

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

November 15, 2012

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

Members present: Regents De La Peña, Gould, Island, Kieffer, Lansing, Makarechian, Mendelson, Pattiz, Reiss, Rubenstein, Ruiz, Stein, Torlakson, Varner, Yudof, and Zettel

In attendance: Regents-designate Feingold and Flores, Faculty Representatives Jacob and Powell, Secretary and Chief of Staff Kelman, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Provost Dorr, Executive Vice President Brostrom, Chief Financial Officer Taylor, Senior Vice Presidents Dooley and Stobo, Vice Presidents Beckwith, Duckett, Lenz, and Mara, Chancellors Block, Blumenthal, Drake, Katehi, White, and Yang, and Recording Secretary McCarthy

The meeting convened at 8:40 a.m. with Chairman Lansing presiding.

Chairman Lansing thanked the Board for the excellent discussion at the prior day’s session. She expressed her appreciation for Governor Brown’s participation in that meeting; his comments were extremely helpful to the Board. She said the Regents hoped that Governor Brown would continue to attend the Regents’ meetings.

Chairman Lansing congratulated Governor Brown, the Regents, UC alumni, faculty, staff, and especially UC students for their support of Proposition 30, the Schools and Local Public Safety Protection Act. She expressed gratitude to UC students for registering almost 52,000 new student voters. She cautioned that, while passage of Proposition 30 established a sound foundation for UC’s fiscal health in the coming academic year, it was not a panacea for the University’s financial challenges. Chairman Lansing said that the Board was extremely grateful to California voters for their support of higher education.

1. PUBLIC COMMENT

Chairman Lansing 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:

- A. Mr. Charlie Eaton, UC Berkeley graduate student, expressed concern that, despite the passage of Proposition 30, the UC budget presumed a 24 percent tuition increase over the upcoming four years. He stated that a report he authored with other colleagues, “Swapping Our Future: How Students and Taxpayers Are Funding Risky UC Borrowing and Wall Street Profits,” had recommended that the University renegotiate interest rate swaps or litigate against the banks holding

the interest rate swaps. He expressed concern that the Board had not taken action. Mr. Eaton stated that the San Francisco Asian Art Museum saved \$40 million by renegotiating its interest rate swaps. Mr. Eaton stated that several large banks were under investigation for illegally manipulating interest rates; he urged the Board to consider litigation against these institutions.

- B. Ms. Kathryn Lybarger, president of American Federation of State, County and Municipal Employees (AFSCME) Local 3299, noted that AFSCME members had supported the UC student voter registration drive that helped pass Proposition 30. She expressed her view that there was no justification for increasing tuition and that tuition levels should be decreased. She expressed support for the recommendations in Mr. Eaton's report. Ms. Lybarger also recommended that the Board consider an independent actuarial analysis regarding ways UC could save money by changing its methodology regarding the UC Retirement Plan (UCRP). Ms. Lybarger also raised concern about salary increases for UC management and stated that profits from UC's medical centers should be used for general student support.
- C. Mr. Tim Thrush, stenographer at UCSF Medical Center, stated his opposition to raises for top UC management. He expressed his view that budget and staffing cuts had caused UCSF Medical Center to fall from sixth to 13th in a ranking of the most highly respected hospitals in the nation. He stated that cutting ancillary hospital staff affected patient care and questioned why hospital staff would be reduced when the hospitals were so profitable.
- D. Mr. Randy Johnson, magnetic resonance imaging technologist at UCSF, expressed his opposition to budget cuts and tuition increases. He stated that support from union members was essential for passage of Proposition 30. Mr. Johnson said that cuts to ancillary staff affected his job, patient care, and services for students. He stated that UCSF was understaffed and intended to eliminate 300 more positions. He advocated reducing the number of managers and allocating more funding for staff who provide crucial patient care services. Mr. Johnson also stated that UC's first priority should be to serve California students.
- E. Ms. Erin Carrera, UCSF nurse for more than 20 years, expressed concern about UCSF's budget management. She stated that nurses currently worked short-staffed more than they ever had previously, resulting in dangerous conditions for patients. She stated that hospital staffing decisions should not be based only on budget considerations. She urged the Board to consider the recommendations for savings in the actuarial report prepared for the University of California Union Coalition regarding the UCRP.
- F. Ms. Lisa Kermish, staff member for 32 years at UC Berkeley and vice president of the University Professional and Technical Employees Communications Workers of America Local 9119, spoke on behalf of UC administrative

professional employees, a group she said were not represented by a union. She stated that this group had received just one three percent pay increase in the past four years, and that increase in pay had been absorbed by increases in employee contributions for UCRP and health care benefits. She stated that UC employees love their jobs, but these financial circumstances make it difficult for them to devote their careers to UC.

- G. Ms. Judy McKeever, UCSF respiratory therapist for 17 years, stated that she frequently was unable to take lunch or other breaks because of short-staffing in her department. She said her department currently had 40 temporary workers, many of whom were inexperienced recent graduates. She urged the Board to allocate adequate funding for experienced, properly trained staff.
- H. Mr. Ronald Cruz, Berkeley Law graduate, member of and attorney for the Coalition to Defend Affirmative Action, Integration, and Immigrant Rights and Fight for Equality By Any Means Necessary (BAMN), stated that BAMN had filed a \$15 million lawsuit against UC Berkeley administrators and police officers around incidents on the Berkeley campus on November 9, 2011. Mr. Cruz expressed his view that the lawsuit would reveal unprovoked violence against peaceful student demonstrators. He also expressed concern that public/private partnerships to fund research at UC Berkeley could lead to possible conflicts of interest. Mr. Cruz spoke in favor of a rollback of tuition to 2009 levels.
- I. Ms. Robin Ryan, whose daughter was a high school senior considering applying to UC, stated that she worked hard to support Proposition 30. She urged the Board to stop tuition increases, to roll back tuition, to stop cuts to classes, student services, and staffing. Ms. Ryan spoke in favor of examining ways to renegotiate UC's interest rate swaps, and maintain the University's accessibility and affordability.
- J. Ms. Shanell Williams, president of the Associated Students at City College of San Francisco, expressed solidarity with UC students and staff. She expressed concern about high levels of student debt and maintaining access to public higher education. She stated that current students want the same educational opportunities afforded to prior generations.
- K. Mr. Brian Donohue, retired staff member at UC Berkeley and intellectual property attorney, stated that he represented an enterprise that believed that UC was overlooking an opportunity for revenue. He spoke in favor of public service contracting, whereby a campus' assets, including its knowledge, faculty, and laboratories, would be provided for fees through written contracts.
- L. Mr. Philippe Marchand, a nonresident UC student, stated that no particular group of students, including nonresident students, should be viewed as a source of profits for the University. If certain students were admitted for their ability to pay

rather than for their academic potential, UC would be functioning as a for-profit university.

- M. Ms. Shirley Toy, nurse at UC Davis Medical Center, stated that her daughter had worked very hard to be admitted to UCLA and UC Berkeley, but had chosen to attend a different school in the eastern United States.

The meeting adjourned at 9:15 a.m.

Attest:

Secretary and Chief of Staff