

COMMITTEE ON PLANNING AND BUDGET

Annual Report, 2016-17

To: Academic Senate, Santa Cruz Division

The Committee on Planning and Budget (CPB) worked on several issues this year, including (a) strategic academic planning (engaging specifically with capacity planning, the UC Framework for Growth, and the Long Range Development Plan process); (b) divisional faculty FTE requests and participating in shaping the planning process for future cycles; (c) Silicon Valley programs; (d) core and writing proposals; and (e) capital planning. In addition, the committee continued to monitor and proactively engage with several issues, including the Special Salary Practice (merit boost) program and summer session. Extensive routine business for the committee included review of new degree program proposals, participation in external reviews of many departments, and review of off-cycle and Waiver of Open Recruitment FTE requests. A detailed summary of CPB's work in 2016-17, as well as a list of anticipated issues for 2017-18, is provided below.

Strategic Academic Planning

The lack of a Strategic Academic Plan was identified by CPB as the most critical issue facing our campus, and the committee invested substantial effort advocating for the development of such a plan. The minimal academic planning that happens at UCSC is carried out at the divisional level, often with limited direct involvement from rank-and-file faculty and with little coordination across divisions. In fact, the current approach to planning tends to encourage competition across divisions rather than collaboration, leading to duplicated investments in some areas, underinvestment in others, and generally poorer outcomes than could be obtained otherwise. Furthermore, the depth and quality of the divisional plans vary considerably, which puts some divisions at a significant disadvantage when advocating for resources.

Until a Strategic Academic Plan for UCSC and its implementation strategy are developed, CPB will continue to play a very active role in recommending priorities for campus investments through its review of FTE allocation, review of Silicon Valley programs, capacity planning initiatives and the UCOP-led Framework for UC Growth (more details on these topics can be found in the next few sections of the report). During the past year, we also communicated our expectations for the content of a future Strategic Plan to both the Chancellor's and CP/EVC's offices through a series of memos (CPB to Chancellor, 11/10/16; CPB to EVC "Senate Priorities" 4/7/17; CPB to CP/EVC, 6/16/17). In response to our advocacy, CP/EVC Tromp has expressed to CPB that Strategic Planning (of which Strategic Academic Planning is one component) is one of her top priorities. The committee looks forward to working with her and the central administration in this area.

Faculty FTE Review

CPB devoted significant effort this year to faculty FTE and recruitment planning, offering advice to the Campus Provost/Executive Vice Chancellor (CP/EVC) on the Faculty FTE Call letter itself and on the evaluation of the divisional proposals. The Committee is grateful to the CP/EVC and the Office of Planning and Budget for addressing concerns CPB raised early in the process regarding the timeline for the faculty FTE allocation process. In particular, moving the deadline for the decanal responses to mid-January and including a template for relevant data in

the FTE call allowed CPB to devote more attention to comparative (cross-divisional) data analysis and decision-making, which enriched our ability to make “big picture” recommendations while holding divisional priorities in mind.

Our evaluation of faculty FTE requests greatly benefited from in-person consultations with each of the academic deans. In addition, the chairs of the Committee on Educational Policy (CEP) and Graduate Council participated in these consultations and later met with CPB to provide their perspectives. We also met regularly with CP/EVC Alison Galloway, interim CP/EVC Herbie Lee, and Vice Chancellor for Planning and Budget (VCPB) Peggy Delaney to discuss the proposals. We sincerely appreciate the efforts of all those who took the time to consult with us.

FTE planning is an especially important activity right now because the campus is approaching the end of the “rebenching” period that has provided to the campus a stream of new FTEs. With a future that promises significant resource constraints, CPB believes that comprehensive reviews of faculty hiring, such as the one we performed, will become increasingly important because they have the potential to identify areas of research overlap within the campus and facilitate the coordination of FTE hiring across departments and divisions. We believe the recent lack of such strategic hiring is a consequence of UCSC’s having no strategic academic plan and we look forward to working with CP/EVC Marlene Tromp on defining a vision for future growth.

A priority of CPB has been the development of a transparent faculty FTE allocation process whose outcome clearly reflects campus priorities. Over the last two years, CPB has worked in collaboration with VCPB Delaney and the Office of Planning and Budget to develop quantitative and qualitative accountability metrics that can be used to help the campus evaluate progress towards its goals and guide resource allocation. If these metrics are going to be taken seriously by the departments and divisions, it is important that the rationale behind any resource allocation be clearly and explicitly tied to them. Although this year’s faculty FTE allocation letter sporadically mentioned some of the accountability metrics, it often failed to make the link between resources and metrics explicit and systematic. We note that, similarly, most deans did not incorporate a robust discussion of metrics in prioritizing their FTE requests.

In its evaluation of faculty FTE requests, CPB kept in mind the priorities that the CP/EVC laid out in the Faculty Recruitment Call to the Deans: “1. Enhancing the campus’s research profile and significantly growing doctoral enrollments”; and “2. Maintaining or enhancing the educational experience for our growing undergraduate enrollment.” FTE requests that addressed both priorities were a relative minority, but were rated highly by the committee. In the short and medium term, finding mechanisms to encourage divisions to invest more heavily in areas that address both undergraduate and doctoral education goals should be a priority for CPB. Given uncertainties in terms of future budgets and available FTEs, as well as our desire to reserve some FTE for the CP/EVC, CPB opted to recommend for central funding only those positions with the highest possible future impact. Hence, our recommendation was relatively conservative, proposing 12 centrally-funded FTE, as well as two upgrades to FTEs allocated in previous cycles. In contrast, the final allocation by iCP/EVC Lee was more generous, and involved 15 centrally funded FTE as well as the two upgrades. In our view, some of the positions that were finally funded did not fully adhere to the guidelines in the Faculty Recruitment Call.

CPB also spent significant time discussing issues associated with coordination across divisional boundaries. The committee proposed that the VPAA office organize “summits” this fall for the Biological and Mathematical Sciences. These should bring together stakeholders from different departments across divisions to discuss ways to leverage resources to more efficiently manage our undergraduate curriculums. The campus needs to take decisive action to identify the best way of delivering high-quality education to growing numbers of students using all available faculty. It seems likely that the Campus Provost will have to play a stronger role in adjudicating decisions about how to allocate resources to specific departments (rather than merely focusing on high-level decisions at the divisional level), according to priorities and principles articulated through these summits and, in the longer term, the strategic planning process. This will be particularly key in disciplines for which campus expertise is spread over departments located in more than one division.

Another issue that was extensively discussed by CPB was the cost escalation in start-up packages for new recruitments and the difficulties that the divisions are facing in funding these packages. It has become apparent to the committee that the funding model for startup costs is broken; startup cost in some disciplines (mostly located in PBSci and BSOE, but also in some areas of the Social Sciences and Arts) have increased faster than the salary savings that are meant to fund them. A discussion of alternatives should start immediately, and CPB welcomes the opportunity to participate in those discussions.

In our discussions with the deans it also became clear that it would be beneficial for the campus to provide departments and divisions with additional flexibility to make multiple, simultaneous offers to fill a single position. Implementing such an approach is particularly important in disciplines where hiring is extremely competitive, as it would help minimize the number of failed searches. Implementing this recommendation would likely require that we move into a multi-year planning system that more clearly separates recruitment authorizations from approvals of budgetary increments, and a more robust tracking mechanism that enables the campus to adjust future hiring plans when multiple offers are accepted.

In summary, faculty FTE allocation is one of the most important planning exercises of the year and transparency in the decision-making process is extremely important in an institution with shared governance. CPB believes that the process, as implemented over the last two years, has been improving. For example, the clear articulation of campus goals, the pre-allocation of a range of faculty FTEs to divisions, and the establishment of accountability metrics have all been extremely positive steps. Nevertheless, we still have some concerns. To allow ample time for planning and consultation, we would like to see the FTE call letter sent out to divisions before the end of October at the latest. We are also concerned about two hiring strategies that fall outside the normal FTE process: Target of Excellence (TOE) and Presidential Postdoctoral Hiring Incentive (PPHI) requests. In the near future, CPB should monitor these requests closely, look at their history, and take into consideration the recruitment plans laid out by Deans in previous responses to the Faculty Recruitment Call when reviewing these ad-hoc requests. In the medium term, finding a mechanism to integrate these two programs into the wider process of FTE planning is an important issue that the committee should consider.

Silicon Valley

During 2016-2017, CPB provided advice on a request to allocate additional centrally funded faculty FTE to BSOE programs at the Silicon Valley Center (SVC), reviewed proposals to revise the M.S. program in Games and Playable Media (GPM) and to establish a new M.S. program in Serious Games (SG), and offered feedback on a preliminary proposal for a new M.S. program in Human-Computer Interactions (HCI). For each of these three programs from the Computational Media (CM) department, CPB also reviewed their associated budgets and Professional Degree Supplemental Tuition (PDST) proposals.

CPB supports campus initiatives to build programs at the SVC. However, our discussions highlighted two issues of special concern. First, CPB is troubled by the process through which additional faculty FTE were allocated to the SVC programs. Second, while CPB reviewed individual programs for the SVC, there is currently no overall academic plan that articulates the ultimate objectives of SVC investments, particularly in relation to those in the main Campus, or how proposed programs will ultimately help support a sustainable academic enterprise at the SVC. As the process to develop a Strategic Plan for the campus gets underway, CPB should ensure that the role of SVC and its relationship to the main campus are addressed.

CPB's review of proposals from the Computational Media (CM) department for Games and Playable Media (GPM) and Serious Games (SG) M.S. programs suggested the pre-proposals CPB reviewed during 2015-2016 had underestimated the required faculty resources and overestimated demand at the original levels of the PDST. Consequently, the Baskin School of Engineering (BSOE) requested additional faculty FTE be allocated to CM for its Silicon Valley programs. In reviewing this request, CPB recommended a range of options to the Interim CP/EVC that would address the need to make GPM more affordable by reducing its PDST while adding instructional resources to GPM and SG. The committee's preferred option was to not allocate additional FTE but instead to have the programs use PDST funds to hire lecturers while also involving existing Arts faculty in the program. Instead, interim CP/EVC Lee allocated an additional 3 FTE to CM, with one going to each of the three proposed M.S. programs (conditional on campus approval of the revised GPM proposal and the new SG and HCI proposals).

The allocation of additional FTE to CM raises questions about the process for selecting programs for the SVC. As noted in last year's report, CPB ranked the pre-proposal from Computational Media as having the highest potential among those proposed for the SVC. CM argued that three M.S. programs could be mounted successfully with the addition of just 3 new faculty FTE. The low cost in terms of faculty FTE was a strong factor in CPB's subsequent decision to rank the CM pre-proposal above other pre-proposals. It is not clear that this ranking would have been the same if CM had requested 6 FTE. CPB is concerned about the incentives this process has created for departments to obtain pre-approval based on unrealistically low estimates of resource requirements and then to come back with a higher request. In assessing any proposal, whether for the SVC or the Santa Cruz campus, CPB understands that plans often need to be revised as uncertainties are resolved or unforeseen developments occur. However, it is vital for the success of the planning and approval process that proposals be based on realistic business plans that do not systematically underestimate needed resources. Another area of concern is the level of investment required to sustain these programs: in the best-case scenario, GPM and SG will

together bring in 100 MS FTE, but will require the investment of four faculty FTE who will be teaching exclusively in this program. Although these faculty members will also be expected to supervise PhD students, the return on investment appears quite low.

Another area of concern is integration of Silicon Valley faculty into the larger UCSC community. As the campus hires faculty who will be involved with programs centered at the SVC, departments will face challenges in ensuring these faculty are able to fulfill the expectations and obligations common to all UCSC faculty. It will be important that SVC faculty engage fully in teaching across the curriculum, thereby contributing to the undergraduate mission of UCSC, as well as participate in departmental and university service.

More generally, CPB is concerned about the absence of a clearly articulated academic plan for SVC. Under our current approach, SVC is being populated with extremely costly and quite small programs. We question whether this strategy will yield sufficient student numbers to allow SVC to become an intellectually vibrant and financially sustainable academic endeavor that has a net positive impact on UCSC, rather than be a drain on campus resources. In fact, Silicon Valley appears to have become an end to itself, rather than the means by which UCSC's broader goals can be achieved.

Capacity Planning

UCSC continued to face significant enrollment pressures in 2016-17. In fall 2016, VPAA Lee convened the Major Impaction Policy Working Group, which drafted guidelines and a proposed approval process for improving curricular capacity and capping program enrollment. During the winter quarter, CPB reviewed a first draft of the policy and guidelines, and in spring quarter, CPB reviewed a second iteration that incorporated the first round of Senate feedback.

Along the process, CPB has strongly argued that any process for capacity management should be situated within the framework of the campus commitment to provide a UC-quality education. During the initial review, the committee was particularly concerned about adding to the workload of departmental staff by requiring them to analyze and evaluate data needed to support curricular capacity proposals, and felt that the advising community should be consulted as it might contribute valuable expertise to the drafting of guidelines. CPB expressed further concern that the proposed cap on summer salaries (see "Summer Salary and Summer Session Operations" Section below) might render summer courses non-viable as solutions to capacity issues.

CPB's review of the revised draft submitted by acting VPAA Berger recognized its many improvements. However, the committee suggested that, as we move forward with the process of strategic planning, "the process of impaction management must consciously evolve into a process of campuswide curricular and capacity management (CPB 4/27/17)." Curricular management (practiced on all UC campuses except Merced) should a) guide our admissions for impacted and near-impacted programs, b) be a concern of the center in consultation with individual departments, and c) be a proactive rather than an ex post facto process. While CPB also felt that departments proposing Major Impaction Declarations needed to supply detailed discussion and assessment of their current capacity, the committee remained concerned that the information-gathering requirement could be burdensome for departments and felt it should perhaps be collected and processed on an institutional basis. The committee was also concerned

about the responsibility for additional resources needed and the timeline for reviewing impaction status. Finally, CPB reiterated its central role in advising the CP/EVC and the central administration on issues relating directly to capacity planning and management, which are inherently resource-related questions.

During the spring quarter, CPB also reviewed a proposal for impaction status submitted by the Computer Science (CS) department in accordance with the VPAA guidelines. The proposal made two requests: (1) to include language in the campus admission policy that alerted students to the fact that intended major could be a criteria used for admission decisions, and (2) to declare Computer Science impacted. While CPB supported the first of the two requests, it deemed the information provided by the department to support the second insufficient. To clarify, while it is clear to CPB that the CS department is impacted, the proposal did not make a good case for the number of students that it can manage with current and expected resources and using other strategic approaches. Furthermore, the proposal also lacked a clear explanation of how the filtering process would work and what the expected admission levels would be. CPB expects to see a revised impaction proposal from the Computer Science department early in the coming academic year.

The capacity management question remains a significant issue for CPB, especially as it concerns departments in which enrollments and faculty size are out of proportion with each other. Another issue that needs further discussion with the Administration revolves around clarifying authority for the impaction designation. The committee plans to continue its review of this and other conditions that might potentially degrade the undergraduate experience.

Framework for UC Growth

The Framework for UC Growth is an ongoing initiative by the UC Office of the President to plan for substantially increasing the number of students in the UC system by 2040, as well as the resources that would be required to achieve such growth. The Framework is an attempt to move the UC system from a reactive to a proactive agenda for system-wide growth, and involves each campus creating one or more scenarios that match their own aspirations and constraints. It has been repeatedly emphasized to CPB that campus-specific scenarios will not be shared outside the UC system by UCOP, and that only system-wide aggregates will be reported.

The timeline for the development of the Framework was extremely tight, which made Senate consultation very difficult. Nonetheless, CPB was able to participate in a number of activities related to the Framework, and we want to thank Chancellor Blumenthal, iCP/EVC Lee and VCPB Delaney for including us in the discussions. First, the committee consulted with VCPB Delaney and iCP/EVC Lee about the goals of the Framework, the process for Senate involvement, and the basic assumptions underlying scenario development (2/2/17; 2/9/17; 2/16/17). Second, Chair Rodriguez along with *ex-officio* members Einarsdóttir and Lau participated (along with other members of the Senate Executive Committee, SEC) in two joint SEC/Chancellor's cabinet meetings in which preliminary scenarios for UCSC were discussed and narrowed down. Finally, Chair Rodriguez participated in a system-wide meeting held at UC Irvine at which the scenarios for all campuses were shared and discussed.

The Framework process is still ongoing at the time this report is being written. Nonetheless,

CPB will closely monitor its outcomes, which should be available early in the 2017-2018 academic year. Furthermore, although the Framework was not designed to be part of a Strategic Planning or Long Range Development Planning process, it is apparent that the scenarios being developed in the Framework and the assumptions that support them should inform both processes.

Core and Writing Proposals

During the year, CPB invested a substantial amount of time reviewing proposals from the Council of Provosts (CoP) to revise the content and structure of the Core course, and from the Writing Program (WP) to revise the lower division required writing curriculum. For many years, the Core course has served multiple purposes. On one hand, it has aimed to enhance the student college experience and sense of belonging, and on the other, it has, together with the writing curriculum, served to fulfill writing instruction for both ELWR-satisfied and ELWR unsatisfied students. However, changing student demographics at UCSC have led us to consider modifying the current structure of the Core course and the Writing curriculum. Hence in 2015, CEP concluded that ELWR satisfaction should be a prerequisite for enrolling in a composition course (C1), as required at every other UC campus. The proposed modification to SCR 10.5.2 was approved by the Senate in May of 2016. In response to this change and the pedagogical and curricular concerns, the Senate asked the Council of Provosts (CoP) and the Writing Program (WP) to submit proposals to modify the Core course and the WP curriculum, respectively.

The main challenge CPB faced in reviewing the budgetary aspects of the proposals was reconciling the changes recommended by the separate CoP and WP documents with the budget envelope provided by the iCP/EVC. This challenge was compounded by the lack of specific numbers associated with the envelope (which was equivocally defined as the current budget plus up to \$300,000 of additional funding), despite explicit requests to the responsible administrators for this information. Regardless, CPB was enthusiastic about the CoP's proposed changes to standardize the Core experience, thereby avoiding the complex range of current Core options, and about the slightly larger one-quarter Core class sizes (30 students), which brought it closer to financial viability. CPB also strongly supported many of the changes proposed by the WP to streamline its curriculum, including replacing the portfolio review with grades for determining ELWR satisfaction, reducing the length of the ELWR sequence, introducing differentiated 3- and 5-credit versions of the course, and reducing the length of the multilingual curriculum (MLC) curriculum to two courses. CPB believes that these changes are necessary to make the curriculum financially viable while preserving the quality of instruction.

Despite the cost-cutting changes proposed by the CoP and the WP, CPB concluded that the expenses for the combined curriculum significantly exceeded the estimated budget envelope, in part because of the proliferation of courses for the significant number of ELWR-unsatisfied students who currently satisfy both the ELWR and C1 requirements through a single course. In order to address this issue, CPB recommended that perhaps some sections of ELWR-unsatisfied C1 courses could be maintained, thus allowing students to satisfy both requirements simultaneously. For example, students might be able to completely satisfy the ELWR requirement with a grade of C- or higher, but would need a grade of C+ or higher to satisfy C1; this type of arrangement would meet at least the spirit of SCR 10.5.2. Other cost-cutting measures suggested by CPB included reducing the number of credits for the Core course from

five to three or four credits and reducing the combined number of credits for C1 and 2 from 10 to 8 (either by making both courses four credits each, or by reducing the number of credits in C1 to 3). These measures would significantly lower the budget and would bring it closer to the allocated resource envelope. CPB also discussed the possible impact of separating Core and writing on divisional enrollment patterns and the resource implications of that change. Regardless of the decisions made with respect to these two proposals, CPB strongly urges the administration not to reduce the overall level of over-enrollment funding for the Academic Divisions below current levels.

In summary, CPB concluded that the proposals for the Core and Writing Program curricula--the newly consistent structure and increased class size proposed for Core, and the newly streamlined curriculum proposed for the WP curriculum--would meet budgetary constraints only if the total number of units expected by these required classes were to decrease. Thus CPB recommended reducing the number of credits for the Core course from 5 to 3, the total number of credits for C1 and C2 writing courses from 10 to 8, and the number of credits for ELWR classes from 5 to 3, in order for both programs to fit within the budgetary envelope provided by the iCP/EVC. CPB looks forward to monitoring the implementation of the changes in the Core and Writing curricula.

Budget Review Process

Because of the transition in campus leadership, UCSC did not engage in a campus-wide budget review process during 2016-2017. The committee anticipates a major budget adjustment during the upcoming 2017-2018 academic year, and we expect to be fully involved in that process.

During the year CPB identified University Relations (UR) and the Office of Research (OR) as two units whose budgets should be closely reviewed in the near future. However, the committee was unable to engage in this exercise during 2016-2017, and instead focused on the review of the summer session office (see below). Nonetheless, the committee expects to proceed with a detailed review of UR and OR budgets during the upcoming academic year.

Summer Session Operations and Salary for Summer Instruction

In late spring, a joint working group of CPB and CEP members developed a set of foundational principles to prioritize Summer Session's competing aims and guide planning for Summer Session. The chairs of CPB and CEP have invited Vice Provost and Dean of Undergraduate Education (VPDUE) Hughey to develop a proposal for fall 2017 addressing pedagogical and financial aims for Summer Session, a strategic plan for success in meeting these aims, and a plan to review the results in the wake of a one- or two-year trial of the changes (CPB and CEP Chairs to VPDUE Hughey 6/28/17). The chairs recommended that the proposal should take into account the working group's prioritization of aims, and should also involve consultation with Graduate Division Dean Tyrus Miller and Graduate Council. CPB expects that this proactive approach will facilitate the ongoing growth of Summer Session while ensuring that Summer Session effectively supports the aims of the campus as a whole, enabling students' progress while enhancing campus revenues.

CPB was prompted to review Summer Session in the wake of two events: an internal audit narrowly focusing on its profitability and concluding that Summer Session was running a deficit

in relation to its assigned budget (\$60 per credit per student, drawn against student fees of \$257 per credit); and the VPDUE's announcement that Summer Session salaries would be capped as a response to the auditor's conclusion about a deficit. (Salary capping was not implemented.) CPB's own analysis of Summer Session's finances concluded that Summer Session was in fact running a profit, and that evidently straightforward solutions to resolve the apparent deficit and increase revenues, such as capping salaries or reducing the number of small courses, would yield limited returns. CPB concluded that a more nuanced approach would be required to increase revenues, and concurred with the VPDUE that revenue enhancement was only one among a group of sometimes competing desiderata.

Capital Planning

During 2016-2017, the major focus of CPB's discussions related to capital planning issues revolved around establishing priorities for the use of the \$50 million in GFF (general funds financed) project funds available to the campus over the next three years. These funds can be used for campus capital projects that address seismic-life safety and/or enrollment growth issues.

The campus faces many demands for what is an extremely limited budget for capital projects. Among these demands is the need for additional research, lab (wet, dry, and studio), and office space, both on the main campus and at the Delaware facility, the need to expand classroom capacity through the creation of larger classrooms, and the pressing need to renovate and expand the capacity of Kresge College. During the fall, four options for the GFF funds were on the table: (1) invest GFF funds entirely in research space at 2300 Delaware; (2) fund a mixture of new research space at 2300 Delaware and some academic space in Kresge College; (3) fund research space at 2300 Delaware and instructional space at the Classroom Unit site; (4) use all of the GFF funds to expand academic and instructional space at Kresge College.

CPB, through its representatives on the Classroom Subcommittee (a subcommittee of the Advisory Committee on Campus Planning and Stewardship) and the Kresge College Project Committee, argued that the construction of a large lecture theater constituted the highest priority use for the GFF funds. This prioritization was motivated by the fact that the past several years have seen a surge in classroom utilization rates for rooms with capacity of 200 students or more. Furthermore, because of the complexity of building on the Kresge site while not reducing its housing capacity during construction, the committee felt that the non-housing and housing parts of a Kresge College project needed to move forward simultaneously. Hence, CPB argued that option (4), a project that combined the renovation of Kresge College with the construction of a large lecture classroom, should be the top priority for the GFF funds. The Advisory Committee on Campus Planning and Stewardship (CPS) concurred with CPB's recommendation.

The CP/EVC has recently established a Kresge Programming and Building Committee on which a member of CPB serves. Current plans, while still preliminary, call for a 600-seat classroom to be located at the Kresge College site. The project would also lead to the renovation of existing academic and instructional space at Kresge, while the housing component would expand capacity by 100 to 250 beds. The project would also improve the physical connectivity of Kresge College with the rest of campus and improve its general accessibility. Given the budget envelope available for the project, it is possible that the renovation of academic space may not provide sufficient expansion to allow an academic department office to be located at Kresge College,

although an expansion of academic office space might be possible if alternative fund sources can be identified.

In late August 2017, CPB received the final version of the Campus Financial Plan (CFP) with a ten-day deadline for review. Because of this timeline the committee did not perform a full review of the plan. Instead, Chair Rodriguez and CPS representative Larrabee provided CPS with limited feedback. The timeline for review of the CFP is an ongoing issue that will require attention in the coming year. One difficulty is that the timeline, process and requirements for campus submission to UCOP change every year. However, this challenge can be addressed if CPB is willing to be flexible with the timeline of the review (which might extend into the first few weeks of the summer) and if the administration is more responsive in communicating preliminary drafts to the committee. For example, this year CPB did not receive a copy of the first draft of the CFP that was generated by CPS at its June 20, 2017 meeting. Such a draft could have served as the basis for committee review, as most of the changes that were introduced later were of a very technical nature. CPB will need to advocate for more timely and consistent information in the coming year.

Special Salary Practice

CPB provided recommendations about the proposed modification of the special salary practice (merit boost) program on two occasions. The initial CPB recommendation (Feb. 3, 2017 letter) was to maintain the current special salary practice without any changes. The two main reasons were cost of living in the Santa Cruz area, particularly housing, and "preventive retention" (which was one of the initial goals of the program).

The final CPB recommendation (April 12, 2017 letter) was revised based on feedback from the EVC office, which made a case for modestly pairing the cost of the salary boost program given competing needs for available resources, and which pointed out that cost-of-living issues should not and do not factor into salary recommendations. CPB acknowledged the competing needs for the available resources, but disagreed with respect to the cost-of-living issue (more on this below). Consequently, CPB revised its recommendation and supported an enhanced version of the Option 2 proposed by the EVC office. The proposed Option 2+ has a Normal Action (one step advancement) and four greater-than-normal actions:

G1 = one step plus an off-scale that is equal to one third of the following step

G2 = one step plus an off-scale that is equal to two thirds of the following step

AC = two steps (acceleration rather than simply three thirds off-scale)

AC1 = two steps (acceleration) plus an off-scale that is equal to one third of the following step

These five levels (normal action + 4 greater-than-normal actions) are linearly spaced, which makes them more easily distinguishable when evaluating merit cases, a virtue that Option 2 has relative to Option 1 (original or amended) and the current SSP. A second virtue of Option 2+ is that it maintains a G1 tier, thereby minimizing the risk that median salaries could fall behind again as we move forward. Eliminating G1, as proposed by the Deans, could lead to the number of faculty who benefit from the program to drop under 50%.

In addition to these recommendations, CPB made three additional observations in its two letters.

First, the special salary practice should be made available to (P)LSOEs: (P)LSOEs are Senate faculty and the campus is planning to increase their number in order to meet impaction needs as well as to free ladder faculty for greater graduate capacity; as such, (P)LSOEs support campus goals in significant and important ways that should not be overlooked in the special salary practice program.

Second, 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 time period in which faculty are typically at their most productive and, therefore, more likely to be the target of external offers. This issue would be best addressed system-wide by a change in the scale, but until that happens, a local remedy should be explored.

Third, the Senate has consistently argued that cost-of-living issues should be part of salary discussions on our campus. The guiding principle contained in the SEC Recommendation on Faculty Salaries dated May 5, 2009 (p. 2) states the following: “Our long-standing position at the bottom end of the salary comparisons, in conjunction with the high cost of living in the Santa Cruz area, has intensified the salary disparities between our campus and the rest of the system. Thus the problem of low salaries in the UC system as a whole has particular local intensities.” CPB looks forward to a continuing discussion of cost of living adjustments.

Bay Tree Bookstore

The Bay Tree Bookstore has been operating at a loss for some time and has accumulated a sizable deficit. In response to this unsustainable situation and to structural changes in the book retailing sector, Business and Administrative Services commissioned an external review report from Campus Bookstore Consulting (CBC) on the bookstore, upon which CPB reviewed and commented in 2015-16. During the 2016-17 academic year, Associate Vice Chancellor of Housing and Educational Services (AVCHES) Sue Matthews and her staff constituted a Bookstore Review Committee (BRC) to develop a viable path forward; two CPB members sat on this committee. AVCHES Matthews also consulted with CPB on February 16, 2017 and reviewed measures BAS had taken to reduce the operating deficit. The BRC met regularly during the school year and is continuing to meet during the summer, with the objective of reporting to the CP/EVC in the fall. Wide-ranging discussions have included consideration of new operating options and partnerships and expansion into new business areas.

While recognizing the quantitative considerations that prevail, CPB felt strongly that the importance of the bookstore must also be measured in qualitative terms, and that the destiny of the Bay Tree Bookstore is above all a student-centered issue. Hence, CPB advocated for representatives from such organizations as the College Senates, SUA, GSA, Graduate and Family Housing being included in the discussion, and the recommendation was adopted when the BRC was structured.

Shared Governance and Consultation Process

During the year, CPB consulted regularly with the CP/EVC, as well as with VCPB Delaney. It also consulted on an ad-hoc basis with a number of principal officers, including the Academic Deans, and most of the Vice-Provosts. CPB greatly appreciates the CP/EVC Office’s

commitment to shared governance and weekly consultation, particularly given the transitions in leadership that transpired during the 2016-2017 academic year. The Committee benefited tremendously from the ongoing dialogue and specific discussions we were able to have because of our regular meetings with CP/EVC Galloway and iCP/EVC Lee. We were also excited by our initial consultation with CP/EVC Tromp, and we value her clear investment in shared governance generally and in continuing the practice of weekly consultation with CPB in particular. We very much look forward to our continued conversations with her, especially around the campus strategic planning process.

One issue that remains unresolved is how to deal with business forwarded to the Academic Senate during the summer, winter and spring breaks. Senate committees do not meet during these periods. Nonetheless, it is in the best interest of the Senate and the campus as a whole to identify a mechanism that allows the Senate to provide feedback on issues in a timely manner. Hence, it is important that the Senate in general, and CPB in particular, agree with the CP/EVC on an appropriate process for “break” reviews. This process might involve a clear understanding of what cases would be considered urgent, with a clear delegation to the Chair to evaluate specific items. In particular, the Chair might be delegated to identify “straightforward” issues that could be resolved without full committee consultation; other more complex issues could be reviewed during the break period using online tools. If the Chair considers the topic to be controversial, the discussion would be delayed until the committee can reconvene in person, either over the break (with appropriate compensation) or during the regular term. One important caveat is that any consideration of such business should be restricted to really urgent matters. The option of summer review should not become an excuse to dispense with proper Senate consultation or for principal officers to skirt deadlines. In particular, while a procedure like the one outlined above might be used with some regularity during summer breaks, we would expect that it be used very rarely in spring and winter. Another caveat refers to compensation for summer committee work: any substantial effort that requires an in-person meeting of any Senate committee during the summer break should involve compensation for the faculty members involved, following the same model currently used for the Committee on Academic Personnel.

Regular Committee Business

New Program Proposals

CPB reviewed proposals for establishment of a B.S. in Science Education, Coastal Science & Policy M.S. with PDST (professional degree with supplemental tuition), Serious Games M.S. (PDST), Human Computer Interaction M.S. (PDST), Statistical Sciences M.S. and Ph.D., and Environmental Art and Social Practice M.F.A. CPB also reviewed a proposal to change an existing degree in Games and Playable Media M.S. (PDST).

External Reviews

CPB supplemented the universal charge with specific questions for the departments of Applied Mathematics & Statistics, Earth and Planetary Sciences, Education, History, and Music. Committee responses to the external review reports for discussion during closure meetings were prepared for the departments of Feminist Studies, Film and Digital Media, DANM, Sociology, Biomolecular Engineering, Ocean Sciences, Politics, and Education (Education completed both stages of its external review this year). CPB also reviewed mid-cycle reports and made recommendations on length of review cycle for History of Consciousness, Latin American and

Latino Studies, Literature, Physics, Technology Management, Theater Arts, the Writing Program, and Computational Media (deferral request).

In addition, CPB reviewed and commented on the review report for discussion during the closure meeting for the five-year review of the Institute for Marine Sciences (IMS), an Organized Research Unit (ORU).

Off-Cycle FTE Requests and Waiver of Open Recruitment Requests

CPB reviewed and made recommendations on two additional or second-hire requests, four Presidential Postdoctoral Scholar hire requests, six Target of Excellence Waiver of Open Recruitment proposals, and five Spousal/Partner Waiver of Open Recruitment proposals. In addition, CPB reviewed an off-cycle request for an authorization to use a divisionally held FTE for an open recruitment at the senior level. The committee is somewhat concerned about the increasing use of waivers of open recruitment: if all hires proposed under these mechanisms are successful, they will represent between 25% and 30% of all hires during this academic year.

Local and Systemwide Issue Review

In addition to the issues discussed in earlier sections of the report, CPB reviewed and commented on the following issues and/or policies:

- Systemwide Review of Proposed Revised APM Section 190, Appendix G (October 2016)
- Faculty FTE Transfer Requests (October 2016, February 2017, March 2017)
- Presidential Policy on International Activities (October 2016)
- Long Range Development Plan (LRDP) Process and Timeline (November 2016)
- Revised PDST Policy (December 2016)
- Multilingual Curriculum for International Students Preliminary Assessment Report (December 2016)
- Centers of Excellence Proposal (January 2016)
- Academic Analytics (January 2017)
- Art Design: Games and Playable Media B.A. Updated Charter and Bylaws (March 2017)
- Computer Game Design B.S. Revised Charter and Bylaws (March 2017)
- Proposal to Discontinue the Physics Education B.S. Program (April 2017)
- Proposal to Discontinue the Bio-Education Concentration in the Biology B.A. Program (April 2017)
- VPAA Proposal: Curricular Capacity and Capping Program Enrollment Process and Guidelines (April 2017)
- Computer Science: Petition for Impacted Status (April 2017)
- Campus Pedestrian Plan Draft (June 2017)
- Systemwide Review of Academic Personnel Manual (APM) 285; 210-3; 133; 740 [Teaching Professors/LSOE Title] (June 2017)
- Granary/Stone House Planning (June 2017)
- Social Documentation M.A. Discontinuance (June 2017)
- iCP/EVC Proposal on TA Allocations for Graduate Enrollment (January 2017, reviewed but no official comment pending additional information from the CP/EVC)

Continuing Issues for CPB 2017-18

- First year curriculum—Monitor implementation of changes to the Core and Writing Program curricula.
- Summer session—Review proposal to be generated by VPDUE Hughey.
- Strategic Academic Planning—Participate both in the definition of the process and in the discussions that will ensue.
- Faculty recruitment requests—continue to monitor and participate in implementation of changes to the FTE planning process.
- Long Range Development Plan—review documents arising from the planning process, including preliminary and final LRDP documents.
- Capacity planning—Review departmental proposals according to the VPAA guidelines reviewed last year.
- Silicon Valley—Monitor progress of programs being developed.

Respectfully submitted;

COMMITTEE ON PLANNING AND BUDGET

Elizabeth Abrams

Adrian Brasoveanu

Cormac Flanagan

Lindsay Hinck

Tracy Larrabee

Lourdes Martínez-Echazábal

Rick Prelinger

Carl Walsh

Ólöf Einarsdóttir, *ex officio*

Kimberly Lau, *ex officio*

Abel Rodriguez, Chair

Graeme Baird, Graduate Representative

Allyson Guo, Undergraduate Representative

Ray Inoue, Undergraduate Representative (F)

Tias Webster, Undergraduate Representative (W, S)

August 31, 2017

Appendix A: How CPB Functions

CPB consists of ten regular members (one of whom serves as Chair), including two *ex officio* members, the Chair and Vice-Chair of the Senate. All members are selected by the Committee on Committees (COC) and are subject to Senate approval. CPB brings a balance of perspectives to campus issues by including members from each academic division. CPB also had a graduate student representative and places for two undergraduate student representatives to sit with the committee throughout the year. Members represent CPB on other academic and administrative committees and share the tasks of writing and editing documents. The duties of the Chair include setting meeting agendas, facilitating meetings, assigning tasks to CPB members for preparing reports and written responses, meeting commitments in terms of timely response to consultation, signing CPB documents and attending UCPB meetings. All CPB letters and reports, unless otherwise noted, represent the consensus opinion of CPB.