March 3

At U. of California, a Systemic Governance Crisis

For decades, the University of California has been held out as a model of how governance can and should work at a major university, with clearly delineated roles for the systemwide governing board, central administration, campus chancellors and faculty members.

How far the mighty have fallen.

The well-publicized compensation scandal that badly embarrassed the 10-campus California system in 2006 revealed one aspect of the university’s governance dysfunction, but masked a larger and potentially more damaging one. The full extent of UC’s trouble was laid bare last month in two highly critical reports from the university’s accreditors and in interviews with more than a dozen current and former university administrators, faculty members, and others close to the institution.

Together, they describe a situation in which the Board of Regents, and particularly its chairman, Richard C. Blum, have at times run roughshod over the university’s central administration, engaging in practices — and formally altering policies — in ways that blur the historic line that has separated the regents’ overall governance responsibilities from the day-to-day management and administration of the UC system.

Among other things, Blum participated in a set of weekly meetings for university administrators, typically a no-no for governing board members; he publicly released a paper on university strategy that had not been shared either with other regents or with UC officials; and the Board of Regents significantly redefined the roles of its own staff to include the crafting of policy.

While such an expansion of authority by regents (and resulting diminution of the role of university administrators) would be damaging to an institution like UC at any time, it especially concerns university supporters now because it comes as the University of California is searching for a new president. Several academic leaders inside and outside UC said they believed the board’s intrusion into academic governance could deter top university leaders from seeking the university’s presidency.

“The University of California’s governing and management arrangement have historically had much to do with the dramatic growth and development of the University of California into one of the world’s leading public universities,” David P. Gardner, who led the university from 1983 to 1992, said in an interview. “To
tamper with those arrangements, therefore, will impinge directly upon the university’s ability to sustain its position. An awareness of this relationship should be foremost in the minds of those who are proposing to effectuate major changes in these arrangements, and the burden of pursuing these changes carries a special responsibility for the implications that follow.”

Gardner rarely comments on University of California business these days, and was reluctant to do so in this case, too. But he’s not alone right now in voicing unusually blunt criticisms of the system’s governance.

As a team of college presidents who visited the university at the behest of the Western Association of Schools and Colleges last fall stated in its report this winter, “some of the issues [the team identified] are not widely recognized by the Board of Regents but are of sufficient significance to warrant attention, reflection and action. At the present time, these issues seem fundamental to effective governance and decision making, especially at a time when the university’s leadership in transition.”

That may not sound like a crisis, but in the language of accreditation, which tends to favor cooperation over conflict, especially when dealing with universities of unquestioned quality, those are almost fightin’ words.

In its followup letter last week to the visiting team’s report, Ralph A. Wolff, who heads the Western association’s Accrediting Commission for Senior Colleges and Universities, wrote that despite a written response from UC regents and administrators that suggested the university had largely dealt with the issued raised in the visiting team’s report, “significant issues remain to be addressed… [T]he commission would distinguish between the structural responses undertaken, which are many, and the need for a shift in operational behavior, which the team did not find yet in evidence. Such a shift would bring the conduct of the university’s governance and decision making systems into closer alignment with commission standards [and] best practices.”

Read that again: In the relative politeness of accreditation-speak, that is the head of the agency that accredits the University of California’s saying that the heralded institution’s way of operating is out of whack not only with the accreditor’s minimum standards but with how the best institutions do business. (The accrediting group began its review at UC in response to the compensation scandal, but “it soon became clear that other significant issues were also present,” the visiting team wrote.) How did a university renowned as a model of good governance get to this point?

One Crisis Begets Another

The roots of the university’s governance problems were evident in widely reported controversy over UC’s practices for determining and awarding compensation to its top officials and those at its campuses. That undulating scandal, which dominated news about the university from late 2005 through the early part of 2007, was widely seen as tarring its public image and damaging its relationship with the California legislature.

There’s little point in rehashing the gory details of the compensation controversy; information about that is in ample supply on the university’s own Web site and in the archives of the San Francisco Chronicle, whose investigative reporting helped ferret out the problems. For current purposes, what’s important to know is that the controversy was widely seen as crippling the presidency of Robert C. Dynes, the well-regarded physicist who began leading the university in 2003 and weathered an effort by some critics to oust him, as the compensation scandal unfolded, in 2006.

But by most accounts, even though Dynes survived, the compensation controversy undermined leading regents’ confidence in the president’s ability to lead the institution and in most of his administrative team. They blamed him primarily for not responding quickly and aggressively enough to the scandal. But some UC administrators also assert that some regents had itched from the beginning of the Dynes presidency for more authority, given that his predecessor, Richard C. Atkinson, had been an aggressive leader who, in the words of one administrator, made the regents feel like “a rubber stamp.”
Whether the regents’ stepped in because they were unhappy with Dynes’s performance or because they had been seeking a pretext to assert more control matters little; what is clear to all concerned is that they took advantage of the situation to build what some characterize as a “shadow” administration without him.

This activity took multiple forms. Regents regularly lambasted members of the UC central administration at board meetings and in other forums, drawing a rebuke in the report from the Western accreditor. “The regents are sometimes unnecessarily harsh in their treatment of UC administrators, faculty, and staff,” the accreditors’ visiting team wrote of complaints from those interviewed. “According to these reports, civility in communications at public and private meetings, in the media and in other venues have suffered over time.” Campus officials assert that the regents’ badmouthing undermined the university with legislators and others in a position of power. “The regents were weakening us,” said one official, who like most interviewed for this article requested anonymity because they feared retribution.

The accrediting group’s report also singled out Blum’s August 2007 paper called “We Need to Be Strategically Dynamic,” which called among other things for a restructuring of the central administration and president’s office, as a sign of the regents’ (and specifically that regent’s) overstepping of bounds. “There appears to be a practice among members of the UC Board of Regents, especially the Chair, to make seemingly official statements regarding the UC without formal board action or prior discussion and authorization of the board through collective action,” the WASC visiting team wrote. “The special committee finds it highly unusual and at odds with accepted board governance ‘best practice’ for a letter of this importance to be made public without considerable discussion of its underlying content by the board” and the president’s office.

Blum was traveling and a university spokesman said the regent chairman could not be made available for comment. However, in a statement released through the spokesman, Blum responded specifically to the allegation about his strategy paper. “It’s important to understand that was an expression of my views as an individual Regent, which is consistent with University policy,” he said, citing a policy that allows for “forthright expression of opposition or efforts to change such policies or decisions” that “clearly indicate that it is not to be construed as a position of the Board and that the opinion expressed is that of an individual Regent.”

Blum added: “The document itself was addressed to the Regents, so it could not have been taken by anyone who read it to be an expression of the Board’s views. It was intended to contribute to dialogue among Board members as we examine the University’s administrative structure, and was not put forward as an expression of the collective views of the Board. None of my colleagues have indicated to me that they understood it to be anything more than that.”

Overstepping Bounds?

The chairman and the regents took several other actions, formal and otherwise, that troubled those concerned about the sustenance of good governance at the University of California.

In March 2007, the board hired the politically connected Diane Griffiths, chief counsel of the California State Assembly’s Rules Committee, to fill a significantly expanded role as “secretary and chief of staff” of the regents. Previously, the job of board secretary had been defined in a pretty standard way for board liaisons, focusing on planning board meetings and providing administrative support for regents.

But the board altered its bylaws to add “chief of staff” to the position’s name and to give the person in the role the authority to provide “substantive research and analysis, planning, preparation and support and review” for the board. Policy development, at UC and most respected institutions, has historically been the
domain of university administrators, and the board’s action could amount to the creation of an “independent and conflictary policy arm,” says Michael Brown, chairman of the university system’s Academic Senate and a professor of counseling and clinical psychology in the University of California Santa Barbara’s Graduate School of Education. Brown says that board officials have insisted that they do not intend for that to happen, and that the Office of the President has promised to monitor the situation and alert the regents “should role conflict and confusion occur.”

Griffiths, whom the university did not make available for comment despite a request to speak to her, has also expanded the board’s staff from 7 at the time she took the position to 10 now, a spokesman said. (That growth comes at a time when the size of the president’s staff has shrunk significantly.)

A few months later, in August, Dynes announced that he would resign as of June 2008, and that the university’s provost and executive vice president, Wyatt R. Hume, would become chief operating officer, taking over day-to-day management of the university system. In many ways, the announcement only formalized what had happened in practice months earlier, according to multiple officials within the administration, with the board largely bypassing Dynes. (Dynes also was described by university spokesmen as unavailable for comment.)

It was during this period, according to several people close to the university, that Blum participated in weekly staff meetings of top university administrators. Exactly how many times this happened is in dispute; officials close to the administration said that Blum participated regularly, going so far as to call in from out of the country to join in the discussions.

Hume disputed that, saying that “rumor and hyperbole is a little stronger than the reality.” “I do have weekly meetings with my senior staff,” he says, and “early in the transitional arrangements when I became chief operating officer, Blum ‘attended one ... and called in to another.... The two meetings were three weeks apart; it was a pretty short-lived direct involvement. I think that is a prerogative of the chair of the board.”

Did Blum ask to attend? “Oh yes,” Hume adds. But “I keep in touch with the chair of the board; I think it’s my responsibility to do so.”

Blum: Circumstances Justify Intervention

Citing his travel schedule, Blum declined to speak to a reporter by telephone, but he did release two statements in response to e-mailed questions.

The basic gist of his reply is that he and the regents had stepped in because they had lost confidence in Dynes and his administration.

“As fiduciaries of the institution, the Regents are ultimately accountable. We did have concerns about the management of the institution, given the well-publicized issues we were dealing with, and I felt the duty to get more involved. The Board, in partnership with the administration, is enacting changes to address those concerns and we are now in the process of re-establishing an equilibrium between the Regents and the presidents’ office, including re-establishing proper governance roles and boundaries. I fully respect and support the independent authority and leadership of the president — it’s critical to the University’s effectiveness.”

That answer fails to satisfy many of the board’s critics. If the board was so unhappy with Dynes, why didn’t they get rid of him, “instead of neutering him?” as one person close to the situation asks.
The board’s decision to respond to perceived weaknesses in leadership by stepping in to fill the breach is especially concerning to many at UC given the fact that the university is now searching to replace Dynes. Will top-flight academic leaders who might be interested in leading arguably the world’s premier public research institution be fearful that the board might intrude in the future if a future administration stumbles?

The president of one major research university, who acknowledged having been approached by those searching for UC’s new chief, says: “I can’t imagine a president worth his or her salt going in and allowing some of these things to continue.... The timing couldn’t be worse, and it’s going to be a serious impediment” for a leader familiar with traditional academic governance.

Brown, UC Academic Senate chair, describes the UC presidency as possibly “the best [higher education] job in the country.” In order to fully realize that, he says “it is important that the regents’ initial efforts to properly realign governance responsibilities are pursued to completion.”

Blum and other regent leaders insist, in their responses to the Western accreditor and in their public statements, that they believe they are putting the university’s governance system in order in ways that will ensure the continued success and leadership of the University of California.

It can’t afford to do otherwise, Wolff, head of the accrediting group, said in his letter to Dynes late last week. “As the university moves to select a new president, it will be important to continue to make progress” on the issues facing the university, he wrote. “It is the responsibility of the board to create and sustain the conditions for the success of its key leaders, while setting priorities and evaluating their performance.”

“Much progress” has been made on those fronts, Wolff wrote. But “for further progress to be made, changes in operational conduct and behavior are needed.”

— Doug Lederman

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