

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
MEETING AS A COMMITTEE OF THE WHOLE**

September 18, 2014

The Regents of the University of California met on the above date at UCSF–Mission Bay Conference Center, San Francisco.

Members present: Regents De La Peña, Engelhorn, Gould, Island, Leong Clancy, Lozano, Makarechian, Napolitano, Pattiz, Reiss, Ruiz, Saifuddin, Sherman, Varner, and Zettel

In attendance: Regents-designate Davis, Gorman, and Oved, Faculty Representatives Gilly and Hare, Secretary and Chief of Staff Shaw, General Counsel Robinson, Chief Compliance and Audit Officer Vacca, Executive Vice President and Interim Chief Financial Officer Brostrom, Senior Vice Presidents Dooley and Stobo, Vice Presidents Budil, Duckett, Lenz, and Sakaki, Chancellors Block, Blumenthal, Katehi, Leland, Wilcox, and Yang, Interim Chancellor Gillman, and Recording Secretary McCarthy

The meeting convened at 8:55 a.m. with Chairman Varner presiding.

PUBLIC COMMENT

Chairman Varner explained that the Board had been convened as a Committee of the Whole in order to permit members of the public an opportunity to address University-related matters. The following persons addressed the Board concerning the items noted.

1. Ms. Annemarie Donjacour, UCSF School of Medicine faculty member since 1984, stated that through her teaching and research in the biological sciences she had become well aware of the detrimental effects of climate change, and of the talent and dedication of UC students. She stated that there was a financial and moral imperative to divest from the fossil fuel industry and invest in clean energy. Ms. Donjacour expressed her support for the students' work advocating for divestment, since they know that the problems created by climate change are urgent.
2. Ms. Emily Williams, UC Santa Barbara alumna, stated on behalf of Fossil Free UC that, while the recommendations of the Task Force on Sustainable Investing (Task Force) establishing an environmental, social, and governance (ESG) framework for investing and allocating \$1 billion for solutions-oriented investments were a tentative step in the right direction, they hardly exemplified the bold climate leadership that UC espoused. She expressed appreciation for the work of Regents Saifuddin, Reiss, and Newsom to ensure that commitments to student representation and stronger language on divestment were included in the Task Force's recommendations. She urged the Regents to show leadership in aligning UC's investments with its values.

3. Mr. Alden Phinney, UC Santa Cruz student and member of the Task Force, emphasized the importance of seriously considering the financial implications of the goals of Fossil Free UC. He expressed his view that it was misleading to say that UC Fossil Free was advocating a \$10 billion divestment. The University's own analysis showed that divestment from the coal industry would have a negligible financial effect on returns, yet the discussions of the prior day were still centered on whether divestment was financially responsible. Mr. Phinney commended Chief Investment Officer Bachher's pursuit of an ESG framework. UC should exercise leadership and divest from coal.
4. Mr. John Taylor, UC Berkeley graduate, said that he had worked with and learned from the students involved in Fossil Free UC. He expressed appreciation for statements of concern about climate change during the Committee on Investments meeting the prior day. However, he expressed concern about what he said was a rushed treatment of divestment and future student participation, and the casual treatment of amendments that spoke to those questions. It was still unknown whether students would play a formal, meaningful role in the development of the ESG framework and whether divestment would actually be considered during the process.
5. An unidentified speaker stated that the prior day the Regents had voted on the recommendations of the Task Force, set up in response to student demands to investigate divestment from the fossil fuel industry. She stated that the recommendations were vague and uncertain, with important questions about operational and structural parameters left open to interpretation. She expressed her view that students should have meaningful representation in future meetings regarding the ESG framework. Clear roles for students should be set by October and divestment should be revisited as a substantive part of the ESG framework.
6. Mr. Theo LeQuesne stated that, while carbon neutrality and an ESG framework were steps toward a sustainable future, they ignored funding and profiting from the industry that is the greatest contributor to climate change. This position was inconsistent with the University's values and was unconscionable to a growing coalition of students, alumni, faculty, staff, and community members. Mr. LeQuesne demanded direct student engagement with the Regents and said students would continue to advocate for fossil fuel divestment.
7. Dr. John Maa spoke on behalf of the 45,000 members of the California Medical Association, which he said was leading the opposition to Proposition 46 with a several hundred organization coalition that the Regents should consider joining. He said that Proposition 46 would make it easier to file malpractice lawsuits against doctors and hospitals, and would cost UC millions of dollars more in higher medical malpractice costs and medical liability awards. Also, he predicted that passage of Proposition 46 would increase the cost of providing healthcare benefits to UC employees and retirees by millions of dollars. Proposition 46's mandate to consult the Controlled Substance Utilization Review and Evaluation System database could prevent UC patients from getting needed medications. Dr. Maa expressed his view that politically motivated requirements of alcohol and drug testing could result in license suspension for some UC

physicians and lawsuits for its hospitals. He suggested that the Regents consider voting officially to oppose Proposition 46.

8. Ms. Murong Li, UC Berkeley student and member of the board of directors of the California Public Interest Research Group (CalPIRG), stated that CalPIRG was a student-funded and directed nonprofit that advocates for the public interest in protecting the environment, consumers, and democracy. Most recently CalPIRG worked to ban the use of plastic bags statewide and to implement online voter registration, and helped to register more than 40,000 students to vote in 2012. CalPIRG's focus for the upcoming months would be on the mid-term elections. CalPIRG, the UC Student Association, and Rock the Vote set up a student voter registration website linked directly to the voter registration website of the California Secretary of State.
9. Mr. Melvin Singh, external vice president for statewide affairs of the Associated Students of the University of California Santa Barbara, stated that another town hall meeting would be held on October 7 regarding self-governance in Isla Vista.

The meeting adjourned at 9:15 a.m.

Attest:

Secretary and Chief of Staff