

**COMMITTEE ON PLANNING AND BUDGET
MINUTES
January 26, 2017**

Present: Abel Rodriguez (Chair), Ólöf Einarsdóttir (*ex officio*), Kimberly Lau (*ex officio*), Elizabeth Abrams, Adrian Brasoveanu, Cormac Flanagan, Lindsay Hinck, Tracy Larrabee, Lourdes Martínez-Echazábal, Rick Prelinger, Carl Walsh, Graeme Baird (Graduate Rep), Allyson Guo (Undergrad Rep), Tias Webster (Undergrad Rep), Esthela Bañuelos (Senate Analyst)

Absent: Matthew Mednick (Senate Director)

Members Items

Chair Rodriguez announced that VCBAS Latham has reached out to CPB, hoping to work with the committee and/or a subset of members as the process for reviewing the operating model for the Bay Tree Bookstore continues. Two CPB members will serve as a subcommittee in liaison with that effort.

Chair Rodriguez also announced that the Social Sciences Dean search is beginning, and the Vice Chancellor for Information Technology search will begin soon.

Capital Planning Updates, Continued

CPB continued discussion from the January 19 meeting, in which member Larrabee updated the committee on the January meetings for the Advisory Committee on Campus Planning and Stewardship (CPS) and Academic Space Plan Task Force (ASP). Members discussed further the issues raised during the meetings, including the planned East Remote photovoltaics installation, parking, and the planned moves to 2300 Delaware. Members also discussed processes for productive engagement with the administration on these issues.

2017-18 FTE Recruitment Requests/Consultation Prep

The committee discussed its review of the divisional FTE requests and upcoming decanal consultations. The committee then prepared for its consultation with Baskin School of Engineering Dean Wolf, scheduled for February 9, 2017.

Review: Improving Curricular Capacity and Capping Program Enrollment

Acting VPAA Berger has requested Senate review of the draft campus guidelines and approval process for improving curricular capacity. The document is the culmination of the work completed by the working group on impaction, led by VPAA Lee during fall 2016. Chair Rodriguez and member Larrabee (as at-large faculty rep) served on this working group.

The committee noted its appreciation for the work group's efforts in producing the draft document, which provides departments with a list of steps and options to pursue to address issues of capacity management as well as a process for submitting a formal proposal. The committee also noted its appreciation for the progress to date, which is of critical value to the campus.

The committee discussed several broad recommendations to improve the document and process, including adding a statement about the campus commitment to providing a UC quality education, the question of resources to analyze and evaluate the data needed to support curricular capacity proposals, consulting with the advising community, more clearly outlining the scope of the working group's efforts, and summer courses and capacity issues. Minor recommendations included clarifying the proposal routing process, timeline, and general/editing and revising feedback.

Special Salary Practice Proposal

Members continued the discussion begun at last week's meeting (1/19/17) on the proposed changes to the UCSC special salary program (merit boost program), based on findings of the Academic Personnel Office (APO) Annual Report of Faculty Salary Competitiveness (November 2016). Of the two options presented as possible options, members unanimously agreed that neither option was preferable to the current program. CPB therefore expressed its support for the continuation of the current special salary practice without any changes except, perhaps, a slightly more strict application of the criteria for G1 and G2 promotions. The committee noted that this approach would help address both slightly faster-than-comparators increase in median salary and the slightly lower-than-comparators increase in the 90% quantile of the distribution of salaries at UCSC that was observed in the Academic Personnel Office (APO) analysis (Annual Report of Faculty Salary Competitiveness, November 2016).

CPB raised two additional areas of concern, 1) the current special salary practice is not available to LSOEs even though LSOEs are Senate faculty, 2) unlike the regular salary scale, the B/E/E scale does not imply a constant proportional increase in salary for every year between normal reviews. Instead, the salaries in this scale grow very slowly at the senior associate professor/junior full professor level, a point in which faculty are at their most productive and, therefore, more likely to be the target of external offers. CPB noted that until UCOP remedies this situation at the systemwide level, it might be prudent to consider a small variation of the salary practice that addresses this issue.

Summer Salary Proposal

The committee reviewed the proposal for summer salary adjustments for 2017, provided to the Senate by VPDUE Richard Hughey on request from Interim CP/EVC Lee. Key components of the proposal included using standard proportional salaries for summer courses below 5 units, increasing GSI salaries, eliminating "special treatment" of one division's laboratory support costs, and capping Unit 18 and Senate faculty salaries to a fixed amount. The committee noted that it appreciates the need to increase the revenue derived from Summer Session, and remains concerned about both the consultation process (and lack thereof) on this issue as well as the content of the proposal.

CPB agreed that a more nuanced analysis of the finances of Summer Session could yield alternative compensation and organizational practices that might improve revenue without drastically reducing the incentives for faculty to participate in summer instruction. In particular, CPB noted that the campus should focus on discouraging small classes taught by highly paid faculty that are most likely responsible for the lack of profitability. In particular, the committee suggested further evaluation of two alternative changes to summer session. First, investigating the effect of an increase in the minimum number of students required for a course to be offered during the summer on the profitability of the course. Members noted it would be useful to have data on the size and financial return (total enrollment revenue, cost of instruction, and their difference) for courses offered during the last 3 summers. This data would also help in evaluating the effect of different salary caps on revenue. Second, the committee suggested consideration of a higher salary cap for faculty, and noted it would be useful to have access to data on the per-course compensation paid during the last 3 summers. Members noted that compensation distributions tend to be highly skewed, and thus expect that a higher cap might still lead to a substantial decrease in costs (which are likely inflated by a relatively small fraction of faculty with very large compensation), while reducing the disincentives to faculty participation.

More generally, the committee agreed that the Senate should engage with the administration in a discussion

about the role of summer session in our academic ecosystem and how different goals can be aligned.

Framework for UC Growth

Chair Rodriguez provided an update on the process and campus planning efforts for the UC Framework for Growth, which is being led by UCOP. The framework for growth is intended as an internal exercise that will be aggregated at the systemwide level. UCOP has requested that each campus provide at least one scenario for growth (but recommends more than one) that includes an estimate of budget and capital needs to support that scenario. This is a quickly evolving process with additional information forthcoming.

FTE Transfers

The committee reviewed follow-up material (MOUs addressing curricular and workload issues) to two FTE requests previously reviewed by the committee. The committee reviewed and deliberated the material, in preparation for making its recommendations.

Planning: February 2 Meeting

The committee briefly discussed planned items for its next meeting.