

# **Response to Campus Review of the Pre-proposal for the E. & J. Gallo School of Management**

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## 1. Response Summary

On February 5, 2021, we received the campus’s response to the initial Gallo School pre-proposal, which we submitted for campus review on June 1, 2020. We thank everyone who reviewed the pre-proposal and provided thoughtful feedback.

We are encouraged by positive comments on our plan. Some reviewers thought the pre-proposal was well-written and outlined a clear faculty-driven path for the development of a new school that importantly fulfills the campus’s long-standing promise to a key donor. Some saw the proposal as innovative and distinctive, creating opportunities for novel education and research programs related to management and much more. Some saw benefits in promoting multidisciplinary and equity-centered approaches and in multidisciplinary perspectives on tackling global challenges, themes that align with overall campus strengths and that may help move the campus toward Carnegie R1 status.

Nevertheless, many substantial concerns were raised, and we hope we have addressed them adequately in the revision of the pre-proposal. In addition to the written feedback received, we have consulted widely among the proposed Gallo School faculty and across the campus over the last few months, aiming to understand better the key points of concern and the best approaches to addressing them adequately.

Overall, many concerns about details of the pre-proposal were expressed by both administration and senate reviewers. Here, we have organized these into a set of broad concerns about the plan and proposal in five categories: identity and coherence of the school, need for the school, diversity and equity, resources and budget, and campus consultation and proposal process. We have further organized the concerns into a set of twenty-seven issues spread among these five broad categories. In the second section of this document, we address these twenty-seven issues. The third section shows how we have organized the specific comments received from the various campus constituents according to these concerns. Appendix A addresses concerns raised in recent meetings with senate committees and school executive committees, which are aligned mainly with our responses in the second section of this document. And Appendix B responds to CAPRA’s written comments on a draft of the “FINANCIAL AND RESOURCE PLANNING” section.

We note first that the pre-proposal has been revised substantially. One significant change is the inclusion of the Department of Political Science in the set departments proposed to move to the Gallo School. We believe the addition of Political Science has strengthened the proposal significantly, requiring us to rewrite much of the “BACKGROUND AND INTRODUCTION” section, as we have aimed to expand and sharpen the framing of the research and educational priorities of the proposed school (see “SYNERGY AND ALIGNMENT”). In addition, we have added several new external letters of support that address including Political Science in the proposed Gallo School (see “APPENDIX K”).

Another significant change is the removal of faculty associated with philosophy from CIS in the proposed shift of faculty to the new school, as the philosophy faculty are actively working to form their own department in SSHA. We have removed the faculty, research priorities, and the educational programs associated with philosophy from the pre-proposal.

The most substantial change is the revised financial model (see “FINANCIAL AND RESOURCE PLANNING”). In this financial model: (a) only faculty, students, and programs

shift from SSHA and SOE to the proposed Gallo School (no staff); (b) the proposed Gallo School provides transition funding for SSHA, some temporary academic support (more than \$1.2M over the five years of the plan); (c) there are no salary scale changes for any of the departments moving to the new school; (d) all staff salaries are supported by state general funds; and (e) gift and endowment funds are used more slowly over time, supporting student and faculty programs and a small portion of operational expenses, and the long-term development plan has been rewritten with the help of UC Merced’s Office of Philanthropy and Strategic Giving (see “APPENDIX G”).

In what follows, we respond to the specific issues raised by reviewers of the initial pre-proposal.

## 2. Response to Campus Review

### Identity

**(1) Reviewers ask why we don't pursue an Institute or Graduate School, or a set of interdisciplinary programs rather than a new school? Why not wait to establish a school until cooperation/intellectual cohesion has been demonstrated?**

We seek to propose a school to fulfill the commitment the campus made to the Gallo family in 2002. The gift agreement with the Gallo's does not permit the endowment to be used for the establishment of programs or institutes; it requires a School of Management that includes both undergraduate and graduate programs. The collaboration among these four departments was prompted by the discovery of intellectual synergies in early discussions concerning the establishment of a potential Gallo School. Yet the proposal process has identified many more synergies, including synergies around educational priorities at undergraduate and graduate levels. The pre-proposal includes organizational infrastructure for education, development, and other activities that reach beyond the intellectual goals of a research institute, such as the development of new undergraduate programs that span our disciplines. Some institutes – such as UCSD's Halicioğlu Data Science Institute and University of Wisconsin-Madison's Nelson Institute for Environmental Studies – incorporate both undergraduate and graduate programs, and could serve as models, but structurally, these are similar to schools. Forming a school also improves our ability to solicit additional external donations from donors who align with our distinct vision.

Working together on the pre-proposal has revealed the strong collaborative orientation of these four departments. We meet regularly to discuss opportunities and challenges. We are already committed to building a community of scholars and students that will work to build knowledge of the management of institutions and resources through research and education.

**(2) Reviewers suggest that the plan is unrealistic and does not demonstrate cohesion.**

The revised proposal more directly elaborates on cross-department cohesion by identifying four prominent benefits to aligning these four departments in a new School: Common Tools, Understanding Multi-faceted Problems, Designing Practical and Mindful Solutions, and Shared Pedagogical Approaches (see section "SYNERGY AND ALIGNMENT")

At the time UC Merced was established, many observers also considered the founding of a new University in the middle of the Central Valley unrealistic, poorly timed, and destined to fail. Yet faculty and administrators came together to see through its installment, integration, growth, and present-day success. The faculty of the proposed Gallo School embody the same spirit and have openly demonstrated collective efforts aimed at contributing to the natural evolution of the campus by establishing a School of Management that is normative of Carnegie R1 university status.

**(3) Reviewers note that this is not a proposal for a traditional School of Management.**

That is correct; this is not a proposal for a business or management school that would traditionally offer an MBA degree among a larger suite of degrees targeted specifically at industry. A recent article in Harvard Business Review suggests business schools of the future

ought to focus on systems thinking, complex problems such as climate change, and inclusivity: “The pace of change in business schools is far slower than in business, with the result that MBAs are increasingly less well prepared for the complex challenges of leading companies and collective enterprises in general.”<sup>1</sup> Our proposal aligns with this suggestion.

It is important to note that there is no proposal for a traditional sort of management school in hand – nor has one ever been offered by faculty at UC Merced. The current effort has nearly unanimous support from more than fifty faculty across four departments who are offering the proposal for campus consideration. Key to that support is the proposed school’s focus on the research, teaching, and service missions of social and natural scientists, engineers, and practitioners in areas of management and science of complex coupled human-technological and human-environmental systems and of behavior, management, and governance of individuals, firms, institutions, and economies. The UC system favors proposals for new schools that do not simply replicate what can be found elsewhere.

Nevertheless, the pre-proposal for the Gallo School does include the Department of Economics and Business Management and the Graduate Group in Economics – which offer programs to train economists at the undergraduate and graduate levels. In addition, EBM offers a fairly traditional undergraduate management program as well – Management and Business Economics. The pre-proposal also suggests creating an accounting track for that major and possibly a professional Master of Accounting degree in the near future. Thus, as described, the Gallo School would combine innovation with tradition, with substantial traditional educational opportunities that align with some aspects of traditional management schools.

Although there are no immediate plans to apply for AACSB accreditation, this may be an option in the future. We will continually look for opportunities to grow our programs in service to our students and to the campus as a whole.

**(4) Reviewers suggest that the proposal focuses primarily on faculty research rather than on student needs.**

We understand that the original pre-proposal text placed more emphasis on research than on education. We have aimed to incorporate much more discussion of educational programs, synergies, and opportunities in this revision (see sections “SYNERGY AND ALIGNMENT” and “PROPOSED ACADEMIC PROGRAMS” and “FUTURE ACADEMIC PROGRAMS”)

In particular, a team comprised of representatives from the four Gallo departments are finalizing a proposal for an undergraduate Data Science and Analytics major, which would provide students a valuable curriculum oriented around decision-making with data – including but not limited to the data-driven pipeline comprised of collecting, cleaning, analyzing, modeling and effectively communicating with data. The curriculum for this program would draw on the empirical research strengths of the proposed Gallo School faculty and reflect the rapidly growing marketplace of employers seeking to hire graduates with this expertise. It would integrate real-world cases that confront students with powerful data-oriented tools to tackle a wide range of challenges relating to individual and group-level decision-making under the increasingly complex constraints of time, resource, risk, and uncertainty. This and other planned educational programs that leverage the intersection of management science theory and methods across the diverse proposed Gallo

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<sup>1</sup> See <https://hbr.org/2020/03/a-bolder-vision-for-business-schools>

School departments, along with implementation via a case-based educational approach, will prepare students for myriad lucrative professional pathways aligned with the highly integrated techno-social future of work. To support recruitment of new and transfer students we have included a budget line item for marketing and recruitment in the School’s financial model (which leverages endowment and other non-state funds).

**(5) Reviewers ask what will be the expectation and standards for faculty recruitment, advancement and promotion in the Gallo School?**

The expectations and standards for faculty recruitment, advancement, and promotion in the Gallo School will abide by the standards put forth in the APM and which are recognized by the broader campus. Each of the four departments in the Gallo School has well established expectations and standards which are not expected to change with the formation of the new school.

Regarding recruitment of faculty, particularly faculty that represent the diversity envisioned in the plan, we have outlined an approach that (a) prioritizes new positions aligned with areas of social transformation, social equity, political ecology, and environmental and climate justice; (b) leverages networks of existing faculty; and (c) posts job openings on appropriate listservs and at appropriate institutions. The plan also envisions a new Associate Dean for Equity, Justice, and Inclusive Excellence, who is tasked with overseeing recruitment and other efforts to increase diversity, equity, and inclusiveness (see “VISION AND FIVE-YEAR PLAN”).

Need

**(6) Reviewers suggest that the need for a new school is not clear.**

The proposal articulates the need for a new school around three basic arguments: (1) strategic programmatic and administrative reconfiguration to capitalize on existing academic strengths and synergies; (2) alignment of educational programs to meet local and national workforce demands by training 21<sup>st</sup> century problem-solvers capable of tackling local and global challenges at the intersection of human, technological, and natural systems; and (3) contribute to the growth, competitiveness and overall interdisciplinary mission of the university as it strives to achieve Carnegie Highest Research Activity (R1) status.

To this last point, the vast majority (125 of 137, or 91%) of R1 universities have a College/School of Business or Management. Given the socio-economic challenges facing the Central Valley, it is critical that UC Merced fulfill the Ernest & Julio Gallo endowment by establishing education and research expertise in the domain of management to promote the campus’ mission aimed at “capitalizing on and expanding the Valley’s connections to the emerging global society”.

**(7) Reviewers express concern that the proposed new school will compete with existing schools.**

The Gallo School will require an initial financial investment to hire new staff and a dean. However, because the Gallo School will be comprised of faculty, educational programs, and other entities already in existence, the majority of the cost of the new school (e.g., faculty salaries) has already been accounted for in current campus resource allocations. Our intent is to

continue to grow our existing majors and develop new programs to build the undergraduate and graduate populations at UC Merced, thereby improving the fiscal outlook of the campus.

As the campus pursues the objectives laid out in the most recent ten-year strategic plan, shifts in the status quo are unavoidable. We are confident in campus leadership to manage school-level resource allocation, and whereas much focus has been made on the negative impacts of the proposed reconfiguration, we believe there are positive impacts that merit highlighting. For example, as explained in our section, “FINANCIAL AND RESOURCE PLAN”, the development of the Gallo School will largely improve faculty-to-staff and student-to-staff ratios in SSHA (see Table 14), aligning more with the ratios in the other schools.

In addition, the Gallo School proposal team and the faculty groups promoting new program proposals have met with faculty and administrators across campus to mitigate negative impacts and ensure increased opportunity.

**(8) Reviewers suggest that the proposed new school will have a negative impact on SSHA.**

With three departments moving from SSHA to the Gallo School, many reviewers are concerned with negative impacts on SSHA. The ratio of staff-to-departments in SSHA will improve; however, SSHA will lose some Temporary Academic Support (based on the new student credit-hour funding model) that is produced by these departments. To ensure the SSHA temporary academic budget is not harmed by this move, the Gallo financial plan includes multiple years of budgetary transfer (totaling more than \$1.2M) to ease the transition. Aside from financial impacts, the constitution of the School of Social Sciences, Humanities, and Arts will clearly be different without these three social science departments. We are confident that SSHA faculty efforts to reconfigure their school alongside our efforts to establish the Gallo School will in fact yield *two* new forward-looking entities, thereby further solidifying UC Merced as an innovative research university designed for the 21<sup>st</sup> century.

**(9) Reviewers suggest that the need and impact on the community could figure more prominently in the proposal (e.g., Central Valley, local community).**

Starting with the five aspirational goals, the revised proposal more clearly highlights the Central Valley as a key factor in the design and mission of the Gallo School (see “BACKGROUND AND INTRODUCTION”). To summarize, in alignment with UC Merced’s strategic plan, the Gallo School will contribute towards human and intellectual capital investment as an established pathway to train future leaders and high-skilled members of the modern workforce to guide sustainable and equitable prosperity in the Central Valley.

Diversity

**(10) The reviewers suggest that there is a lack of diversity on the Gallo School proposal team**

We appreciate this concern and the chance to clarify the process and team that has developed the plan and the pre-proposal over several years. In AY 18-19, the core planning included Heather Bortfeld (PSY) Ramesh Balasubramaniam (CIS), Teamrat Ghezzehi (LES), Rob Innes (EBM), Paul Maglio (MCS), David Noelle (CIS), Leroy Westerling (MCS), and Greg Wright (EBM). In



AY 19-20, the core planning included Ramesh Balasubramaniam (CIS), Rob Innes (EBM), Paul Maglio (MCS), David Noelle (CIS), Leroy Westerling (MCS), and Greg Wright (EBM). In 20-21, the core planning team included Rob Innes (EBM), Paul Maglio (MCS), David Noelle (CIS), Tracey Osborne (MCS), Paul Smaldino (CIS), and Greg Wright (EBM). In AY 21-22, the core planning team included Rob Innes (EBM), Andrew Johnston (EBM), Crystal Kolden (MCS), Paul Maglio (MCS), Nate Monroe (POLI), David Noelle (CIS), Alex Petersen (MCS), Michael Spivey (CIS), and Jessica Trounstone (POLI). We note that starting AY 19-20, members of the core team were selected independently by each of the proposed Gallo departments. We note further that our extended planning team (from across the campus) includes Roger Bales (CEE), Heather Bortfeld (PSY), Nancy Burke (PH), Jeffrey Butler (EBM), Ajay Gopinathan (PHYS), Andrew Johnston (EBM), Arnold Kim (MATH), Sarah Kurtz (MSE), Roummel Marcia (MATH), Shawn Newsam (CSE), Peggy O’Day (LES), Josh Viers (CEE), ShiPu Wang (GASP), and Roland Winston (PHYS). We believe the individuals who have been key to this effort over time represent a reasonably diverse cross-section of faculty across many departments, all ranks, and many areas of interest. Nevertheless, going forward, it is our intention to ensure diverse faculty representation in our planning efforts more consistently, including racial, ethnic, and gender diversity as appropriate and as possible. We are committed to increasing the racial, ethnic, and gender diversity of our departments and school.

**(11) Reviewers suggest that there may be issues related to climate and culture in the proposed school.**

We appreciate reviewer comments focusing on our departments’ records related to diversity and inclusion, both from the faculty side and research and education side. However, the claim that our departments are “not generally considered the most inclusive, diverse, or equitable on campus or within their respective schools” is false. No data or supporting argument is offered, and there is no reason to believe that our proposed set of departments will not be inclusive. In fact, as shown in Tables 1-3 in the revised pre-proposal, student and faculty diversity of the proposed departments and programs aligns with that of the campus and the system – though there is room for improvement, particularly on the faculty side. In this context, we have offered a clearly articulated and measurable plan to foster equity, diversity, and inclusion through programs, hiring, and other activities, with the proposed school’s Associate Dean for Equity, Justice, and Inclusive Excellence working closely with the campus’s Chief Diversity Officer (see “COMMITMENT TO EQUITY, DIVERSITY, AND INCLUSION”).

## Resources

**(12) Reviewers ask what are the financial and resource implications for other schools and the campus overall?**

Financial estimates in the revised proposal indicate a \$1.00 return per state dollar spent (i.e., 100% ROI), representing a sizable return-on-investment made possible by capitalizing on the Lead Gallo School Gift (see Tables 21 and 22 in the revised pre-proposal). This ROI estimate is robust to uncertainty in anticipated revenues generated by self-supporting degree programs, such that if those revenues are excluded, the estimated ROI is still upwards of 91%. Establishing the Gallo School will increase the campus’s financial resources with additional knock-on effects, including but not limited to the creation of staff jobs in Merced.

**(13) Reviewers suggest that the proposed financial plan depends heavily on uncertain future philanthropy.**

In this revision, we have removed any dependence on future gifts from the proposed financial model. As shown in the section on “FINANCIAL AND RESOURCE PLANNING”, we will draw down the cash reserve more slowly than in the original plan, and these funds can be made to last nearly 20 years if additional support (whether from philanthropy or from other revenue-generating sources) does not materialize.

**(14) Reviewers suggest that the proposed allocation of staff is unclear and confusing.**

In this revision, we have simplified the allocation of staff for the proposed school. No staff FTE will be moved from another school to the proposed Gallo School. Specifically, we propose all staff FTE will be funded directly from new state general funds allocated to the Gallo School, totaling approximately \$2M/year (see Table 12 in the revised pre-proposal).

**(15) Reviewers ask whether this is the best time and best financial climate (e.g., COVID) in which to launch a new school?**

Without perfect foresight, there is never a best time. Moreover, COVID is not the first, nor the last, institutional storm that the campus will face. Given COVID’s disruption to prior ways of living, working, thinking, and planning, now seems more appropriate than ever to make calculated investments in the future of the Central Valley. In the time between the original submission of the pre-proposal and this submission of this revision, the state budget and UC budget have stabilized, the campus is operating under a new and more favorable memorandum of understanding with the UC Office of the President, and the campus has developed a new 10-year strategic plan prioritizing enrollment growth and research excellence. This seems like a relevant time to propose launching a new school.

**(16) Reviewers suggest there is lack of detail on projected future enrollment growth and specific funding needs.**

In this revision, we have added additional detail regarding enrollment growth and funding needs (see Tables 12-18 in the revised pre-proposal).

**(17) Reviewers ask why all departments in the new school need to be on the B/E/E salary scale?**

Given feedback from CAPRA and others, we have removed the suggestion that all faculty would move to the B/E/E scale in this revision. Specifically, salaries are viewed as an administrative issue between individual faculty and chairs/deans.

**(18) Reviewers suggest that sources of funding for graduate students are not clearly articulated.**

Funding for PhD students in the Gallo School would be the same as for PhD students in any school. TA funds may be used when available, graduate division fellowship funds may be used when available, other fellowship funds may be used when available, and faculty research funds may be used when available to support GSRs. As all four departments have associated graduate groups with existing PhD programs, we expect the groups will continue to manage their programs and their student funding appropriately.

**(19) Reviewers note that there should be substantial resources devoted to career services for professional master’s degree students.**

This is a good point. The existing Master of Management program has a half-time staff member (paid from the professional fee revenues) devoted to career services specifically for program students and alumni. The proposed self-supporting master’s program (see separate proposal) will also incorporate staff devoted to career services.

**(20) Reviewers suggest that details of future revenue-generating programs are not clearly specified.**

This is a correct observation. The details of future revenue-generating masters programs are not specified in the school proposal, nor can they be. There is a separate proposal for a Master of Data Science and Analytics that has been reviewed by the Senate and is currently being revised given their feedback (see separate proposal). We note that in the current revision, the revenue generated by this program is not strictly necessary to support school operations (see also section on “CONTINGENCY PLANNING”).

**(21) Reviewers suggest that the space plan seems incomplete.**

We are encouraged by the state’s \$210M funding allocation for the new Health, Behavioral Sciences, and Medical Education building at UC Merced. Yet even if the new building is delayed by several years, we believe interim space in SSM, COB, and COB2 will be sufficient to sustain future school operations (see “SPACE PLAN”).

**(22) Reviewers note that campus leadership must commit to funding this plan.**

Yes, the campus must commit to funding the plan. We expect that the approval process we are engaged in will ultimately result in that commitment.

Process

**(23) Reviewers suggest that campus consultation has been inadequate.**

Regarding the original pre-proposal, deans, administrators, and faculty groups participated in a number of meetings where school plans were discussed, and opinions and suggestions were solicited. Nevertheless, we understand that we needed to do more work to ensure support across the campus during the revision process. In preparing the current revision, the proposal team has met collectively and individually with many campus stakeholders to discuss concerns and solicit perspectives. For instance, we have met with deans, administrators, senate committees, and school executive committees to review and clarify concerns expressed in the review of the original pre-proposal. We have also shared revised sections of the proposal as it was under revision with several campus stakeholders for their feedback before submission. We take the process of consultation seriously and have been committed to developing a pre-proposal that takes the large amount of feedback we have received into account.

**(24) Reviewers suggest that the pre-proposal has significant flaws.**

We hope the current revision addresses these perceived flaws adequately.

**(25) Reviewers note that the Senate has not ratified the Campus Policy for Establishment of New Schools/Colleges.**

Unfortunately, this policy is not up to the proposal team. We hope the senate will develop and agree to processes for managing an effective and unbiased review process. Any concerns about the review process should be directed to the administration and the senate.

**(26) Reviewers ask whether there should be a letter of support from the Gallo family?**

This did not occur to us for the initial pre-proposal. Though not required, given the long time that has passed since the original gift and the submission of the pre-proposal, it is reasonable to ask about the donor's view on our plans. Note that we have had substantial contact with representatives of the Gallo Winery and family over several years, and Mike Roland, Vice President of Operations for the E&J Gallo Winery, serves actively on our External Advisory Council. And though Mike Roland agreed to provide a support letter, it was not received in time to be included here. We will forward this letter when it is available.

**(27) Reviewers ask whether the campus really wants to name a school after the Gallo family?**

In accepting the gift from the Gallo Winery and family in 2002, the campus and the UC system committed to the name, **Ernest & Julio Gallo School of Management**. Any concerns about the name should be addressed to campus and system leadership.

### 3. Comments Received

#### **Administration**

SNS: Betsy Dumont, Dean of School of Natural Sciences

SSHA: Jeff Gilger, Dean of School of Social Sciences, Humanities and Arts

SOE: Mark Matsumoto, Dean of School of Engineering

DUE: Sarah Frey, Vice Provost and Dean of Undergraduate Education

GRAD DIV: Asmeret Asefaw Berhe, Interim Associate Dean of Graduate Education

FP&A: Bianca Khanona, Assistant Vice Chancellor, Financial Planning and Analysis

#### **Academic Senate and Executive Committee**

DIVCO: Divisional Council

UGC: Undergraduate Council

GC: Graduate Council

CAPRA: Committee on Academic Planning and Resource Allocation

COR: Committee on Research

CAP: Committee on Academic Planning

CRE: Committee on Rules and Elections

EDI: Committee for Diversity and Equity

LASC: Committee on Library and Scholarly Communications

SOE ExComm: School of Engineering Executive Committee

SNS ExComm: School of Natural Sciences Executive Committee

SSHA ExComm: School of Social Sciences, Humanities and Arts Executive Committee

Tsoulouhas: Fanis Tsoulouhas, Professor of Financial Management and MIST Member

## Identity

- (1) **Reviewers ask why we don't pursue an Institute or Graduate School, or a set of interdisciplinary programs rather than a new school? Why not wait to establish as school unit cooperation/intellectual cohesion has been demonstrated?**
- [SNS] I am not convinced that a new School is the way to accomplish those things. Throughout the proposal, the intellectual goals and activities of the Gallo School are likened to those of the Santa Fe and Princeton Institutes. These “think tanks” are exciting because they truly transcend disciplinary boundaries. In part, they accomplish that by being designed to have high turnover, which provides a constant injection of new energy, and to deemphasize formal administrative structures, which reduces the likelihood of silos. A formal School such as the one proposed here has quite the opposite characteristics. One wonders if, for example, a Gallo Institute for Human Adaptive Systems and Environments would be a better venue for forwarding the intellectual goals expressed in the proposal.
  - [SNS] Even if a School is the ultimate goal, after reading the proposal I feel it is premature. Given the exciting but lofty goal of creating a whole new field, I expected to see strong research collaborations among the faculty in the three departments. I thought that Figure 4 depicted existing collaborations or co-authorships and was disappointed when I grasped that it is simply based on co-occurrence of key words in publications. An intermediate phase, such as an Institute, would be a good dry run to see if indeed faculty research will coalesce around the intersection of Complex Systems Science, Engineering, and Management.
  - [SSHA] Thus, I suggest that the school concept as proposed be dropped, and that it be replaced for at least 5 years with one of two alternatives: the establishment of a Gallo Management Institute, or a Gallo Graduate (only) School. Both of these alternatives would require a smaller faculty base, fewer resources, and would not necessitate a complete shift of two SSHA departments. These options could accomplish what the Gallo school proposes much quicker (especially with regard to an institute), and thus help overcome stalled fund raising. An institute would better serve the central focus on complexity. In fact, the Santé Fe Institute model mentioned in the proposal has worked as well as it has because it is not an academic school, and thus it has the freedom to be creative, flexible, and truly interdisciplinary though focused on certain larger concepts. In summary, at least a 5-year hiatus on a Gallo school (as currently proposed) and the initiation of an institute (or graduate school later) would benefit campus in the following ways:
    - o A quicker and more cost-effective way to fulfill some or all of the Gallo aims
    - o Create infrastructures that are more collaborative across schools
    - o Provide a proof of concept test, where if concepts fail, there is not a great loss or disruption to campus
    - o Be more inclusive of campus disciplines that already do much of what Gallo proposes to do
    - o Allow for change over time with a natural evolution into what Gallo can be. The Gallo unit can respond to need or demand, perhaps morphing from an institute to a graduate school or a school with graduate students into one that includes undergraduates. It is much worse to be locked into a full-service school that cannot fulfill its mission and drains campus resources. In other words, it is easier to go from small to big, than vice versa.

- [GC] The scholastic identity of the school is underdeveloped. While some GC members see the proposed school as a unique management school of 21st century that will be highly competitive and attract a large student population, many feel that the school’s identity is not well articulated. This perceived lack of clear identity as a school has led some reviewers to suggest the alternative of creating an institute with affiliated graduate programs, rather than a school. The proposers are encouraged to make a stronger argument about the scholarly contribution the school would make as an organized entity, and to provide a greater clarity with respect to the contribution of the faculty in the program.
- [EDI] One way to address the above concerns about the operational plan is to take a step wise approach, and consider instead, the establishment of an Institute combined with an interdisciplinary graduate program, without creating an entirely new school. While letters from Deans of SSHA and SNS indicate that many of the stated aims of this proposal could be accomplished using the aforementioned approach, D&E asks the proposers to provide ample justification if they were to not choose this route.
- [SOE ExComm] Consideration and evaluation of a smaller-scale endeavor such as a graduate school-only program, or an institute with a more focused mission; or, if both undergraduate/graduate programs are proposed, a more focused mission covering less breadth.
- [SSHA ExComm] Psychology faculty noted that the undergraduate and graduate academic programs that would move to the school from SSHA (Economics, Management and Business Economics, Cognitive Science, and Philosophy) are thriving where they are. The pre-proposal makes no argument that they would benefit from moving to a school of management. The focus of new degree programs is on graduate programs, not undergraduate programs. While coordinated support for research funding was named as a reason for a school, this could be pursued through an ORU. As the campus is in the process of centralizing such support, it might not even be relevant. Furthermore, the experience of the campus up to now does not indicate the school boundaries either support or hurt collaborations. The pre-proposal describes an awkward balance between a research institute and a school, but it seems the core synergies are around research, not teaching. As the Gallo School FAQs make clear, the origins of the proposal were in research seminars. If the synergies are research synergies, there should be an ORU, not a school, which should begin with academic programs. There is no sense that the pre-proposal understands EBM contributing anything other than its student FTE to the project.
- [SSHA ExComm] The pre-proposal has no discussion of undergraduate education, and the EC believes any new school should make clear the way it serves the campus mission with all our students, undergraduate and graduate. Our students are interested in very practical skills, skills that this proposal does not address at all. A professional school should also more directly address the needs of the San Joaquin Valley—not as abstractions, but as real needs. This proposal offers a school for the Silicon Valley, not the San Joaquin Valley.
- [SSHA ExComm] Every department that commented agreed with Deans Gilger and Dumont that the proposal does not make a clear case for a school: it assumes a school, and puts things in it. There is nothing the school plans to do that will benefit from a school; a graduate program in data science, for instance, that engaged all the people working in that area on campus would inevitably be a cross-school program. More to the point, the analog mentioned – the Santa Fe Institute – is a research institute, not a degree-granting institution.
- [SNS] I would posit that all of the new degree programs enumerated in the proposal could be offered as interdisciplinary programs, some of which could even cross School boundaries. Examples I am familiar with are the Biology major (which straddles two departments), the graduate programs in SNS (all have members from multiple departments), and the graduate program in Environmental Systems (which straddles SNS and SoE). These programs are arguably

more difficult to administer than standard departmental programs but that is a solvable challenge. The virtue of these programs is that they are nimbler and less likely to grow stale over time because they are independent of brick and mortar departments that are occupied by the same faculty for decades. Their more porous boundaries allow the flow of faculty as well as students.

- [SOE] Move forward on interdisciplinary programs/research efforts in the interim
- [GC] In addition, to have a distinct identity, the new school would benefit from new and distinct programs. The proposal presents undergraduate and graduate programs in Data Science and Analytics as two new programs, in addition to the existing programs in CIS, EBM, and MCS, that are planned to be offered when the School opens. The proposal includes numerous future programs (pp.65-66), but with a caveat that none are in the immediate plan for the School. It may be advisable to create a prioritized list of programs that the School may pursue, in order to give more confidence in their eventual execution.
- [UGC] As SSHA Dean Gilger pointed out in his July 24, 2020 memo, a dedicated Center would help faculty engaged with complex systems across all three schools (well beyond those three specific departments) to move into or out of collaboration with one another as dictated by their individual research programs, while a school would not nearly be so flexible.

**(2) Reviewers suggest that the plan is unrealistic and does not demonstrate cohesion**

- [SSHA] The establishment of a school is no easy task. The three Schools on this campus have been here since we opened, and while their development has been on an accelerated growth trajectory, it has taken some 15 years for them to achieve stability and establish a (barely) adequate base of staff, students, programs, and faculty. Expecting to establish an independent school with staff, faculty, resources, and more, in a couple of years, is not realistic. This is especially true now given the additional budgetary stress caused by COVID. What we need now are low cost initiatives that will help with revenue while also serving our region and students. While many of the central Gallo ideas are creative and potentially realizable, there is no proof of concept. Simply throwing CIS and EBM into a pot with MCS yields nothing magical, really, for the likelihood of success of school like Gallo given its stated aims. More data is needed to support such a large shift in campus structures that will have such a large campus impact.
- [SSHA] I found the aims of the school far too broad. As written, the proposal claims it will do everything, from engineering and basic sciences, to social justice, politics, and psychology. In other words, it reads like everything campus does already with success using currently existing infrastructures that support this work. In fact, the proposal often comes across as if it will be the leader in a number of areas or for a number of programs that nonGallo faculty and units have already been doing or have plans/interests in building (e.g., data analytics, data science, social justice, etc.). The Gallo group has not consulted widely and has been rather insular in its plans.
- [SSHA] Finally, I note that good data was presented as to the achievements of CIS and EBM, particularly CIS' graduate program. This included alumni information. However, support for the success of the MCS programs was much more limited and less data based. MCS has been slow to meet its projected graduate enrollment targets in their proposal for an MM and PhD in MIST in 2017, and it would have been good had they provided alumni data even if the program (s) is but a few years old, and how the professional degree program revenue has been used. As the MIST programs most closely match the spirit of the Gallo school, having some sense of how it is going is important, particularly in terms of careers and service of the graduates to the SJV or nation.



- [UGC] What quantitative measure can show the new school will be more innovative and productive in research and education than the sum of the three departments in its current configuration?
- [GC] While some GC members see the proposed school as a unique management school of 21st century that will be highly competitive and attract a large student population, many feel that the school's identity is not well articulated. This perceived lack of clear identity as a school has led some reviewers to suggest the alternative of creating an institute with affiliated graduate programs, rather than a school. The proposers are encouraged to make a stronger argument about the scholarly contribution the school would make as an organized entity, and to provide a greater clarity with respect to the contribution of the faculty in the program.
- [COR] The proposed departments - Cognitive and Information Sciences (CIS), Economics and Business Management (EBM), and Management of Complex Systems (MCS) - with research areas in wildfire science and management, the economics of disparity, environmental entrepreneurship, information systems and policy design are all relevant to our local community. However, agriculture economics and management is also a key topic for the Central Valley and is glaringly missing from the proposal. Issues like the management and economics of food storage and transportation have been made even more important during the COVID crisis. Other local issues like agriculture pollution and water usage are only briefly mentioned as local issues, but the proposal has no plans for contributing to these areas.
- [SOE ExComm] An explanation of how "engineering" is one of the Gallo School's many apparent focus areas, when we already have a School of Engineering. Otherwise, consider dropping this as a focus area.
- [SNS ExComm] Many faculty have expressed reservations regarding the scope of the proposed school. When a school includes philosophy, cognitive science, and economics, it begs the question of whether the school is well-positioned to achieve excellence in both research and teaching (a hallmark of a UC-quality school) especially when evaluated by external agencies who may not view the School through the same holistic, synergistic lens as the proposers. While the preproposal does try to tie these areas together, many SNS faculty believe there is great risk in establishing a "school of everything."
- [Tsoulouhas] So, as a matter of fact, except for the re-labeling, there is nothing new or radical in the core statements. This is actually a good thing because it brings the proposal in alignment with all established Management Schools. This begs the question of how we could really differ from other programs.
- [Tsoulouhas] Overall, the proposal reads as if it were trying to accommodate the willing participants, or accommodate possible participants so that they would be willing to participate, instead of coming up with a vision first that is best for the University and its students, and then attracting or proposing to hire the right participants. So, are we putting the cart before the horse?
- [SSHA] While there is an underlying theme of complex systems, the proposal does not refine the concept enough to demonstrate cohesion and goals. Most everything studied by the three departments (CIS, EMB, MCS) can be couched in terms of complex systems. This is also true for most every department on campus. However, when you look at the work of the faculty, say in CIS, it is really about the topical overlays of systems like language development, memory, evolution, human factors, etc. (See <https://ssha.ucmerced.edu/academics/undergraduateprograms>, and somehow get involved in complex systems and connections to management. The same can be said for EMB, although obviously EMB has a closer connection to the idea of a management school.

- [SSHA] I am concerned about the name of the school. I fear that EBM, and especially CIS will be lost under the domain of ‘management’. CIS, for example, has a great national reputation as a cognitive science department and it may lose itself as it is subsumed under Gallo’s name and then be expected to engage in work fitting with Gallo’s mission. EBM is the department that will bring in the most revenue due to undergraduate enrollments and is at risk to be the ‘work horse’ in support of the school.
- [DIVCO] Overlaps existing campus areas of expertise
- [DIVCO] Academic programs not congruent from a scholarly perspective
- [UGC] From an academic perspective, UGC members also expressed concerns about the consequences of reorienting departments into new schools. While a foundation in data science does bring together many aspects of CIS, MCS, and EBM, it is not clear that all departments and graduate groups working on these disciplines would be best served in their intellectual missions by moving out of their current schools to join the new one. To expect UC Merced’s philosophy professors, for example, to orient themselves in their research to data science and complex systems in such a way as to serve a School of Management, for instance, seems potentially constricting.
- [GC] In particular, GC recommends a greater articulation of the role of research led by the Cognitive and Information Sciences (CIS) faculty in the proposed new school. While it is easy to see the contributions of the other two departments--Economics and Business Management (EBM), and Management of Complex Systems (MCS)--to a Management School, the research interests of the CIS faculty are less clearly aligned with what is traditionally associated with management. While GC recognizes that the proposers strive to capitalize on CIS faculty’s expertise on the “human” dimension of the complex systems management, more concrete and detailed explanation of how their research supports the Management School is highly desirable.
- [EDI] given that interdisciplinary research is often hampered by administrative challenges, it is important for the proposal to concretely address how the proposed school will facilitate collaboration among its faculty. It would be naïve to assume that faculty being a part of the proposed school would automatically foster interdisciplinary collaboration. Serious considerations should also be given to how the proposed school interfaces with the existing Schools, and to the careers of faculty and students impacted by the opening of this proposed school.
- [SNS ExComm] Data science and sustainability are themes that runs through the preproposal. NSEC recommends that an explicit commitment be made by the Gallo team that, should the school be established, that the Gallo School will work closely with Applied Math, LES, and ES to coordinate course offerings to avoid unnecessary/harmful competition, and to share long-range plans regarding future degree programs. Additionally, NSEC recommends that the Gallo team work more closely with the Chancellor's Advisory Committee on Sustainability.
- [SSHA ExComm] The Gallo School pre-proposal makes broad claims to intellectual leadership in “science, design, technology, and management of human-centered complex systems”. It brings together “cognition, economics, complexity, data science, sustainability and management” (p. 8). Furthermore, it promises to develop programs that integrate social and environmental justice. It will focus on “information, data, technology, and environmental sustainability” (p. 11). We recognize the significance of all these areas of study, but it is never entirely clear how these ideas work together.
- [UGC] The discussion on education (p. 13) leans heavily towards the graduate programs and does not make clear how the synergy of the curriculum will benefit the undergraduates (p. 19). It is unclear how the proposed reorganization would affect students seeking degrees in the

“traditional” programs in our three current schools. In what ways would a philosophy major be better served by a philosophy program housed in the Gallo School rather than in SSHA? Likewise an economics major? These issues remain underspecified in the current version of the proposal.

- [Tsoulouhas] So, I am advocating for a School with a clear vision, more focused, smaller and more cost effective with a higher revenue potential that will self-support its long-term viability and be a net contributor to the University, without detracting resources from existing programs, especially if it is already funded at least partially through donor and matching funds.

**(3) Reviewers note that this is not a proposal for a traditional School of Management**

- [SOE ExComm] A clear path towards Management School accreditation, which could be critical to growing student interest and enrollment since it is potentially tied to employment.
- [SSHA ExComm] One of the striking things about the pre-proposal is that while it aspires to create a School of Management, it demonstrates an astonishing lack of respect for the field of management—thus the tension between information management and business management noted earlier. This was at the center of the concerns expressed by multiple faculty in EBM, which were shared in some ways by other faculty. This is interesting, they wrote, but it’s certainly not a school of management. What our students expect in a program in Management is the skills normally associated with a school of management.
- [SSHA ExComm] The pre-proposal explicitly rejects such “conventional” management studies, and makes it clear that there is no interest in pursuing AACSB accreditation at any time in the foreseeable future. It relegates traditional management to the CSU system, apparently not worthy of the intellectual attention of a UC campus. It is curious, therefore, that they have called the proposal a “School of Management”. Presumably this is designed to release the Gallo gift; however, you can’t make something a school of management just by calling it so. In this vein, Sociology noted that the pre-proposal made no argument for offering a “management” degree but not an MBA.
- [Tsoulouhas] The pre-proposal refers to existing Management Schools around the world as “traditional Management programs.” Such reference connotes that traditional is outdated. But this is not true. Management programs provide training in established Management fields while pursuing initiatives that will give them and their students recognition and a competitive edge.
- [Tsoulouhas] In my opinion, a Management School will be capable of generating positive net cash flows for the University, instead of being subsidized, provided that:
  - o The School is attractive to enough undergraduate and graduate students, donors, businesses and students of executive education in order to make it financially sustainable.
  - o Graduation leads to employability. It is not clear from this proposal that the above reasonable conditions are met.
- [Tsoulouhas] Further, note that if the faculty hired into Management, or re-assigned to Management status, do not have Management degrees and qualifications, the School will never be able to seek accreditation by AACSB. Even though we may not want to seek AACSB accreditation from the get-go, I think it would be wise if the new school were structured in a way such that eventually and in due time such accreditation could be pursued if the faculty and the administration decided they wanted to pursue it. Therefore, it is essential in this respect that the majority of faculty have Management degrees, teach Management courses, and do research in Management fields as outlined above. In my opinion, this will serve our students better.
- [Tsoulouhas] Unlike many other schools that can consist of somewhat disconnected Departments, provided that they fall into the same theme (e.g., social sciences), Management schools are

professional schools. The same is true of, say, medical schools or law schools or engineering schools. Management schools provide a well-defined set of professional tools. They train students by adhering to established scientific methods to join the business world, primarily, by becoming accountants, economists, finance managers or financial analysts, marketing professionals, sales managers, operations and supply chain experts, entrepreneurs, etc. And they frequently require certifications, such as Certified Public Accountant (CPA) or Chartered Financial Analyst (CFA) or Certified Financial Planner (CFP). Such certifications require rigorous, extensive and very well specified coursework and training.

- [Tsoulouhas] I do not understand why we want to commit ourselves to not ever having an MBA program which can be a serious revenue generator. Why is it alright to have a Master’s of Management program or a Master’s of Data Science and Analytics program but not an MBA program? Is this another relabeling? Granted, we may not want to, or be able to, have a full-blown MBA program right away, and it may take years before we have one, but this is something that could be pursued in the future.
- [Tsoulouhas] I do not think anyone intended to propose a new University within our University, but this is how the proposal in its current form reads because complexity can encompass pretty much everything. I do not think anyone wants to only attract “renaissance men.” I do not think anyone wants to propose a unique but expensive and risky experiment that may end up being a financial liability. We all have the same goal, to make UC Merced a top R1 University comparable to our peers in the UC system, and we all want the new School to succeed. We do differ in the methods of getting there. But I strongly believe that we will only get there through an open, transparent, inclusive and collaborative process that embraces diverse views. I strongly believe we can all get together and come up with a proposal that will be attractive to students, faculty, the business world, donors, the Academic Senate, the campus leadership and UCOP. The proposal could be that of a conventional Management program in its core, but with focal areas around regional concerns with global significance.

**(4) Reviewers suggest that the proposal focuses primarily on faculty research rather than on student needs**

- [SSHA ExComm] These faculty also noted that the pre-proposal prioritizes faculty research rather than student needs and interests. If the goal is self-funded graduate programs, it is not at all clear that the proposed programs will succeed. The experience of the current MIST (Master of Management in Innovation, Sustainability, and Technology) program suggests that the demand for such niche programs is limited: while their proposal anticipated 50 students in its 3rd year of operation, it has 13 students currently enrolled: assessment data only exists for one year, but the students’ biggest complaint was the lack of training in finance, a core field in traditional management. If the signature enrollment generating program of the new school is the Data Science program, there does not appear to have been serious market research to find out whether there is demand for that program. Before we open a school based on this idea, we should demonstrate that it works.
- [DUE] We would hope the involved departments would maintain or grow their engagement in providing instruction for General Education.
- [DUE] We would encourage the new School to revisit the transfer requirements for their undergraduate degrees. There is a UC-wide initiative to increase transfer student admissions. With the visibility of the new school, this would be a great opportunity to review transfer requirements to ensure that these degrees are accessible to transfer populations.
- [DUE] With the merging of several units, there may be opportunities for interdisciplinary additions to some of the undergraduate degree requirements in order to enhance the degree and

improve instructional efficiency. We recommend considering a review of degree requirements and potentially further increasing the undergraduate program capacities.

- [UGC] How will the new school improve the recruitment, curriculum, interactions with industry and community, and career development for our undergraduates that cannot be done at the level of the current three-school configuration?
- [SOE ExComm] Currently, transfer students aren't mentioned at all in the document. How will the proposed Gallo School help the UC achieve its goal of 1 transfer student per 2 freshman admits?
- [SOE ExComm] Improved connection between undergraduate and graduate degree programs, across the three departments, for established and future academic programs of study.

**(5) Reviewers ask what will be the expectation and standards for faculty recruitment, advancement, and promotion in the Gallo School?**

- [CAP] CAP recommends that the proposed School draft clear expectations and standards for the advancement and promotion of their faculty, detailing how the different departments will meet the standards set out in the APM. This is particularly important given the interdisciplinarity of the faculty in the proposed School. The proposed School is also encouraged to provide an ad hoc committee for evaluation without prejudice, when requested by faculty.
- [CAP] CAP is concerned about future shifts in the kinds of roles of faculty that will need to be hired to grow the School's mission, and how these faculty will be reviewed. We recommend making a plan for updating and adapting expectations and standards, including review a few years after creation of the School to evaluate how the personnel review system is working. The proposed School should articulate how they will accommodate changing norms within individual departments.
- [EDI] Related to this point, while the proposal lists as a key element of the School's EDI commitment, recruitment and retention of underrepresented faculty by "creating an environment of inclusiveness in hiring, mentoring, and evaluation" (p.10), and pledges to work with the Chief Diversity Officer and the Office of Equity, Diversity, and Inclusion "to support positive and productive relationships among individuals of diverse perspectives" and to create an inclusive culture (p.33), D&E finds it problematic that there is no concrete description of how the proposed School will recruit diverse faculty.

Need

**(6) Reviewers suggest that the need for a new school is not clear**

- [SSHA] the proposal does not establish need in the context of what is available or planned for campus already. It seems insular. Second, the future success of the school is predicated on expectations for jobs in the Valley (and elsewhere), unproven demands for new degrees, and an assumption in some cases, that our students will find some proposed Gallo programs affordable. If some of these predictions are inaccurate, and this is more likely given the economy and regional need post-COVID, the school will struggle. There are also some data to support that our community/regional needs are in better alignment with health, and traditional degrees like accounting and an MBA. Third, the future success of the school is largely based on the current success of EBM and CIS (e.g., student enrollments, graduate programs, grants). There has been no demonstration of need to unite these departments to make things better.

- [UGC] What a new school would offer relative to the current structure of the existing three schools?
- [SNS ExComm] With all the data science expertise currently in SNS, does UC Merced need the Gallo School to start degree programs in this area? Would the Gallo School's programs detract from future efforts towards data science degree programs in SNS?
- [UGC] Where the document falls short is in adequately explaining the need for a new transdisciplinary school, and acknowledging resource allocation issues, including potential negative impacts to the existing three schools.

**(7) Reviewers express concern that the proposed new school will compete with existing schools**

- [SNS] Increased enrollment in all existing and proposed undergraduate majors will lead to increased demand for Math courses, and some will lead to increased demand for courses in Biology and Earth Systems Science.
- [SOE] There will be a reduction of faculty members from each of the contributing schools along with the undergraduate and graduate student enrollments associated with those departmental faculties. Undoubtedly, there will be an impact on these schools that could significantly impact their operation and their current goals. Each school may already have plans to integrate these departments into their respective school wide plans. There may be a potential loss of momentum due to a transfer of departments.
- [DIVCO] As demonstrated in the comments, there was trepidation about the financial impacts of establishing the proposed Gallo School (including, but not limited to, staff costs and impacts to SSHA).
- [UGC] UGC is also concerned that some of the proposed emphases may duplicate efforts and compete with existing programs in SoE and SNS (in addition to the potential economic impact on those schools). The new "Data Science and Analytic B.S.," for example, may be similar to the emphasis tracks and minors in applied math or computer science. It would be important to know if CS has similar interests or is moving in a similar direction. This point seems especially important since Data Science would be the only new undergraduate program offered in the Gallo School.
- [UGC] The potential costs associated with the new school are also somewhat obfuscated in this document. In particular, the economic impact on the three existing schools (particularly SSHA) seems understated.
- [CAP] CAP assumes that the formation of a new School would include the addition of new CAP members from that School who would evaluate merit and promotion cases for faculty within the School. This would be beneficial for CAP in the case of the Department of Management of Complex Systems (MCS) for example, since CAP's current representation for the MCS department comes from the School of Engineering.

**(8) Reviewers suggest that the proposed new school will have a negative impact on SSHA**

- [SNS] At a campus level, I remain concerned about the impact of removing departments from existing Schools, especially SSHA. CIS and EBM are a significant piece of the social sciences. Removing them will be a setback in building recognition for strength in Social Sciences writ large. It will certainly negatively affect SSHA's IDCR and, if I understand correctly, its staffing.

- [SSHA] With regard to SSHA specifically, the financial hit given a Gallo school would be significant. I have consulted with Kurt Schnier about what a Gallo school would cost SSHA and he can provide figures. The Gallo proposal does not so much as offer a transition plan for SSHA, but rather says that SSHA will continue its labor for the school (via CIS and EBM) during the first year or so. There is no mention of cost sharing, slowing the transitions of budgets or summer funds, etc.
- [DIVCO] concerns that SSHA could be hollowed out by the proposed new School's combination of founding academic programs/departments
- [SSHA ExComm] The EC shared the concern expressed in several departments about the impact of the proposed school on SSHA, as well as for the place of the social science and humanities disciplines on the campus. We may not understand why the planning committee for UC Merced saw fit to separate social sciences and humanities from natural sciences, but they did. The Gallo School pre-proposal would move two social science departments, both of which are closely integrated with multiple other departments, out of the School of Social Science, Humanities and Arts. How are the disciplines remaining seen?

**(9) Reviewers suggest that the need and impact on the community could figure more prominently in the proposal (e.g., Central Valley, local community)**

- [Tsoulouhas] One possibility is to consider the needs of the community in our immediate vicinity. These needs were the driving force behind the UCMiRISE initiative <http://irise.ucmerced.edu/> that a large group of faculty members endorsed (see <http://irise.ucmerced.edu/faculty-members>). The focal areas we propose are regional concerns with global significance:
  - o Development and growth through innovation and entrepreneurship
  - o Environmental sustainability
  - o Wealth and inequality
  - o Social enterprise
  - o Microfinance and crowdfunding
  - o Workforce development
  - o Political initiatives and governance
  - o Food processing
- [Tsoulouhas] Would such a vision serve our surrounding community better and gain more support from local business leaders and donors, while diversifying our contribution? If so, allow me to suggest that we go back to the drawing board and hold a visualization exercise in order to agree on vision and mission first through an open, transparent, inclusive and collaborative process that embraces diverse views. I strongly believe that we should own the vision. Someone could argue that “complexity,” in and of itself, is not a vision.

Diversity

**(10) The reviewers suggest that there is a clear lack of diversity on the Gallo School Proposal Team**

- [CRE] The primary concern is that the Core Faculty contributing to the planning for this school consists of 6 men and zero women. Launching a new school with only male leaders could create a

toxic work environment for women. With the undergraduate student population in the school anticipated to be composed of 49% women, the school should not be allowed to move forward without half of the leadership being women. Once created, a patriarchal culture is very difficult to remedy.

- [CRE] CRE would like to see more diversity and gender diversity in the membership of the Core Team.
- [EDI] Additionally, the current composition of the core pre-proposal team (even including the extended team) does not illustrate an existing culture of inclusiveness or empowerment. A wider consultation with faculty from different backgrounds and perspectives would be beneficial to make meaningful headway in EDI. The gendered origin of this proposal is especially surprising since on p.149, Fig 12 it shows a large number of female faculty who would be part of the Gallo School.
- [SOE ExComm] Gender balance on the Gallo School Executive Committee and Proposal Core Team. The “Proposal Core Team” is comprised of six men and there is only one woman on the Gallo School Executive Committee.
- [SNS ExComm] Lack of women on the Core Team
- [SSHA ExComm] The fact that the core proposal team was all male also raised concerns about the proposed school’s commitment to gender equity.

**(11) Reviewers suggest that there may be issues related to climate and culture in the proposed school**

- [EDI] It is clear that each school (SNS, SOE, and SSHA) has different dynamics and cultures. However, it is unclear how Climate and Culture will be reconciled in the proposed Gallo School of Management. For instance, what efforts will be taken to truly foster a climate of inclusion? This question is especially relevant because the departments listed as participating in the proposed Gallo School are not generally considered the most inclusive, diverse, or equitable on campus or within their respective schools. Many departments with more diverse faculty (women and other under junior faculty. While they may eventually change the culture of the proposed school, it is unclear how a new Gallo School of Management will enrich and promote Equity, Diversity, and Inclusion at UCM.
- [SSHA ExComm] There were even more questions about the school’s claim to center social justice. If that were so, it would seem logical to be in conversation with faculty especially in Sociology, Public Health and CRES, as well as those who have been involved in the minor in Community Engaged Research. SSHA faculty would like to see a much clearer articulation of how the proposed school would incorporate Diversity, Equity and Inclusion across its programs. The claim that DEI is a core focus for all the faculty involved in the school seems a stretch. As H-CRES noted, while individual faculty do pursue research which centers social justice, the overall record of the departments involved cast doubt on the pre-proposal’s claims to a “commitment to supporting and improving the conditions of vulnerable and marginalized populations.”

Resources

**(12) Reviewers ask what are the financial and resource implications for other schools and the campus overall?**

- [SSHA] The proposal describes a budget that indicates some cost to campus. The campus cost assumes that the current Gallo donor funds will be allocated in certain ways and that the market



remains stable. Even then, the current Gallo funds are limited in duration and if the many programs/initiatives proposed are delayed or less than successful, additional reliance on campus funds will occur. That takes resources from other campus activities, including some that may be more critical than supporting a new school like Gallo.

- [SOE] Establishing any new school will require additional resources. Are those resources available and what will be the effect on the resources available to other units on campus?
- [GC] The proposal requires further consideration and details regarding potential resource implications. Given the resource concerns raised by the SSHA Dean in his letter, which were echoed by some GC members, the proposers are advised to address them with further details in terms of implications to staff support, TA support, and space for the proposed new school and existing schools.
- [CAPRA] Given the campus’s structural deficit, this expenditure will require slower growth or even cuts for other campus functions. CAPRA also acknowledged that the SNS and SSHA deans are opposed to the creation of the new School as presented – both deans instead suggest the creation of an institute. The SSHA dean also suggests the possibility of establishing a Gallo graduate school.
- [LASC] However, LASC is concerned in a more global way that the economic resources the university will need to devote to starting and supporting the new Gallo School will detract from other important units at UC Merced. While the Gallo School Pre-Proposal asserts that it will be relatively cost neutral, there are requests for New State General Funds across five years of \$624,741 to \$894,702 annually as itemized in Table 12 (p. 71). Assistant Vice Chancellor Khanona also indicates that when the Gallo Endowment is depleted after year six (6), additional funding around \$500K will be needed annually (memo dated July 20, 2020). While these may seem like modest sums within the entire UC Merced budget, they are large amounts when we consider the economically straitened circumstances within which many important units at UC Merced function.
- [LASC] The UC Merced Library supports the research and teaching missions of the entire faculty. Despite its importance, the Library has been chronically underfunded, which is reflected in the Library budgets for space, staffing, and collections development. For instance, the cost of scholarly information greatly increased from 2005-06 to 2017-18. This means that what cost \$1.7M in AY05-06 cost \$2.15M in AY 17-18 (see Table 1). By AY 20-21, UC Merced collection budget dollars purchase only 63% of what it purchased in 2005 (see Table 1). Note that this cut in buying power occurred during a time when the student body grew by 1000% and the faculty grew by 700%. While UC Merced’s student population, faculty, and budget have grown tremendously, the UC Merced Library budget has remained essentially flat within the UC Merced total campus budget (see Tables 2 and 3). While there are many interesting ideas in the Gallo School Pre-Proposal, we suggest that units at UC Merced that serve the entire faculty and student body, such as the UC Merced Library, should be more appropriately resourced before UC Merced takes on additional funding challenges.
- [DIVCO] Campus stakeholders need reassurance that establishing the Gallo School and other future Schools will not mean a loss of resources and that this is not a “zero-sum game” for faculty remaining in the existing Schools.

**(13) Reviewers suggest that the proposed financial plan depends heavily on uncertain future philanthropy**

- [SSHA] Noteworthy also, is that the long-range funding plan for the school is quite dependent upon future donations. Acquiring new donations over the last several years in spite of an intense

effort by development have not met with success. While new donations may come if there is a school, they would also come in with an institute, and they would come sooner.

- [SNS ExComm] what if the Gallo School fails to raise the required \$500,000 per year? Who will foot the bill? Many faculty are skeptical that solutions mentioned in the proposal (contract and grant income, together with launching new self-supporting degree programs) will work. Ultimately, it seems that a real possibility is that the Gallo School will siphon away funds that would ordinarily have gone to SSHA, SOE, and SNS.
- [FP&A] Based on information provided, an additional \$624K from State General Funds would need to be identified beginning in FY 2022-23 to allow for adjustments to CIS faculty salaries as well as increased dean’s office operational expenses. (Table 12)
- [FP&A] Regarding the Gallo Endowment, as mentioned above, there is a proposed \$450K per year allocation from the Gallo Endowment reserves for 6 years to help with the school’s operations. After year 6, this fund will be depleted and there will be a need for a new source of funding of \$450K to \$500K annually.
- [FP&A] The E. & J. Gallo School of Management will be housing a new Data Science and Analytics self-supporting graduate degree program. All others are existing programs that will transition from SSHA and SOE, therefore, there will not be a new source of revenue associated with those programs. Initially, revenue generated from the new program will not be sufficient to cover additional funding necessary for faculty salaries and dean’s office expense adjustments. The campus would need to identify additional funding or eliminate another expense in order to allow the school to breakeven and begin generating revenue for campus in the future.
- [CAPRA] CAPRA recommends that the Gallo School utilize funds from the endowment to pay for the costs of the dean’s office and allow for the normal campus processes to generate future staffing costs and future faculty FTEs.
- [SSHA ExComm] The Gallo gift, as those of us with long memories have understood it, was a down payment on a bigger gift that would fund the school. This proposal envisions no further Gallo gift, beyond the current value of the initial \$5 million gift. It seems unlikely that any other UC campus would give naming rights to a school for \$5 million. We believe it would be fiscally unwise to open a school (especially a school of management) with an endowment of less than \$100 million.

**(14) Reviewers suggest that the proposed allocation of staff is unclear and confusing**

- [SSHA] I also take issue with “...three (or two) staff will be added (to Gallo) between SSHA and SoE...” (pg. 72). As I told Paul Maglio before, this cannot occur. SSHA staff do not serve just CIS or EBM. A simple lift-and-shift would be inappropriate. Remember that SSHA is a big and complex school and is already under staffed. So, if Gallo needs two or three more staff that is an additional cost to campus. Similarly, the proposal repeats phrases like cost-neutral or no cost to campus in conjunction with using centralized staff. I am sure the authors know that this is a naive understanding about how costs and personnel work. If a body is taking on work for the Gallo, there is less of a body to do work for SSHA, ENG and SNS. The proposal would have been more transparent and accurate in its budget had it incorporated costs of using centralized personnel.
- [FP&A] The Gallo School is expected to start operating with ten staff FTE. Three staff are funded from State General Funds, two of which would move from SSHA and one from SOE. The agreement should be documented and included. If SSHA and SOE do not have the necessary resources and cannot agree to transfer the staff funding and FTE, there would be a need to hire three new staff at an estimated additional annual cost of \$270K to be funded from the campus’ State General Fund.

- [GC] Specifically, there appears to be differing views on staff support between the SSHA Dean, whose letter takes issue with the notion that SSHA staff will be transferred to the Gallo School, and the proposers, who state that, prior to the projected opening of the School (FY23), they “anticipate a total of three staff will be added between SSHA and SoE to support Gallo departments, and these will move to the Gallo School” (Proposal p.72).
- [EDI] Given the limited resources with which we now operate, there are concerns that this proposal would almost invariably involve \*taking away\* resources from units within SSHA that have demonstrated a genuine commitment to issues of diversity and social justice. While D&E understands that the proposed school will rely heavily on the funds from the \$18 million Gallo endowment, given to the campus specifically for establishing a School of Management, the mention of transferring staff from the already understaffed existing Schools raises questions about the self-sufficiency of the proposed school, and deepens concerns about the proposed School’s financial sustainability and its resource impacts on the existing Schools.
- [SOE ExComm] In light of budget curtailments, we are particularly concerned about the budgetary impacts from the “lift and shift” of staff to the proposed Gallo School.
- [SSHA ExComm] The school is to be staffed partly by taking staff from the current schools, including 2 from SSHA, which has long been the most understaffed school. There are already two staff listed for a Gallo school which doesn’t yet exist, while the departments in SSHA share two department specialists to support the work of ten department chairs. SSHA cannot give staff to the Gallo School.
- [EDI] One of the “solutions” to address staff support outlined in the proposal is the use of centralized campus services. D&E members are highly skeptical of such use as a solution, as some faculty have experienced significant problems with centralized services, such as getting purchases through grants submitted efficiently and in a timely manner.

**(15) Reviewers ask whether this is the best time and best financial climate (e.g., COVID) in which to launch a new school?**

- [SOE] The pre-proposal seeks to address this concern and outlines sources for funding that will help defray the incremental costs for establishing and operating the school, but there still is a cost. Unfortunately, at this time there is a lot of uncertainty due to the COVID-19 crisis and enrollment growth, and there seems to be a structural deficit for the campus overall. Thus, it may not be the best time to launch a new school. However, that would not preclude establishing the Gallo School, merely delaying its start.
- [UGC] The proposal also premises its own viability on a near-future global economic recovery and does not substantively address the scenario in which that recovery fails to manifest.
- [SSHA ExComm] The most commonly shared concerns focused on the cost of a new school in the current economic climate. After all, there is a hiring freeze on campus, and we have been told to expect temporary pay cuts. Those of us who experienced the 2008 crisis do not expect to return to any significant faculty hiring until the 2022-23 hiring season at the earliest. The pre-proposal’s claim that it is revenue neutral is—as demonstrated by the review by AVC Khanona—at best disingenuous, if not dishonest. As she notes, the school would need at least \$624,000 from central campus funds in the first year, and over 5 years, the additional cost to the campus is \$4 million. The first response to the proposal I received was from a faculty member who talked about the cost of a school infrastructure – a dean, maybe an associate dean, assistant deans, and various support staff. They noted that some of the fiscal challenges faced by Berkeley right now are the result of the proliferation of schools.

**(16) Reviewers suggest there is lack of detail on projected future enrollment growth and specific funding needs**

- [FP&A] The plan is to start with 46 faculty and grow by 2 FTE per year to support program growth. This will only be reasonable if the enrollment growth can support the new FTE. Due to the structural deficit that the campus carries, UC Merced will not have sufficient funding to support this growth without the enrollment growth to support it.
- [CRE] While the pre-proposal provides some details about various aspects of the School’s intended trajectory; it seems to be missing a detailed description, data and timeline regarding its long-term projected growth and enrollment projections. The absence of hard data and market research from the pre-proposal is perplexing, given that the pre-proposal lists “information and data science” as part of its intended focus
- [CAPRA] Secondly, CAPRA carefully reviewed the analysis by AVC for Financial Planning and Analysis Bianca Khanona that is included in the proposal package. Her analysis indicates that additional State General funds may be required to fund the cost of the proposed Gallo School’s operations under various scenarios. She also stated that the proposed School’s plan for growth in faculty numbers is only feasible if enrollment growth can support the new FTE. UC Merced will not have sufficient funding to support the School’s growth without enrollment funding due to the campus’s structural deficit. CAPRA recommends that the proposed School provide a table that clearly indicates the minimum and maximum amount of funding the campus would have to provide if the assumptions made in the proposal are not met. This range of costs that the campus may incur would be helpful in determining the potential impacts on the campus. For example, the proposal asserts that a certain number of staff is required for the proposed School to function. The proposal budget assumes that three of these staff will come from existing Schools. If the Schools do not provide these staff members, the cost will come from the campus. This is the kind of range of costs a table should include.
- [SOE ExComm] A budget forecast with grounded and updated budgetary assumptions, and net program revenues that are less reliant on philanthropy to overcome revenue shortfalls.
- [SSHA] There are also some budget items that seem to be missing or misrepresented. While additions to CIS faculty salaries is now present, what is missing is that CIS faculty will likely ask for a reduction in course load—making it two courses a year, rather than three as it is now. This would align them with the current EBM and MCS course load, but theoretically reduce the number of credit hours generated. 4 In fact, with all the new programs proffered one wonders how this group will teach all their courses and not hire additional FTE. Right now, MCS faculty have a minimal teaching load and production of credit hours—the backbone of the campus’ budget. Small courses enrollments would need to increase substantially, and a culture that better emphasizes teaching would be needed.

**(17) Reviewers ask why all departments in the new school need to be on the B/E/E salary scale?**

- [UGC] The point may be made that an overwhelming majority of faculty in those departments have voted in favor of this proposal. It should be noted in this context, however, that CIS is seeing a considerable enticement to move into the Gallo School in the form of an annual pay scale adjustment in the tens of thousands per faculty member—money that, significantly, would be drawn from the general fund. In other words, not only would CIS and its resources be removed from SSHA, but additional general fund money that might have gone to SSHA would instead be appropriated to entice CIS into that move. Notably, EBM and CIS are already in the same school

and on different salary scales, so the more economically viable alternative of maintaining current pay scales in the Gallo school should be feasible.

- [CAPRA] We also recommend that any potential increases in CIS faculty salaries be separated from the establishment of the Gallo School and instead be handled through traditional academic personnel procedures. Under this structure, revenue from endowment funds provided by the Gallo family would be used to create the new School and campus funds would be used to hire the initial staff needed to open the school. After establishment, the Gallo School would then compete with the other three existing Schools for additional resources through the typical campus process.
- [SOE ExComm] the Interim Chief Financial Officer verified that a substantial increase in State General Funds would be required to cover the salary increase for Cognitive Science faculty who would transition to the Business/Economics/Engineering (B/E/E) professional pay scale. None of the guests appearing before the SoE ExComm were able to identify the “value added” to management academic programs from moving Cognitive Science Faculty to the B/E/E scale. We are concerned about the possible perception that the support of some faculty is influenced by the opportunity for financial gain.
- [SNS ExComm] Salary structure of the new school
- [SSHA ExComm] The proposal envisions moving CIS faculty not just to the school, but to the Business/Economics/Engineering pay scale: the rationale for that pay scale is the demand for such faculty in industry, not the school they sit in.
- [Tsoulouhas] Further, the UC system does have a salary scale for “Business/Economics/Engineering,” (see p. 71 of the proposal), but this scale only applies to Business/Economics/Engineering faculty and not to other fields. Management faculty command high salaries because they have a high “opportunity cost” or market value, that is, if they chose to work in the business world instead of the academia they would receive high salaries. This does not necessarily pertain to faculty without Management qualifications.

**(18) Reviewers suggest that sources of funding for Graduate students are not clearly articulated**

- [GC] Additionally, the proposal mentions “centrally funded TAships” (p.75) whose funding sources are unclear.
- [SNS ExComm] Consider this statement from page 63 of the preproposal: “Our aim is to make use of existing faculty resources wherever possible and practical, and to incentivize other programs appropriately, for instance, providing increased enrollments and resources to help improve course offerings.” Where will these resources come from? Will resources be in the form of real dollars, human resources (e.g., TA’s), or other instructional support?
- [GRAD DIV] The only areas of major consideration that I would like to highlight when it comes to graduate education have to do with the funding of students and career prospects of graduates from the new school. Reading the proposal, I am left with questions of whether the new model of training would require that our campus come up with new and/or more concerted efforts for providing graduate student funding and career resources for the student in the school. Specifically, for the non-professional graduate degree programs, it would be important to be as explicit as possible regarding the funding options that will be available, esp. to students from lower economic backgrounds to ensure equitable access to education for new students across the programs that will be housed in the Gallo School, and also ensure equity in funding with existing graduate programs we currently have at UC Merced.

**(19) Reviewers not that there should be substantial resources devoted to career services for professional master’s degree students**

- [GRAD DIV] it is commendable that MIST leadership is already working with the UC Merced Career Services office to support graduates in securing employment in the academy and beyond. But, recognizing that the proposed training model for students will be expanded by the creation of the new Master of Management program at least is not common in our area, the issue of career services is critical to consider early in the process. We should make sure to get ahead of any issues regarding career advising that might arise to ensure that our graduates will be competitive for the jobs of today and tomorrow, and that employers are aware and excited about the educational opportunities that our students will receive.
- [GC] GC agrees with comments made by the Interim Associate Dean of Graduate Education that it is critically important that adequate career services are provided to students and alumni, as the proposed model of training and its benefits are new to the Central Valley (and beyond) and thus requires great efforts in publicity and formation of partnerships with potential employers. In this regard, GC recommends that the proposers consider and include career services in the sections on teaching and mentoring and on scholarly community (pp.26-27), on the section titled “filling gaps at UC Merced and in the Central Valley” (pp.27-29), as well as the section on resource needs (pp.70-73).

**(20) Reviewers suggest that details of future revenue-generating programs are not clearly specified**

- [SNS ExComm] With all the data science expertise currently in SNS, does UC Merced need the Gallo School to start degree programs in this area? Would the Gallo School’s programs detract from future efforts towards data science degree programs in SNS? Many SNS faculty have suggested that the Gallo School’s programs should be renamed data analytics or business analytics, to better reflect their content.
- [SNS] The extent to which self-supporting MS programs might draw on courses and faculty in Natural Sciences (or other Schools) is not clear. If they are substantial, I would like to understand how revenue from the self-supporting programs would be shared with Schools in proportion to our contributions.

**(21) Reviewers suggest that the space plan seems incomplete**

- [GC] Lastly, while the EVC/Provost’s letter confirms the campus’s commitment to ensure that the proposed School has adequate space to hire new faculty (p.151), the delay in the construction of the new Health and Behavioral Sciences (HBS) building puts into question the proposers’ plan (pp.76-77) to have the Social Sciences and Management (SSM) building dedicated to the Gallo School by 2025. At the least, the proposers should address how they plan to accommodate the current occupants of SSM, in the event that space in the new HBS building is unavailable until or after 2025.

**(22) Reviewers note that campus leadership must commit to funding this plan**

- [DIVCO] Accordingly, and in light of additional Schools already being envisioned for UC Merced as we advance 2030 planning, DivCo concurs that it is essential that the Chancellor and EVC/Provost strongly communicate the campus’ commitment and plan for providing necessary resources as part of this pre-proposal review.
- [SNS ExComm] In his cover letter, the Provost states: “Should the school win approval before our financial footing has been reestablished, we can implement in ways that remain within

budgetary constraints.” NSEC interprets this as saying that if development efforts fall short, that the remedy will be to scale back the Gallo School’s ambitions before touching the ambitions of the three existing schools. NSEC welcomes a statement or commitment from Administration to this effect.

## Process

### **(23) Reviewers suggest that campus consultation has been inadequate**

- [SSHA] It is my understanding that discussions began in earnest about the Gallo school under the direction of Chancellor Leland and while SSHA was served by the prior dean. I also know that the prior dean did not appreciate CIS or EBM, and she was happy to dispense with them and focus on humanities and arts. In contrast, I came into office wanting to work with CIS and EBM, support them, advance their research, and create avenues for collaborations. However, I entered the picture as an interim and found myself in an odd position, as in some ways it was messaged to me that decisions had been made and that I should not insert myself into the discussions. I had asked more than once to be involved discussions and collaborate with Paul Maglio, but I was excluded. I have found the process of the past two years to be opaque with obstructions.
- [SOE] It is essential that there be considerable consultation with all the schools to understand the potential adverse impacts that may occur with the creation of the Gallo School. Effort will be needed to address these potential adverse impacts before moving forward.
- [DIVCO] It is in the campus’ best interest that initiatives demonstrate broad campus support prior to moving forward.
- [DIVCO] DivCo recommends that the proposers consult with the Deans and School Executive Committees when revising the pre-proposal, in an effort to clarify or reconcile concerns.
- [SSHA ExComm] Faculty in Sociology and H-CRES expressed surprise that given these administrative reviews, the EVC had proceeded with a full campus review. As Sociology noted, since a school is “a substantial long-term investment and commitment for UC Merced, we are concerned about what appears to be a lack of consensus among institutional leaders regarding the future of the campus”.
- [UGC] All three Deans of the existing schools are hesitant, to varying degrees, about diverting already insufficient resources into a new school at this moment of global economic uncertainty.
- [SOE ExComm] Letters from School deans confirming better coordination and buy in from leadership in existing Schools, which will be critical to the successful implementation of a new one. We note that the SNS, SSHA, and SoE deans weren’t especially supportive of the Pre-proposal in its current form. One dean explicitly drew attention to not being consulted effectively.
- [SNS ExComm] The Gallo School preproposal appears to take at least partial ownership of certain fields such as data science and sustainability. Several SNS faculty with considerable experience in these areas responded to Q2 that they were never consulted regarding this preproposal.

### **(24) Reviewers suggest that the pre-proposal has significant flaws**

- [SSHA ExComm] The consensus of those commenting was that the pre-proposal had significant flaws, and should not be sent forward for any further review.

**(25) Reviewers note that the Senate has not ratified the Campus Policy for Establishment of New Schools/Colleges**

- [DIVCO] The review of the Gallo School pre-proposal was guided by a pilot Campus Policy for the Establishment of New Schools/Colleges. The policy was jointly established by the Senate and Administration in 2018-19. We note that while there was back-and-forth discussion to establish the policy, it has yet to be formally ratified by Divisional Council, as noted in the memo from the Committee on Rules and Elections (available here). The current pre-proposal experience has generated some comments that the policy may need revision, as noted in the preceding paragraph. Once the Gallo School pre-proposal review is complete, DivCo recommends a joint Senate and Administration effort to debrief with campus stakeholders involved with the development and review of the Gallo pre-proposal, to identify recommendations for how the process outlined in the policy can be clarified or improved. This effort will be beneficial as new School proposals will be emerging.
- [CRE] While we understand that this is a pilot policy, we note however that, from a procedural standpoint, the pre-proposal for the Gallo School of Management was submitted without proper ratification of the draft policy, specifically, some committee comments on the draft policy were not fully addressed and the Senate did not have the opportunity to review the revised policy prior to the submission of the preproposal. CRE wishes to express its strong reservation about the next steps of the review of the preproposal in the absence of a proper ratification and Senate endorsement of the draft policy

**(26) Reviewers ask whether there should be a letter of support from the Gallo Family?**

- [SOE ExComm] A letter of support from and evidence of discussion with the Gallo Family or Foundation affirming its understanding and support for the unconventional direction of the proposed School

**(27) Reviewers ask whether the campus really want to name a school after the Gallo family?**

- [SSHA ExComm] Finally, several faculty raised concerns about the Gallo name attached to the school. Of the many things the Ernest & Julio Gallo family is known for in the valley, commitment to social justice is not one of them. The company and family have a long and painful history of hostility toward farmworkers. It would be wise to engage in deeper consultation with community and labor groups before naming a school for Gallo.



## Appendix A. Consultation with Campus Committees

In Fall 2021, the Gallo School Planning Team consulted with most Academic Senate Committees and all three School Executive Committees to clarify comments made in the initial review, enabling us to better address them in our revision. Here, we respond to suggestions, comments, and concerns raised by each committee during these meetings.

### Committee on Equity, Diversity, and Inclusion

- (1) The EDI section of the pre-proposal was vague, with few concrete details on equity, diversity, and inclusion, particularly regarding specific steps to be taken that would increase inclusiveness, along with related measures and assessments, and specific approaches to including EDI contributions in faculty merit and promotion reviews. Can you include more detail on how recruitment of faculty and staff by the proposed Gallo School would create diversity that reflects the student population?**

We believe the revised pre-proposal provides some detail on potential EDI efforts, such as “Examples of efforts to increase diversity of students and faculty include: (a) recruitment and retention of underrepresented faculty and staff by creating an environment of inclusiveness in hiring, mentoring, and evaluation; (b) recruitment and retention of underrepresented students through mentoring, building curriculum aligned with social and environmental justice, and funding support; and (c) encouraging faculty, staff, graduate students and undergraduate majors to participate in workshops offered by the Office of Equity, Diversity and Inclusion” (see “COMMITMENT TO EQUITY, DIVERSITY, AND INCLUSION” in the revised re-proposal and also (11) in our *Response to Campus Review*).

### Committee on Academic Planning and Resource Allocation

- (2) Would any staff positions would be shifted from existing schools (particularly SSHA)?**

No staff will be shifted from an existing school to the proposed Gallo School, as described in (14) in our *Response to Campus Review*.

- (3) How much new state funding will be needed to stand up the new school?**

Approximately \$2M/year over the five-year planning horizon. See Table 12 in the revised pre-proposal and (14) in our *Response to Campus Review*.

- (4) Do the dean and faculty in SSHA support adding the Political Science Department to the new school?**

We hope faculty and administrators across campus are supportive of their colleagues, and of their colleagues’ right to organize themselves.

**(5) Can senior campus leadership clarify how the campus budget can support any investment in the near future?**

We expect the Chancellor, Provost, and other leaders to commit the necessary funding for the proposed Gallo School.

Committee on Research

**(6) Suggested the pre-proposal focus more on the proposed school’s potential to open additional locally-relevant research topics, such as those related to agriculture economics and management.**

See (9) in our *Response to Campus Review*.

**(7) Is a new school needed to cultivate cross-disciplinary research collaborations?**

A new school is not needed to cultivate cross-disciplinary research. The campus has much cross-disciplinary research already. We did not argue that a new school was needed for this reason. However, we believe our plan to create a new school with a novel mixture of departments that are aligned with a common vision and mission has much potential for cross-disciplinary collaborations. See (1), (2), (4), and (6) in our *Response to Campus Review*.

**(8) What are the resource implications of the proposed school, especially in the context of limited campus resources?**

The resource implications are laid out in our revised financial plan, see the section “FINANCIAL AND RESOURCE PLANNING” in the revised pre-proposal, and (12), (13), and (14) in our *Response to Campus Review*.

**(9) What are the student demand and enrollment projections for the proposed school?**

See (16) in our *Response to Campus Review*.

Divisional Council

**(10) What would the proposed school’s impact be on SSHA?**

See (12) and (14) in our *Response to Campus Review*.

**(11) Does it make sense to include the proposed mix of departments in a management school and will the name hinder program marketing and student recruitment?**

As described in the revised pre-proposal, we believe the proposed mix of departments effectively blends innovation with tradition. The revised pre-proposal contains many campus-external letters suggesting that the mixture of departments, disciplines, and focus areas in the proposed school would be unique and valuable (including several new letters that speak to the addition of Political Science). See (3) in our *Response to Campus Review*.

**(12) Will all faculty move to the B/E/E scale as proposed previously, and what of equity within the school and across the campus?**

Regarding the issue of salary scale, see (17) in our *Response to Campus Review*. Regarding equity among faculty and departments with the proposed Gallo School, “[t]o start to establish effective practices and norms for resource distribution once the school is formed, we will create an *ad hoc* faculty-administration committee charged with developing methods for resource distribution that align with school needs and priorities” (see the section on “FINANCIAL AND RESOURCE PLANNING” in the revised pre-proposal).

**(13) How would the proposed new school help with the campus’s strategic goal of increasing student enrollments?**

The campus strategic plan prioritizes enrollment growth,<sup>2</sup> and the plan for the Gallo School aims to increase enrollments by growing large existing majors and creating new in-demand majors (see Table 15 in the revised pre-proposal). In addition, the financial model of the proposed new school devotes some of the school’s non-state revenue to marketing and recruitment to try to increase enrollments in the school and on the campus.

Graduate Council

**(14) Why would faculty from Political Science want to move to the proposed school and how will this affect their identity and also how will this affect resources for SSHA?**

The Department of Political Science sees their potential move to the Gallo School of Management as a way to build strength in both teaching and research. Unlike most Political Science departments in the United States, Political Science at UC Merced is organized around two sub-disciplinary tracks: Political Institutions and Political Economy and Political Cognition and Behavior. This organizational strategy was borne of early intellectual synergies with the departments of Economics and Cognitive Science. The graduate program as well as faculty hiring are structured around these tracks. Moving to the Gallo School along with EBM and COGS will allow Political Science students and faculty to continue these collaborations. Through the process of drafting the pre-proposal, Political Science has also realized strong research and teaching overlap with the faculty in MCS. For instance, we share methodological approaches that will encourage the development of a new major – data science. There are many examples of political science groups housed in interdisciplinary schools and departments throughout the United States, such as at the Stanford Graduate School of Business, the Harris School of Public Policy at the University of Chicago, and the Social Science program at CalTech. These political science programs are leaders in the field – placing graduate students in top research positions every year. Faculty in these programs attest that their own research benefits from the diverse intellectual community.

**(15) Will the revision be supported more uniformly by the administration and other senate and school committees?**

We hope so.

**(16) Can the academic identity of the proposed school be defined more holistically, for instance, in terms of both research and educational programs?**

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<sup>2</sup> See <https://strategicplan.ucmerced.edu/>

See (2) and (4) in our *Response to Campus Review*.

#### Committee on Library and Scholarly Communications

- (17) Suggested the pre-proposal include more detail and discussion of resource and budget implications for the Library, given anticipated program and enrollment growth in the proposed Gallo School.**

We have worked closely with the Library on the Gallo School pre-proposal, as well as related program proposals. As described in the “LIBRARY PLAN” section of the pre-proposal, we do not see specific resource needs for the Gallo School beyond those expected by enrollment program growth, regardless of whether the new school is established. Moreover, as described in the separate (related) proposal for a self-supporting graduate degree program in Data Science and Analytics, we plan to partner with the library to delivery aspects of the program, sharing program revenues.

#### Executive Committee, School of Natural Sciences

- (18) Discussion focused on possible overlap of program content with the proposed Gallo School, with questions about implications of such overlap on class size and enrollment and suggested that some clarification on the scope of planned programs in the pre-proposal would be helpful.**

The revised pre-proposal has expanded and clarified aspects of the possible future programs in Data Science and Analytics, both a professional master’s degree and a bachelor’s degree (see section on “PROPOSED ACADEMIC PROGRAMS” in the revised pre-proposal). We note that detailed descriptions of these programs are provided in the separate program proposals (rather than in the proposal for the new school). A proposal for a self-supporting professional Master of Data Science and Analytics has been reviewed by the Academic Senate and is currently being revised by the proposal team. A proposal for a new Bachelor of Science in Data Science and Analytics has been drafted is currently being reviewed by faculty and other stakeholders on campus prior to formal submission to the Senate. As part of these efforts, we have convened a group of campus stakeholders interested in data science-related programs to begin to discuss and plan for such programs more broadly.

#### Executive Committee, School of Engineering

- (19) Suggested the pre-proposal include more detail and discussion of resource and budget implications for the existing schools and the campus.**

See (12), (13), and (14) in our *Response to Campus Review*.

- (20) How would the constituent departments fit together into a coherent whole?**

See (1) and (2) in our *Response to Campus Review*.

- (21) Suggested that we circulate materials to campus committees in advance of resubmitting the pre-preproposal to facilitate further the campus conversation about the Gallo School.**

Though it was not practical to circulate the revised draft to all campus committees in advance of submitting for re-review, we did provide CAPRA a draft of the “FINANCIAL AND RESOURCE PLANNING” section for review and comment.

Executive Committee, School of Social Sciences, Humanities and Arts

- (22) Suggested the pre-proposal include more detail on the intellectual coherence of the departments, programs, and the mission of the proposed school to set a foundation for future development and growth.**

See (1) and (2) in our *Response to Campus Review*.

- (23) Suggested the pre-proposal address issues of diversity and existing inequity within the proposed school.**

See (10) and (11) in our *Response to Campus Review*.

Undergraduate Council

- (24) Suggested the pre-proposal describe the pedagogical alignment of the departments and programs.**

See (4) in our *Response to Campus Review*.

- (25) What are the future prospects for SSHA?**

See (8) in our *Response to Campus Review*.

- (26) Concern that the new school initiative is being driven by administration, with recommendations to clarify that this is a faculty-led initiative and that processes of shared governance are being followed.**

The current plan for the Gallo School is a faculty-led initiative, and it always has been (for notes on the origin of the plan, starting about 4 years ago)<sup>3</sup>. We have followed the systemwide process for a new school proposal,<sup>4</sup> and are currently engaged in the campus process for a new school proposal.<sup>5</sup> As part of the revision process, we have consulted with most senate committees and all school executive committees. See also (23) in our *Response to Campus Review*.

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<sup>3</sup> See <https://mcs.ucmerced.edu/gallo-school-initiative>

<sup>4</sup> See [https://www.ucop.edu/institutional-research-academic-planning/files/compendium\\_sept2014.pdf](https://www.ucop.edu/institutional-research-academic-planning/files/compendium_sept2014.pdf)

<sup>5</sup> See [https://mist.ucmerced.edu/sites/mist.ucmerced.edu/files/page/documents/new\\_school\\_policy\\_final\\_9.16.2019.pdf](https://mist.ucmerced.edu/sites/mist.ucmerced.edu/files/page/documents/new_school_policy_final_9.16.2019.pdf)

## Appendix B. Response to CAPRA’s Preliminary Review of the Revised Financial Model

In January 2022, we asked CAPRA for a preliminary review of the revised financial model for the proposed Gallo School, specifically, of a draft of the revision’s “FINANCIAL AND RESOURCE PLANNING” section. CAPRA’s response is provided at the end of this Appendix.

### Response to Comments

We thank CAPRA for their preliminary review and for the many positive comments. Here, we respond to each of the points raised in turn.

- 1. Regarding compensation for SSHA, is there a rationale for the amount of money that will be disbursed to SSHA and a reason that funds are not slated to be given to SoE as well?**

As described in the “FINANCIAL AND RESOURCE PLANNING” section of the pre-proposal and (8) in our *Response to Campus Review*, we are providing this transition support for SSHA to mitigate the effects of moving several majors with large enrollments out of SSHA, as majors with larger enrollments (such as Management and Business Economics and Political Science) have in the past helped support the instructional costs (TAs and lecturers) for lower-enrollment programs. There is no need to provide this kind of transition support for SoE, as enrollments in MCS’s programs have not historically helped support the instructional costs of other programs in the school.

- 2. Revenue-generating programs. CAPRA assumes this is the MS in Data Science and Analytics. CAPRA would like to see a table explaining these revenues and how they are tied to student enrollment in the program, e.g. how much tuition will each student pay.**

See the table in Appendix H of the revised pre-proposal. The revised proposal for a professional Master of Data Science and Analytics will be submitted for Senate review soon after the revised School pre-proposal is submitted.

- 3. Payout from the Gallo endowment. “(\$2.4M over the six years of the plan, leaving about \$1.6M of payout reserve at the end of FY28.) If we continue to draw down the reserve at the same rate after FY28, the reserve would be depleted by the end of FY32.” CAPRA wants to confirm that the \$24M endowment itself will not be touched.**

Confirmed. The endowment principal will not be touched.

- 4. One source of funds of great interest to CAPRA is the campus funds that will be required for the new School. The pre-proposal refers to these as “New State General Funds” and shows them in Table 2. The proposed funds range from \$1.7M in the first year, to \$2.3M in the 5<sup>th</sup> year. These funds would explicitly go toward the “Dean’s office” (\$730K to start) and the “School Staff” (\$980K to start). CAPRA notes that this is more than the \$750K per year of campus funds that the pre-proposal requested last**

**year, although presumably this is because the school will not be bringing any staff from other schools.**

To clarify, there are two reasons the request for State General Funds (SGF) has increased from the original version of the pre-proposal: (a) as suggested, no staff will be shifted from existing schools to the proposed Gallo School; and (b) no endowment or gift funds will be used to offset staff salaries – all salaries for permanent faculty and staff will be covered by SGF, just as they are in other schools. This second point follows from a suggestion made by CAPRA on the original proposal, namely that we “... allow for the normal campus processes to generate future staffing costs...”. If required, our financial model could accommodate returning funds from revenue-generating programs and endowment/gift support to the central campus to offset the need for some of the SGF we are requesting (similar to what was originally proposed) by limiting certain expenses, such as marketing and recruitment and new faculty and student support.

- 5. Following up on the previous comment, CAPRA notes that the School projects a net positive balance of several hundred thousand dollars each year in Table 1, and questions whether a large accumulation of funds is necessary and similarly whether the full amount of state general funds requested is necessary. As pointed out in Table 11, the requested new SGF is nearly balanced by the income from the endowment. It would seem that new SGFs are only needed to make up the difference.**

Given additional information over the last few months, the proposed budget shown in Table 11 of the revised pre-proposal has been updated from the version CAPRA reviewed. As currently proposed, the annual surplus is projected to be between \$100-200K, accumulating just over \$800K in five years (rather than approximately \$300K/year, accumulating more than \$1.6M over five years, in the version CAPRA reviewed). We believe it is appropriate to maintain a small buffer to guard against unexpected events, for example, as described in the pre-proposal section on “CONTINGENCY PLANNING”. Nevertheless, the suggestion is reasonable: If the new school is in fact able to accumulate substantial positive balances over several years, we could choose to offset expenses against SGF, limiting the need for additional state general funds as the new school grows over time. We will reassess our need for SGF and the use of any accumulated balances in Year 5 of the plan.

- 6. It is a bit confusing listing income from the Gallo payout reserve as “gifts”, since the entire endowment is a gift. How about just listing this as “Endowment reserve”?**

The budget item “Gifts” includes all non-endowment gift funds the Gallo School will have access to, including the payout reserve from the Gallo Endowment’s principal gift, payout reserve from the Gallo Endowment’s matching gifts, and funds from other gifts, including funds associated with the Mackenzie Scott gift to the campus. To avoid confusion, we have changed the label in Table 11 to “Endowment Reserve and Other Gifts”.

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**February 11, 2022**

**To:** Paul Maglio, Director of the Division of Management and Information

**From:** Kevin Mitchell, Chair, CAPRA 

**Re:** Draft Revised Financial Model Section of the Gallo School Pre-Proposal

Per your request on January 7, 2022, CAPRA reviewed the attached, preliminary draft of the revised financial model section of the Gallo School pre-proposal. We appreciate the chance to review and offer the below comments. We clarify that we are only considering the financial impact of the Gallo School at present and are not providing an opinion on the organizational merits of creating a new School.

As a summary, the pre-proposal asserts that the new School will not request any new faculty and will not suggest moving any current staff to support the new School. The plan lays out a 6-year budget plan, starting with a “pre-opening year”, planned for this fall, 2022-2023, followed by official Year 1 of the School, assuming approvals move forward. The plan includes a specific line item for funds to go to SSHA (\$1 million total) as compensation during the transition as the School will be losing faculty from several departments. Also notable, the plan does not include a request for funds to align faculty salaries to a higher scale, as this will be negotiated at a later time between the Dean and the EVC/Provost.

In terms of expenses, most of the numbers in the model seem reasonable:

- It is proposed that the School will hire 13 initial staff members and have 54 faculty. Any growth in these numbers will depend on future student enrollment growth.
- It is proposed that marketing/recruiting expenses will range from \$100K in the pre-opening year to \$365K in Year 5.
- New endowed faculty and student support is budgeted at \$200K in Year 1, escalating by \$100K each year.
- Other expenses include faculty salaries, incidental expenses, and existing endowed chair(s) and student support.
- Regarding compensation for SSHA, is there a rationale for the amount of money that will be disbursed to SSHA and a reason that funds are not slated to be given to SoE as well?



The revenues for the budget will come from tuition (using the TAS formula based on student credit hours; summer session), gifts (expected to start at \$200K per year, increasing to \$400K and \$500K), endowment revenue, and a modest amount for indirect cost returns (\$15K-\$18K per year), which are reasonable assumptions. CAPRA had questions on the following items of revenue:

- Revenue-generating programs. CAPRA assumes this is the MS in Data Science and Analytics. CAPRA would like to see a table explaining these revenues and how they are tied to student enrollment in the program, e.g. how much tuition will each student pay.
- Payout from the Gallo endowment. “(\$2.4M over the six years of the plan, leaving about \$1.6M of payout reserve at the end of FY28.) If we continue to draw down the reserve at the same rate after FY28, the reserve would be depleted by the end of FY32.” CAPRA wants to confirm that the \$24M endowment itself will not be touched.
- One source of funds of great interest to CAPRA is the campus funds that will be required for the new School. The pre-proposal refers to these as “New State General Funds” and shows them in Table 2. The proposed funds range from \$1.7M in the first year, to \$2.3M in the 5<sup>th</sup> year. These funds would explicitly go toward the “Dean’s office” (\$730K to start) and the “School Staff” (\$980K to start). CAPRA notes that this is more than the \$750K per year of campus funds that the pre-proposal requested last year, although presumably this is because the school will not be bringing any staff from other schools.
- Following up on the previous comment, CAPRA notes that the School projects a net positive balance of several hundred thousand dollars each year in Table 1, and questions whether a large accumulation of funds is necessary and similarly whether the full amount of state general funds requested is necessary. As pointed out in Table 11, the requested new SGF is nearly balanced by the income from the endowment. It would seem that new SGFs are only needed to make up the difference.
- It is a bit confusing listing income from the Gallo payout reserve as “gifts”, since the entire endowment is a gift. How about just listing this as “Endowment reserve”?

Overall, the proposed financial model for the new Gallo School is reasonable and makes conservative assumptions about student growth and indirect cost returns. Therefore, while CAPRA has noted a few questions, we do not see major resource issues with this pre-proposal. CAPRA looks forward to reviewing the revised pre-proposal when it is submitted for Senate review.

cc: Senate Office