

11-9-2017

## Finance Committee Meeting - Packet 11/09/2017

UC Hastings Board of Directors

Follow this and additional works at: [https://repository.uchastings.edu/board\\_materials\\_2017](https://repository.uchastings.edu/board_materials_2017)

---

### Recommended Citation

UC Hastings Board of Directors, *Finance Committee Meeting - Packet 11/09/2017* (2017).

Available at: [https://repository.uchastings.edu/board\\_materials\\_2017/73](https://repository.uchastings.edu/board_materials_2017/73)

This Finance Committee is brought to you for free and open access by the Board of Directors Agenda and Materials at UC Hastings Scholarship Repository. It has been accepted for inclusion in 2017 Board of Directors Agenda and Materials by an authorized administrator of UC Hastings Scholarship Repository.



---

HASTINGS  
COLLEGE  
OF THE LAW

**FINANCE COMMITTEE  
MEETING**

**November 9, 2017**

---



## NOTICE OF MEETING

The Finance Committee of the University of California Hastings College of the Law Board of Directors will hold an Open Meeting on Thursday, November 9, 2017.

EVENT: Meeting of the University of California  
Hastings College of the Law Board of Directors  
Finance Committee

DATE: Thursday, November 9, 2017

PLACE: UC Hastings College of the Law  
A. Frank Bray Board Room  
198 McAllister Street, 1-Mezzanine  
San Francisco, California 94102

STARTING TIME: 10:15 a.m.

AGENDA: See Attached

*This notice is available at the following University of California, Hastings College of the Law website address: <http://www.uchastings.edu/board>*

---

*For further information please contact Elise Traynum, Secretary of the Board of Directors, 198 McAllister Street, San Francisco, CA 94102, (415) 565-4851. You are encouraged to inform Ms. Traynum of your intent to speak during the public comment period 72 hours in advance of the meeting.*

*The University of California, Hastings College of the Law subscribes to the Americans with Disabilities Act. If you need reasonable accommodations, please contact the Secretary's Office by 10 a.m. on Monday, November 6, 2017.*



**UNIVERSITY OF CALIFORNIA  
HASTINGS COLLEGE OF THE LAW**

**FINANCE COMMITTEE MEETING**

**OPEN SESSION AGENDA**

Thursday, November 9, 2017 – 10:15 a.m.  
UC Hastings College of the Law  
A. Frank Bray Board Room  
198 McAllister Street, 1-Mezzanine  
San Francisco, California 94102

1. Roll Call

Chair Director Don Bradley  
Director Tina Combs  
Director Marci Dragun  
Director Claes Lewenhaupt  
Director Courtney Power  
Director Chip Robertson

2. Public Comment (Oral)
- \*3. Approval of Minutes – August 10, 2017 (Written)
4. Investment Report as of September 30, 2017 (Written)
5. State Budget Report for 2017-18 as of September 30, 2017 (Written)
6. Auxiliary Enterprises Budget Report as of September 30, 2017 (Written)
7. State Contracts and Grants in Excess of \$50,000
- \*7.1 Custodial Services (Written)
  - \*7.2 Learning Management System - ExLibris (Written)
8. Nonstate Contracts and Grants in Excess of \$50,000
- \*8.1 Professional Services – Graphic Design – Spotted Dog (Written)
  - \*8.2 Professional Services – LRCP – EPS (Written)
  - \*8.3 Grant – Institute for Innovation Law – Arnold Foundation (Written)

- \*8.4 Grant – Consortium on Law, Science & Health Policy – Grove Foundation (Written)
- \*8.5 Grant – Law Post-Baccalaurate Feasibility Study – AccessLex Institute (Written)
- 9. Grants Administration – Program Update (Written)
- 10. Audit of 2017 Financial Statements – Updated Internal Control Observations (Written)
- 11. IRS Audit of 403b and 457 Plans – Status Update (Oral)
- \*12. Approval of UC Hastings Seismic Policy (Written)
- \*13. Long Range Campus Plan (Written)
- 14. Hastings College of the Law 2017 Refunding Bonds – Status Update (Written)
- \*15. Financial Operations Policy & Procedure Manual – Reimbursement of Commuting Expenses (Written)
- 16. Listing of Checks and Electronic Transfers over \$50,000 (Written)
- \*17. Adjournment

## FINANCE COMMITTEE MEETING

### Roll-Call

Here    Absent

- |                          |                          |                           |
|--------------------------|--------------------------|---------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Chair Donald Bradley      |
| <input type="checkbox"/> | <input type="checkbox"/> | Director Tina Combs       |
| <input type="checkbox"/> | <input type="checkbox"/> | Director Marci Dragun     |
| <input type="checkbox"/> | <input type="checkbox"/> | Director Claes Lewenhaupt |
| <input type="checkbox"/> | <input type="checkbox"/> | Director Courtney Power   |
| <input type="checkbox"/> | <input type="checkbox"/> | Director Chip Robertson   |

Start time: \_\_\_\_\_:\_\_\_\_\_ a.m.

**FINANCE COMMITTEE MEETING**

**Public Comment Period**

This item is reserved for members of the public to comment on non-agenda and agenda items.

**OPEN FINANCE COMMITTEE MEETING**

**ACTION ITEM:** Approval of Minutes: August 10, 2017





**UNIVERSITY OF CALIFORNIA  
HASTINGS COLLEGE OF THE LAW**

**FINANCE COMMITTEE**

**MINUTES SUMMARY**

Thursday, August 10, 2017 – 10:15 a.m.

UC Hastings College of the Law  
A. Frank Bray Board Room  
198 McAllister Street, 1-Mezzanine  
San Francisco, California 94102

1. Roll Call

Committee Members Present:

Chair Donald Bradley  
Director Tina Combs  
Director Marci Dragan  
Director Tom Gede  
Director Claes Lewenhaupt  
Director Mary Noel Pepys  
Director Chip Robertson  
Director Courtney Power

Staff Present:

Chancellor & Dean David Faigman  
General Counsel Elise Traynum  
CFO David Seward  
Academic Dean Designate Morris Ratner  
Director of External Relations Alex Shapiro  
Budget Officer Carol Cole  
Chief of Staff Anne Marie Helm

Chair Donald Bradley called the meeting to order and the Secretary called the roll for the Finance Committee meeting.

2. Public Comment Period

None.

\*3. Approval of Minutes – May 11, 2017

Chair Bradley called for the approval of the May 11, 2017 minutes. The minutes were approved.

4. 2016-17 Year-end Investment Report

Chief Financial Officer David Seward discussed the latest investment report. He reported that the General Endowment Pool experienced total returns of 14.8 percent for the fiscal year, which ended on June 30, 2017. This return was 200 basis points above the projected target. This investment return will be reflected in the financial statements, the long-range plan, and the five-year fiscal plan. He noted that the markets may continue to have periods of great instability, giving an example that if the markets drop 50 percent, the College's reserves will drop 50 percent as well. While this is a risk, the College can mitigate by taking a cash position. He noted, however, that had such a position been taken last year, the College would not have benefited from the 14.8 percent investment return.

Director Combs asked about fiscal planning in relation to market volatility. Chief Financial Officer Seward reported that he will present, at the September 2017 Board of Directors meeting, a written recommendation that the College liquidate between \$4 million and \$8 million of its investments in order to fund the projected \$8 million deficit.

5. State Budget Report - Preliminary 2016-17 Year-end

Chief Financial Officer Seward presented the preliminary 2016-17 year-end State budget report. He reported that last year at the end of the fiscal year in June 2016, the College had a total of over \$3 million in realized and unrealized gain. \$640,000 of this realized gain was the result of liquidated investments.

In regards to expenditures, there were savings in a number of departments and areas. He noted that the College began the year expecting that after financial aid, there would be a deficit of \$6.5 million. However, the College actually saw a deficit of \$4.5 million. He noted that the College may end the year with positive net assets in this area.

\*6. Core Operations - State Budget for 2017-18

Chief Financial Officer Seward next discussed State appropriations. He noted that the report for State appropriations reflects the nine percent increase in State funding. The College is in its sixth year of stable fees and as such there has been no increase in general enrollment fees. He went on to discuss how the enrollment numbers will affect the budget.

Director Gede asked how other UC law schools have managed given the tuition freeze. Chief Financial Officer Seward responded that the schools all have their own central campus administration, and thus don't have to pay for certain overhead such as security or building maintenance and as such, they get to keep all of their professional school fees. UC Davis for instance, has significantly increased enrollment for its first-year class because they depleted their reserves due to tuition discounting. Other schools may be running on a deficit or may increase their LLM enrollment. However, the College's LLM enrollment is down to twenty-one full time LLM students from last year's 24.5 full time LLM students.

Director Gede also asked about the impact of veteran fee waivers. The veteran fee waiver accounts for \$830,000 to \$833,000 in tuition.

There have been a number of full time employee positions added in the Academic Office and the Chief Financial Officer's department. The budget allows for an allocation of \$189,000 for matters that arise during the course of the year to support the operations of the Academic Dean or other reorganizations.

He further noted that he is budgeting a compensation pool of 1.5 percent for all faculty and staff, which should cover wage negotiations and collective bargaining agreements with the unions on campus. He noted that non-represented staff have not had a compensation change since January 2016, when represented employees received a 2.5% increase. Secretary of the Board and General Counsel Elise Traynum further discussed union negotiations and the proposal to place AFSCME unit members on a salary step structure.

Chief Financial Officer Seward further discussed the impact that tuition discounting has had on the core operations budget. He noted that the College may end up with a projected reserve of \$7.7 million in state funds.

Upon motion duly made, seconded, and carried, the Finance Committee recommended that the Board of Directors approve the core operations state budget for 2017-2018.

7. Core Operations – State Budget Planning for 2018-19

Chief Financial Officer Seward discussed core operations state budget planning for 2018-2019. He noted that if the College pursued a tuition fee increase with the state, the College could see a net of \$200,000. However, this would go against the governor's continued tuition freeze.

8. Budget Planning – Update of Five Year Budget Model

Chief Financial Officer Seward discussed the updates to the five-year budget model. He noted that the budget that was previously approved would result in an \$8.1 million deficit in state operations and \$100,000 removed from the planned fund for Kane Hall improvements. With the positive income of \$1.9 million from auxiliaries and assuming no changes in the market, the projected deficit is \$5.8 million from operations. He noted that this is not far from what was already projected. The reserves would decrease from \$31.8 million to \$24 million for the current fiscal year, assuming no investment gains or losses.

Next year, once tuition discounting decreases from 46 percent to 37.5 percent, the rate of decreasing reserves will lessen to some degree. He noted that the budget model assumes a ten percent tuition fee increase in 2019-2020 after Governor Brown exits office. He also noted that a two percent core operating cost increase, the refinancing of the debt on the parking garage, increased parking rates by five percent, and seven percent rent increases in the Tower are all reflected in the five-year budget plan.

As a result of tuition discounting, the College will run through its reserves in 2019-2020 and will be funding all capital and building enhancements from either the non-state

Hasting Digardi Hall reserves or the Tower reserves, while preserving state funds for core programs.

This five-year plan does not reflect any gifts or donations received. Chancellor & Dean Faigman discussed private donations and the goal to build an endowment of \$200 million, which can help with tuition discounting and keep the school competitive in enrollment.

9. Non State Budget Report - Preliminary 2016-17 Year-end  
Not discussed.

- \*10. Non State Budget for 2017-18  
Chief Financial Officer Seward requested an approval of the nonstate budget for 2017-2018.

Upon motion duly made, seconded, and carried, the Finance Committee recommended that the Board of Directors approve the nonstate budget for 2017-2018.

11. Preliminary 2016-17 Year-end Auxiliary Enterprises Budget Report  
Not discussed.

12. State Contracts in Excess of \$50,000

- \*12.1 Student Loan Servicing – Educational Computer Systems, Inc.
- \*12.2 Library Data Services – Bloomberg BNA
- \*12.3 Library Data Services – LexisNexis
- \*12.4 Library Data Services – Westlaw
- \*12.5 Payroll Time reporting System – UC Regents
- \*12.6 Information Retrieval – Innovative Interfaces, Inc.,

Upon motion duly made, seconded, and carried, the Finance Committee recommended that the Board of Directors approve the above state contracts in excess of \$50,000.

13. Nonstate Contracts and Grants in Excess of \$50,000

- \*13.1 Venue Rental Homecoming and Reunion – Fairmont Hotel  
This contract is for the rental agreement for the reunion.

- \*13.2 LRCP Feasibility Review - Economic Planning Services  
This contract is for the Colleges' share of the cost for the Local 2 project related to the long-range campus plan.

- \*13.3 LRCP Project Support – Consulting Services – Kasey Asberry  
This contract is for consulting services on sustainability in regards to the 333 Golden Gate building project.

- \*14. Long Range Campus Plan – Project Update & Predevelopment Budget  
Chief Financial Officer Seward requested an allocation of \$2,744,026 for the predevelopment budget in order to continue with implementation in 2017-2018. He also

reported that the projected cost for construction plans for sixth floor of the 200 McAllister building increased to \$9.4 million from \$2.6 million. As such, the College will put the sixth floor roof project on hold. The College will continue with the state-deferred maintenance program. The 2016-2017 predevelopment budget has a remaining balance of \$10,709.

Upon motion duly made, seconded, and carried, the Finance Committee recommended that the Board of Directors approve the 2017-2018 predevelopment budget.

- \*15. Annual Update of Five Year Infrastructure Plan 2018-2023  
State of California, Department of Finance  
Not discussed.

- \*16. Planning – Proposal to Develop an Environmental Sustainability Plan  
Chief Financial Officer Seward reported that both the University of California and the State of California have adopted sustainability plans. Though the Governor’s directives do not apply to the College, Chief Financial Officer Seward would like to propose that the College develop a sustainability plan. The plan would be presented at the November 2017 Board of Directors meeting. One of the goals of the plan would be to work with the San Francisco Public Utilities Commission in order to the city’s municipal water grid, which may support the new housing structures and the use of water reclamation.

Upon motion duly made, seconded, and carried, the Finance Committee recommended that the Board of Directors approve the proposal to develop an environmental sustainability plan.

- \*17. Hastings Series 2018 Bonds – Approval to Refinance  
Chief Financial Officer Seward discussed his proposal that the College refinance the debt on the parking garage through the 2008 issued bonds and issue new series 2018 bonds. The refinance would allow for an opportunity for defeasance with no restriction or penalty on April 2018. He noted that refinancing would require another discussion with Moody’s regarding the grade of the bonds.

Upon motion duly made, seconded, and carried, the Finance Committee recommended that the Board of Directors approve the refinancing of the Hastings bonds.

- \*18. Digardi Quasi Endowment – Approval to Augment  
Chancellor & Dean David Faigman discussed the restructuring of the Digardi Quasi Endowment and the distribution of funds derived from endowments for professorships. He noted that historically, there were different endowment amounts for all chairs and professorships depending on the original gift. When distinguished professors were given a chair, some received either a low or high payout due to timing. As there was no rational behind the random distinction of payouts, Chancellor & Dean Faigman decided to set the same rate for all the endowment payouts at \$20,000. In order for the Digardi Endowment to be in line with the others providing a \$20,000 payout, the endowment must be augmented by \$150,000 through unrestricted funds.

Upon motion duly made, seconded, and carried, the Finance Committee recommended that the Board of Directors approve the augmentation of the Digardi Quasi Endowment by \$150,000.

19. Annual Report on Insurance Coverage – 2017-18  
The insurance deductible has been increased in an effort to moderate the increase in premium for legal liabilities and for property liabilities.
20. Listing of Checks and Wire Transfers over \$50,000  
Not discussed.
- \*21. Adjournment  
There being no further business to come before the Finance Committee, the meeting was adjourned.

**REPORT ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Investment Report as of September 30, 2017
3. **REPORT:** Written

Attached is a performance summary of the investment pools managed by the Treasurer's Office of the University of California.

- The General Endowment Pool (GEP) experienced total returns of 3.30 percent as of September 30, 2017. On a calendar year basis, GEP had a total return of 10.75 percent.
- The Short Term Investment Pool (STIP) experienced total returns of .35 percent as of September 30, 2017. On a calendar year basis, STIP had a total return of 1.0 percent.

Attached is a summary of Rates of Return – Unit Values issued by State Street Bank.

**Attachments:**

- Rates of Return

# Chief Investment Officer of the Regents

RATES OF RETURN - Unit Value

Periods Ending September 30, 2017

GEP STIP UNIT VALUE RETURN SUMMARY REPORT



	EMV	1 Month	3 Month	6 Month	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
<b>TOTAL FUND</b>										
GEP TOTAL - UNIT RETURN	11,010,787,673	1.03	3.30	6.63	3.30	10.75	13.51	6.88	9.21	5.42
<i>GEP TOTAL PLAN POLICY BENCHMARK</i>		1.36	3.65	6.86	3.65	11.04	12.06	5.88	7.88	4.89
<i>GEP TOTAL PLAN NONLAGGED BM PRELIM</i>		1.27	3.08	6.10	3.08					
<b>GEP Unit Rtn UC Foundations</b>										
GEP Unit Rtn UC Foundations	11,010,787,673	1.03	3.30	6.63	3.30	10.75	13.51	6.88	9.21	5.42
<i>GEP TOTAL PLAN POLICY BENCHMARK</i>		1.36	3.65	6.86	3.65	11.04	12.06	5.88	7.88	4.89
<i>GEP TOTAL PLAN NONLAGGED BM PRELIM</i>		1.27	3.08	6.10	3.08					
<b>GEP TOTAL US PUBLIC EQUITIES</b>										
GEP TOTAL US PUBLIC EQUITIES	486,797,270	0.81	3.48	4.34	3.48	8.84	14.58	6.49	11.82	6.25
<i>U.S. EQUITY B-MARK R3000 TF</i>		2.49	4.75	7.88	4.75	13.93	18.74	10.65	14.23	7.46
<b>GEP TOTAL NON-US PUBLIC EQUITIES + EQ</b>										
GEP TOTAL NON-US PUBLIC EQUITIES + EQ	1,670,392,135	1.14	8.19	16.68	8.19	28.85	26.93	6.80	8.02	2.10
<i>NON-US EQUITIES POLICY BENCHMARK</i>		1.86	6.16	12.30	6.16	21.13	19.61	4.70	6.97	1.28
<b>GEP DEVELOPED NON US PUBLIC EQUITY</b>										
GEP DEVELOPED NON US PUBLIC EQUITY	780,628,424	1.90	6.42	14.96	6.42	24.20	30.00	6.58	9.15	2.30
<i>BLENDED EAFE TF + CANADA INDEX</i>		2.63	5.82	11.83	5.82	19.35	19.17	4.56	7.81	1.20
<b>GEP EMERGING MARKET EQUITY</b>										
GEP EMERGING MARKET EQUITY	889,763,711	0.48	9.64	18.07	9.64	33.08	24.13	7.37	5.78	2.39
<i>EMERGING MARKETS EQUITY POLICY BENCHMARK</i>		-0.40	7.89	14.66	7.89	27.78	22.46	4.90	3.99	1.32
<b>GEP GLOBAL EQUITY</b>										
GEP GLOBAL EQUITY	2,759,648,202	2.09	5.21	9.74	5.21	16.62	21.77			
<i>MSCI AC WORLD (NET)</i>		1.93	5.18	9.68	5.18	17.25	18.65			
<b>GEP TOTAL FIXED INCOME W/ TIPS &amp; DOLLAR</b>										
GEP TOTAL FIXED INCOME W/ TIPS & DOLLAR	1,257,199,197	-0.08	1.41	2.82	1.41	4.67	2.74	3.10	2.68	5.26
<b>GEP TOTAL CORE FIXED INCOME</b>										
GEP TOTAL CORE FIXED INCOME	374,676,975	-0.68	0.56	1.92	0.56	2.70	-0.56	1.59	1.67	3.86
<i>GEP FIXED INCOME POLICY BENCHMARK</i>		-0.84	0.38	1.56	0.38	2.21	-1.59	1.90	1.58	4.02



# Chief Investment Officer of the Regents

RATES OF RETURN - Unit Value

Periods Ending September 30, 2017



## GEP STIP UNIT VALUE RETURN SUMMARY REPORT

	EMV	1 Month	3 Month	6 Month	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
GEP HIGH YIELD	373,145,652	0.72	1.76	4.31	1.76	6.87	7.91	5.47	6.38	7.39
<i>BofAML HY Cash Pay (Daily)</i>		0.90	2.04	4.25	2.04	7.07	9.06	5.87	6.35	7.65
GEP EMERGING MARKET DEBT	266,085,418	-0.04	2.67	4.41	2.67	8.51	3.57			
<i>FI TOTAL EMERGING MKTS BENCHMARK (DAILY)</i>		0.01	2.63	4.93	2.63	8.99	4.61			
GEP TIPS	193,291,151	-0.54	0.92	0.57	0.92	1.92	0.13	1.87	0.18	4.25
<i>UCR BBG BARC US TIPS (Diy)</i>		-0.64	0.86	0.46	0.86	1.72	-0.73	1.62	0.02	3.90
GEP TOTAL PRIVATE EQUITY	1,194,233,365	2.36	2.16	8.76	2.16	12.51	17.79	17.92	20.10	12.90
<i>GEP PRIVATE EQUITY POLICY BENCHMARK</i>		2.62	5.15	11.93	5.15	15.80	21.23	19.06	20.79	13.23
GEP AR - DIV - UNIT RETURN	1,971,507,680	0.37	1.31	1.56	1.31	2.77	4.13	2.28	5.62	3.81
<i>HFRI Blended BM</i>		0.36	2.24	2.98	2.24	3.65	3.29	-1.28	1.38	1.91
GEP REAL ASSETS	218,770,869	0.49	1.84	2.75	1.84	3.87	5.92	-6.71	0.06	
<i>GEP REAL ASSETS LAGGED BENCHMARK</i>		0.49	1.84	2.75	1.84	3.87	5.92	-6.71	0.06	
GEP TOTAL REAL ESTATE	482,214,717	-0.47	0.23	4.01	0.23	2.10	11.04	11.05	11.39	
GEP PRIVATE REAL ESTATE	482,214,717	-0.47	0.23	4.01	0.23	2.10	11.04	10.94	11.42	0.95
GEP LIQUIDITY	970,011,958	0.11	0.31	0.63	0.31	0.96	1.28	1.23	1.37	6.46
<i>UC US TWO YEAR TREASURY NOTE INCOME RETURN</i>		0.10	0.32	0.64	0.32	0.91	1.12	0.82	0.61	0.85
<b>STIP</b>										
STIP - UNIT RETURN	10,315,333,928	0.12	0.35	0.68	0.35	1.00	1.31	1.29	1.46	2.25
<i>STIP POLICY</i>		0.09	0.28	0.53	0.28	0.72	0.86	0.61	0.46	0.76

# Chief Investment Officer of the Regents

RATES OF RETURN - Unit Value

Periods Ending September 30, 2017

GEP STIP UNIT VALUE RETURN SUMMARY REPORT



	EMV	1 Month	3 Month	6 Month	FYTD	CYTD	1 Year	3 Year	5 Year	10 Year
<b>PLANNED GIVING</b>										
PG FIXED INCOME POOL	28,607,018	-0.23	0.83	2.34	0.83	3.06	0.68	3.08	2.61	4.98
<i>BBG BARC Agg Bd</i>		-0.48	0.85	2.31	0.85	3.14	0.07	2.71	2.06	4.27
PG EAFE STATE ST INTL INDEX FUND	8,218,963	2.59	5.75	12.05	5.75	19.80	19.60	4.91	8.22	1.65
<i>BLENDED EAFE TF + CANADA INDEX</i>		2.63	5.82	11.83	5.82	19.35	19.17	4.56	7.81	1.20
PG RUSSELL 3000 INDEX FUND	27,951,631	2.46	4.75	7.94	4.75	14.09	19.02	10.87	14.43	7.66
<i>U.S. EQUITY B-MARK R3000 TF</i>		2.49	4.75	7.88	4.75	13.93	18.74	10.65	14.23	7.46

This report was prepared for you by State Street Bank and Trust Company (or its affiliates, "State Street") utilizing scenarios, assumptions and reporting formats as mutually agreed between you and State Street. While reasonable efforts have been made to ensure the accuracy of the information contained in this report, there is no guarantee, representation or warranty, express or implied, as to its accuracy or completeness. This information is provided "as-is" and State Street disclaims any and all liability and makes no guarantee, representation, or warranty with respect to your use of or reliance upon this information in making any decisions or taking (or not taking) any actions. State Street does not verify the accuracy or completeness of any data, including data provided by State Street for other purposes, or data provided by you or third parties. You should independently review the report (including, without limitation, the assumptions, market data, securities prices, securities valuations, tests and calculations used in the report), and determine that the report is suitable for your purposes.

State Street provides products and services to professional and institutional clients, which are not directed at retail clients. This report is for informational purposes only and it does not constitute investment research or investment, legal or tax advice, and it is not an offer or solicitation to buy or sell any product, service, or securities or any financial instrument, and it does not transfer rights of any kind (except the limited use and redistribution rights described below) or constitute any binding contractual arrangement or commitment of any kind. You may use this report for your internal business purposes and, if such report contains any data provided by third party data sources, including, but not limited to, market or index data, you may not redistribute this report, or an excerpted portion thereof, to any third party, including, without limitation, your investment managers, investment advisers, agents, clients, investors or participants, whether or not they have a relationship with you or have a reasonable interest in the report, without the prior written consent of each such third party data source. You are solely responsible and liable for any and all use of this report.

## REPORT ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** State Budget Report for 2017-18 as of September 30, 2017
3. **REPORT:** Written

Attached is the state budget report for 2017-18 as of September 30, 2017. Major variances are discussed below:

### Revenues

- Registration Fee -- The beginning budget projected total JD enrollment of 909 FTE students paying the \$43,486 General Enrollment Fee. As of September, revenue from 928 FTE students was received for the fall 2017 semester. Given prior year attrition loss patterns a midyear budget increase and enrollment of approximately 920 JD students is projected.
- LL.M. Tuition – The enrollment fee of \$47,500 for LL.M. students was budgeted to be paid by 20.7 FTE students. As of September, revenue from 19.0 students has been recorded. Using last year’s attrition rate additional enrollment reductions are estimated by year-end; a midyear budget decrease is projected.
- Unrealized Gain/Loss on Investments – This category accounts for the change in the market value of the state fund’s share of the UC General Endowment Pool (GEP). As of September 2017 unrealized gains of \$835,954 have been posted. Unrealized gains of \$1,062,577 were recognized as of September 2016; however, by fiscal year-end this was reduced to \$640,741 for 2016-17.
- Prior Year Reserve/Beginning Fund Balance – The carryover of prior year fund balance, budgeted at preliminary balance of \$15,831,536, has been finalized at \$15,369,440. This is the net amount of state fund assets less liabilities with the non-cash pension accounts excluded (i.e., deferred outflows/inflows of resources, net pension liability and pension payable to UCRP).

**Expenditures**

- Staff Benefits – The 2017-18 benefit allocation rate of 34% has been budgeted on applicable wage categories (excluding stipends and student wages). The benefit expense for the month of August was misallocated; correction is being made and revised expenditures will be included in next quarter's reporting.
- Insurance – Overall, insurance expenditures as of September 2017 are within budgeted levels. However, the expense has been misallocated among cost centers; after correction the state's share should be adjusted to \$303,179.
- Financial Aid Grants – The segments of financial aid and their status as of September 2017 are:
  - JD Grants – An amount sufficient to fund the student aid strategies for the Class of 2020 is included in the total 2017-18 JD grant budget of \$17,420,647. Awards in the fall semester total \$8,639,664 or 50% of budget. If the spring semester experiences the same level of expenditure, total budgetary savings of \$141,000 would result by year-end. A midyear budget adjustment will be proposed after confirming spring semester awards.
  - LL.M. Grants – Awards in the fall semester total \$212,289 or 49% of the \$437,078 budget; revenues are 45% of budget.
  - MSL Grants – Awards in the fall semester total \$9,815 or 115% of the \$8,571 budget; revenues are 63% of budget.
  - LRAP Loan Cancellations – Expenditures of \$95,114 against the 2017-18 budget of \$275,000 have been incurred as of September.
  - International Summer Internships – No expenditures have yet been incurred in 2017-18 against a budget of \$27,000; these are summer awards to rising 1L and 2L students to help defray travel and living expenses while working on international issues in an unpaid position.

**Attachments:**

- State Budget September 30, 2017

HASTINGS COLLEGE OF THE LAW  
**State Budget Report -- 2017-18**

10/31/2017

<b>REVENUES</b>	<b>Beginning Budget 2017-18</b>	<b>Actual as of 30-Sep-17</b>	<b>Actual Sep-17 as a Percent of Budget</b>	<b>Year-end Actual 2016-17</b>	<b>Actual as of 30-Sep-16</b>	<b>Actual Sep-16 as a Percent of 2016-17 Year-end</b>
<b>State Appropriations</b>						
General Fund	12,726,000	2,978,525	23%	11,659,000	2,711,775	23%
Lottery Fund	<u>125,000</u>	<u>-</u>	<u>0%</u>	<u>126,556</u>	<u>-</u>	<u>0%</u>
Total	\$ 12,851,000	\$ 2,978,525	23%	\$ 11,785,556	\$ 2,711,775	23%
<b>Tuition and Related Fees</b>						
Non-resident Tuition	654,000	372,129	57%	646,176	336,000	52%
Registration Fee	39,528,774	20,180,896 *	51%	39,246,376	19,795,980	50%
Veteran Fee Waivers	(833,434)	(365,888)	44%	(833,434)	(369,631)	44%
LL.M. Tuition	984,800	450,010 *	46%	1,165,184	642,629	55%
MSL Tuition	98,880	62,094	63%	96,019	67,666	70%
HPL Revenue Share	393,997	-	0%	372,877	-	0%
Summer Legal Institute	687,755	167,440	24%	589,156	149,738	25%
Other Student Fees	<u>59,100</u>	<u>19,932</u>	<u>34%</u>	<u>59,150</u>	<u>25,019</u>	<u>42%</u>
Total	\$ 41,573,872	\$ 20,886,613	50%	\$ 41,341,504	\$ 20,647,401	50%
<b>Scholarly Publications</b>						
Subscription Revenues	<u>33,500</u>	<u>6,537</u>	<u>20%</u>	<u>58,376</u>	<u>3,271</u>	<u>6%</u>
Total	\$ 33,500	\$ 6,537	20%	\$ 58,376	\$ 3,271	6%
<b>Other Income</b>						
Investment Income	200,000	27,920	14%	221,014	39,702	18%
Realized Gain/Loss on Sale of Investments	-	-	--	2,490,880	-	0%
Unrealized Gain/Loss on Investments	-	835,954 *	--	640,741	1,062,577	166%
Overhead Allowances	1,174,879	-	0%	1,218,011	-	0%
Miscellaneous	<u>48,625</u>	<u>43,321</u>	<u>89%</u>	<u>55,503</u>	<u>33,573</u>	<u>60%</u>
Total	\$ 1,423,504	\$ 907,195	64%	\$ 4,626,149	\$ 1,135,852	25%
<b>Transfer from Other Funds</b>	\$ -	\$ 902	--	\$ 123,465	\$ -	0%
<b>Prior Year Reserve/Beginning Fund Balance</b>	<u>\$ 15,831,536</u>	<u>\$ 15,369,440</u> *	<u>97%</u>	<u>\$ 17,181,058</u>	<u>\$ 17,181,058</u>	<u>100%</u>
<b>TOTAL REVENUES</b>	\$ 71,713,412	\$ 40,149,212	56%	\$ 75,116,108	\$ 41,679,357	55%

\*See attached narrative

HASTINGS COLLEGE OF THE LAW  
**State Budget Report -- 2017-18**

10/31/2017

<b>EXPENDITURES</b>	<b>Beginning</b>	<b>Actual</b>	<b>Actual Sep-17</b>	<b>Year-end</b>	<b>Actual</b>	<b>Actual Sep-16</b>
	<b>Budget</b>	<b>as of</b>	<b>as a</b>	<b>Actual</b>	<b>as of</b>	<b>as a Percent</b>
	<b>2017-18</b>	<b>30-Sep-17</b>	<b>Percent of</b>	<b>2016-17</b>	<b>30-Sep-16</b>	<b>of 2016-17</b>
			<b>Budget</b>			<b>Year-end</b>
Salaries & Wages	25,068,372	6,161,376	25%	24,374,331	6,569,580	27%
Student Wages-Reg. & Work-study	476,050	62,544	13%	408,155	74,544	18%
Staff Benefits	8,427,112	1,772,119 *	21%	8,361,997	2,106,493	25%
Consultants	413,225	45,986	11%	406,120	83,230	20%
Temporary Help (Contracted)	166,548	17,684	11%	229,996	28,806	13%
Employee Development & Testing	162,672	36,802	23%	202,933	36,496	18%
Recruiting & Advertising	237,558	23,972	10%	143,911	41,703	29%
Audit, Legal, and Case Costs	190,000	(1,937)	-1%	156,554	15,130	10%
Insurance	299,595	474,265 *	158%	306,160	299,953	98%
Printing & Copier Service	761,230	157,635	21%	741,377	154,093	21%
Supplies	251,049	58,083	23%	259,196	83,819	32%
Travel	776,923	60,134	8%	544,041	76,131	14%
Dues & Subscriptions	257,551	58,457	23%	241,131	35,718	15%
Events & Entertainment	313,985	77,420	25%	323,235	71,314	22%
Computer Software	682,156	190,345	28%	668,373	232,249	35%
Data Processing	125,569	36,026	29%	107,598	16,824	16%
Info Retrieval & Bibliography Svc.	186,100	185,176	100%	181,523	166,631	92%
Books & Bindings	1,079,469	313,393	29%	1,060,379	337,132	32%
Equipment Maintenance	128,042	52,389	41%	120,684	10,348	9%
Building Maintenance	1,024,182	161,088	16%	1,069,378	157,657	15%
Other Contract Services	2,204,070	324,107	15%	1,826,530	318,940	17%
Utilities	1,069,468	218,048	20%	1,023,158	183,717	18%
Telephone	73,055	10,094	14%	72,408	13,044	18%
Mail	59,893	20,598	34%	39,221	17,410	44%
Misc. (Including Bank Fees)	253,266	82,292	32%	252,064	82,883	33%
Equipment & Improvements	151,332	31,009	20%	225,562	55,198	24%
Space & Equipment Rental	583,382	130,075	22%	580,872	130,957	23%
Financial Aid Grants	18,168,296	8,956,882 *	49%	15,366,561	7,642,659	50%
Collection Costs	30,928	1,136	4%	76,834	448	1%
Transfer to Other Funds	376,386	-	0%	376,386	-	0%
<b>TOTAL EXPENDITURES</b>	<b>\$ 63,997,464</b>	<b>\$ 19,717,198</b>	<b>31%</b>	<b>\$ 59,746,668</b>	<b>\$ 19,043,107</b>	<b>32%</b>

\*See attached narrative

## REPORT ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
  
2. **SUBJECT:** Auxiliary Enterprises Budget Report as of September 30, 2017
  
3. **REPORT:** Written

Attached for all auxiliary enterprises of the College – McAllister Tower, Parking Garage, Student Health Services, and Business Center – are budget reports for 2017-18 as of September 30, 2017. Major variances are discussed below.

### McALLISTER TOWER

#### Expenditures

- Staff Benefits – The 2017-18 benefit allocation rate of 34% has been budgeted on applicable wage categories (excluding stipends and student wages). The benefit expense for the month of August was misallocated; correction is being made and the projected adjusted expenditures as of September 30, 2017, are \$7,060 (25% of budget).
- Regular Contract Services – Included in this category are janitorial, engineer and security service contracts. As of September 2017 one month of janitorial expenditures is reflected. Receipt of invoices for engineer services July-September 2017 was delayed because the service provider's billing office in Houston, Texas, was affected by hurricane flooding; expense of \$163,153.50 will be included in next quarter's reporting. The UCSFPD contract is paid quarterly; the first quarter's payment is not reflected as of September 30. The adjusted amount comparable to prior year activity periods is \$235,187 (20% of budget).
- Insurance – On an overall college-wide basis insurance expenditures as of September 2017 are within budgeted levels. However, the expense has been misallocated among cost centers; after correction the Tower's share should be \$112,961.



## **HASTINGS PARKING GARAGE**

### **Expenditures**

- Staff Benefits – The 2017-18 benefit allocation rate of 34% has been budgeted on applicable wage categories (excluding stipends and student wages). The benefit expense for the month of August was misallocated; correction is being made and the projected adjusted expenditures as of September 30, 2017, are \$21,769 (24% of budget).
- Insurance – On an overall college-wide basis insurance expenditures as of September 2017 are within budgeted levels. However, the expense has been misallocated among cost centers; after correction the Parking Garage's share should be \$59,503.

## **STUDENT HEALTH SERVICES**

### **Expenditures**

- Staff Benefits – The 2017-18 benefit allocation rate of 34% has been budgeted on applicable wage categories. The benefit expense for the month of August was misallocated; correction is being made and the projected adjusted expenditures as of September 30, 2017, are \$14,456 (20% of budget).
- Insurance – On an overall college-wide basis insurance expenditures as of September 2017 are within budgeted levels. However, the expense has been misallocated among cost centers; after correction Student Health Service's share should be \$28,342.

### **Attachments:**

- Auxiliary budget report for 2017-18 as of September 30, 2017

HASTINGS COLLEGE OF THE LAW  
 McAllister Tower Budget Report -- 2017-18

10/31/2017

	Beginning Budget 2017-18	Actual as of 30-Sep-17	Actual Sep-17 as a Percent of Budget	Year-end Actual 2016-17	Actual as of 30-Sep-16	Actual Sep-16 as a Percent of 2016-17 Year-end
<b>REVENUES</b>						
Apartment & Commercial Rent	5,463,832	1,269,799	23%	5,052,471	1,216,962	24%
Other	27,955	5,779	21%	28,485	10,150	36%
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 5,491,787</b>	<b>\$ 1,275,578</b>	<b>23%</b>	<b>\$ 5,080,956</b>	<b>\$ 1,227,112</b>	<b>24%</b>
<b>EXPENDITURES</b>						
Salaries and Wages	83,060	20,765	25%	72,134	18,886	26%
Student Wages--Regular & Work-study	21,700	1,750	8%	18,187	1,840	10%
Staff Benefits	28,240	4,707 *	17%	25,039	6,421	26%
Regular Contract Services	1,200,060	13,579 *	1%	1,136,903	232,820	20%
Other Contract Services	93,640	26,810	29%	117,920	7,723	7%
Utilities	665,124	133,472	20%	712,243	146,674	21%
Maintenance & Special Repairs	299,500	24,902	8%	200,625	32,687	16%
Insurance	115,582	- *	0%	115,582	115,582	100%
Supplies	135,000	25,372	19%	122,179	19,102	16%
Printing & Reproduction	1,800	524	29%	1,381	238	17%
Telephone	750	219	29%	863	146	17%
Miscellaneous	86,868	(485)	-1%	93,307	19,094	20%
Equipment & Building Improvements	115,000	-	0%	38,260	-	0%
Overhead Pro Rata	659,014	-	0%	609,353	-	0%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 3,505,338</b>	<b>\$ 251,615</b>	<b>7%</b>	<b>\$ 3,263,976</b>	<b>\$ 601,213</b>	<b>18%</b>
<b>NET OPERATIONS</b>	<b>\$ 1,986,449</b>	<b>\$ 1,023,963</b>	<b>52%</b>	<b>\$ 1,816,980</b>	<b>\$ 625,899</b>	<b>34%</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment Income	35,000	13,613	39%	44,128	6,895	16%
Realized Gain/Loss on Investments	-	-	--	83,292	-	0%
Unrealized Gain/Loss on Investments	-	28,170	--	49,817	34,403	69%
Transfer to Other Funds	(25,000)	-	--	-	-	--
<b>TOTAL NONOPERATING REVENUES</b>	<b>\$ 10,000</b>	<b>\$ 41,783</b>	<b>418%</b>	<b>\$ 177,237</b>	<b>\$ 41,298</b>	<b>23%</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ 1,996,449</b>	<b>\$ 1,065,746</b>	<b>53%</b>	<b>\$ 1,994,217</b>	<b>\$ 667,197</b>	<b>33%</b>

\* See attached narrative.

Hastings Parking Garage and Retail Operations Budget Report -- 2017-18

	Beginning Budget 2017-18	Actual as of 30-Sep-17	Actual Sep-17 as a Percent of Budget	Year-end Actual 2016-17	Actual as of 30-Sep-16	Actual Sep-16 as a Percent of 2016-17 Year-end
<b>REVENUES</b>						
Parking Operations	2,100,341	512,104	24%	2,111,590	514,646	24%
Retail Leases	362,645	88,855	25%	349,449	88,520	25%
Other (including Storage)	500	150	30%	425	200	47%
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 2,463,486</b>	<b>\$ 601,108</b>	<b>24%</b>	<b>\$ 2,461,464</b>	<b>\$ 603,366</b>	<b>25%</b>
<b>EXPENDITURES</b>						
Salaries and Wages	261,955	64,025	24%	274,205	89,111	32%
Staff Benefits	89,065	16,664 *	19%	86,026	21,325	25%
Regular Contract Services	108,581	-	0%	86,997	-	0%
Other Contract Services	13,140	-	0%	4,740	-	0%
Utilities	81,500	15,214	19%	78,067	16,628	21%
Maintenance & Special Repairs	53,030	180	0%	72,600	4,907	7%
Insurance	61,787	- *	0%	61,787	61,787	100%
Supplies	5,500	788	14%	6,395	1,018	16%
Printing, Telephone and Mail	3,600	660	18%	3,637	411	11%
Miscellaneous & Credit Card Fees	41,757	6,085	15%	42,729	6,164	14%
Overhead Pro Rata	295,618	-	0%	295,570	-	0%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 1,015,533</b>	<b>\$ 103,616</b>	<b>10%</b>	<b>\$ 1,012,753</b>	<b>\$ 201,351</b>	<b>20%</b>
<b>NET OPERATIONS</b>	<b>\$ 1,447,953</b>	<b>\$ 497,493</b>	<b>34%</b>	<b>\$ 1,448,711</b>	<b>\$ 402,014</b>	<b>28%</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment Income	\$ 2,000	\$ 142	7%	\$ 1,633	\$ 181	11%
Realized Gain/Loss on Investments	-	-	--	474	-	0%
Unrealized Gain/Loss on Investments	-	160	--	284	196	69%
Funded from Bond Proceeds	(8,757)	-	0%	(1,541)	-	0%
Debt Service (Principal & Interest)	(1,587,054)	-	0%	(1,589,944)	(236,713)	15%
Transfer from Other Funds	-	-	--	-	-	--
Cash Short/Over	-	135	--	1,180	2,762	234%
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ (1,593,811)</b>	<b>\$ 438</b>	<b>0%</b>	<b>\$ (1,587,915)</b>	<b>\$ (233,573)</b>	<b>15%</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ (145,858)</b>	<b>\$ 497,931</b>	<b>-341%</b>	<b>\$ (139,204)</b>	<b>\$ 168,441</b>	<b>-121%</b>

\*See attached narrative.

HASTINGS COLLEGE OF THE LAW  
**Student Health Services Budget Report -- 2017-18**

10/31/2017

	<b>Budget 2017-18</b>	<b>Actual as of 30-Sep-17</b>	<b>Actual Sep-17 as a Percent of Budget</b>	<b>Year-end Actual 2016-17</b>	<b>Actual as of 30-Sep-16</b>	<b>Actual Sep-16 as a Percent of 2015-16 Year-end</b>
<b>REVENUES</b>						
Fees	\$ 680,303	\$ 351,299	52%	\$ 655,000	\$ 328,026	50%
Other	500	333	67%	440	205	47%
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 680,803</b>	<b>\$ 351,632</b>	<b>52%</b>	<b>\$ 655,440</b>	<b>\$ 328,231</b>	<b>50%</b>
<b>EXPENDITURES</b>						
Salaries and Wages	368,991	63,378	17%	382,053	78,159	20%
Staff Benefits	73,597	7,711 *	10%	81,463	16,874	21%
Consultants and Contracted Services	86,571	18,609	21%	76,827	19,966	26%
Insurance	33,512	14,620 *	44%	33,512	33,512	100%
Supplies	13,200	6,281	48%	10,785	4,660	43%
Printing and Mail	1,300	1,015	78%	1,135	479	42%
Travel	8,000	378	5%	5,617	45	1%
Miscellaneous	1,490	290	19%	1,157	225	19%
Events	500	109	22%	683	16	2%
Overhead Pro Rata	81,696	-	0%	78,653	-	0%
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 668,857</b>	<b>\$ 112,391</b>	<b>17%</b>	<b>\$ 671,886</b>	<b>\$ 153,935</b>	<b>23%</b>
<b>NET OPERATIONS</b>	<b>\$ 11,946</b>	<b>\$ 239,241</b>	<b>2003%</b>	<b>\$ (16,446)</b>	<b>\$ 174,296</b>	<b>-1060%</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment Income	5,000	1,429	29%	4,760	1,273	27%
Realized Gain/Loss on Sale of Investments	-	-	--	131	-	0%
Unrealized Gain/Loss on Investments	-	44	--	78	54	41%
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ 5,000</b>	<b>\$ 1,473</b>	<b>29%</b>	<b>\$ 4,970</b>	<b>\$ 1,327</b>	<b>1695%</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>\$ 16,946</b>	<b>\$ 240,714</b>	<b>1420%</b>	<b>\$ (11,476)</b>	<b>\$ 175,623</b>	<b>-1530%</b>

\*See attached narrative.

HASTINGS COLLEGE OF THE LAW  
**Business Center Budget Report -- 2017-18**

10/31/2017

	Budget 2017-18	Actual as of 30-Sep-17	Actual Sep-17 as a Percent of Budget	Year-end Actual 2016-17	Actual as of 30-Sep-16	Actual Sep-16 as a Percent of 2016-17 Year-end
<b>REVENUES</b>						
Copy Services	\$ 330,000	\$ 84,747	26%	\$ 353,501	\$ 91,874	26%
<b>TOTAL OPERATING REVENUES</b>	\$ 330,000	\$ 84,747	26%	\$ 353,501	\$ 91,874	26%
<b>EXPENDITURES</b>						
Contracted Services	287,250	74,717	26%	285,534	48,477	17%
Supplies	250	-	0%	195	-	0%
Printing	500	-	0%	472	-	0%
Events & Promotions	250	-	0%	-	-	--
Miscellaneous	250	-	0%	-	-	--
Overhead Pro Rata	39,600	-	0%	42,420	-	0%
<b>TOTAL OPERATING EXPENDITURES</b>	\$ 328,100	\$ 74,717	23%	\$ 328,620	\$ 48,477	15%
<b>NET OPERATIONS</b>	\$ 1,900	\$ 10,030	528%	\$ 24,881	\$ 43,396	174%
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment Income	500	147	29%	641	114	18%
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	\$ 500	\$ 147	29%	\$ 641	\$ 114	18%
<b>TOTAL CHANGE IN NET ASSETS</b>	\$ 2,400	\$ 10,177	424%	\$ 25,522	\$ 43,510	170%

\*See attached narrative.

**REPORT ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** State Contracts and Grants in Excess of \$50,000
3. **REPORT:** Written
4. **RECOMMENDATIONS:**

That the Finance Committee recommends that the Board of Directors authorize award of the 2017-18 state contracts described in this report.

---

**Item:** \*7.1  
**Title:** Custodial Services  
**Vendor Name:** Township Building Services, Inc.  
**Cost:** \$3,040,189 (average of \$1,013,396 per year)  
**Term of Contract:** Three years

**Description:**

Contract authority is requested to enter into an agreement with Township Building Services, Inc. to provide custodial services to UC Hastings on a campus wide basis. A public bidding process was conducted and three firms submitted qualified service proposals: ABM, Able and Township Building Services, Inc. All three firms are signatories to the master agreement with Local 87 of the Service Employees International Union (SEIU).

Bid results are summarized below:

<b>Contractor</b>	<b>3-Year Contract Cost</b>
Township	\$3,040,189
Able	\$3,176,585
ABM	\$3,389,626

Township Building Services has capped cost growth at 2% per annum. This means that if growth in employee costs driven by collective bargaining exceed 2%, the contractor absorbs the expense through a reduction in their profit and overhead. Able and ABM provided cost guarantees only for Year 1 of the agreement.

Existing custodial employees of the current service provider, ABM, are covered under the Displaced Janitor Opportunity Act (California Labor Code Sections 1060-1065) which became effective on January 1, 2002. The law requires contractors that obtain a new contract from an awarding authority (i.e., UC Hastings) to provide janitorial or building maintenance services at a job site or sites to retain for a 60-day transition period employees who have been employed by the former contractor or subcontractor for the preceding four months or longer at the site or sites covered by the successor service contract, unless the successor contractor or subcontractor has "reasonable and substantiated" cause not to hire an employee based on his or her previous performance or conduct. The successor contractor is required to provide a written offer of employment to each employee in the employee's primary language.

---

**Item:** \*7.2  
**Title:** Learning Management System  
**Vendor Name:** Ex Libris  
**Cost:** \$193,631  
**Term of Contract:** Three year  
**Description:**

Contract authority is requested to enter into an agreement with Ex Libris for the purchase of a new learning management system. The vendor provides online 24/7 functionality to enable access the knowledge and learning tools. The package is based on the Moodle learning management system. The agreement is for a three year period.

Year 1:	49,215
Year 2:	51,676
Year 3:	54,260
Implementation:	<u>84,480</u>
	\$193,631

---

**PROPOSED RESOLUTION:**

That the Finance Committee recommends that the Board of Directors authorize award of the 2017-18 state contracts listed below:

*7.1	Custodial Services – Township Building Services, Inc.	\$3,040,189
*7.2	Learning Management System – Ex Libris	\$193,631

**Attachments:**

None



**REPORT ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Nonstate Contracts and Grants in Excess of \$50,000
3. **REPORT:** Written
4. **RECOMMENDATIONS:**

That the Finance Committee recommends that the Board of Directors authorize the 2017-18 nonstate contracts and grants described in this report.

---

**Item:** \*8.1  
**Title:** Professional Services  
**Vendor Name:** Spotted Dog  
**Cost:** \$100,000  
**Term of Contract:** One year

**Description:**

Contract authority is requested to enter into an agreement with Spotted Dog, a graphic design firm selected by the Advancement Department to develop graphics for the 2017-2018 campaign.

---

**Item:** \*8.2  
**Title:** Professional Services – Real Estate Advisory  
**Vendor Name:** Economic Planning Systems  
**Cost:** \$230,336  
**Term of Contract:** Two years  
**Description:**

Contract authority is requested to enter into an agreement with Economic and Planning Systems for professional services in support of the Long Range Campus Plan (LRCP). The results of the Phase I scope of work include a finding that the development of 198 McAllister and renovation of 100 McAllister Street for below market rate student and faculty housing meets economic feasibility thresholds, which suggests that proceeding with a developer Request for Qualifications and Request for Proposals process would be appropriate. The work also resulted in a recommended deal structure between the UC Hastings and a master developer, and the terms of UCSF's guarantee to lease residential units for students and faculty on a long-term basis. UCSF and UC Hastings are sharing the cost of Phase I on a 50-50% basis.

The results of the Phase II analysis will be available in December 2017. This work involved an assessment of the feasibility of expanding the scope of the LRCP to include properties owned by Local 2 on Golden Gate Avenue. A joint feasibility study is underway. Local 2 and UC Hastings are sharing the cost of Phase I on a 50-50% basis.

The Phase III scope of work described below incorporates the work necessary to further refine space allocations, development costs, financial feasibility, proposed parameters for a public-private partnership (PPP) deal structure, and proposed terms for a long-term lease for residential units that will be entered into by UC Hastings with the master developer/ground lessee. It will include drafting of RFQ and RFP documents, distribution of these solicitation documents to the development community, review and evaluation of developer submittals, and negotiation of the terms of a long-term ground lease and other implementing documents for the delivery and operation of the campus housing program. UC Hastings will be responsible for 100% of the cost.

---

**Item:** \*8.3  
**Title:** Professional Services – Health and Law Policy  
**Grantor:** Laura & John Arnold Foundation  
**Grant Award:** \$652,911  
**Term:** October 2017 – September 2019

**Description:**

The Institute for Innovation Law has secured a grant from the Arnold Foundation. Four projects are funded to, 1) expose formulary pricing behavior across a number of drugs over time, 2) demonstrate how pharmaceutical companies are stifling competition and provide policy makers with data for reform, 3) provide data and policy recommendations that protect Universities conducting drug research sponsored by drug companies and provide them the means to effectively advocate for open pricing, 4) Citizen Petition Alerts system that signals

the FDA and other interested parties when Citizen Petitions are frivolous or questionable in prohibiting generic drug patent submissions intended to stifle competition.

---

**Item:** \*8.4

**Title:** Professional Services – Health and Law Policy

**Grantor:** Grove Foundation

**Award:** \$550,000

**Term:** October 2017 to October 2020

**Description:**

The UC Hastings Consortium on Law, Science and Health Policy has received a continuation grant to further develop and maintain a website that serves a broad array of stakeholders seeking to understand and promote cost control in healthcare. Development and dissemination of publications, materials and events that promote in-depth analysis of the market factors and legal or legislative mechanisms for lowering and controlling healthcare costs.

---

**Item:** \*8.5

**Title:** Professional Services – Legal Education

**Grantor:** Access Lex Institute

**Award:** \$95,000

**Term:** September 2017 to October 2018

**Description:**

The Office of the Chancellor and Dean has received a grant to conduct a feasibility study assessing the value and efficacy of developing a post-baccalaureate program that extends the functional capacity of the Legal Education Opportunity Program; committed to increasing access to top-tier legal education for non-traditional law students and historically underrepresented communities to overcome substantial barriers to successfully attaining a formal legal education and employment.

---

**PROPOSED RESOLUTION:**

That the Finance Committee recommends that the Board of Directors authorize award of the 2017-18 state contracts and grants listed below:

*8.1	Professional Services – Graphic Design - Spotted Dog	\$100,000
*8.2	Real Estate Advisory Services – Economic Planning Systems	\$230,336
*8.3	Grant - Institute for Innovation Law – Arnold Foundation	\$652,911
*8.4	Grant – Consortium Law, Science & Health Policy – Grove Foundation	\$550,000
*8.5	Grant - Law Post-Baccalaureate Feasibility Study – Access Lex Institute	\$95,000

**Attachments:**

None

## **REPORT ITEM**

1.     **REPORT BY:**                   Chief Financial Officer David Seward
  
2.     **SUBJECT:**                    Grants Administration Program Update
  
3.     **REPORT:**                    Written

### **Background:**

In June 2017, the College established the position of Grants & Contracts Analyst. The position was created to implement and support institutional policies and procedures related to research compliance and administration, and to manage the budgets for sponsored research for two academic centers: the UCSF/UC Hastings Consortium on Law, Science & Health Policy (“Consortium”) and the Institute for Innovation Law (“Institute”).

The Contracts and Grants Analyst reports to the Chief Financial Officer working closely with the Director of the Consortium (Professor Jaime King) and the Director of the Institute (Professor Robin Feldman) to plan, develop, coordinate and direct activities related to sponsored research management; provide analytical and technical assistance in the strategic planning and implementation of activities to build, sustain and support contract and grant programs and ensure compliance with all federal, state and private foundation guidelines; and manage the general budget related to both state funding and external, nonstate funding.

With a Bachelor’s degree in Economics and a Master’s degree in Public Administration, the person hired for the position is Ms. Abigail Blue. She is skilled in financial forecasting, federal, state, and private grant acquisition, compliance and management, strategic planning, organizational development, policy, research design and a host of other disciplines.

Outlined below is a summary of progress to-date:

### **Federal Indirect Cost Recovery Rate**

In 2016, an indirect rate cost rate agreement was negotiated with the Federal Government. The agreement reflects the rate that may be used to support claims for facilities and administration (F&A) and fringe benefit costs on federal grants and contracts. The rate awarded was 46% for on campus activities and 26% for off-campus work; and 33.7% for fringe benefits when salaries and staff wages are supported by federal grants.

## **Audit Observations Currently Addressed by Grants & Contract Analyst**

1. *Develop and implement policies relating to the processing as well as payment of stipends.*

A Stipend Request Form has been developed to standardize non-routine payments. Policies relating to the processing as well as payment of stipends are in progress. Efforts to standardize and update compensation structure and policies are planned for 2018.

2. *Development of policies relating to timely submission of expense reimbursement reports and performance of P-card reconciliations;*

The Office of Fiscal Services has implemented new policies and procedures through the PayIt system, requiring faculty and staff to submit reimbursements within 30 days of when the expense is incurred. P-card use is suspended if employees are delinquent in their submissions. This has adequately incentivized the timely submission of reimbursement reports for P-cards.

3. *Oversee all grants received [by Centers] from private entities and government sources to ensure College policies are followed, transactions are properly coded, and compliance is achieved;*

The Institute for Innovation Law and the Consortium for Law, Science & Health Policy are assessed and have been (or are being) brought into compliance.

Shadow systems for accounting have been instituted that reconcile to the general ledger for both of these Centers. It is planned to have other Centers be brought into compliance for federally awarded activities next fiscal year and standardized policies and processes will be implemented institution-wide.

Grants & Contracts Analyst is working with UC Hastings' IT Department to create an automated Grants Management System that ensures compliance and incorporates IRB processes, budget adjustments, automatic alerts to all effected departments (Chancellor & Dean, CFO, Fiscal, HR, etc.) and ensures proper authorization and fiscal management.

4. *Develop a training for all current employees who handle grants;*

Quarterly trainings are scheduled, starting in December, for Center administrators, faculty and staff handling grants (along with key fiscal and HR staff) to participate in quarterly round-table trainings beginning in second quarter (December 2017).

5. *Review and approval policy/process in new management system;*

Annual review of policies, processes and management systems relating to fiscal management of grants, compensation, HR, etc. will be codified and conducted by key leadership (Dean & Chancellor, Chief Financial Officer, Controller, Academic Dean and HR Director). Review and revisions will be conducted in December, annually, and instituted or operationalized in January.

6. *Assist in communicating overhead/Indirect Cost Rate determinations (gift vs. exchange) and newly negotiated federal ICR;*

In-process. Grants & Contracts Analyst is communicating this information to Centers and will include this in December's training for all associated faculty and staff.

**Attachments:**

None

**REPORT ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Audit of 2017 Financial Statements – Updated Internal Control Observations
3. **REPORT:** Written

Attached are updated Internal Control Observations prepared by the Moss Adams audit firm as an element of the 2017 audit process.

**Attachments:**

- Moss Adams- Internal Controls Comments and Best Practices





T (415) 956-1500

F (415) 956-4149

---

101 Second Street  
Suite 900  
San Francisco, CA 94105

**Date:** October 17, 2017

**To:** UC Hastings College of the Law Audit File

**From:** MA Audit Team

**CC:** Management of UC Hastings College of the Law

**Subject:** Internal Controls Comments and Best Practices

### Section 1 – Payroll and HR Related Control Recommendations

1. *Observation:* During our payroll testing, MA noted there was no evidence of rate change approval for four employees in their employee file. Further, the rate change for those employees were improperly processed from October 1, 2016 through January 2017, when it was discovered by the UC Hastings College of the Law (the “College”).

*Recommendation:* MA recommends Human Resources (“HR”) document mass rate increase changes in personnel files to ensure rate changes are appropriately applied, with evidence of proper approval. Further, MA recommends that once rate changes have been made, a separate individual should verify the pay rate change applied agrees to the authorized rate increase maintained in the employee’s personnel file.

2. *Observation:* During our payroll testing, Moss Adams (“MA”) noted there was no formal policy relating to stipends, and standard documentation (the three signature form) for approval of stipend payments is not consistently used. ***MA notes this is a recurring control observation from the previous year.***

*Recommendation:* MA recommends using the standard three signature form for approval of non-routine and stipend payments. Further, MA recommends the College implements policies relating to the processing as well as payment of stipends.

*Management’s response to our prior year observation that recurred in the current year:* The College has not fully addressed this observation. The HR staff has been consistently using the 3 signature form since November 2016 when processing stipend requests. Additionally, a stipend policy has been drafted and is being discussed by the Cabinet. The Grants Analyst was hired in June 2017. She is developing standard processes and workflows for paying grant funded stipends for two of the College’s research centers. Further, there has been turnover in the HR leadership during the year and recruitment is now underway for a new Executive Director of HR. This matter will be forwarded to the new ED of HR once she/he is appointed.

## Section 2 – Grants Recommendations

- 3. Observation:** During our testing of grant revenue, it was noted there is no grant coordinator overseeing all grants. Each of the four research centers operates autonomously, and is in charge of tracking its expenses, complying with reporting requirements, and providing the coding of transactions for accounting. Transactions may not be consistently accounted for and grant requirements may not be adhered to. Individual departments may not have sufficient knowledge of accounting and grant reporting as well as compliance requirements under the Uniform Guidance for government grants. Although there is a grants policy, there are inconsistent practices amongst the departments in regards to who has the authority to enter into grant agreements and monitoring of the grants. **MA notes this is a recurring control observation from the previous year.**

*Recommendation:* MA recommends the College have someone oversee all grants received from private entities and government sources to ensure the College's policies are followed, transactions are properly coded, and compliance with grant requirements (including Uniform Grant Guidance requirements for federal grants received) is met and adhered to. This would also assist smaller departments with the accounting and tracking of grants. They may receive grants infrequently and may not have the same proficiency level on the nuances of grant management as other larger departments. Further, MA recommends that current employees who handle grants undergo additional training on grant management.

*Management's response to our prior year observation that recurred in the current year:* A Contracts and Grants Analyst was hired in June 2017 and reports directly to the CFO. The Analyst manages the grants and all financial transactions for two research centers, the UCSF/UCH Consortium and the Institute for Innovation Law. The Analyst is charged with developing standardized SOPs and workflows for grant management which is expected to be followed by all Centers. A Work Plan has been developed to guide activities for the fiscal year. Policies and procedures governing compliance with Uniform Guidance are in development. Once instituted for the UCSF/UCH Consortium and the Institute for Innovation Law, College-wide implementation will follow.

- 4. Observation:** MA noted during our grant management testing that the Deputy Director of the WorkLife Law Center prepared and reviewed grant reports and there was no additional review and approval before report submission. **MA notes this is a recurring control observation from the previous year.**

*Recommendation:* MA recommends having one person prepare reports and someone else review and approve them to ensure proper segregation of duties and to avoid errors going undetected. We also recommend the College establish policies and procedures for individual departments specifying positions responsible for preparation, review, and approval so that segregation of duties is well documented and understood.

*Management's response to our prior year observation that recurred in the current year:* The current Deputy Director of the Work Life Law Center is out on medical leave and is expected to return in October. Upon her return, a formal policy requiring that all grant reports be reviewed by a member of management will be drafted and considered.

5. *Observation:* During our grant management testing, we noted the benefits allocation rate was not listed as part of the approved salary allocation calculation in the budget submitted to the grantor for the grant request. MA noted that a 34% allocation of benefits was common practice, but was not listed as part of the calculation in the approved salary allocation. **MA notes this is a recurring control observation from the previous year.**

*Recommendation:* MA recommends standard allocation rates be documented and approved to ensure consistent use throughout grant budgeting requests.

*Management's response to our prior year observation that recurred in the current year:* The Contracts and Grants Analyst has been charged with documenting standard allocation rates to be used by all Research Centers.

### **Section 3 – Updated Policies and Procedures Recommendations**

#### **Advancement Policies and Procedures**

6. *Observation:* MA noted the Advancement Department has had some turnover and may not be well-versed in identifying gift restrictions. During our contributions testing, MA noted the Advancement Department is responsible for identifying gift restrictions and the applicable recipient. The individual centers are then informed when they receive restricted gifts by the Advancement Department. The recipient centers are charged with monitoring the gift and determining when the funds may be expended. Further, MA noted that specific policies related to acceptance of gifts over specific thresholds have not been established. **MA notes this is a recurring control observation from the previous year.**

*Recommendation:* MA recommends the College establish robust and standard procedures around gift acceptance, recordation, and monitoring. MA also recommends employees of the Advancement Department undergo continual training around gift acceptance and management to ensure only appropriate gifts are accepted and that donor restrictions are properly identified. Department employees should undergo training on gift management to ensure that donor restrictions are understood and monitored properly.

*Management's response to our prior year observation that recurred in the current year:* This recommendation has not been addressed.

#### **Other Policies and Procedures**

7. *Observation:* MA noted there is no formal policy related to financing and to tuition and fees. Also, practices around Capital Assets and Purchasing and Disbursements were updated

internally, but were not updated within the policy and were outdated on UC Hastings's website. **MA notes this is a recurring control observation from the previous year.**

*Recommendation:* MA recommends a formal policy for financing be established to document procedures around entering into new debt agreements, making amendments or refinancing, recording activity related to the debt, and complying with debt covenants. MA also recommends a formal policy on tuition and fees be established to make sure revenue is properly recognized in the correct period.

Additionally, MA recommends all policies be updated on the College's website and communicated throughout the College on a regular basis.

*Management's response to our prior year observation that recurred in the current year:* These recommendations have not been addressed.

#### Section 4 – Other Findings

8. *Observation:* MA notes per U.S. Generally Accepted Accounting Principles ("GAAP"), student fees related to full summer sessions should not be fully recognized in fiscal year 2017 because 42 out of 88 days of the session occurs in fiscal year 2018. However, the College records all fees related to the full summer session in fiscal year 2017, which is overstating student tuition revenue and understating deferred revenue. However, the amount is considered by the College to be immaterial to the financial statements of the College.

*Recommendation:* MA recommends performing an analysis over deferred revenue related to the full summer session at year end and recording an adjusting journal entry to properly reflect revenue and deferred revenue per U.S. GAAP.

9. *Observation:* During our testing of the financial close and reporting cycle, MA noted there is no system generated preventative control in place to prevent an individual from both preparing and posting a journal entry. Additionally, while there are some reviews of journal entries, there is minimal segregation of duties as the Controller is an authorized check signer and is able to post journal entries. **MA notes this is a recurring control observation from the previous year.**

*Recommendation:* MA recommends having system controls in place to prevent the same individual from creating and posting a journal entry, especially for individuals who are also check signers. We encourage management to review the roles and responsibilities of each employee to ensure adequate segregation of duties exists.

*Management's response to our prior year observation that recurred in the current year:* This recommendation has not been addressed.

10. *Observation:* During our walkthroughs of the financial close and reporting cycle, MA noted the Budgeting Officer manually inputs each department's budget and there is no evidence

of a secondary review and approval of the final master budget by top management. MA noted the CFO presents the budget to the Finance Committee and ultimately the Board of Trustees' acceptance is indication of approval. **MA notes this is a recurring control observation from the previous year.**

*Recommendation:* As the input process is largely manual, MA recommends evidence of review of the final budget and any amendments be maintained. Further, as the process is largely manual and subject to errors, since it is done within excel, MA suggests management to consider investing in a budgeting and financial reporting software tool.

*Management's response to our prior year observation that recurred in the current year:* Management does not believe it will be a cost effective measure for the CFO to review and approval every budget transaction made by the Budget Officer. The Budget Officer is in the process of exploring solutions for budgeting software and there have been service presentations made by two firms.

\*\*\*\*

**REPORT ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** IRS Audit of 403b and 457 Plans – Status Update
3. **REPORT:** Oral

An oral report will be presented updating the Finance Committee on the IRS audit of the 403b and 457 Plans managed by the University of California.

**Attachments:**

- None

**REPORT ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Approval of UC Hastings Seismic Policy
3. **RECOMMENDATIONS:**

That the Finance Committee recommends that the Board of Directors approve the attached Seismic Safety Policy.

**Attachments:**

- UC Hastings Seismic Policy -- Final Draft 11.1.17

# University of California Hastings College of the Law



## Seismic Safety Policy

Responsible Officer: UC Hastings Chief Financial Officer  
and Director of Capital Projects  
Responsible Office: Office of the Chief Financial Officer  
Issuance Date: 12/1/2017  
Effective Date: 12/1/2017  
Last Review Date: 11/1/2017  
Scope: All facilities owned or leased by UC Hastings College of  
the Law

Contact: David Seward  
Title: Chief Financial Officer and Director of Capital Projects  
Email: [sewardd@uchastings.edu](mailto:sewardd@uchastings.edu)  
Phone #: 415-565-4710



## UC Hastings College of the Law Seismic Policy Quick Start Guide

**Scope:** These provisions were established to implement the Seismic Safety Policy set by the Board of Directors. The Seismic Safety Policy applies to all structures owned or occupied by UCH. If UCH seeks to conduct operations with a lease term of more than two years at an off-campus location, the facility must be evaluated according to the “Standards for Acquiring Buildings and Space” (Lease/Acquisition Policy). The character of the use by UCH of the owned or leased facility is the determining factor for these requirements. (Sec. 7)

**Responsible Official:** The UCH Chief Financial Officer and Director of Capital Projects or his/her designee is the responsible official for enforcement of the Seismic Safety Policy.

**What Needs Seismic Peer Review:** All capital building projects require peer review. Maintenance, roofing repairs or replacement, and mechanical equipment refurbishment and replacement that do not increase building loadings need not be seismically assessed. The Building Official may issue a written waiver for individual minor capital infrastructure and capital projects that do not require peer review. (Sec.4)

**Peer Review:** Peer review starts at project inception and continues until construction completion. Peer review concurrence letters are issued at completion of the Schematic, Design Development and Construction Documents Phases, and during the course of construction on deferred submittals that have a seismic component, (Sec. 5.9). All peer review comments are required to be resolved before start of construction, resolution of construction phase submittals are required prior to occupancy. (Sec. 5.11)

**When Required:** Engage peer review concurrent with Project RFP development. Secure peer review concurrence letters in advance of advertisement for proposals, Capital Planning Design and Construction schematic presentation and before construction begins. (Sec. 4.2)

**Purchase, Lease:** The Seismic Safety Policy covers the purchase, lease, license and other forms of acquisition or occupancy of buildings, or portions thereof. Compliance is required before actual occupancy begins. (Sec. 7.0)

**Special Conditions:** The Seismic Safety Policy addresses many special conditions including: Temporary Use of Buildings, Use of Engineered Wood Products, and Designated Seismic Systems. (Sec. 5.0)

**Change of Use:** Temporary use changes of less than two years in duration requires a Special Event Permit that is to be coordinated with the Building Official. Renovations that alter an existing CBC Use and Occupancy require Building Official and peer review. Early concept review by the Seismic Advisor can readily provide an informal advisory assessment. (Sec. 5.12)

**Seismic Emergency Response:** In the event of a seismic or structural emergency contact campus building official who will assess the need for a mobilization response. If a mobilization response is warranted the Deputy Building Official functions will be temporarily assumed by the Seismic Advisor to rapidly assess which buildings are safe for use. (Sec. 6.0)

**Responsibility of Design Professionals During Construction:** Design professionals are expected to directly notify the UCH campus project manager and peer review panel of potential construction changes or modification to the approved design documents that can substantively impact expected structural performance, and where appropriate directly contact the peer review panel for consideration of and concurrence with the changes as specific conditions warrant. (Sec. 3.9)

# UC Hastings Seismic Safety Policy

The goal of the UC Hastings College of the Law Seismic Safety Policy (Policy) is, to the extent feasible by present earthquake engineering and construction practice, to provide an acceptable level of earthquake safety for students, employees, and the public who occupy or use UC Hastings College of the Law (UCH) owned and leased facilities.

UCH shall provide an acceptable level of earthquake safety for students, employees, and the public who occupy owned and leased facilities, to the extent feasible. Feasibility of providing better than CBC required minimum performance shall be determined by weighing practicality and the cost of protective measures against severity of damage, maintaining use, and probability of injury resulting from seismic occurrences.

This Policy only applies to structures located in California. For structures located in other states, the Responsible Official must take reasonable steps to manage the seismic life safety risk, if any, and comply with the applicable state building code. For structures located outside of the United States, the Responsible Official must take reasonable steps to manage the seismic life safety risk, if any, and comply with applicable building codes.

This Policy is the basis for actions taken by UCH concerning seismic issues. With this document, UCH has adopted seismic policy requirements specific to its building stock and use of facilities that it may lease or acquire.

## 1. DEFINITIONS

**CBC:** California Building Code (CCR, Title 24, Part 2).

**CEBC:** California Existing Building Code (CCR, Title 24, Part 10)

**CCR:** California Code of Regulations.

**Component Engineer of Record (CEOR):** A structural, civil, geotechnical, mechanical, or electrical engineer responsible for the design of a component or portion of a building, duly licensed in the state where the facility is located.

**Building Official (BO):** A UCH employee designated by the Responsible Official who has the authority to ensure compliance, for all campus projects by appropriate reviews and inspection, in accordance with the CBC.

**Deputy Building Official (DBO):** A structural engineer licensed in the state where the facility is located, designated by the Building Official. The Deputy Building Official shall have demonstrated experience in field investigation and analysis of earthquake damage, site-specific seismic forces, and design and retrofit of structural systems to resist seismic forces, and be knowledgeable of Code enforcement. A UCH employee may not perform this function (except that a licensed faculty member otherwise qualified may serve in this capacity).

**Engineer of Record (EOR):** A civil or structural engineer licensed in the state where the project is located who is responsible for the structural design of the facility.

**Peer Review Panel:** A civil or structural engineer licensed in California or a group of such individuals (or the state in which the structure is located), who provides a

measure of additional assurance regarding seismic performance and safety of new construction, and repair or seismic retrofit of existing facilities through the review of the design at appropriate stages of completion. The peer review panel shall not be employees of UCH nor be the EOR or a person affiliated with the EOR and shall be qualified to perform these duties at the level of Senior Assessor under ASTM E2026-16a.

**Lease:** A lease is an agreement in which the landlord agrees to give the tenant the exclusive right to occupy real property, usually for a specific term and, in exchange, the tenant agrees to give the landlord some sort of consideration. A lease transfers to the tenant a leasehold interest in the real property and, unless otherwise provided in the lease, a lease is transferable and irrevocable.

**Leased Facility:** Space within buildings or other structures that is leased by UCH and used for UCH-related purposes.

**Responsible Official:** As used in this document, the UC Hastings Chief Financial Officer and Director of Capital Projects is the responsible official for enforcement of the Policy.

**Seismic Advisor (SA):** A person or group with seismic expertise, not affiliated with UCH, appointed by the Responsible Official to provide technical seismic advice to UCH in accordance with this Policy.

## **2. CODES AND STANDARDS APPLICABLE TO UCH CONSTRUCTION ACTIVITY**

By authority of its Board of Directors, UCH is required to enforce the current edition of the California Building Code (CBC) and the California Existing Building Code (CEBC) as adopted by the California Building Standards Commission. To facilitate this legal requirement UCH has adopted, as policy, selected additional sections of Chapter 1 Scope and Administration of the California Building Code related to code administration, code enforcement, and code interpretation. This Policy supplements the requirements of the CBC and CEBC. Where requirements differ between the CBC/CEBC and this Policy, the more restrictive shall apply.

The California Building Code and the California Existing Building Code apply to all construction activity undertaken by UCH and to both seismic and non-seismic requirements for construction. The requirements for the design of new buildings are found in the CBC. In addition to the CBC, the requirements for retrofit, renovation and repair of existing buildings are found in the CEBC.

The Building Official (BO) is responsible for enforcement of these code provisions.

Designated historic structures may be subject to the California State Historic Building Code; these requirements are in addition to the life safety objectives as provided in CEBC. Where conflicts arise, the more restrictive seismic requirements apply

## **3. REQUIREMENTS**

### **3.1 General Requirements**

The California Code of Regulations, Title 24 provides the minimum requirements for the regulation of all UCH construction activity through Part 2, the CBC for new construction and Part 10, the CEBC for additions, modifications or alterations of an existing structure. Part 10 establishes the minimum level of expected seismic performance.

The seismic requirements of Part 10 for existing buildings are less stringent than Part 2 for new buildings for a number of reasons including the lesser expected longevity of existing buildings. The intent of Part 10 is that the retrofit and repair of existing structures will yield an *essential life-safety* level of seismic performance but not particularly to achieve any other function, maintenance, or damage limitation objectives. Essential life-safety seeks to provide performance that will allow occupants in a seismic event to exit the structure safely. It does not necessarily mean that the occupants will be uninjured or not be in need of medical attention to mitigate life-threatening injuries. A structure is presumed to achieve this level of performance where, although significant damage to the structure may have occurred, some margin against total and significant partial structural collapse remains, even though damage may not be economical to repair; major structural elements have not become dislodged or fallen so as to pose a life-safety threat; and, nonstructural systems or elements, which are heavy enough to cause severe injuries either within or outside the building, have not become dislodged so as to pose a life-safety threat. Window glass, roofing tile and elements of non- structural cladding systems are not generally considered to be a falling hazard to be included within this category of concern, except over primary entrances.

The required seismic provisions can be modified by UCH to provide a higher level of expected seismic performance, but may not be modified to provide a lower level of seismic performance.

**Occupancy Load:** Occupancy load is typically calculated per CBC Table 1004.1.2. Once the occupancy load is determined, CBC Table 1604.5 is applied to assign the Risk Category for structural design purposes. These requirements broadly apply to all UCH buildings. Most often UCH buildings will be as designated Risk Category II use. When the occupancy load of the building exceeds 500, the building will. Among the designations of Table 1604.5 is

*Buildings and other structures containing adult education facilities, such as colleges and universities, with occupancy load greater than 500. (CBC 1604.5) then it shall be classified as Risk Category III use, unless other designations trigger a more restrictive designation. Accordingly, Risk Category III buildings are designed or retrofitted to a superior level of expected seismic performance.*

**Exception for Parking Structures.** The occupancy threshold trigger for Risk Category III inclusion of parking structures is 500 occupants as calculated by CBC Table 1004.1.2. Requiring a Category III inclusion at 500 occupants for the inherently short-term, transient occupancy of a parking structure use is inconsistent with the CBC intent to provide supplemental, concentrated occupancy protection otherwise broadly afforded to *college and university adult education facilities*. The UCH Parking Garage at 376 Larkin Street was constructed in 2009 in conformance with CBC with a total of 395 stalls.

### **3.2 Application to New Buildings**

These policy requirements apply to all new construction whether new or modification of an existing building. Additions to an existing building that are seismically separated from that existing building shall meet the requirements for a new building. An addition may be considered seismically separated if the response of its structural elements will not be directly impacted by those of the existing building, either because they are not physically connected or the physical

separation is sufficient to avoid contact during an earthquake response. The addition's foundation systems may be in contact if they are at or below grade and both existing and new foundations have been evaluated to avoid surcharging the other.

### **3.3 Application to Existing Buildings**

These Policy requirements apply to modifications/additions/alterations of an existing building. As with new buildings, they are not intended to any other functions, such as maintenance of use, or damage limitation.

Whenever a construction project on an existing building is planned, CEBC Chapter 3 requires, if the triggers are activated (Section 317.3), a two-level structural assessment of the seismic performance of the building, and possibly its modification to assure adequate seismic performance of the modified building.

Even when no structural modifications are planned, Chapter 3.17 may require evaluation and modification of the structural system as a part of the construction project. Through this regularized assessment procedure UCH can be assured, over time, that its building stock can be brought up to the standard of performance desired.

CEBC Chapter 3.17 allows use of the resistance capacity of all existing building elements that participate in the seismic response, even when these elements do not meet code requirements for new construction.

Where construction incorporates existing structural elements into the lateral load resisting system of the modified structure, then the provisions of CEBC Chapter 3.17 apply to the complete structure provided that the floor area does not increase by more than 10% and/or that the modifications do not increase the height of the structure. If the net increase in enclosed total floor area is more than 10% of the existing structure's total floor area, then the CBC Chapter 16 provisions for new buildings apply to the complete structure. The resistance capacity of the existing elements may be included in the lateral load resisting system using CEBC. When the new and existing construction share below grade basement and/or foundation elements only, CBC Chapter 16 applies to the new structure and it must be verified by rational analysis that loads imposed on the existing structure do not compromise gravity or lateral load performance of the existing structure as determined using the provisions of CEBC. The rigidities should be representative of those existing at the maximum seismically-induced deformation.

New and existing lateral resisting elements may be jointly considered to be a part of the lateral resistance system only when the load deformation characteristics of each of the elements are considered and the loads are apportioned in accordance with their relative rigidities.

Any modification, alteration, or addition to an existing building may require that CEBC Chapter 3 applies to the construction work. Section 3.17.3 defines the project threshold for structures proposed for retrofit, repair, or modification.

Building renovation levels defined in CEBC Section 317.3.1 item 1 are cumulative for alterations occurring after the effective date of the 1995 CBC. Any alteration of a building meeting the threshold requirements of this item 1 must be reviewed to determine if structural modifications are required to meet CBC seismic

performance requirements. This requires an evaluation to assess that the building's anticipated seismic performance is adequate, and may require a retrofit of the building. Seismic retrofits are required only when the evaluation determines the building lacks sufficient seismic force resistance to achieve the desired performance level for life safety.

The objective of CEBC is essential life safety. This is achieved by demonstrating that the existing or retrofitted structure can sustain the deformations and corresponding forces induced by the prescribed level of earthquake ground motion. Properly designed structures, meeting 1976 or later editions of the CBC, are not expected to require any significant level of retrofit. Evaluation of post-1976 designs should detect any errors or omissions in the initial design and construction. The evaluation also reviews conditions now in question, that were formerly allowed by earlier editions of the code.

The cost basis for CEBC thresholds does not include normal maintenance work: ordinary upkeep and repair work such as replacement in kind, repainting, re-plastering, and re-roofing. Work characterized as normal maintenance but caused by an earthquake is not considered as normal maintenance.

Replacement cost is the construction cost of a like number of assignable square feet of comparable quality designed to house a like program on the same site and built in compliance with codes currently applicable to construction.

### **3.4 Building Code Enforcement**

The BO is responsible for enforcement of all CBC and CEBC requirements on UCH projects. The BO may appoint a Deputy Building Official (DBO) to assist in BO duties.

The Seismic Advisor is designated a UCH Deputy BO for special purposes, including post-earthquake inspection, evaluation, stabilization and repair of damaged buildings.

### **3.5 Implementation of CEBC-Required Seismic Retrofit**

The CEBC provides in Section 317.6 that where the evaluation indicates the building does not meet the required performance objectives of this section for its occupancy, UCH shall take appropriate steps to ensure that the building's structural system is retrofitted in accordance with the provisions of Section 317. Appropriate steps are either:

- 1) Undertake the seismic retrofit as part of the additions, modifications and/or repairs of the structure; or
- 2) Provide a plan, an Interim Use Plan, acceptable to the BO, to complete the seismic retrofit in a timely manner.

By policy, UCH will not approve a plan that exposes the building's occupants to a life-safety hazard greater than would occur to the occupants over the term of use greater than that of a CEBC compliant building for unrestricted occupancy. The assessment shall be consistent with a Level 1 ASTM E2557-17a probable maximum loss report. The start date for the occupancy analysis shall be the date when it was clear that the building did not meet the seismic requirements of the UCH Seismic Safety Policy. The approval of use during the interim period shall be that the occupancy of the building not be altered, and that if the retrofit is not

completed by the approved date, then the building's occupancy status as stipulated in the Interim Use Plan is revoked and the building may not be occupied.

### **3.6 Peer Review for Small Projects**

For Minor Capital projects and repair and maintenance projects, the BO is authorized to self-certify compliance with these requirements.

### **3.7 Peer Review Verification**

Verification that construction documents are in compliance with the requirements of this Policy is a prerequisite to construction initiation. Seismic peer review verification shall be documented by a letter of concurrence signed by the Peer Review Panel. The letter shall include specific references to the document set reviewed (i.e., date, revision number, sheets, identification of the Engineer of Record, etc.) sufficient to identify the project and the specific document set considered in the peer reviewed. As construction continues, the Peer Review Panel shall review as appropriate any changes that occur to the design to assure that they are consistent with the approved plans and with Seismic Safety Policy.

### **3.8 Engineer of Record (EOR)**

All aspects of the structural design of a UCH project shall be under the responsible charge of one licensed California Architect, Civil Engineer, or Structural Engineer that serves as the Engineer of Record (EOR) for the project through completion of construction. The Engineer of Record shall be determined at the beginning of the design process and may not be changed in the course of construction without approval by UCH. The structural design includes the design of the structural gravity system frame, lateral force-resisting system, foundations, structural aspects of the building skin/façade; and support and anchorage of equipment, building systems and architectural features. The EOR has responsibility for the structural aspects of the entire project and must sign and stamp all final documents, including deferred submittals, for which he/she is in responsible charge.

### **3.9 Responsibility of Design Professionals During Construction**

UC Hastings recognizes that regardless of the project delivery method employed, the approved plans for each project may be modified during the construction process. UCH expects each licensed design professional engaged in the design to review and approve all such modifications proposed within his/her area of responsibility as a professional obligation prior to its execution. The UCH project management team members do not have authority to approve substantive changes during construction without approval of the design professional and, where appropriate, the Peer Review Panel.

To assure the structural seismic performance of its buildings consistent with the approved plans, UCH expects the design professionals (including Structural-, Mechanical-, Geotechnical- and Architect-of record) to directly notify UCH of potential construction changes or modifications to the approved design documents that can substantively impact expected structural performance.

UCH expects the responsible EOR, or equivalent person, to make this assessment and to directly contact the Peer Review Panel for consideration of

and concurrence in the changes as specific conditions warrant. UCH has determined that all substantive changes to the foundation system, vertical load bearing system, and/or lateral load resisting system require such notification. This responsibility is a non-delegable professional duty of the EOR regardless of the project delivery method employed.

### **3.10 Special Inspections**

Chapter 17 of the CBC requires the design professional/EOR to prepare special inspection and testing requirements for a proposed project, the Owner to confirm responsibility for their completion, and the BO to approve the proposed plan. The materials sections of the CBC and many referenced standards therein, e.g. AISC Seismic Requirements, Table Q, make additional requirements for inspection that must also be considered in the development of the testing and inspection program for construction. Where there are deferred approvals items, the special inspection requirements specific to the deferred work must be prepared and submitted with the design documents for each deferred item.

## **4. PEER REVIEW**

Peer review is a mandatory part of the project delivery process. Peer review is to be performed for all building projects and for all engineered structures, such as trailers or temporary structures, unless the Responsible Official decides otherwise after consultation with the Seismic Advisor (SA). Other construction activities may be referred for seismic peer review at the discretion of the BO.

The purpose of peer review is to assure project quality, to provide a measure of additional assurance regarding performance and safety of the completed project, to provide advice on methods and means, and to provide relevant specific campus information. The peer review shall examine the available project information, the basic engineering concepts employed, and make recommendations for action. This may include any structural issues, seismic and non-seismic, necessary to achieve adequate building structural performance.

When the peer review of the design has been completed, but aspects of the design are not completed because of deferred submittals, the possibility of relevant unknown existing conditions, etc., then these should be identified in the review documentation and reviewed during the construction period when identified by the EOR's evaluation as having implications for the seismic performance.

Peer review is to be performed by an independent and knowledgeable individual or group of individuals (hereafter reviewed to as the peer review panel) selected for the project by the Responsible Official after consultation with the SA. Collectively the peer review panel shall have skills and experiences directly applicable to the issues to be addressed and the structural systems to be reviewed.

Peer review is not intended to, and does not replace the responsibilities of the EOR in complying with the requirements of the CBC and CEBC. Peer Review is not a plan check for detailed determination of the compliance of the developed plans to requirements of applicable codes and standards.

Peer review is an objective technical review by an independent, knowledgeable reviewer(s) experienced in structural design, analysis, and performance issues. The reviewer(s) shall examine the available information on the condition of the building, the basic engineering concepts employed, and the recommendations for action. This may



include any structural issues, seismic and non-seismic, necessary to achieve adequate building structural performance.

The peer review panel performs a different function than UCH's internal technical review, the BO's review, or a third-party plan check review. The peer review provides the EOR with a qualified technical opinion on the adequacy of the structural engineering approaches used and the resulting design. The peer review is not intended to check the project for code compliance, or to validate computations, or provide an independent confirmation of the design. Any such actions by the peer review panel will be limited to those deemed required to complete his responsibilities.

A peer review is not the same as value engineering but may include elements of value engineering. The purpose of value engineering is to suggest alternative systems, materials, and methods for a project to reduce its cost, improve expected structural performance, enhance constructability, etc. The purpose of the peer review is to assure that the seismic response characteristics of the building are well considered, appropriate, and acceptable.

Because the peer reviewer is responsible to review the expected seismic performance characteristics of the buildings, in light of the Hastings Board of Trustees' Seismic Policy and specific UC Hastings policies adopted to achieve this purpose, the review may exceed minimum building code requirements in assessing performance of the overall structural system(s).

The peer review panel is responsible and accountable solely to UCH and its Board of Directors for its actions. Although the peer review panel may advise the BO through the Responsible Official on seismic related code compliance issues, it is the BO who retains the responsibility and authority for code compliance.

#### **4.1 Scope of Review**

Documents for review shall include available construction documents, calculations and analyses and studies performed by the EOR. If the project involves an existing building, the documents shall include observations of the condition of the existing structure, and all inspection and testing reports (including methods of sampling) analyses prepared by the EOR and consultants. Project review is both site- and building-specific, and considers proximity to faults, and soils and geologic conditions. The expected seismic performance characteristics for each building includes the geometry of the building, the structural system(s) proposed, lateral and gravity load paths; and whether these are supported by design, calculations, and detailing in the project documents. Review shall include consideration of the proposed design approach, methods, materials, and details.

Peer review tasks include any or all of the following:

1. Assess appropriateness of the analysis and design to ensure a well-conceived and executed project using current best practices in the structural and earthquake engineering fields;
2. Suggest additional design options, analysis perspectives, and provide knowledge of experience in materials performance considerations;
3. Provide constructive comments on work in progress;
4. Assist in achieving consistency of design and design approach among different UCH projects and in expected project seismic performance;

5. Aid in communication regarding local conditions;
6. Provide technical assistance for resolution of technical problems encountered in the design and construction;
7. Communicate with BO on technical issues and concerns;
8. Offer positive engineering input where new, and/or innovative design or analysis procedures are proposed.

The EOR for the project and UCH campus project manager shall, in a timely manner, provide to the peer review panel all available information determined by the peer review panel to be necessary for the completion of the peer review.

The effort undertaken in peer review shall be commensurate with the size and complexity of the project, but shall not be limited so as to compromise the technical reliability of the process.

#### **4.2 Timing of Peer Review**

The peer review panel should be engaged for the entire project, from concept to final construction, and should actively participate during early structural design to ensure the appropriateness of the systems proposed by the EOR for the specific project. The peer review is completed when the construction is completed.

Where the delivery method is design-build, the peer reviewer's effort begins when the Request for Proposals (RFP) is prepared, see Section 5.5.

#### **4.3 Peer Review Reports**

The peer review panel shall prepare a written report to UCH describing all aspects of the review performed, including conclusions, recommendations and any unresolved issues or disagreements with the EOR. Reports shall be issued, as appropriate, after conceptual design, schematic design, design development, and at the completion of construction documents. On phased projects, a report shall be issued after completion of each phase.

Reports should include, at the minimum, statements concerning the following:

1. Scope of engineering design peer review with limitations defined.
2. Status of the project documents at each review stage.
3. Design, performance and loading criteria.
4. Ability of selected materials and framing systems to meet performance criteria with given loads and configuration.
5. Degree of structural system redundancy and the deformation compatibility among structural and nonstructural elements.
6. Basic constructability of the structural/seismic system.
7. Other recommendations as appropriate to the specific project.
8. Areas needing further review, investigation and/or clarification
9. Unresolved issues or disagreements with the EOR.
10. Conclusions and Recommendations.

#### **4.4 Responses and Corrective Actions**

The EOR shall develop corrective actions and other responses as appropriate, based on the report submitted by the peer review panel. Design and construction changes that affect the seismic resisting system shall be reported to the peer review panel in writing for review and recommendations.

#### **4.5 Distribution of Reports**

Copies of reports, responses and notices of corrective actions shall be submitted to the UCH campus project manager for his/her use and distribution.

#### **4.6 Design Professional Responsibilities**

The responsibility for structural design is fully and solely the responsibility of the design professional of record (the EOR) as outlined in the California Business and Professional Code. The peer review is solely undertaken to enhance the quality of the design and construction and to provide additional assurance regarding the performance of the completed project.

Although it is expected that the peer review panel will exercise usual and customary professional care in performing the review, the responsibility for the structural design remains fully with the EOR.

#### **4.7 Resolution of Differences**

If the EOR does not agree with the recommendations of the peer review panel, then the Responsible Official shall resolve such differences.

Peer review should be a cooperative process between the EOR and peer review panel, both having common objectives. Direct and free communication between these parties is vital to avoid misunderstanding. Despite this, honest differences may arise between the EOR and the peer review panel. In such cases the issue may benefit from examination by the Responsible Official, and advised by technically qualified persons who have no affiliation with either the EOR or the peer review panel. Both parties will have the opportunity to present their technical arguments to the Responsible Official and his/her advisors for consideration. The decision of the Responsible Official will be submitted to the UCH campus project manager with a recommendation of disposition.

### **5. SPECIAL CONSIDERATIONS**

#### **5.1 Private Buildings Constructed on UCH Land**

When a private developer constructs a building on land owned or controlled by UCH, then the project shall meet the requirements of this Policy and shall be peer reviewed in accordance with the requirements of this document.

#### **5.2 Geotechnical Investigations**

Determination of the seismic loading conditions requires that the building site's soils be classified. Any geotechnical investigation conducted for a project shall include consideration of all seismically induced site failure hazards, including liquefaction, differential settlement, lateral spreading, land-sliding, and surface faulting.

#### **5.3 EOR References to Geotechnical Investigations**

Construction document directions to "see geotechnical report" are not permitted

on UCH projects. The EOR is the responsible party (not the contractor) for incorporating the relevant information and recommendations from the geotechnical report into the design and onto the construction documents.

The soils report itself shall not be portrayed as a part of the construction documents. The construction documents may reference the soils report as a 'supporting document' (providing name, title, author, date, etc.) for the contractor's reference and if desired, state that the soils report "was relied upon in the development of the construction document."

\*To ensure completeness, and an appropriate sharing of risk, the geotechnical engineer shall review the construction documents and meet with the EOR as necessary and confirm in writing to the UCH campus project manager that the design is in accordance with the geotechnical recommendations and whether any corrections or changes are necessary.

#### **5.4 Changes and Additions to Published Requirements**

The BO may establish additional requirements relating to the design and construction of new buildings, and the retrofit or modification of existing buildings that have yet to be incorporated into this policy.

#### **5.5 Design Build and CM at Risk Projects**

The requirements of this Policy apply to all project delivery methods, including Design-Build and Construction Manager at Risk, and other project delivery systems (collectively called Design-Build below) projects pose a special set of issues for application of the UC Hastings Seismic Requirements. It is recommended that the requirements for the project be reviewed by the Peer Reviewer to assure compliance with Seismic Policy.

As noted in Section 4.2 seismic peer review of a project must be initiated when the project plans specifications are in development, that is, well before the request for proposals or qualifications are issued to potential performers.

Where a form of Design-Build procurement is planned, the UC Hastings seismic requirements shall be incorporated in the procurement and implementation process. The intent is to insure adequate review of the seismic requirements for the project when the specifications are written. The requirements for Design-Build projects shall include provisions that peer review, plan check and testing and inspection services are paid for, and under the direction of, UCH. The contract may contain a provision that the contractor shall reimburse UCH under the contract for these services. In such a case, it is agreed that their duties with respect to the project are as a representative of UCH, and not to the contractor.

Special project types that typically require peer review include: bridges, water tanks, cellular towers, and utility tunnels. Special project types that might not warrant full peer review include: attachments to buildings that would pose a life safety falling hazard if they became unattached, i.e., antennas, dishes, signage stanchions, etc. penetrations of existing footings or existing shear walls, temporary podiums and stadium seating.

Special project types that are not required to be submitted for peer review include: street light and traffic components installed consistent with Green Book or equivalent standards, public utility elements installed by a public utility, i.e., power poles, storm drainage facilities, in-kind mechanical replacements, non-

structural tenant improvements, tree/palm installations.

## **5.6 Demolition Projects**

Demolition of existing facilities does not require peer review.

## **5.7 Alternate Methods of Construction**

Construction assemblies not specified in the California Building Code may be used provided that:

1. The BO approves the application under the allowance of CBC Appendix A1 Alternate materials, alternate design and methods of construction. The BO may engage the responsible DBO, the Seismic Advisor and/or the peer review panel to examine technical materials submitted in support of requests for alternate methods of construction that have implications on the performance of the resulting construction.

## **5.8 Use of Engineered Wood Products**

1. The use of equivalently rated oriented strand board (OSB) as an alternative to plywood in shear walls and diaphragms is prohibited.

**Exception:** The use of oriented strand board (OSB) may be used in areas where exposure to moisture is prevented.

Examples of where OSB shall not be used include roof sheathing, exterior wall sheathing and floor sheathing under bathrooms and kitchens.

Examples of where OSB may be acceptable include interior wall sheathing and floor sheathing except beneath kitchens and bathrooms.

2. Plywood used as a part of the seismic load resisting systems shall be at least 15/32-inches thick.
3. Construction documents shall require the Contractor to protect OSB and plywood during construction from exposure to water. If OSB or plywood deteriorates due to exposure to moisture, the material shall be replaced unless it can be demonstrated to the satisfaction of the EOR and seismic peer reviewer that no loss of strength has occurred.

## **5.9 Deferred Approvals or Multiple Design Packages**

Some projects may include, in addition to the EOR, additional engineers contributing to the total design of the project. This may occur when there are deferred submittals in the project, (e.g. manufactured steel or wood framing elements, skylights, stairs, cladding, MEP supports and bracings and the like), or when a portion of the project design is performed by design-build subcontractors (e.g. foundation, metal stud framing, fire suppression systems, or precast subcontractors). The structural design for such components or portions of a structure must be under the responsible charge of an engineer or architect, who is licensed in California, and must be signed and stamped by that individual. This individual is known as the Component Engineer of Record (CEOR).

When specified in the design documents, the respective deferred structural submittal shall be provided to the peer review panel for review and approval after the EOR has reviewed, stamped and signed the submittal. The contractor is reminded of his/her obligation to secure required approvals, in advance of

construction.

In order to establish responsibility for the overall design and component design, the EOR and CEOR have responsibility as follows:

1. The EOR must establish written criteria for design of the components, and other requirements as necessary for coordination of the components and their Incorporation into the overall structural systems and its design. These requirements are required to be completed before the project is approved for construction and be submitted for peer review prior to approval of the project. The requirements shall be placed on the design drawings and related construction documents and specifications.
2. The CEOR shall provide, at a minimum, that the design for the component the includes the following:
  - A. Calculations indicated design criteria, applicable loads, properties, and deformation analysis as required by the EOR construction documents.
  - B. Plans and details indicating all structural elements of the component, assemblage of elements, including as appropriate profiles, connections, welding, bracing, and attachments to elements designed by others.
  - C. The construction documents (plan and details) shall bear the stamp and signature of the CEOR before the stamp and signature of the EOR is placed on these documents. Appropriate notation by the CEOR should accompany their stamps describing or clarifying the work done under their responsible charge. For example, the CEOR may define his/her limited responsibilities with a note such as:

*The CEOR has prepared the component design and is responsible for its conformance to the project specifications and applicable code requirements. The CEOR did not participate in the design of the structure or other elements to which the component is attached except through meeting the required specification and applicable code requirements for the component.*

3. The EOR must review the structural design and related documents including calculations of each component designed by others, for conformance with the stated design criteria, and for coordination with the overall structural design including the ability of the structure to support or brace all components. Appropriate notation by the EOR should accompany their stamps describing or clarifying the work done under their responsible charge. For example, the EOR may define his/her limited responsibilities with a note such as:

*The EOR has reviewed the building components engineered by others for conformance with the project specifications and has verified that the structure can support the components as detailed. The EOR was not in responsible charge of the component design, but did provide the specifications and design criteria to which these components were designed and reviewed."*

## **5.10 Designated Seismic Systems**

For projects that include Designated Seismic Systems as defined in CBC 1705.11, each system shall be identified within the construction documents by the Mechanical/Electrical/Plumbing engineer. The seismic qualification requirements of CBC 1708.5 apply. Qualifications must be at or above the BSE-I ground motion level of ASCE for mechanical and electrical elements.

For elements designated by the MEP-of-record as a Designated Seismic System(s) (i.e., emergency generators, emergency lighting, etc.) equipment listed as approved by the California Office of Statewide Hospital Planning and Development (OSHPD) or ICCS is considered to have met the certificate of compliance standard for use in UCH projects provided the intended use of the equipment is consistent with their requirements and limitations.

### **5.11 Final Approval**

Acceptance and completion of a construction project is contingent, in part, upon the written representation by the Architect and EOR that the approved construction documents have been implemented and that changes or deferred approvals for the project were completed with her/his written approval. A written statement will be provided by the peer review panel that the reviews have been performed and that issues raised during construction and brought to the peer review panel's attention were satisfactorily resolved.

### **5.12 Temporary Use of Buildings and Structures**

For seismic evaluation purposes, temporary use is defined as a use for a period of not more than twenty-four months. When a building has been designed based upon a specific [structural] Risk Category, I, II, III or IV, this acts to limit the normal occupancy of a building until other Code-based actions are taken to change it (i.e. A *Special Event* permit). From time-to-time, UCH may wish to use a building space in a way not conforming to its approved normal occupancy. When such is proposed, then the BO must make a determination that the hazard and risk posed by this use is acceptable and consistent with the direction of CBC Section 108.2. For the temporary use to be allowed, the BO must approve in writing the planned use, which shall specify the occupancy type and occupancy load compared to the approved use and propose, where appropriate, the specific mitigation steps to be taken to manage the risk. Such steps may include fire watches during occupancy, pre-notification of emergency responders, etc.

## **6. POST-EARTHQUAKE INSPECTIONS AND EVALUATIONS**

When an earthquake occurs near a UCH owned or occupied facility there is immediate need for inspection and evaluation of the safety of buildings and facilities. The Seismic Advisor serves as a DBO for purposes of such safety determination. When so notified, the UCSF PD acting as agents of UCH will restrict occupancy or entry of all UCH to enter buildings for the purpose of determining their structural safety. Following evaluation, all campus buildings will be posted as:

- **Safe** for lawful occupancy (Green);
- **Restricted Entry** (Yellow), with the limitations on entry explicitly stated on the placard; or
- **Unsafe** for entry (Red).

These designations shall be enforced by UCH to limit the risk to occupants until such time as the placard is modified or removed. Please note that in some cases the reason for a Red tag may be that the building is not to be entered or used until an inspection is completed to assess the appropriate tagging. The safety designation of any building may only be altered by the DBO who posted the building. It is expected that re-postings may increase or decrease access to a building, depending on new information or possibly additional damage occurring.

The restoration of the buildings shall be completed to the requirements of the CEBC. Plans for all temporary shoring/emergency methods and repairs shall be approved for implementation by the Seismic Advisor, or his/her designee, acting in his/her capacity as the DBO. With suitable record keeping, the reviews and plans may be developed and implemented rapidly with appropriate approvals. Where emergency shoring is required to stabilize a building to prevent its further deterioration, the scheme and plans for shoring shall be peer reviewed under the direction of the DBO. Upon peer review acceptance, under such situations, such designs are approved for construction. After a suitable period of time, as determined by the Responsible Official, the BO will reassume the responsibility for review and approval of the repair of damaged buildings.

During the post-earthquake period, it may be necessary for a building to be condemned because its structural system is deemed in such condition that repair is not practical or that the building poses an unacceptably high threat to other buildings. The DBO has the authority to condemn buildings subject to review and confirmation by the BO. Condemned buildings shall be demolished as soon as practical; in the interim period, UCH shall take whatever actions are necessary to limit the possibility of injury to the public.

The DBO shall work collaboratively and in consultation with the City and County of San Francisco's Department of Building Inspection (DBI) during a post-earthquake period. Although any assessment by DBI is not binding, such assessment is to be considered by the DBO in the conduct of their analysis and help inform their decision.

## **7. SEISMIC SAFETY POLICY FOR ACQUIRING BUILDING AND SPACE**

UCH shall only acquire buildings and/or space in buildings owned by others that provide adequate seismic life safety to occupants. "Acquire building and/or space in a building" as used in this Policy refers to a right to occupy buildings or space resulting from a purchase, lease, license, transfer title, or other means. The requirements for meeting the Policy are set forth below.

Whenever a building is acquired by purchase or other title transfer (e.g. exchange, gift), the due diligence examination of the property shall include a signed and stamped independent review report from a structural engineer licensed in the State of California or the state in which the property is located that is required.

By Policy, a newly acquired building that has an evaluation of Level IV or better seismic performance may be occupied or continue to be occupied. A building with a Level V rating may be occupied or continue to be occupied only if there is no other readily available property that meets UCH requirements and an Interim Use Plan is created to control its use. A building with Level VI or poorer ratings must be seismically retrofitted to achieve a Level IV or better rating before it may be occupied. If the hazard classification depends on the seismic performance of adjacent structures, then mitigation can be achieved either by modification of the adjacent building hazard, or by protecting the subject building from the consequences of the adjacent building's



seismic performance. Any retrofit work undertaken as part of a purchase to meet an assigned Level must be independently peer reviewed by the Seismic Advisor.

All evaluations performed under this Policy are to consider the whole building and all its structural sections. Where a seismic hazard to the subject building clearly is posed by adjacent buildings, e.g., elevated unreinforced masonry wall that may collapse onto the subject building, these hazards are to be included in the assessment required below. It is not the intent of this Policy to require detailed analyses of adjacent buildings. (See also Section 7.1 Private Buildings Constructed on UC Hastings Land.)

## **7.1 Acquisition by Purchase or Other Title Transfer**

Prior to acquisition of a building, UCH shall evaluate the building and report on its seismic damageability.

The requirements of this section may be waived by the BO if the building is unoccupied, will remain unoccupied after purchase, is to be demolished, will be sold without occupancy, or is a one or two-story, wood-framed single-family residence on a level site.

Except as provided below, each structure or facility that will become a UCH Facility through acquisition by purchase or other title transfer to UCH, and subsequent UCH occupancy, shall be rated at least Performance Level IV (see Appendix A), depending on occupancy category.

1. UCH may acquire property by purchase or other title transfer with a structure or facility rated at Performance Level V, only if the structure or facility is unoccupied at the time of title transfer; except that use for UCH-related purposes is allowed for no more than 24 months when the space is used for relocation while another UCH Facility or Leased Facility is undergoing seismic rehabilitation.
2. UCH may acquire property by purchase or other title transfer with a structure or facility rated at Performance Level VI, only if the structure or facility is unoccupied at the time of title transfer. The structure or facility must remain unoccupied until it is rated at least Performance Level II or IV (see Appendix A), depending on occupancy category.
3. UCH may acquire property with a structure or facility rated Performance Level VII, only if the structure or facility is unoccupied at the time of title transfer. The structure or facility must remain unoccupied, and must be demolished within three months of title transfer.
4. For any proposed acquisition or other title transfer subject to Section 7.1.1, 7.1.2 or 7.1.3, approval documentation (whether approved by the Regents or approved under delegated authority) must include:
  - a. An analysis of the economic risk to UCH based on a Probable Loss (PL) Report<sup>1</sup> including an estimate of the total project cost to repair the structure or facility after the seismic event in the PL Report; and
  - b. An estimate of the total project cost to undertake interim structural

---

<sup>1</sup> PL reports shall be completed following the requirements of ASTM E 2026-17a as Level1 investigation for Site Stability, Building Stability, and Building Damageability where PL is defined as the scenario expected loss (SEL) and scenario upper loss (SUL) in the design basis earthquake ground motion (DBE).

changes to achieve at least Performance Level rating of II or IV; or to demolish the structure or facility.

Prior to acquisition by purchase or other title transfer, the BO must evaluate a structure's or facility's compliance with this Policy by means of a seismic review and report to the Responsible Official on such compliance.

## **7.2 Acquisition of Leased Facilities**

The facility shall be rated, at a minimum, Seismic Performance Rating IV (see Appendix A).

UCH may lease space within a facility rated at Seismic Performance Rating V for UCH-related purposes for no more than 24 months, but only when the space is used for relocation from another UCH owned or leased facility that is undergoing seismic rehabilitation.

All evaluations performed under this Policy are to consider the whole building and all its structural sections. Where a seismic hazard to the subject building clearly is posed by adjacent buildings, e.g., elevated unreinforced masonry wall that may collapse onto the subject building, these hazards are to be included in the assessment required below. It is not the intent of this standard to require detailed analyses of adjacent buildings.

Prior to lease, the BO must evaluate a facility's compliance with this Policy by review of a completed Certificate of Applicable Code (Appendix B) or by means of a seismic review, and report to the Responsible Official on such compliance.

A licensed architect or structural engineer in California (or the state the building is located) shall complete the Certificate of Applicable Code form (see Appendix B) prior to lease if the space to be leased is contained within a facility where:

- (i) unreinforced masonry walls; whether load-bearing or not; not including brick veneer;
- (ii) precast, pre-stressed, or post-tensioned structural or architectural elements, except piles;
- (iii) flexible diaphragm (e.g., plywood) and masonry or concrete shear wall;
- (iv) apparent additions, or modifications, or repairs to the structural system done without a building permit;
- (v) constructed on a site with a slope with one or more stories partially below grade (taken as 50% or less) for a portion of their exterior;
- (vi) soft or weak story, including wood frame structures with cripple walls, or is construction over first-story parking;
- (vii) structural repairs from seismic damage;
- (viii) welded steel moment frames (WSMF) that constitute the primary seismic force-resisting system for the building and the structure was designed to code requirements preceding those of the 1997 edition of the Uniform Building Code, and the building site has experienced an earthquake of sufficient magnitude and site peak ground motions that inspection is required when any of the conditions of Section 3.2 of

FEMA 352 indicate an investigation of beam-column connections is warranted; e.g., visible signs of distress or deterioration of structural or non-structural systems, e.g., excessively cracked and/or spalling concrete walls or foundations, wood dry rot, etc.

The Certificate of Applicable Code in Appendix B must not be edited. If edits are necessary prior to signing, the Certificate of Applicable Code form may not be used. In such circumstances, UCH shall implement a seismic review, in accordance with Section III.J. Alternatively, UCH may accept, at its sole discretion, a landlord's independent review report that has been verified by the Seismic Advisor.

### **7.3 Acceptable Evaluation Documents**

The evaluation of a proposed building for lease or purchase can be performed using any one of the following three methods:

#### **A. Waiver Letter**

1. The requirements for seismic evaluation under the Standard may be waived under the following limited conditions,
2. The space will be occupied for less than two years, and UCH does not currently occupy space in the building, or
3. The area of the space to be occupied by UCH is 3,000 square feet, or less, and the space is not to house pre-school age children, or
4. The building is a one-story, wood-framed building, or a one or two-story, wood-framed single-family residence on level site, or
5. The building is a re-locatable structure, such as a trailer, even if permanently located, but only if the structure does not have a natural gas connection, or
6. The space to be occupied is within a structure currently occupied by and previously evaluated and accepted under this Standard by UC Hastings, or
7. The space must be occupied because of administrative requirements beyond the control of UC Hastings as certified by a policy level person.

Any Waiver Letter of issued under one or more of the above allowances must be in writing by the person making such determination.

For any building not qualifying for a Waiver Letter, proceed to Section 7.2.B, or 7.2.C below.

#### **B. Certificate of Applicable Code**

The Certificate of Applicable Code in Appendix B must be used, but not edited except for provision of required text. If edits are necessary prior to signing, the Certificate of Applicable Code form may not be used, and one of the other reports forms used. In such circumstances, UCH shall conduct a seismic review. Alternatively, the University may accept, at its sole discretion, a landlord's independent review report that has been verified by the Seismic Advisor.

A Certificate of Applicable Code (Certificate) may be provided if the entire building was constructed under a permit approved by the local jurisdiction and was designed to meet one of the following requirements:

1. 1997 or subsequent editions of the California Building Code; or,
2. 1976 or subsequent editions of the Uniform Building Code and the building do not have any of the characteristics or conditions listed below:
  - a. unreinforced masonry elements, whether load-bearing or not, or whether retrofitted or not; does not including brick veneer;
  - b. precast, pre-stressed, or post-tensioned structural or architectural elements, except piles;
  - c. flexible diaphragm (e.g. plywood)-shear wall (masonry or Concrete);
  - d. apparent additions, alterations, or repairs to the structural system made without a building permit;
  - e. constructed on a site with a slope with one or more stories partially below grade (taken as 50% or less) for a portion of their exterior;
  - f. soft or weak story, including wood frame structures with cripple walls, or is construction over first-story parking;
  - g. structural repairs from seismic damage;
  - h. welded steel moment frames (WSMF) that constitute the primary seismic force-resisting system for the building, and the structure was designed to code requirements preceding those of the 1997 edition of the Uniform Building Code, and the building site has experienced an earthquake of sufficient magnitude and site peak ground motions that inspection is required when any of the conditions of Section 3.2 of FEMA 352 indicate an investigation of beam-column connections is warranted; i.e., visible signs of distress or deterioration of structural or non-structural systems, e.g., excessively cracked and/or spalling concrete walls or foundations, wood dry rot, etc.

### **C. Independent Review Report**

An Independent Review Report of the entire building and of its critical nonstructural components shall be prepared by a structural engineer licensed by the State of California or the state in which the property is located, who has had no prior involvement in the building's design or evaluation, and has no ownership interest in the property.

As a matter of policy, all acquisitions by Purchase or other Title Transfer require an Independent Review Report. UCH will not approve for occupancy a newly leased building having earthquake damageability level of Level V or poorer. See the attached table titled Earthquake Performance Levels for Existing Buildings given in Attachment A.

The Independent Review Report and its preparation, at a minimum, shall

include the following:

1. A visit to the building to observe its condition and characteristics;
2. A review of available design drawings and soil reports for original construction and subsequent modifications;
3. A qualitative (and quantitative, if needed) evaluation of the building's gravity and lateral load resisting structural systems;
4. A qualitative (and quantitative, if needed) evaluation of the likelihood of earthquake-induced site failure that could cause damage to the facility, that is, the building is in the vicinity of earthquake faults listed in the State of California Earthquake Zones Act of 1990 (previously Alquist-Priolo) or liquefaction susceptibility zone as identified by the local jurisdiction, or the building site is subject to failure due to earthquake-induced landslide risk;
5. A qualitative (and quantitative, if needed) evaluation of the expected seismic performance of the building following the loading requirements of the current edition of the California Building Code, Title 24, Part 10, Section 4317, for the building type, site location, and physical conditions;
6. Identification of any potential falling hazards in areas that will be occupied or common areas within the building that poses a life-safety threat to the building occupants during an earthquake;
7. An evaluation of the earthquake damageability Level of the building using the definitions of the attached table, Earthquake Performance Levels for Existing Buildings, given in Attachment D;
8. A list of the documents, plans, and other materials examined;

For leases, if a landlord intends to complete modifications to bring a building into compliance with the required Level (minimum) shall: i) certify that the work to be completed will meet the requirements of this section, and (ii) provide a description of the work in sufficient detail to allow UCH's technical review and approval. In either case, confirmation that the completed modifications meet the requirements of this section shall be done by the landlord's structural engineer.

The Independent Review Report must be signed and stamped by the professional, who certifies that the evaluation was Level IV or better before occupancy occurs, then the landlord's structural engineer must state that the work was done by this person or under this person's direct supervision, that they have no prior involvement in the building's design or evaluation, and the firm or individuals of the firm have no ownership interest in the property. UCH may have the Independent Review Report peer reviewed to confirm its technical reliability prior to acceptance of the report's conclusions and reliance upon it in execution of the real estate transaction.

## **8. REVISION HISTORY**

First edition issued December 1, 2017

## Appendix A — Expected Seismic Performance Levels

This series of definitions was developed by the California State University, the University of California, the California Department of General Services, and the Administrative Office of the Courts from 1995 through 2017.

### Determination of expected seismic performance based on level of current CBC and CEBC structural compliance:

Definitions based upon California Building Code (CBC) requirements for seismic evaluation of buildings using performance criteria in CBC Table 3417.5 <sup>2</sup>	Rating Level <sup>1</sup>
A building evaluated as meeting or exceeding the requirements of CEBC for Risk Category IV performance criteria with BSE-1 and BSE-2 hazard levels replacing BSE-R and BSE-C as given in CBC.	<b>I</b>
A building evaluated as meeting or exceeding the requirements of CEBC for Risk Category IV performance criteria.	<b>II</b>
A building evaluated as meeting or exceeding the requirements of CEBC for Risk Category I-III performance criteria with BSE-1 and BSE-2 hazard levels replacing BSE-R and BSE-C respectively as given in CBC; alternatively, a building meeting CBC requirements for a new building.	<b>III</b> <sup>5</sup>
A building evaluated as meeting or exceeding the requirements of CEBC for Risk Category I-III performance criteria.	<b>IV</b> <sup>5</sup>
A building evaluated as meeting or exceeding the requirements of CEBC for Risk Category I-III performance criteria only if the BSE-R and BSE-C values are reduced to 2/3 of those specified for the site.	<b>V</b> <sup>5</sup>
A building evaluated as not meeting the minimum requirements for Level V designation and not requiring a Level VII designation.	<b>VI</b>
A building evaluated as posing an immediate life-safety hazard to its occupants under gravity loads. The building should be evacuated and posted as dangerous until remedial actions are taken to assure the building can support CEBC prescribed dead and live loads.	<b>VII</b>

### Indications of Implied Risk to Life and Implied Seismic Damageability

Rating Level <sup>1,5</sup>	Historic Risk Ratings of <sup>6</sup>		Implied Risk to Life <sup>4</sup>	Implied Seismic Damageability <sup>5</sup>
	DSA/SSC	UC		
<b>I</b>	/		Negligible	0% to 10%
<b>II</b>	//		Insignificant	0% to 15%
<b>III</b>	///	Good	Slight	5% to 20%
<b>IV</b>	///	Fair	Small	10% to 30%
<b>V</b>	V	Poor	Serious	20% to 50%
<b>VI</b>	VI	Very Poor	Severe	40% to 100%
<b>VII</b>	VII		Dangerous	100%

Notes:

1. Earthquake damageability levels are indicated by Roman numerals I through VII. Assignments are to be made following a professional assessment of the building's expected seismic performance as measured by the referenced technical standard and earthquake ground motions. Equivalent Arabic numerals, fractional values, or plus or minus values are not to be used. These assignments were prepared by a task force of state agency technical personnel, including California State University, University of California, Department of General Services, Division of the State Architect, and Administrative Office of the Courts. The ratings apply to structural and non-structural elements of the building as contained in Chapter 34, CBC requirements. These definitions replace those previously used by these agencies.
2. The California Existing Building Code, current edition, regulates existing buildings. It uses and references the American Society of Civil Engineers Standard *Seismic Rehabilitation of Existing Buildings*, ASCE-41. All earthquake ground motion criteria are specific to the site of the evaluated building. The CEBC and CBC definitions for earthquake ground motions to be assessed are paraphrased below for convenience:
  - BSE-2, the 2,475-year return period earthquake ground motion, or the 84<sup>th</sup> percentile of the Maximum Considered Earthquake ground motion for the site.
  - BSE-C the 975-year return period earthquake ground motion.
  - BSE-1, two-thirds of the BSE-2, nominally, the 475-year return period earthquake ground motion.
  - BSE-R, 225-year return period earthquake ground motion.
3. Risk Category is defined in the CBC Table 1604.5. The Risk Category sets the level of required seismic building performance under the CBC. Risk Category IV includes acute care hospitals, fire, rescue and police stations and

emergency vehicle garages, designated emergency shelters, emergency operations centers, structures containing highly toxic materials where the quantities exceed the maximum allowed quantities, among others. Occupancy categories I-III include all other building uses that include most state-owned buildings.

4. *Implied Risk To Life* is a subjective measure of the threat of a life threatening injury or death that is expected to occur in an average building in each rank following the indicated technical requirements. The terms *negligible* through *dangerous* are not specifically defined, but are linguistic indications of the relative degree of hazard posed to an individual occupant.
5. *Implied Damageability* is the level of damage expected to the average building in each rank following the indicated technical requirements when a BSE-1 level earthquake occurs. Damage is measured as the ratio of the cost to repair the structure divided by the current cost to reconstruct the structure from scratch. Such assessments are to be completed to the requirements of ASTM E-2557, where the damage ratio is the *Scenario Expected Loss* (SEL) in the BSE-1 earthquake ground motion evaluated at Level 1 or higher in order to be considered appropriate.
6. The engineer assessing the Earthquake Performance Level using the noted requirements may conclude that the expected seismic performance is consistent with a rating one-level higher or lower than the one assigned by the Table for Levels III, IV or V. **An alternative rating may only be assigned if an independent technical peer reviewer concurs in the evaluation.** The peer review must be completed consistent with the requirements of CEBC. Note that peer review is unlikely to improve buildings rated as VI or VII because they have fundamental seismic system flaws. The ratings for I and II are unchanged because the performance increment between levels is so large and it is highly unlikely that a revision could be justified
7. Historically the University of California has used the terms *good*, *fair*, *poor* and *very poor* to distinguish the relative seismic performance of buildings. The concordance of values is approximate; the former rating procedures did not specify specific performance levels as is done herein, but were sentence fragments for qualitative performance. For reference the historically used Division of the State Architect and Seismic Safety Commission levels correspond approximately to the new numerical values.
  - A Good seismic performance rating would apply to buildings and other structures whose performance during a major seismic disturbance is anticipated to result in some structural and/or nonstructural damage and/or falling hazards that would not significantly jeopardize life. Buildings and other structures with a Good rating would have a level of seismic resistance such that funds need not be spent to improve their seismic resistance to gain greater life safety, and would represent an acceptable level of earthquake safety.
  - A Fair seismic performance rating would apply to buildings and other structures whose performance during a major seismic disturbance is anticipated to result in structural and nonstructural damage and/or falling hazards that would represent low life hazards. Buildings and other structures with a Fair seismic performance rating would be given a low priority for expenditures to improve their seismic resistance and/or to reduce falling hazards so that the building could be reclassified Good.
  - A Poor seismic performance rating would apply to buildings and other structures whose performance during a major seismic disturbance is anticipated to result in significant structural and nonstructural damage and/or falling hazards that would represent appreciable life hazards. Such buildings or structures either would be given a high priority for expenditures to improve their seismic resistance and/or to reduce falling hazards so that the building could be reclassified as Good, or would be considered for other abatement programs, such as reduction of occupancy.
  - A Very Poor seismic performance rating would apply to buildings and other structures whose performance during a major seismic disturbance is anticipated to result in extensive structural and nonstructural damage, potential structural collapse, and/or falling hazards that would represent high life hazards. Such buildings or structures either would be given the highest priority for expenditures to improve their seismic resistance and/or to reduce falling hazards so that the building could be reclassified Good, or would be considered for other abatement programs such as reduction of occupancy.

**Appendix B — UC HASTINGS CERTIFICATE OF APPLICABLE CODE**

Building Address: \_\_\_\_\_ (Building)

I, \_\_\_\_\_, an architect, civil engineer, or structural engineer, duly licensed by the State California, am responsible for, and performed the bulk of the work reported in this certificate and I have no ownership interest in the property mentioned above. I hereby certify that I or someone under my direct supervision prepared this Certificate. I further certify that the entire Building was constructed under a permit approved by the local jurisdiction and was designed to meet either:

- 1998 or subsequent editions of the California Building Code (CBC)
- OR
- 1976 or subsequent editions of the Uniform Building Code (UBC) and, the Building does **not** contain any of the following conditions:
  - i. unreinforced masonry walls; whether load-bearing or not; not including brick veneer;
  - ii. precast, pre-stressed, or post-tensioned structural or architectural elements, except piles;
  - iii. flexible diaphragm (e.g., plywood) and masonry or concrete shear wall;
  - iv. apparent additions, or modifications, or repairs to the structural system done without a building permit;
  - v. constructed on a site with a slope with one or more stories partially below grade (taken as 50% or less) for a portion of their exterior;
  - vi. soft or weak story, including wood frame structures with cripple walls, or is construction over first-story parking;
  - vii. structural repairs from seismic damage;
  - viii. welded steel moment frames (WSMF) that constitute the primary seismic force-resisting system for the building and the structure was designed to code requirements preceding those of the 1997 edition of the Uniform Building Code, and the building site has experienced an earthquake of sufficient magnitude and site peak ground motions that inspection is required when any of the conditions of Section 3.2 of FEMA 352 indicate an investigation of beam-column connections is warranted; i.e., visible signs of distress or deterioration of structural or non-structural systems, e.g., excessively cracked and/or spalling concrete walls or foundations, wood dry rot, etc.

I have attached a copy of the certificate of occupancy. I have retained documentation of the selected performance level evaluation and shall make them available upon request

Print Name \_\_\_\_\_ Title \_\_\_\_\_

License No. \_\_\_\_\_ License expiration date: \_\_\_\_\_ AFFIX SEAL HERE

Signature \_\_\_\_\_ Date \_\_\_\_\_

Firm Name, Phone No. and Address \_\_\_\_\_

Comments: For a building not qualifying under these criteria; a Seismic Review must be performed, in accordance with UC Hastings Seismic Section 7.3B.



**REPORT ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Long Range Campus Plan
3. **REPORT:** Written
4. **RECOMMENDATIONS:**

That the Finance Committee recommend that the Board of Directors approve submittal of the Long Range Campus Plan: Five-Year Infrastructure Report 2018-2023 to the Department of Finance.

**BACKGROUND:**

The Long Range Campus Plan will be distributed at the November 2017 meeting of the Finance Committee.

**PROPOSED RESOLUTION:**

Resolved that the Finance Committee recommend that the Board of Directors authorize submittal to the Department of Finance the Five Year Infrastructure Plan 2018-2023.

**Attachments:**

- **TO BE DISTRIBUTED** at the meeting on November 9, 2017 - Long Range Campus Plan: Five-Year Infrastructure Report 2018-2023

**REPORT ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Hastings College of the Law 2017 Refunding Bonds  
- Status Update
3. **REPORT:** Written

**BACKGROUND:**

The refunding of the Hastings Series 2008 Bonds is proceeding. Attached is an updated schedule for the UC Hastings refunding transaction. Also included is the project directory.

**Attachments:**

- UC Hastings 2017 Refunding Schedule 10-25-2017
- UC Hastings Distribution List 10-25-2017



Schedule

# University of California Hastings College of the Law

## 2017 Refunding Bonds

SEPTEMBER							OCTOBER							NOVEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	2	1	2	3	4	5	6	7			1	2	3	4					1	2		
3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
24	25	26	27	28	29	30	29	30	31					26	27	28	29	30			24	25	26	27	28	29	30
																					31						

Holiday

*A Board of Directors meeting is scheduled 12/1.*

*Working group calls are scheduled every other Thursday from 11:00am to 12:00pm.*

Date	Event	Party
Thursday, August 10	▪ Finance Committee authorized refunding of 2008 Bonds	Issuer
Week of August 28	▪ Information request for POS preparation distributed	DC
Monday, Sept. 4	▪ Labor Day Holiday	
Friday, Sept. 15	▪ Board of Directors approves engagement with financial advisor and bond/disclosure counsel	Issuer
Week of Sept. 18	▪ Issue Request for Proposals for underwriting services	Issuer, FA
Week of Oct. 2	▪ Circulate first draft of bond documents	BC
Friday, Oct. 6	▪ Receive and evaluate underwriting proposals	Issuer, FA
Week of Oct. 9	▪ Conduct interviews with underwriters	Issuer, FA
	▪ Circulate first draft of POS	DC
	▪ Select and engage underwriter	Issuer, FA
Monday, Oct. 9	▪ Columbus Day Holiday	
Week of Oct. 16	▪ Circulate second draft of bond documents	BC
	▪ Circulate second draft of POS	DC
Week of Oct. 23	▪ Circulate first draft of credit presentation	FA, UW
	▪ Request due diligence report on disclosure	UW



Date	Event	Party
Tuesday, Oct. 24	▪ Board of Directors approves bond documents, POS, and final audited financial statements	Issuer
Week of Oct. 30	▪ Circulate second draft of credit presentation	FA, UW
Week of Nov. 6	▪ Finalize credit presentation	FA, UW
	▪ Receive and review due diligence report on disclosure	UW
	▪ Meeting to prepare for credit presentation	Issuer, FA, UW
Monday, Nov. 13.	▪ Credit presentation with Moody's (3:00pm-5:00pm)	Issuer, FA, UW
Week of Nov. 13	▪ Due diligence call	All
Week of Nov. 20	▪ Receive rating	Issuer
	▪ Underwriter credit committee approval	UW
Thursday, Nov. 23	▪ Thanksgiving Holiday	
Week of Nov. 27	▪ Post POS	P
Week of Dec. 11	▪ Pricing	Issuer/FA/UW
Monday, Dec. 25	▪ Christmas Holiday	
Monday, Jan. 1	▪ New Year's Day Holiday	
Week of Jan. 8	▪ Pre-closing	All
	▪ Closing	

Party	Working Group Participant	Abbreviation
Issuer	Hastings College of the Law	Issuer
Financial Advisor	PFM Financial Advisors LLC	FA
Bond Counsel	Orrick, Herrington & Sutcliffe LLP	BC
Disclosure Counsel	Orrick, Herrington & Sutcliffe LLP	DC
Underwriter	Stifel	UW
Underwriter's Counsel	Stradling Yocca Carlson & Rauth	UC
Printer	TBD	P
Trustee	Wells Fargo	T



## UC Hastings College of the Law

### 2017 Refunding

Distribution List as of October 25, 2017

---

<b>Issuer</b>	
<b>UC Hastings College of the Law</b> 200 McAllister Street San Francisco, CA 94102	<b>David Seward, Chief Financial Officer</b> Phone: 415.565.4710 E-mail: <a href="mailto:sewardd@uchastings.edu">sewardd@uchastings.edu</a>  <b>Jen Reeve, Administrative Analyst to CFO</b> Phone: 415.581.8885 E-mail: <a href="mailto:ReeveJenifer@uchastings.edu">ReeveJenifer@uchastings.edu</a>  <b>Debbie Tran, Controller &amp; Executive Director of Fiscal and Business Services</b> Phone: 415.565.4740 E-mail: <a href="mailto:trand@uchastings.edu">trand@uchastings.edu</a>
<b>Bond Counsel</b>	
<b>Orrick, Herrington &amp; Sutcliffe LLP</b> 405 Howard Street San Francisco, CA 94105	<b>John Wang, Partner</b> Phone: 415.773.5993 E-mail: <a href="mailto:jwang@orrick.com">jwang@orrick.com</a>  <b>Jesse Albani, Associate</b> Phone: 415.773.5742 E-mail: <a href="mailto:jalbani@orrick.com">jalbani@orrick.com</a>
<b>Financial Advisor</b>	
<b>PFM Financial Advisors LLC</b> 50 California Street Suite 2300 San Francisco, CA 94111	<b>Robert Gamble, Managing Director</b> Phone: 415.982.5544 E-mail: <a href="mailto:gambler@pfm.com">gambler@pfm.com</a>  <b>Patrick Malloy, Senior Analyst</b> Phone: 415.982.5544 E-mail: <a href="mailto:malloyp@pfm.com">malloyp@pfm.com</a>
<b>Underwriter</b>	
<b>Stifel</b> 415 S. Figueroa Street Suite 1800 Los Angeles, CA 90071	<b>John Kim, Managing Director</b> Phone: 213.443.5203 E-mail: <a href="mailto:jkim@stifel.com">jkim@stifel.com</a>  <b>Eileen Gallagher, Managing Director</b> Phone: 415.364.5963 E-mail: <a href="mailto:egallagher@stifel.com">egallagher@stifel.com</a>



	<b>Evan Epstein, Analyst</b> Phone: - E-mail: <a href="mailto:epsteine@stifel.com">epsteine@stifel.com</a>
<b>Underwriter's Counsel</b>	
<b>Stradling Yocca Carlson &amp; Rauth</b> 44 Montgomery St. Suite 4200 San Francisco, CA 94104	<b>Michael Charlebois</b> Phone: 415.283.2245 E-mail: <a href="mailto:mcharlebois@SYCR.com">mcharlebois@SYCR.com</a>
<b>Trustee</b>	
<b>Wells Fargo</b> 333 S. Grand Ave. Suite 5A Los Angeles, CA 90071	<b>Jose Matamoros, Vice President</b> Phone: 213.253.7532 E-mail: <a href="mailto:Jose.Matamoros@wellsfargo.com">Jose.Matamoros@wellsfargo.com</a>  <b>Marybeth Jones</b> Phone: 303.863.6450 E-mail: <a href="mailto:Marybeth.jones2@wellsfargo.com">Marybeth.jones2@wellsfargo.com</a>
<b>Email Distribution List</b>	
<a href="mailto:sewardd@uchastings.edu">sewardd@uchastings.edu</a> ; <a href="mailto:ReeveJenifer@uchastings.edu">ReeveJenifer@uchastings.edu</a> ; <a href="mailto:trand@uchastings.edu">trand@uchastings.edu</a> ; <a href="mailto:jwang@orrick.com">jwang@orrick.com</a> ; <a href="mailto:jalbani@orrick.com">jalbani@orrick.com</a> ; <a href="mailto:jkim@stifel.com">jkim@stifel.com</a> ; <a href="mailto:egallagher@stifel.com">egallagher@stifel.com</a> ; <a href="mailto:epsteine@stifel.com">epsteine@stifel.com</a> ; <a href="mailto:mcharlebois@SYCR.com">mcharlebois@SYCR.com</a> ; <a href="mailto:Jose.Matamoros@wellsfargo.com">Jose.Matamoros@wellsfargo.com</a> ; <a href="mailto:Marybeth.jones2@wellsfargo.com">Marybeth.jones2@wellsfargo.com</a> ; <a href="mailto:gambler@pfm.com">gambler@pfm.com</a> ; <a href="mailto:malloyp@pfm.com">malloyp@pfm.com</a>	

## REPORT ITEM

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Financial Operations Policy & Procedure Manual – Reimbursement of Commuting Expenses
3. **RECOMMENDATIONS:**

That the Finance Committee recommend that the Board of Directors approves the additions to the *Financial Operations Policy and Procedures Manual* described below.

4. **BACKGROUND:**

The *Financial Operations Policy and Procedures Manual* provides the framework for the financial management of the College. Changes are being proposed to amend the current policy that prohibits the reimbursement of commuting expenses for travel between an employee's residence and headquarters. With this change, reimbursement will be allowed under limited circumstances. Changes are proposed in the following areas:

### **Section 11.0 – BUSINESS MEETINGS, ENTERTAINMENT & OTHER EXPENSES**

#### **11.5.5 Reimbursement of Commuting Expenses**

SCOPE OF POLICY – Represented (Subject to Collective Bargaining) and Non-represented Employees

PURPOSE - At times, many UC Hastings employees are required to be at work after hours to perform special tasks. This may present safety issues if they have to walk in unsafe conditions. If an employee need to pay for a ride to get home safely, the Department Manager is authorized to approve reimbursement, subject to the following conditions:

1. The employee leaves the workplace after 9:00 p.m.; and
2. The employee has worked at least 10 hours on-campus (excluding lunch and work break, if applicable) that day; and

3. The Department Manager has approved payment *prior* to the ride being ordered and proof of such approval is attached to the Expense Reimbursement Form; and
4. The reimbursement is receipted and does not exceed \$30.

**NOTES:**

- Expense reimbursements under this policy is treated as taxable income and will be reported as such on each recipients W-2.
- Reimbursements for transportation from work to home are not to become a routine practice, instead reserved for exceptional circumstances when the employee has received pre-approval to do work after hours on campus that could not have been done during regular hours.
- The reimbursement may come from state or non-state funds, but they must come from existing budgets. Budget will not be supplemented to cover these transportation reimbursements.

**PROPOSED RESOLUTION:**

Resolved, that the Finance Committee recommend that the Board of Directors approve the addition of Section 11.5. Reimbursement of Commuting Expenses to the *Financial Operations Policy and Procedures Manual*.

**Attachments:**

- H2201 Transportation Furnished by Employer



Checkpoint Contents

Federal Library

Federal Editorial Materials

Federal Tax Coordinator 2d

Chapter H Compensation-Part I

¶ H-2200 Treatment of Employees Who Receive Employer-Provided Transportation.

¶ **H-2201 Transportation furnished by the employer because of unsafe conditions.**

Federal Tax Coordinator 2d

## ¶H-2201. Transportation furnished by the employer because of unsafe conditions.



**RIA observation:** Ordinarily, the value of transportation that an employer provides employees because of unsafe conditions is includible in the employees' income.

Property or services provided by an employer are excludable from the recipient employee's income only to the extent the cost would have been deductible as a business expense if the employee himself had paid the cost, see ¶ H-1700 et seq. The expenses of commuting to and from work are not deductible as a business expense, see the discussion of local transportation costs at ¶ L-1600 et seq.



**RIA observation:** Thus, not only would the fair market value of the employer-provided commuting be includible in income, but, without a rule providing for a convenient method of valuation, the fair market value would have to be determined.

The "commuting use" of "employer-provided transportation" (see ¶ H-2202 ) (which would be reportable as income) is valued at \$1.50 per one-way commute (i.e., from home to work or from work to home), for each employee **1** if the following criteria are met:

- (1) the transportation is provided, solely because of "unsafe conditions," (see ¶ H-2203 ) to an employee who would *ordinarily* walk or use public transportation for commuting to or from work. **2** It isn't necessary that an employer know with absolute certainty that an employee who is provided transportation would have walked or used public transportation. It is enough that an employer determine through existing personnel management procedures that an employee would have *ordinarily* commuted by one of these methods; **3**
- (2) the employer has established a written policy (e.g., in the employer's personnel manual) under which the transportation is provided other than for the employee's personal purposes *except for* commuting due to unsafe conditions, and the employer's practice in fact corresponds with the policy; **4**

(3) the transportation is not used for personal purposes other than commuting due to unsafe conditions; and **5**

(4) the employee receiving the employer-provided transportation is a "qualified employee" (see ¶ **H-2204** ) of the employer. **6**



**RIA observation:** The "commuting use" of employer-provided transportation, although not defined in the regs, is transportation that is used in an employee's commuting, i.e., transportation of the employee to and/or from work. De minimis personal trips (e.g., a stop on the way to or from work, for a personal errand) would seem not to keep otherwise qualifying transportation from coming under the rule for transportation because of unsafe conditions (see the rule for valuing employer-provided transportation using the "commuting value" method, at ¶ **H-2283** ).

**Illustration 1:** A and B are clerks employed by Y, a firm in a large metropolitan area. Both A and B are qualified employees. Their normal working hours are from 11:00 p.m. until 7:00 a.m., and a reasonable person would consider public transportation, the only means of transportation available to A and B at the time of their commute, unsafe. Y hires a car service to pick up A and B at their homes each evening to bring them to work. A and B must include \$1.50 in income for each one-way commute from home to work. **7**

**Illustration 2:** Assume the same facts as in Illustration (1) above, except that Y also hires a car service to return A and B to their homes each morning at the conclusion of their shifts, when it is *not* considered unsafe to commute by public transportation. The fair market value of the car service commute from work to home is includible in income by A and B. **8**

If the employee isn't a qualified employee, no portion of the value of the commuting use of employer-provided transportation is excludable from income. **9**

The above valuation rule applies on a trip-by-trip basis. If the above criteria aren't met with respect to any trip, the amount includible in the employee's income is determined by reference to the fair market value of the transportation. **10**

Unlike the de minimis rules for certain employer-provided transportation (see ¶ **H-1800** et seq.), the special valuation rule of **Reg § 1.61-21(k)** doesn't have an "overtime" or "unusual circumstances" work requirement. The \$1.50 valuation rule may be used by, but is not limited to, employees who receive the benefit before or after their regular work shifts. For example, a night-shift employee who doesn't work overtime, but who is provided transportation to work each evening because of unsafe conditions, may use the rule. A day-shift employee who frequently works overtime into the evening hours, at which time the employee's usual means of commuting (i.e., walking or using public transportation) would be considered unsafe, also may use the rule. **11**

For additional requirements for using special valuation rules (including the one at this paragraph), see

**¶ H-1058 .**

For special valuation rules for transportation provided for employees using *employer-* owned or leased vehicles, see **¶ H-2282** et seq.

**1 Reg § 1.61-21(k)(3) .**

**2 Reg § 1.61-21(k)(1)(i) .**

**3 Preamble to TD 8389, 1/15/92 .**

**4 Reg § 1.61-21(k)(1)(ii) .**

**5 Reg § 1.61-21(k)(1)(iii) .**

**6 Reg § 1.61-21(k)(1)(iv) .**

**7 Reg § 1.61-21(k)(7), Ex 1 .**

**8 Reg § 1.61-21(k)(7), Ex 2 .**

**9 Reg § 1.61-21(k)(6)(v) .**

**10 Reg § 1.61-21(k)(2) .**

**11 Preamble to TD 8389, 1/15/92 .**

**REPORT ITEM**

1. **REPORT BY:** Chief Financial Officer David Seward
2. **SUBJECT:** Listing of Checks & Electronic Transfers Over \$50,000
3. **REPORT:** Written

Listed below are checks & electronic transfers issued by the College for the period of August 1, 2017 through October 31, 2017.

<b>Date</b>	<b>Check/ Electronic Transfers No.</b>	<b>Vendor</b>	<b>Amount</b>	<b>Description</b>
8/02/17	ACH1754	State California Franchise Tax Board	127,399.34	State withholding employee income tax payment for PPE 07/31/17 MO EE
8/02/17	ACH1757	Internal Revenue Service	635,236.62	Payment for federal income taxes, social security taxes and Medicare taxes (employee and employer share) for PPE 7/31/2017
8/04/17	E0044970	BGCA Management	50,000.00	Deposit for 2018 UCH Graduation Ceremony venue
8/04/17	E0044980	Regents University California	473,053.32	Employer/employee contributions to UC Retirement Plan for PPE 7/31/2017
8/08/17	0268273	Innovative Interfaces	106,839.92	Integrated library management system
8/08/17	0268276	Lexis Nexis Lexis Nexis	52,514.52	Law School subscription Information Retrieval data system
8/18/17	E0045062	Corp State Street	63,442.12	Retirement program costs for annuitants and employees – Other Post-Employment Benefits for PPE 7/31/2017

8/25/17	0268463	West Group Payment Center	77,303.24	Annual Law School subscription Information Retrieval data system
8/29/17	0268492	PG&E	63,788.54	Utilities payment for the period of 7/6/2017- 8/6/2017
8/29/17	E0045722	Regents University California	282,322.57	Employer/employee contributions: Health and Welfare for PPE 7/31/2017
9/01/17	9004604	Wells Fargo Bank, N.A.	144,906.69	Recording of procurement card payments/PayIt on general ledger for the month of August 2017
9/05/17	ACH1765	Internal Revenue Service	506,180.94	Payment for federal income taxes, social security taxes and Medicare taxes (employee and employer share) for PPE 8/31/2017
9/05/17	ACH1766	State California Franchise Tax Board	99,972.68	State withholding employee income tax payment for PPE 8/31/17 MO EE
9/08/17	0045850	Bureau National Affairs, Inc.	60,805.00	Library system
9/11/17	9004628	Wells Fargo Bank, N.A.	94,541.72	Recording of procurement card payments/PayIt on general ledger for the month of August 2017
9/12/17	0045895	Regents University California	444,038.75	Employer/employee contributions to UC Retirement Plan for PPE 8/31/2017
9/15/17	0045902	Corp State Street	57,125.29	Retirement program costs for annuitants and employees – Other Post-Employment Benefits for PPE 8/31/2017
9/15/17	0045918	Regents University California	301,963.31	Employer/employee contributions: Health and Welfare for PPE 8/31/2017
9/21/17	0268733	ABM Janitorial Service	128,417.24	Custodial services through 8/31/17
9/21/17	0268747	PG&E	86,278.85	Utilities payment for the period of 8/6/2017- 9/6/2017
9/28/17	0046105	Regents University California	821,341.50	Fall 2017 UCSHIP Payment
09/29/17	0268791	Indiana University	56,896.93	IIL payment for research support on NSF Patent licensing grant 6/17-8/17

10/02/17	9004639	Wells Fargo Bank, N.A.	116,974.63	Recording of procurement card payments/PayIt on general ledger for the month of September 2017
10/03/17	ACH1774	Internal Revenue Service	480,281.11	Payment for federal income taxes, social security taxes and Medicare taxes (employee and employer share) for PPE 9/30/2017
10/03/17	ACH1775	State California Franchise Tax Board	98,374.36	State withholding employee income tax payment for PPE 9/30/17 MO EE
10/06/17	0268870	SIMPPLR	61,200.00	Annual fee for new website
10/06/17	0046166	Regents University California	407,472.55	Employer/employee contributions to UC Retirement Plan for PPE 9/30/2017
10/10/17	0046172	Corp State Street	57,034.13	Retirement program costs for annuitants and employees – Post-Employment Benefits for PPE 9/30/2017
10/10/17	0046190	Ellucian Inc.	152,004.00	Annual subscription for fiscal management software platform
10/10/17	0046198	Regents University California	50,691.59	Employer/employee contributions: Health and Welfare for PPE 9/23/2017
10/12/17	0046213	Regents University California	292,407.95	Employer/employee contributions to UC Retirement Plan for PPE 9/30/2017

**Attachments:**

- None

**FINANCE COMMITTEE MEETING**

Meeting adjourned at \_\_\_\_:\_\_\_\_ a.m. /p.m.