President’s Advisory Committee
On Labor Standards and Human Rights

MINUTES
February 5, 2018, 1:00 – 2:30 PM
R5020 Ross School of Business

Attendees: Ravi Anupindi (chair), Kristen Ablauf, Michael Counts, Lauren Smith, Monika Johnson, Nicholas Rine, Omolade Adunbi, Richard Neitzel, and Stephen Yaros (staff to committee)
Absent: Fatima Nasir, Khaled Eid

Committee Business

Chair Anupindi called the meeting to order at 1:04pm. Minutes from the January 10, 2018 meeting were reviewed. MJohnson moved to adopt the minutes and LSmith seconded the motion. The minutes were approved unanimously.

Monitoring and Compliance

Chair Anupindi started with an update regarding the Worker Rights Consortium (WRC). He stated that last month, the government of Bangladesh acted unnecessarily to crack down on workers trying to organize. WRC was able to free the arrested workers, but they have so far been unable to get the workers their jobs back. Chair Anupindi informed the committee that this does not officially affect the University of Michigan at this time.

Chair Anupindi also mentioned that the Horizon Outdoor Garment Factory in Cambodia was flagged by WRC for taking unsanctioned action against their employees. WRC intervened and solved the issue, although the company has few collegiate projects. Chair Anupindi informed the committee that this also does not affect the University of Michigan because we no longer work with this vendor.

Chair Anupindi then moved to updates regarding the Fair Labor Association (FLA). He mentioned that FLA is hosting a webinar about child labor in regards to the production of cotton internationally. The webinar is February 15, 2018, and he encouraged members for the committee to participate if available.

Operational Leadership

Chair Anupindi asked KAbauf if she had any updates regarding the University’s licensees. She commented that she did not have any major updates.

KAbuauf then gave a brief update to the committee on the FLA’s University Caucus meeting she attended on January 23, 2018. The meeting featured many conversations
between licensees and different universities. It included panels about implementing consistent codes of conduct and the struggles this would pose to licensees. In general there is hesitation amongst licensees to collaborate on this issues. However, there was an open discussion on the topic. As an example, the company Lake Shirts said they were open to working with other licensees regarding factory compliance. KAblauf said this is not a common practice for licensees, but it shows forward-thinking and collaborative action. Of course, such collaboration on the part of licensees also leads to the question of collaboration amongst universities to harmonize their codes. Shared codes would certainly make monitoring easier.

KAblauf commented that the conference also featured a working lunch with small table discussions. The big takeaway from these discussions was that there is vast disparity between who from the licensee companies fill out their IMG self-assessment questionnaires. Some companies have administrative staff fill them out, while others have staff specifically dedicated to these issues complete them. This disparity in reporting creates inaccurate and incomplete assessments, which ultimately leads to more confusion and time to sort through them properly.

KAblauf said there is a lot of work to be done to normalize and standardize this process. As universities, we can help others by better understanding our own expectations with reporting and who should be doing this and how. FLA’s new e-learning modules can certainly help with this.

KAblauf mentioned that other conversations at the conference had to do with licensees and promotional products. This category of products is so wide and diverse, and it utilizes so many factories and supply chains, that it is difficult to come up with consistent recommendations on how to handle these products and the companies that produce them.

Finally, KAblauf reported that there was a good discussion on FLA’s guiding principles. Overall, about 50 people were in attendance, which is a good turnout. Conversations were open and communicative, and the licensees that were there were engaged and interactive.

**Research and Educational Leadership**

Chair Anupindi asked MCounts to give a short presentation to the committee about some of the sustainability initiatives that the University of Michigan Procurement Office implements.

MCounts began by saying that once a year updates are provided to a group of individuals in finance who deal with sustainability practices, and that he will be using parts of this presentation.

Procurement has historically been based on several factors, such as price, quality, service, and vendor type. Sustainable procurement broadens this framework to take
into account additional consequences of procurement decisions related to environmental concerns, social factors, and economic considerations.

MCounts remarked that in 2011, Mary Sue Coleman established sustainability goals for the University to buy more sustainable food and supplies and buy more from local farmers. In 2015, the Committee on the Culture of Sustainability was setup by President Schlissel, which developed recommendations to meet the goals set in 2011 and to establish procurement-specific goals. In 2016, the Sustainable Procurement Project Team was officially formed.

The goals that were set in 2011 through a Campus Sustainability Integrated Assessment (CSIA) process concerned climate action, waste prevention, healthy environments, and community awareness. Specifically, the goals were:

- **Climate Action**
  - Reduce Greenhouse Gas emissions by 25%
  - Decrease carbon intensity of passenger trips among UM transportation options by 30%

- **Waste Prevention**
  - Reduce waste tonnage diverted to disposal facilities by 40%

- **Healthy Environments**
  - Purchase 20% of UM food according to Sustainable Food Purchasing Guidelines
  - Protect Huron River by reducing runoff & reducing chemicals used on campus by 40%

- **Community Awareness**
  - Invest in programs to educate our community, track behavior, and report progress over time

Under President Schlissel, a three-year sustainable purchasing project began that aimed to promote a culture of sustainable purchasing and to increase customer and supplier awareness of opportunities to support the University’s commitment to sustainability. Specifically, the goals of this project include increasing focus on environmental sustainability, highlighting and encouraging the selection of sustainable options, and partnering with suppliers to offer more sustainable options with the best pricing.

The project itself extends through 2019/2020, but some of the accomplishments achieved so far include:

- Establishing a Sustainable Procurement Team
- Surveying 10,000+ (1,918 responses) faculty and staff to establish a baseline of understanding
- Improving functionality on the Procurement Services website to provide customers a better understanding of search criteria opportunities
• Adding sustainability questions to Request for Proposals
• Creating a sustainable procurement section on supplier contract webpages to highlight sustainable products, policies, and practices
• Collaborating with the Office of Campus Sustainability to provide dinnerware products so customers can have zero waste events
• Hosting the University's first zero-waste strategic catering show

Although much has already been accomplished, there is still more to be done. Next steps include continually educating University customers about the benefits of using sustainable products, working with suppliers to obtain and maintain information on sustainable products, continuing to enhance the Procurement Services website to make ordering these products easier, and much more.

At the conclusion of MCounts presentation, the committee had a brief conversation. Chair Anupindi began by asking if there are specific criteria for sustainable and environmental considerations for companies? MCounts responded by saying yes, these criteria are captured in the questions Procurement asks. For example, they ask who the companies work with, which sustainable organizations they are a part of, etc.

Chair Anupindi asked MCounts for an example of the questionnaire that is sent to University vendors, and he agreed to share it with the committee.

LSmith asked if there is training that happens for newly hired staff at the University so they now how to use the market website. MCounts remarked that yes, this happens for those that interact with the website.

MJohnson then asked what the primary questions are that the Procurement Office receives about the website. MCounts said that the top questions are about where to find specific information on the website and the reason for the expensive prices. Especially when unit or office budgets are cut, it can be tough to justify purchasing more expensive items. They also receive questions about what sustainable means in the context of procurement. Until more information about sustainable products and background on the products themselves is more readily available, these types of basic questions are bound to continue to come up.

MJohnson then asked if there are any measurements of success or improvement with sustainable procurement. MCounts responded that there are not, but that overall use and awareness seem to be rising. To have more specific metrics, it would take a lot of time and resources, which the University currently doesn't have. Ultimately, procurement would like the suppliers to provide this type of information, but that is not current practice. He said that lots of people think procurement should be the police on all of this, but it is not currently possible. The structure of the University is just too decentralized.
Chair Anupindi mentioned that Michigan Dining has started to track progress. They currently have achieved 17.73% in sustainable procurement and aiming to get to 20% by 2025. Medical facilities have been lagging in comparison. All of the schools, colleges, and units seem to make their own decisions about all of this. The Ross School of Business, for example, bundles food with hotel and gym, which is vastly different model from other units. This makes it difficult to compare across the University. MCounts commented that Michigan Dining will tell you that it is hard to balance improving quality, being sustainable, and keeping prices low enough for customers. Chair Anupindi stated that consistent reporting is difficult. For example, suppliers report once a year but do not provide details or context to help with full robust reporting. MCounts said that reporting creates issues, and that Michigan Dining had to hire more staff just to track the reporting aspect, which pulls resources from other parts of the organization.

Student Research Projects

Chair Anupindi updated the committee about the Supplier Engagement and Environmental student research projects.

For the Supplier engagement project, students Rosie Sharp and Vanessa Wong were chosen. They had a project kickoff meeting with Chair Anupindi, KAblauf, and MJohnson, and the project is ongoing.

For the Environmental Project, students Megan Souders and Sara Hayat were chosen. They had a project kickoff meeting with Chair Anupindi, RNeitzel, and LSmith, and the project is ongoing.

Graduate Student Travel Award Application Review

Next, Chair Anupindi began a committee conversation about the student applicants for the Committee’s Graduate Student Travel Award. Two awards can be given for this upcoming summer, and the committee needs to decide who to choose. Conversation about the applicants ensued. The committee created a tentative shortlist for the Chair to followup. It was also determined that, keeping quality in mind, it would better to be inclusive of various unit affiliations when awarding the travel grant.

NRDC Summer Internship

Chair Anupindi then shifted the conversation to the NRDC Summer Internship. The committee has received 20 applications. Chair RAnupindi said that he will ask each member to review a subsets of applications with the aim of getting each application reviewed by at least three. He stated that he will correspond by email after the committee meeting to determine who should be interviewed and prepare a shortlist.

New Business
Chair Anupindi informed the committee that he has been corresponding with Georgetown University, and that they have been curious about what the University of Michigan has been doing in regards to monitoring the labor standards and human rights of our food vendors and their supply chains. They asked if we are going to convene schools for a conversation, and Chair Anupindi said this is certainly possible in the future.

Meeting adjourned at 2:24 pm.