

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

May 15, 2019

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

Members present: Regents Anderson, Anguiano, Butler, Elliott, Estolano, Graves, Guber, Kieffer, Kounalakis, Lansing, Leib, Makarechian, Morimoto, Napolitano, Park, Pérez, Sherman, Sures, and Zettel

In attendance: Regents-designate Um and Weddle, Faculty Representatives Bhavnani and May, Secretary and Chief of Staff Shaw, General Counsel Robinson, Chief Compliance and Audit Officer Bustamante, Chief Investment Officer Bachher, Provost Brown, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President and Chief Operating Officer Nava, Executive Vice President Stobo, Senior Vice President Holmes, Vice Presidents Brown, Ellis, and Humiston, Chancellors Block, Blumenthal, Christ, Gillman, Hawgood, Khosla, Leland, May, Wilcox, and Yang, Interim Vice Presidents Gullatt and Leasure, and Recording Secretary Li

The meeting convened at 8:40 a.m. with Chair Kieffer presiding.

1. PUBLIC COMMENT

Chair Kieffer explained that the public comment period permitted members of the public an opportunity to address University-related matters. The following persons addressed the Board concerning the items noted.

- A. Jesse Arreguin, mayor of the City of Berkeley, spoke in opposition to the Upper Hearst Development project at UC Berkeley, as well as the amendment to the 2020 Long Range Development Plan (LRDP) of the Berkeley campus. Mayor Arreguin stated that UC Berkeley has avoided addressing unplanned student population growth and that Berkeley residents and businesses were bearing the burden. Over the last ten years, the addition of 11,000 students at UC Berkeley has resulted in a 33 percent increase in the student population and a nine percent increase to the City of Berkeley's population. He added that there was no California Environmental Quality Act (CEQA) exemption for UC Berkeley and that response times for public services such as fire, police, and other emergency responders will be affected. He urged the Regents to delay approval of the project and instruct UC Berkeley to prepare a new Environmental Impact Report (EIR).
- B. Rigel Robinson, Berkeley City Councilmember, spoke in opposition to the proposed nonresident tuition increase and UC Berkeley's current Supplemental EIR. Mr. Robinson was concerned that, as more students live off-campus as a result of the student housing crisis at Berkeley, they may not have equitable access to

emergency services, reliable transportation, and other basic needs. He urged UC Berkeley to issue a revised Supplemental EIR that addressed these issues.

- C. Ashraf Beshay, UCLA student, spoke in opposition to the proposed nonresident tuition increase. He thanked Regents for the bachelor's degree he was earning but noted that his parents would not be able afford UC's current tuition. Mr. Beshay called upon the Regents to consider his story and the stories of low- and middle-income international students when making their decision.
- D. Sachi Cooper, nonresident UCLA student, spoke in opposition to the proposed nonresident tuition increase. Ms. Cooper stated her belief that the University unfairly regards nonresident students as having more money than resident students. She likened the proposed increase of \$762 to the price of an airplane ticket for family emergencies.
- E. Lyn Ames, nurse and interim vice president of perioperative services at UCSF, spoke in support of the proposed affiliation between UCSF and Dignity Health. Ms. Ames, currently a UCSF clinician and former Dignity Health clinician, stated that the affiliation would increase access to quality, timely care in the Bay Area.
- F. Dr. Ingrid Block, internist and endocrinologist at St. Mary's Medical Center, spoke in support of the proposed affiliation between UCSF and Dignity Health. Dr. Block holds an academic appointment with UCSF and is the medical director of Sister Mary Philippa Health Center, which has served uninsured, homeless, and other underserved patients for over 60 years. Dr. Block stated that she has never had to compromise her values or quality of care to patients at St. Mary's Medical Center.
- G. Dr. Matthew State, chair of the Department of Psychiatry at UCSF, expressed his strong support of the proposed affiliation between UCSF and Dignity Health. Dr. State explained that UCSF Department of Psychiatry faculty provide care across the UCSF health system, other hospitals, and community-based programs such as the Alliance Health Project, which has been a pioneer for LGBTQ mental health since the AIDS crisis. The proposed affiliation with Dignity Health would give UCSF access to psychiatric beds during a critical shortage or absence of psychiatric beds. Dr. State strongly disagreed with the idea that the proposed affiliation would threaten the Department of Psychiatry's commitment to increasing access to care, health equity, and diversity.
- H. Dr. Bryan King, vice chair for Child and Adolescent Psychiatry at UCSF Benioff Children's Hospital, spoke in support of the proposed affiliation between UCSF and Dignity Health. Dr. King stated that suicide is the second leading cause of death for adolescents and that spoke of the critical shortage or absence of child and adolescent psychiatric beds in San Francisco. The proposed affiliation would create a comprehensive, world-class child and adolescent inpatient service that would expand UCSF's ability to treat some of the most complicated psychiatric illnesses. The affiliation would create an opportunity to train the next generation of providers.

- I. Neil Kaplan-Kelly, a UC Irvine graduate student who identifies as a transgender man, sought changes that would improve the lives of transgender and nonbinary graduate students at UC. He thanked the Regents for their work in implementing the Gender Recognition Act. Mr. Kaplan-Kelly asked for a systemwide and centralized process for changing names and a comprehensive set of best practices and resources for transgender and nonbinary graduate students.
- J. Lin Fraser, Bay Area mental health professional, spoke in support of the proposed affiliation between UCSF and Dignity Health, particularly the transgender care provided at the Gender Institute at Saint Francis Memorial Hospital. Ms. Fraser stated that Saint Francis Memorial hospital provides knowledgeable, compassionate care, especially to the poor and marginalized.
- K. Miriam Ochoa, UC Riverside student, spoke in opposition to the proposed nonresident tuition increase. Ms. Ochoa stated her belief that UC funding should come from the State and not students. She also spoke on behalf undocumented UC students who do not qualify for the California Assembly Bill 540 nonresident tuition exemption and added that undocumented students cannot qualify for loans or federal financial aid. She asked the Regents to keep undocumented students in mind when making their decision.
- L. Ronit Stahl, UC Berkeley faculty member, spoke in opposition to the proposed affiliation between UCSF and Dignity Health. She stated her belief that the affiliation would subject UCSF to the Ethical and Religious directives (ERDs) of the Catholic Health Care Services. She also stated that UCSF would be subject to review by local bishops of the Catholic Church. Ms. Stahl raised her concern that ERDs and bishops change and that the proposed affiliation would lead to reputational harm, financial harm from litigation, and moral harm.
- M. Sarah Bancroft, UC Berkeley student, spoke in opposition to the proposed nonresident tuition increase. Ms. Bancroft, an in-state student, recognized the value that nonresident students provide to UC. She also advocated for UC divestment from the top 200 fossil fuel companies.
- N. Tonia Brito-Bersi, UC Santa Cruz student, expressed her support of UC divestment from fossil fuel companies. Ms. Brito-Bersi stated that a divestment vote had been presented at Academic Senate divisions at all campuses and that a ballot had been presented to faculty. She added that, three years ago, students from UC Santa Cruz, UC Santa Barbara, and UC San Diego passed resolutions for divestment. Ms. Brito-Bersi urged the Regents to work in favor of divestment.
- O. Zachary Handler, UC Berkeley student, called for UC divestment from the top 200 fossil fuel companies. He stated that the University of Massachusetts was the first major public university to divest from fossil fuel companies.

- P. Daniel Grossman, professor of obstetrics and gynecology at UCSF, spoke in opposition to the proposed affiliation between UCSF and Dignity Health. Dr. Grossman stated that, according to data from the California Office of Statewide Health Planning and Development, there was not a severe shortage of obstetrics beds in San Francisco. Zuckerberg San Francisco General Hospital is under capacity with regard to its labor and delivery beds and already has an affiliation with UCSF. He added that reproductive rights were under attack across the country and that California should serve as a haven state for reproductive rights.
- Q. Josh Stickney, representative from Equality California, expressed Equality California's opposition to the proposed affiliation between UCSF and Dignity Health. Mr. Stickney stated that the affiliation would restrict patient care and put members of the UC community at risk, such as transgender students and employees and those who seek reproductive care such as abortions, contraceptives, and HIV preventive medication. He added that transgender and gender nonconforming patients already face greater discrimination and more refusal of services in the healthcare system.
- R. Vanessa Jacoby, associate professor of obstetrics and gynecology at UCSF, expressed strong opposition to the proposed affiliation between UCSF and Dignity Health. Dr. Jacoby received all her medical training at UCSF and stated that the model of care at Catholic hospitals is misaligned with the approach taught at UC. Dr. Jacoby added that care based on religious doctrine discriminates against LGBT people and harms women.
- S. Karen Callen, representative from Golden Gate Obstetrics and Gynecology (Ob/Gyn), spoke in support of the proposed affiliation between UCSF and Dignity Health. Since 2014, Golden Gate Ob/Gyn has been part of the UCSF Clinically Integrated Network, and the affiliation would likely result in its staffing and leadership at the proposed low-risk birth center at Saint Francis Memorial Hospital, a non-Catholic hospital. Golden Gate Ob/Gyn has no concerns about its ability to provide access to the full range of reproductive healthcare at St. Francis Memorial Hospital and respects faith-based providers. Dr. Callen stated that disagreement in one area should not prevent respectful collaboration to the benefit of all patients where common values are shared.
- T. Eduardo Perez, UCLA student, made a statement in opposition to the proposed nonresident tuition increase on behalf of Milan Patel, a nonresident UCLA student. Mr. Perez stated that UC students deserve an education that does not place them in long-term debt, and he added that the tuition increase discourages future nonresident students from attending UC and prevents current students from continuing their UC education.
- U. Matthew Ryan, UCSF student, voiced his strong opposition to the proposed affiliation between UCSF and Dignity Health. Mr. Ryan uses "he," "him," and "his" pronouns and identifies as a queer man who was raised Catholic. He stated

that the proposed affiliation conveyed betrayal of the LGBTQ community, women, diverse students, faculty, and staff. Mr. Ryan stated that the U.S. Conference of Catholic Bishops referred to gender-affirming surgery as mutilation and a promotion of a mental disorder. He sought to work toward a better solution.

- V. Evan Minton, UC Riverside alumnus and transgender man, spoke in opposition to the proposed affiliation between UCSF and Dignity Health. Mr. Minton stated that he is a survivor of Dignity Health's discrimination and thanked Regent Pérez for his advocacy on this issue. A Dignity Health hospital cancelled Mr. Minton's hysterectomy after he informed providers that he was transgender, and he received the care he needed with help from his doctor and attorney. Mr. Minton shared that 60 percent of gender nonconforming and transgender people who have been refused care due to bias report attempting suicide. He warned that UC transgender students would be subject to discrimination at a Dignity Health hospital.
- W. Julie Wilensky, attorney at the National Center for Lesbian Rights (NCLR), spoke in opposition to the proposed affiliation between UCSF and Dignity Health. She stated that Dignity Health explicitly restricts patient care on the basis of religious beliefs. NCLR opposes the affiliation because it will harm UC's LGBTQ patients and it does not conform to UC's legal obligations as a public institution. NCLR was joined by Equality California, Lambda Legal, Los Angeles LGBT Center, San Francisco LGBT Center, National LGBTQ Task Force, National Trans Bar Association, and other organizations in a letter to the Regents.
- X. Dan Diaz, end-of-life choice advocate, spoke in opposition to the proposed affiliation between UCSF and Dignity Health. Mr. Diaz and his late wife, Brittany Maynard, who underwent brain surgery at UCSF, moved to Oregon for access to medically assisted death. Mr. Diaz has traveled to 14 state capitals to advocate for assisted death laws. He stated that the Catholic Church is the greatest opponent to medically assisted death, and he underscored that patients should have the right to stay within UCSF and make medical decisions free of any influence from Dignity Health or the Catholic Church.
- Y. Neil Ludman, San Francisco resident, spoke in opposition to the proposed affiliation between UCSF and Dignity Health. Mr. Ludman recounted that many friends and acquaintances had died of AIDS but that the Catholic Church opposed condom use to prevent the spread of disease. He added that the Catholic Church bans condoms and other contraceptives, in vitro fertilization and other private medical procedures. Mr. Ludman stated that, if UC would not partner with an organization that opposes routine vaccination, then it should not enter into this affiliation with Dignity Health.
- Z. Elissa Serapio, clinical fellow at UCSF, spoke in opposition to the proposed affiliation between UCSF and Dignity Health. Dr. Serapio raised the example of a patient whose amniotic sac broke and underwent an abortion at UCSF. Dr. Serapio posited that, had this patient been at Dominican Hospital, she would have received

substandard care. She emphasized that proposed workarounds are not standards of care and that UC is a public institution focused on excellence and training.

- AA. Irene Pien, surgery resident at UCLA, asked the Regents to support residents in upcoming labor negotiations. Dr. Pien highlighted physician burnout, depression, and suicide. She stated that no other industry permits the physical, mental, and emotional demands of residency. Dr. Pien has worked 100-hour weeks, performed surgery after working 24 hours, and worked full-day shifts with a two-hour break. She called upon the Regents to invest in residents and adopt resident recommendations to improve resident wellness and patient health and safety.
- BB. Teri Miller, UCLA resident in emergency medicine, shared examples of how UCLA residents have worked through injury and illness. Dr. Miller reported that injured and ill residents refused work notes and returned to work. She raised the example of two co-residents who returned to work despite being in car accidents.
- CC. Martha Chavez, senior assistant dean for academic programs and dean of students at the Goldman School of Public Policy at UC Berkeley, spoke in support of the Upper Hearst Development project. Ms. Chavez stated that the Goldman School is in dire need of academic and living space. She added that the Goldman School is committed to recruiting a diverse student body and that the University must invest in academic spaces to provide this student body with the best possible education. Housing provided through this project would be very beneficial to faculty.
- DD. Linda Alvarez, national secretary treasurer for the Committee of Interns and Residents (CIR), called upon the Regents to ensure that UC residency programs provide high-quality training for residents and quality care for patients. CIR asked UC to regard residents as any other physicians and that residents be given due process and representation. Dr. Alvarez stated that physician's assistants and nurse practitioners out-earn residents and that medical school tuition has nearly quadrupled in the last 30 years.
- EE. Agnes Suarez, hospital unit service coordinator at UCSF and member of the American Federation of State, County, and Municipal Employees (AFSCME) Local 3299, spoke in opposition to outsourcing. She stated that outsourced workers are becoming more common in her unit, which provides cardiovascular and thoracic transplant care. Ms. Suarez added that outsourced workers are working with patients, which is unsafe, and that her own job has been outsourced. She called upon the Regents to stop outsourcing.
- FF. Carmen Lee, shuttle driver at UCSF and member of AFSCME Local 3299, spoke in opposition to outsourcing. Ms. Lee stated that patient care is affected by outsourcing; career workers are overextended when they must train outsourced workers and do their own jobs, and outsourced workers cannot provide patients with the care that they need. She stated that AFSCME will continue striking until outsourcing stops.

- GG. James Clark, sterile processing department worker at UCSF and member of AFSCME Local 3299, spoke in opposition to outsourcing. The sterile processing department prepares instruments for surgeries. Mr. Clark reported a growing trend of timeouts at UCSF Mission Bay operating rooms due to malfunctioning or inappropriately prepared instruments. In the annual Gallup Poll survey, workers have reported mistakes made due to outsourcing. Mr. Clark stated that it was unfair for outsourced workers to have a contracted job when they could have career employment at UC.
- HH. Agnes Castro, hospitality worker at UCSF and member of AFSCME 3299, spoke in strong opposition to outsourcing. Ms. Castro stated that outsourcing has affected the safety of workers, the quality of work, and the care of patients.
- II. Sydney Quynn, UCSC student, called upon the Regents to divest \$2.6 billion currently invested in the fossil fuel industry. Ms. Quinn disputed statements from Chief Investment Officer Bachher and Regent Sherman about reduction of global fossil fuel use with findings from the Intergovernmental Panel on Climate Change report, which posits that greenhouse gas pollution must be reduced by 45 percent by 2030 and 100 percent by 2050.
- JJ. Mari Kojima, UCSD student, stated her opposition to the proposed nonresident tuition increase. Ms. Kojima stopped paying in-state tuition when her legal status was revoked after she had been living in the U.S. for over 16 years. She is not eligible for Free Application for Federal Student Aid (FAFSA) or the DREAM Act.

2. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of March 13, 2019 were approved.

3. **REMARKS OF THE CHAIR OF THE BOARD**

Chair Kieffer began his remarks by noting the passing of Regent Ellen Tauscher on April 29, acknowledging her tremendous imprint on the University and her significant contributions during her short term on the Board. There would be a formal recognition of Regent Tauscher at the Board meeting on the following day. Chair Kieffer provided highlighted items for this meeting, such as transgender nonbinary student experiences, diversity in the health sciences, changes to procedures regarding sexual harassment, and the appointment of new UCSC Chancellor. He noted that the Public Engagement and Development Committee would not be meeting as it had met off-cycle at UC Davis in April. The May Revision to the Governor's budget would be presented, and the Regents would consider the approval of the Office of the President (UCOP) budget. Chair Kieffer noted that this was the last meeting for Regents Graves, Anderson, and Morimoto, and expressed his gratitude for their service. He also stated that this was the last meeting for Student Advisor Huang and Staff Advisor Main and thanked them for their service. Chair

Kieffer marked Chancellor Blumenthal's final Regents meeting after 47 years of service to UC. He stated that this was his last meeting as Chair of the Board. He thanked the entire UC community, including faculty, represented staff, and non-represented staff, for its support of him and of the University.

4. **REMARKS OF THE PRESIDENT OF THE UNIVERSITY**

President Napolitano began her remarks by acknowledging recently admitted students and students who were graduating. She thanked Chancellor Block for hosting College Signing Day at UCLA on May 1, which featured former First Lady Michelle Obama, celebrities, athletes, and other public figures. Other UC campuses also hosted satellite events. The University seeks to ensure that current and future students will enjoy the same educational opportunities as former students. Preserving access, opportunity, and excellence at UC requires investments from the State so that the University can train the next generation of civic leaders, thinkers, and entrepreneurs. Governor Newsom's May Revision of the 2019–20 State budget added \$3.5 million in ongoing funding for rapid rehousing services on top of the \$3.9 billion ongoing State general funds proposed in the Governor's January budget. Funding will also go toward mandatory cost increases such as contractual salary increases, rising healthcare costs, and student wellness and medical residency positions. An additional \$25 million in one-time funding has been proposed to strengthen the UC retirement program. The University looks forward to working with the State Legislature to secure additional funding to further support enrollment growth, avert additional tuition increases, and achieve UC's multi-year goals. The University has two other priorities: State Senate (SB 14), a bill issuing a general obligation bond for facility improvements, and extending the Cal Grant program to summers. President Napolitano announced that the search for a new UCSC Chancellor is complete and that the proposed appointment was on the agenda for this meeting. She recognized Chancellor Blumenthal for his strong leadership as Chancellor for 12 years and for his 47 years of UC service. She acknowledged public comment on the proposed affiliation between UCSF and Dignity Health and reminded the Regents that there was no Board action on this issue planned. President Napolitano closed her remarks by recognizing and thanking Chair Kieffer for his deep commitment to UC and his special appreciation for UC's role in California's past, present, and future. Chair Kieffer has guided the Board through many difficult issues during his tenure while chairing the Board. He has been an amazing advocate for UC in Sacramento and has expanded advocacy collaborations with students.

With regard to UC budget requests, Chair Kieffer noted that the Governor's office has been open to listening to UC and that there had been positive reactions from State legislators. He was hopeful about budget outcomes for the University.

5. **REMARKS OF THE CHAIR OF THE ACADEMIC SENATE**

Faculty Representative May, on behalf of the Academic Senate, extended his gratitude to Chair Kieffer and Chancellor Blumenthal. He stated that their interactions with the Academic Senate exemplified what makes a system of shared governance so effective. He

noted that Chancellor Blumenthal was once Faculty Representative to the Regents when he was Vice Chair and Chair of the Academic Senate. The Academic Senate also extended its condolences to the family of Regent Tauscher.

With regard to the Academic Senate's position on the proposed affiliation between UCSF and Dignity Health, Mr. May quoted the beginning of Regents Policy 1111: The Statement of Ethical Values. He also cited the UC nondiscrimination statement, which prohibits discrimination based on categories such as race, sex, gender identity, and sexual orientation, and added that the policy is explicitly affirmed in Regents Policy 4403: Principles Against Intolerance. This was a question of whether the University should enter into an association with other institutions that discriminate. Speaking for himself, Mr. May stated that the University should not associate its brand with an institution that discriminates and should hold other institutions to UC's same standards. Mr. May stated that the Regents, as fiduciary trustees, must protect the integrity of the University and maintain a healthy environment for carrying out its mission. The Regents' responsibilities are not only financial but also ethical. Mr. May raised the examples of UC's divestment from South Africa and the 50 percent of California undergraduate students who receive financial aid from return-to-aid to illustrate this point. The same considerations can be applied when deciding whether the University can be in business with a partner that does not abide by UC's nondiscrimination values.

Earlier this year, the Academic Senate's University Committee on Faculty Welfare had empaneled the UC Nondiscrimination Healthcare Task Force, which recommended that any affiliation agreement with entities whose values are in conflict with UC's must be scrutinized and the affiliation curtailed until those conflicts are resolved. Otherwise, the University is in grave danger of failing to act in accordance with its highest standards.

6. **REMARKS OF STAFF ADVISORS**

Staff Advisor Main noted that, 15 years ago, the Board voted to initiate the Staff Advisor position as a two-year pilot program. The role became a permanent fixture following the hard work of Staff Advisors David Bell, Dave Miller, Lynda Brewer, and Bill Johansen, as well as Chancellor Blumenthal, then Academic Senate Chair, who championed this role and has advised the Staff Advisors. Preserving this role on the Board demonstrates the University's support of diversity of voice and inclusiveness.

Staff Advisor-designate. Klimow stated that Staff Advisors represent nearly 200,000 non-Academic Senate employees, including staff from Agriculture and Natural Resources, laboratories, hospitals, represented and non-represented staff, lecturers, and non-ladder rank faculty. Staff Advisors address, advise, and help find solutions to the implementation of Regental decisions and their impact on staff. Staff Advisors visit campuses and participate in town halls and other meetings. Staff are often a link to home for first-generation students and are a critical social glue for diverse students.

Ms. Main stated that many arms of UC are wholly run by staff, such as UC Press. Staff have been vital to the creation and administration of museums, botanical gardens, and

natural reserves. UC has the largest library system in the world, and it is managed mostly by staff. Staff represent 71 percent of the University work force, and 97 percent of UC Health employees are supported by noncore funds. *Forbes* named UC Irvine one of the best large employers in the U.S. and seventh in the nation for employee diversity.

Ms. Klimow stated that staff contribute to the \$46 billion impact of UC. In 2015, UC operations and outside spending supported one out of 46 jobs in California. Many staff are UC alumni and first-generation college students who are guiding the next generation of first-generation students. She shared challenges that staff face. Over the last decade, staff numbers have not kept pace with student enrollment growth. Between October 2008 and October 2018, staff grew less than one percent per year. With the reduction of 20 percent of the State's contribution to the UC budget ten years ago, staff positions were eliminated, merit increases were frozen, and staff were furloughed. One study from UC Berkeley noted that pay reductions lead to lower employee morale, increased stress, less productivity, more work errors, and greater turnover. Career staff salaries have stayed relatively flat and lag comparable market positions. Staff turnover to private jobs or flight by young professionals who are priced out of California affect students, faculty, and the bottom line. Eliminated positions have not been reinstated and the merit gap has not been closed. The Staff Advisors thanked the Board for recognizing the impact of Regental decisions on the UC work force.

Ms. Main provided recommendations, such focusing on staff diversity, addressing students' and staff basic needs, addressing the divide between staff and faculty, and recruiting top talent. Ms. Main asked the Regents to consider staff in upcoming budget and programming discussions and not to hesitate to consult staff. She thanked the Regents for the opportunity to serve as Staff Advisor, thanked the Regents on behalf of all 15 Staff Advisors, and thanked Chancellor Wilcox for being the next advisor to the Staff Advisors.

The meeting adjourned at 10:30 a.m.

Attest:

Secretary and Chief of Staff