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October 21, 2009

Henry Powell
Chair, Academic Council
University of California

In Re: UCLA Response to Differential Fees by Major Proposal

Dear Harry,

Thank you for the opportunity to opine on the draft proposal on differential fees by major. I am responding at the request of UCLA Senate Chair Robin Garrell, whose travel schedule has her away from UCLA. Professor Garrell specifically requested the Undergraduate Council, Council on Planning and Budget, the College Faculty Executive Committee, the School of Engineering Executive Committee, and Executive Board to opine. The UCLA Academic Senate supports the removal of the proposal from the Regents Agenda at this time so that the item may be more fully developed by the Commission on the Future and subsequently vetted the Academic Senate. Although the proposal will not be reviewed by the Regents at this time, I thought it important to outline some key themes of the responses:

- All reviewing councils and committees opposed the proposal as written. Although there is recognition by some that the question of differential fees by major should be further explored, the paucity of supporting information (e.g., cogent rationale, budgetary impact assessments, etc.) made it untenable to endorse this proposal as written.
- CPB and UgC both articulated a number of questions that require further clarification. For example, why are these two majors singled out? Since part of the rationale for engineering and economics majors is the overhead costs associated with mounting the majors, why would the revenues generated be utilized at the discretion of the Chancellors? What guarantees can be made to ensure that the fee increases would be used to advance undergraduate education?
- Such a proposal would likely have a negative impact on student diversity. Any future proposal should elaborate how this negative impact would be mitigated.

I am attaching the responses from CPB and UgC, which contain more discussion and nuance than I provide here, for your information.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael S. Goldstein".

Michael S. Goldstein
Immediate Past Chair
UCLA Academic Senate

Cc: Robin Garrell, Chair, UCLA Academic Senate

Ann Karagozian, Vice Chair and Chair-Elect, UCLA Academic Senate
Martha Kendall Winnacker, Executive Director, Systemwide Academic Senate
Jaime R. Balboa, Chief Administrative Officer, UCLA Academic Senate

October 9, 2009

Professor Robin Garrell
Chair, UCLA Academic Senate

Re: Differential Fees by Discipline

Dear Dr. Garrell:

CPB has reviewed the proposal for the establishment of differential fees by discipline as outlined on correspondence received from the Office of the President.

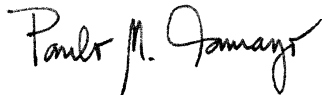
In principle, CPB recognizes that differential fees could be explored as a powerful mechanism to address budget deficiencies in selected academic units in the UCLA campus. This would be particularly so if each of the affected units, in consultation with the administration and student bodies, determines that such action would be cost-benefit effective for its students.

In its current format, CPB opposes the proposal. The concerns listed below need to be addressed on a modified proposal for the issue in question to be re-considered.

- (1) Why have these two majors been singled out? Is there evidence that undergraduate education in business/economics and engineering has higher costs? Is there a belief that undergraduates would be willing to pay higher fees for these majors because of employment prospects with higher remuneration after graduation? CPB was left to speculate as to the reason for selecting these two majors. If employment prospects are indeed the primary motivator, CPB doubted that business/economics should be included in the same category as engineering;
- (2) What is the plan to assess the appropriateness of these charges on an ongoing basis, given that factors that currently justify the charge in question may change quickly?
- (3) It is unclear as to what degree the faculty and student bodies in business/ economics and engineering were consulted and had the opportunity to opine about the proposal;
- (4) The fate of the additional revenues to be raised is not specified: (a) what percentage of it will be converted into student aid funds? And, (b) to what extent these extra funds will be made available to academic units under which those students are majoring (council members expressed significant concerns about the majority of these funds not returning to the originating units)?

- (5) If most of the revenue would return to the originating unit, what would be the guidelines for its use?
- (6) What are the mechanisms to ascertain that subsequent increases in differential fees are gradual, moderate, and predictable? The possibility for such fees to rise disproportionately as compared to regular tuition fees exists and should be addressed; and
- (7) The potential effect of the implementation of differential fees on student diversity is obvious. What are the steps that will be taken to mitigate such a potential consequence?

Sincerely,



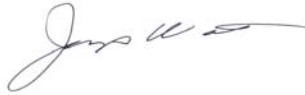
Paulo Camargo
Chair, UCLA Council on Planning and Budget

cc: Jaime Balboa, Chief Administrative Officer, Academic Senate
Michael Goldstein, Immediate Past Chair, Academic Senate
Ann Karagozian, Vice Chair, Academic Senate
Linda Mohr, Assistant Chief Administrative Officer, Academic Senate

October 15, 2009

To: Robin Garrell, Chair
Academic Senate

From: Joseph B. Watson, Chair
Undergraduate Council



Re: Differential Fees by Major Proposal

The Undergraduate Council (UgC) has thoughtfully considered the University of California President's proposal to establish differential fees targeted at upper-division business and engineering students, effective 2010-11. I am writing to report that the Council is not able to endorse the proposal.

Members expressed varying sentiments: Several members suggested that imposing differential fees might be inevitable while others opposed vehemently imposing the fee. Concerns were raised whether imposing differential fees would negatively impact lower socioeconomic students or diversity, and "devalue" other majors.

It was noted that other comparable institutions have already implemented differential fees. In a rapid read of the University of Nebraska's study that examines all the U.S. institutions that have implemented differential fees, one UgC member cited that there appeared to be neither an effect on diversity nor lower income students. However, the study did not specify whether scholarships or financial aid covered the additional fees.

The Council acknowledges the dire need for additional revenue, but as articulated by one member, "There should be a level playing field for all majors. That's not what a University is all about. Students should be free to follow their intellectual "noses" and not have "cost of major" influence their intellectual direction."

Finally, the Council strongly supports and agrees it is imperative that UCLA maintain the quality of its undergraduate education. However, as stated in the documents reviewed by Council: "Because the fee is being implemented to address the University's budget shortfall, rather than engineering and business program quality issues, at the campus level, ***funds would be allocated at the discretion of the Chancellor.*** ***Therefore, there is no guarantee the funds would be used to maintain or improve the quality of the education for students shouldering these fees.***

If you have any questions or need additional information, please feel free to contact me (x 5-7587; jwatson@mednet.ucla.edu) or Judith Lacertosa, UgC Principal Policy Analyst (x51194; jlacertosa@senate.ucla.edu).

cc: Jaime Balboa, CAO, Academic Senate
Judith Lacertosa, Principal Policy Analyst, Undergraduate Council
Dorothy Ayer, Assistant to Senate Leadership & CAO