

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

January 21, 2016

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

Members present: Regents Blum, Davis, De La Peña, Elliott, Gorman, Gould, Island, Kieffer, Lansing, Lozano, Napolitano, Ortiz Oakley, Oved, Pattiz, Reiss, Ruiz, Sherman, and Zettel

In attendance: Regents-designate Brody, Ramirez, and Schroeder, Faculty Representatives Chalfant and Hare, Secretary and Chief of Staff Shaw, General Counsel Robinson, Provost Dorr, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President and Chief Operating Officer Nava, Senior Vice Presidents Henderson and Peacock, Vice Presidents Budil and Duckett, Interim Vice President Tucker, Chancellors Block, Blumenthal, Gillman, Hawgood, Wilcox, and Yang, and Recording Secretary McCarthy

The meeting convened at 9:15 a.m. with Chairman Lozano presiding.

PUBLIC COMMENT

Chairman Lozano 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. Mr. Antwan Wilson, Superintendent of the Oakland Unified School District, requested that the Regents restore funding to the Governor's Principal Leadership Institute and Teaching Scholars Program. In recent polling 65 percent of the public indicated that having high-quality public school teachers was extremely important. Oakland Unified started the school year with a teacher shortage, because of its difficulty finding credentialed teachers, a significant issue across California. Demographics indicate that it would be necessary to replace about 106,000 teachers in the next ten years. The requirement that principals must have taught for five years also depletes teachers' ranks. Mr. Wilson urged the University to play a leadership role and increase funding for teacher training programs.
2. Ms. Claire Morrison, UC Berkeley student, commented that investing in the fossil fuel industry was both fiscally irresponsible and immoral. She asked the Regents to show leadership in this area.
3. Mr. Todd Lu, UCLA student and member of Fossil Free UC, asked the Regents to divest UC funds from the fossil fuel industry. He said it was irrational for UC, an institution dedicated to the future of young people, to invest in industries that are destroying the

- planet. UC students were united in their opposition to UC's investing in the fossil fuel industry.
4. Ms. Filomena Fuchs, UC Santa Cruz student, commented that investment in the fossil fuel industry hurt UC's image, was destructive of the environment, and would delay the necessary transition to a sustainable fuel future. The University's purpose was to lead its students in creating a better future. She urged the Regents to divest from the fossil fuel industry.
 5. Mr. Michael Wintermantel, UC Santa Barbara student, stated that supporting the fossil fuel industry in the face of man-made climate change was against the best interests of every student. He affirmed that the Fossil Free UC campaign was strong and growing. He stressed the importance of developing a civil discourse among the Regents and UC students to discuss a future without investment in fossil fuels.
 6. Ms. Minh Tran, UCLA student, demanded that UC divest from the fossil fuel industry or release a public statement to explain why it would not. She urged the Regents not to change the UC pension system.
 7. Mr. Paul Rodriguez, UC Santa Barbara alumnus and student at Berkeley Law, spoke of a housing affordability crisis affecting the academic and overall well-being of students throughout California. He said that students were sleeping in the back seats of cars, in libraries, and in shelters. Students could not reach their full academic potential if they have no stable place to sleep, study, and maintain their belongings. He respectfully requested that UC leadership investigate the serious issues of student homelessness and housing affordability.
 8. Ms. Erin Carrera, registered nurse at UCSF Medical Center, expressed her opposition to the recommendations of the 2016 Retirement Options Task Force. Unnecessary cuts to employees' pensions would disproportionately affect nurses and undermine UC's ability to recruit and retain the most qualified staff. Nurses have been attracted to working at UC because of its pension plan, which would be destabilized. In 2013 nurses agreed to pay an additional one percent into the pension fund so that future nurses would have similar benefits. Nurses would continue to stand together to fight the Task Force's proposals.
 9. Ms. Phuong Chuu, registered nurse at the Ronald Reagan UCLA Medical Center for more than 30 years, said she represented nurses from all five UC medical centers. Nurses were outraged over proposed unnecessary pension cuts. She had continued working at UCLA largely because of her pension benefits. If UC's pension were weakened, it would be much more difficult for its medical centers to recruit the best nurses and would be devastating for UC's patients.
 10. Ms. Krystl Fabella, fourth-year student and vice president of external affairs for the Associated Students of UC San Diego, endorsed the creation of a Student Advisor to the Board position, because it would enhance Regents' communication with students.

11. Ms. Danielle Bermudez, third-year UC Merced graduate student and chair of the UC Student Association's graduate professional committee, expressed support for the creation of a Student Advisor to the Board, for the American Federation of State, County and Municipal Employees (AFSCME), and for Fossil Free UC. She noted that an increase in undergraduate enrollment would require additional graduate students.
12. Mr. Rafael Sands, UCLA student and president of UCLA's LA Marathon Club, expressed his view that the biggest issue facing UCLA students was the lack of affordable housing. He affirmed student leaders' support for the creation of a Student Advisor position.
13. Mr. Trent Jolly, UCLA student and member of the UCLA competitive ski and snowboard team, said the biggest issue facing UC was mental health services. He expressed support for establishment of the Student Advisor position, which would enhance communication between the Board and students.
14. Ms. Silena Palozzola, UCLA student and chief of staff of the UCLA Undergraduate Students Association internal vice president's office, stated that the biggest issue facing UC was affordability. She expressed support for establishment of the Student Advisor position.
15. Ms. Amanda Greenbaum, UCLA student and executive member of the general representative 1 office of the UCLA Undergraduate Students Association Council, expressed her view that the biggest issue facing UC was safety. She advocated establishment of the Student Advisor position.
16. Mr. Inan Chowdhury, UCLA student, stated that the biggest issue facing UC was a lack of plurality and understanding between different groups. He expressed support for the establishment of a Student Advisor position.
17. Mr. Jack Guo, UCLA international student, commented that UC's diversity should be used to improve the educational experience of its students. He expressed support for the establishment of a Student Advisor position.
18. Ms. Arielle Mokhtarzadeh, UCLA student and vice president of Bruins for Israel, expressed her view that biggest issue facing UC was intolerance. She advocated establishment of the Student Advisor position, which would ensure that various segments of UC students were represented.
19. Ms. Mia Tidwell, UC employee, and former teacher and principal, commented that the proposed \$3 million cut in support to teacher and administrator leadership programs would prevent school districts from recruiting and retaining the best-trained teachers. At this time of severe teacher shortages across California, the consequences of eliminating UC Office of the President funding for teacher and leader preparation programs would have a long-lasting effect on the quality of education in California. She urged the Regents to continue to fund teacher and principal preparation programs.

20. Assistant Professor Tina Trujillo, of the UC Berkeley Graduate School of Education and faculty director of UC Berkeley's Principal Leadership Institute, spoke on behalf of UC faculty regarding President Napolitano's decision to discontinue funding for the Governor's Principal Leadership Institutes and Teaching Scholars Programs across the UC system. This cut would come at a time when there is an increased demand for K-12 teachers in California because the supply of new teachers is at a 12-year low. Cutting this funding would only exacerbate this crisis and disproportionately hurt California's most struggling schools. She urged the Regents to continue support of robust teacher and principal leadership programs.
21. Professor George Johnson, UC Berkeley Professor of mechanical engineering and faculty co-director of Cal Teach Berkeley, spoke in opposition to the University's plan to decrease funding of the Principal Leadership Institute and the Teaching Scholars Program. The University must play a leadership role in addressing the current teacher and principal shortage. Decreasing funding at this time would be unconscionable. Professor Johnson urged the Regents to increase funding for these programs.
22. Ms. Kathryn Lybarger, president of AFSCME Local 3299 and president of the California Labor Federation, expressed opposition to proposed pension cuts currently under consideration. She said she brought petitions with more than 5,000 signatures of UC employees opposed to changes to the UC Retirement Plan (UCRP), specifically the creation of a new pension tier, a cap on pensionable income, and creation of a 403(b) opt-out plan, that would cut benefits for future employees. UC's current defined benefit plan encourages faculty and staff to build careers of service to UC students, patients, and communities by guaranteeing a secure retirement. The new tier under consideration would cut benefits for future employees, particularly for faculty and UC's highly skilled health providers, and would threaten the ability of the defined benefit plan to meet the needs of future retirees by reducing the number of workers paying into the system. The new tier would leave future employees' retirement savings subject to the volatilities of the stock market. She stated that a 2010 Task Force had rejected this proposal.
23. Mr. Randy Johnson, UCSF Medical Center radiologist, commented that he and many other UCSF employees would retire in the upcoming five years. UC would have difficulty replacing these workers with comparable staff if it weakens its pension plan. He urged the Regents to keep the pension plan strong to maintain the high quality of UC services. Mr. Johnson stated that, when he began working at UCSF, employees were treated very well; however, current surveys indicate employee dissatisfaction.
24. Mr. Tim Thrush, ultrasound technician at UCSF Medical Center for 17 years, noted the importance of his work to UCSF physicians, who rely on accurate ultrasounds in their procedures. Mr. Thrush's experience is also valuable in helping to educate UCSF residents. Supporting career employees at UCSF was extremely valuable.
25. Ms. Rosemarie Fejerang, respiratory therapist at San Francisco General Hospital and ten-year UC employee, recalled that she came to UC because of its benefits and pension plan. She urged the Regents to maintain the current pension plan.

26. Professor Michael Burawoy, UC Berkeley Professor of sociology and vice president of the Council of UC Faculty Associations, said UC faculty were opposed to proposed changes to UC pensions for three reasons. First, the proposed changes would degrade conditions of employment at the University, making it difficult to recruit outstanding faculty and eroding UC's standing as a leading public university. Second, while cutting the pensions of new faculty, the proposed new pension tier would have little if any effect on the unfunded liability of the UCRP. While the Governor promised \$436 million as a contribution to the \$2.6 billion he said the State owed the University, UC faculty would forfeit this exchange for cancellation of the proposed new tier. Third, the proposed tier was presented as a fait accompli of the private negotiations between the Governor and the President of the University, without consultation with faculty, Regents, or the Legislature, sidelining effective shared governance and precluding debate and open discussion. Faculty believed this proposal endangers the future of the University and made no fiscal, educational, or political sense.
27. Dr. Stuart Bussey, family physician and president of the Union of American Physicians and Dentists, AFSCME Local 206, stated that the unfunded liability of UCRP would be reduced and eliminated over time under UC's current pension system, but would not be eliminated if the proposed new pension tier were adopted. He expressed opposition to the proposed new tier for financial and ethical reasons, and said the California Public Employees' Pension Reform Act of 2013 cap on pensionable salary had caused physicians to leave State employment.
28. Mr. Jeff Duritz, of the Union of American Physicians and Dentists. AFSCME Local 206, expressed support for the comments of Dr. Bussey. Mr. Duritz stated that the purpose of the \$436 million State contribution was to reduce UCRP's unfunded liability, but stated his view that the report of the Retirement Options Task Force indicated that the existing pension plan would be more effective in reducing UCRP's unfunded liability than would the proposed new pension tier. He questioned the purpose of the proposed new pension tier, which would compromise the retirement of UC employees, and damage UC's ability to recruit and retain talented faculty.

The meeting adjourned at 9:50 a.m.

Attest:

Secretary and Chief of Staff