the proposal for a Terabit Optical Ethernet Center, which was conducted via email. Receiving only a few responses from council members, the CPB chair provided an unofficial endorsement of the proposal. It was made explicit that CPB expects few requests for funding from this center in the coming years. Council has consistently raised concerns throughout the year about endorsing centers that may in fact cost core campus funding in the long run.

Exercise and Sport Studies

Council on Planning & Budget took no action on either the minor in Exercise and Sport Studies (ESS) or the Department of Exercise and Sport Studies in the past year. The last action of CPB related to this issue was the Council’s review of the Department Review Committee (DRC) report in June 2009 in which CPB supported the discontinuation of the minor in ESS. Nonetheless, the disposition of the minor was an active topic of discussion for the Undergraduate Council. While the Undergraduate Council voted to discontinue the ESS minor effective October 2010, it later decided to extend the time allotted for students to complete the minor until summer 2010 and then spring 2011. There was no further discussion on the possible disestablishment of the Department of Exercise Studies, and currently no further action is required by CPB.

VI. Systemwide Reviews

The Council on Planning and Budget participated in the following systemwide reviews during the 2009-10 term:

UCPB Paper on Differential Fees and Non-Resident Tuition

Council on Planning & Budget reviewed the UCPB position paper on Differential Fees and Non-Resident Tuition; after holding a preliminary conversation about the issue in December, CPB completed its review in April. CPB endorsed the report, which specifically opposed differential fees based on academic major or between campuses.

Council supported increasing nonresident student numbers for qualitative reasons. The additional revenue enhancement would be an added bonus; however the distribution of these fees has yet to be worked out. On the one hand, allowing campuses to retain revenues from these fees will encourage them to develop their own plans for recruiting
nonresident and international students. On the other hand, older and better known campuses typically draw more non-resident applicants—a practice that leads to highly differential revenue from these fees across the UC campuses.

UCPB “Choices” Report

Council reviewed the “Choices” Report of the University Committee on Planning & Budget (UCPB). CPB found the report to be a thoughtful, detailed, and lengthy effort to describe tradeoffs possible to address the ongoing financial crises facing the University of California. Council’s strongest reaction to this report was: how would it become the basis for successful influence? Council felt that a straightforward prioritization or recommendations might be more effective; to that end, CPB offered a prioritization of points discussed in the report.

UC Commission on the Future: First Round of Working Group Recommendations

CPB reviewed the first round of recommendations by the UC Commission on the Future working groups in May. Council concentrated its efforts on topics that most apply to the charge of CPB in its response to the Commission’s report. CPB expressed the view that UC needs to develop a set of principles first from which all other decisions will follow. If UC is going to successfully negotiate the changing times, it is imperative to get in front of the issues in order to shape the outcome rather than continue in a reactive state. Council also cautioned that UC already has profoundly important principles in place, and this juncture is an opportunity to revisit them in such a way that we better communicate with the public of California about UC’s origins and the threat that severe budget cuts are making to the quality of education that we provide to California, the United States, and the world.

CPB also offered additional comments on size (the need to shrink to a size that is manageable in order to continue to excel in terms of quality); quality (UC is driven by the quality of faculty that it can recruit and retain, and all other aspects follow from this element); and semantics (it is very appropriate to rename education and professional degree fees as “tuition”, while excluding the registration fee and student fees from this designation).

UC Commission on the Future: Second Round of Working Group Recommendations

CPB reviewed the second round of recommendations by the working groups of the UC Commission on the Future in July. CPB acknowledged the hard work that went into discussing the wide range of topics for systemwide UC issues and pursuing a second round of recommendations. Council simultaneously found the timing of the recommendations to be problematic considering the summer break. These issues are vitally important to the future of UC and Council suggested that the Commission take this into account by allowing for further comment from the Academic Senate into the fall of 2010.
CPB acknowledged great potential for improved communication and collaboration systemwide but at the same time identified a looming problem of overly intrusive procedures and policies that may hinder nimble advantageous change on a local campus level. Should the new policies become overbearing or overcompensate for the recent economic downturn, UC will further erode its prestigious status in the realm of public university systems.

Council decided not to comment on the entire document, instead choosing specific areas of interest and pertinence to the Council's mission. CPB commented on recommendations of the Size & Shape and Education & Curriculum working groups, as well as the Expanded Recommendations section. Council noted that the origins of the Expanded Recommendations section were somewhat veiled, the result being that CPB was very cautious about the ramifications of the content. Council also noted that many Senate committees have responded – in some cases quite vociferously – in opposition to Online Education, but the thrust of this initiative seemed to be careening forward regardless of these warnings and in fact seemed to be stated even more strongly in favor of making Online Education a large-scaled initiative.

Joint Senate-Administrative Task Force on the Compendium

Council on Planning & Budget reviewed the report of the Joint Senate-Administrative Task Force on the Compendium. This report provided a summary of the Task Force recommendations to update the Compendium, a document that focuses on the university-wide process for creating and changing academic units (schools of law, medicine, etc), reconstitution of academic programs and units, and research units (ORUs / MRUs). The document had not been revised since 1999.

Although CPB understood the need to update the document, Council feared that some of the new added layers of bureaucracy would be costly and unnecessary. CPB supported the recommendation to make the Five-Year Perspectives a planning process and to require that proposals have increased transparency. CPB concurred with the recommended changes to academic degree programs. CPB supported the Task Force recommendation to increase coordination and rigor in the review process (including FTE, Capital, and revenue requirements), the need for the program (especially linked to student demand and existing programs), and fit within the UC system. With regard to reconstitutions of academic programs and academic units, Council reaffirmed the role of the Academic Senate in evaluating program quality and academic value. Finally, CPB supported the recommendation that campus CPB units review MRU proposals and that plans for establishing MRUs and MRPIs demonstrate initial and continuing streams of external funding.

Joint Senate-Administration Task Force on Education Abroad Program

The Council on Planning and Budget read and carefully discussed the report from the Joint Senate-Administration Task Force on the Educational Abroad Program. Overall, CPB found the report very problematic and potentially creating more problems than it
addressed in the EAP program. The report lacked in transparency and was pre-emptive of the Academic Senate consultation process. CPB made specific comments regarding concerns in four different areas: organizational structure; budget and student fees; faculty involvement and program quality; and retention of reciprocity.

Report on Online and Remote Instruction and Residency

Council reviewed the Report of the Senate Special Committee on Online and Remote Instruction and Residency. Overall, CPB felt that the report was valuable and provided some direction for developing online and remote instruction. Its major benefit may be to capitalize on joint instruction between faculty members across multiple campuses. CPB felt that focus should be placed on what is currently happening and on the courses that are now being taught online across different departments. CPB offered the following list of important issues for consideration: the stated goal of efficiency (online and remote instruction is time-consuming, costly, and often NOT more efficient); implementation (departments and faculty members should be involved in all steps of this process); budget (the proposal needs a budget model and some cost/expense estimates); and program structure (the proposal needs to make better distinctions between the blended and the full online courses). CPB wished to remind senior administrators that curriculum and instruction are primarily the responsibility of the Academic Senate, and that initiatives of this sort must be worked out in close collaboration with

UCFW / TFIR report on assuring adequate funding for UCRP

The Council on Planning & Budget reviewed the recommendation by University Committee on Faculty Welfare’s (UCFW’s) Task Force on Investment & Retirement (TFIR) to assure adequate funding for the UC Retirement Program (UCRP). CPB was alarmed and deeply troubled by the information presented in the report, which suggested that UCRP contributions of $2 billion to $5 billion a year would be needed to bring the system into solvency.

CPB strongly supported resumption of pension contributions, and felt that the ramp-up plan suggested by TFIR was far preferable to the “slow ramp-up” contemplated by the Regents. CPB was also concerned about the issuance of Pension Obligation Bonds (POB), and recommended, instead, that the Regents consider other portions of the UC budget to fund via bonded indebtedness; the pension obligations might then be funded with the funds made available.

VII. Committees

The Council’s standing committees (Academic Planning and Resource Allocation, Capital and Space Planning, and Development and Community Relations) conducted business primarily by e-mail. Issues were delegated to the appropriate committees for prior review, and recommendations were then forwarded to the full Council for deliberation.
VIII. Council Representation

The Council Chair served as Vice Chair of the Campus Planning Committee. Both the CPB chair and the chair of the Committee on Development and Community Relations serve as Trustees of the UCSB foundation. A representative of the Committee on Capital & Space Planning was also invited to attend meetings of the Campus Planning Committee and the Design Review Committee.

IX. CPB Relationship with University Committee on Planning & Budget (UCPB)

The Council Chair served as UCSB representative on UCPB, regularly reported on UCPB business, and solicited comments from council members on pending UCPB issues. The Council Vice Chair also attended some UCPB meetings as an alternate.

X. Coordination with the Administration

The Council on Planning and Budget consulted with several members of the Administration during the 2009-10 term, including the Executive Vice Chancellor; Assistant Chancellor for Budget and Planning; Director of Capital Development; Vice Chancellor for Institutional Advancement; Associate Vice Chancellor for Development; Vice Chancellor for Research; the Deans of the College of Letters and Science; Dean of the Gevirtz Graduate School of Education; Dean of the College of Creative Studies; and Dean of the College of Engineering.

The Council Chair and Vice Chair had regular (bi-monthly) consultations with EVC Gene Lucas. These meetings were an efficient way to discuss issues and concerns informally and highly effective in promoting shared governance.

Budget Analysis

The Chancellor’s Committee on Budget Strategy continued its work this year. Composition of the committee included University administrators as well as Academic Senate leadership, including the Chair of CPB.

Capital Planning

Council on Planning & Budget reviewed the draft of the 10-year Capital Improvement Plan (2010-11 through 2019-20). This was the first time that UC campuses have been asked to submit a 10-year Capital Plan. The intention was to give the campuses more flexibility in how they executed their Capital Plans; however more detailed and longer term plans were required with detailed justifications of the use of and the need for the buildings, based on careful academic analysis. Previously, the campus’s 5-year Capital Plan was reviewed by CPB every two years and updated with recent academic information and construction history. The 10-year plans are then submitted to the Board.
of Regents and once approved the campuses have more flexibility in executing the 10-year plan once sufficient funding has been secured.

CPB endorsed the 10-year capital plan in principle for the academic building component. Council acknowledged the significant work that has been put into this document, and praised the effort. At the same time, CPB expressed some concerns about the feasibility of the plan and offered suggested guidelines for future capital planning. CPB wrote suggested guidelines for the Deans’ preliminary reports, devised to regularize reporting so that the academic capital plans are more efficiently and equitably compared.

Council noted that the proposed funding mix for future capital projects would differ significantly from the historical past. Substantial increases in funding were proposed to come from gifts and external financing, with decreases in funding from the state and funding by debt. Student-fee funded facilities were proposed at $100M during 2015-20. This target seemed overly optimistic given other anticipated additional costs that likely will face future UC students.

XI. Carry-Over Issues

Since this was the first year that UC campuses have been asked to submit a 10-year Capital Plan, UCSB’s plan is still in process and is expected to go to the Regents in fall. Thus the 2009-2010 recommendations will need to be revisited by the Council. It also remains to be decided how often the Council should review the 10-year Capital Plans.

Additional issues that CPB should expect to revisit in the coming year include funding for the UC Retirement Program (UCRP) as well as the final recommendations of the UC Commission on the Future.