President’s Advisory Committee
On Labor Standards and Human Rights

MINUTES
November 12, 2018, 11:00 AM – 12:30 PM
R4020 Ross School of Business

Attendees: Ravi Anupindi (chair), Omolade Adunbi, Khaled Eid, Monika Johnson, Paul Labute, Richard Neitzel, Safia Sayed, Kiyoteru Tsutsui, Emma Waitzman, and Stephen Yaros (staff to committee)
Absent: Kristen Ablauf
Guests: Ted Eisenhut, Procurement Manager, Selin Nurgun, Sustainable Procurement Coordinator, Elizabeth Guthrie, Graduate Student in Public Health, Kim Daley

Committee Business

Chair Anupindi called the meeting to order at 11:02 am. Minutes from the October 1, 2018 meeting were discussed. Several committee members moved to adopt the minutes and RNeitzel seconded the motion. The minutes were approved unanimously.

Student Presentation

The committee sponsored three summer internships in 2018. One of the students, Elizabeth Guthrie, presented her work to the committee. The other two students will present at committee meetings during the 2019 winter semester.

Ms. Guthrie, a graduate student in the School of Public Health, interned within the Department of Occupational Health at the Tianjin Centers for Disease Control and Prevention (TJCDC) in China for ten weeks during the summer of 2018. The TJCDC is one of the Chinese governmental bodies that seeks to promote workplace health by controlling health risk factors and reducing the occurrence of work-related disease. As an intern, she sought to learn how the regulatory occupational health system in China was designed to both protect and promote health among all workers. As part of this project, Ms. Guthrie researched and documented changes to China's occupational health laws. She also worked with her mentor, Dr. Zeng Qiang, to understand major challenges facing workplace health and safety professionals in China today. In addition, Ms. Guthrie assisted on workplace audits which gave a better understanding of how the current laws were applied. Overall, Ms. Guthrie was able to gain an understanding of China's regulatory occupational health system through research, discussions with her mentor, and workplace audits.

A brief committee discussion followed and Ms. Guthrie thanked the committee for their support for her internship.
Procurement Presentation

Ted Eisenhut, Procurement Manager; Selin Nurgun, Sustainable Procurement Coordinator; and committee member Paul Labute, Procurement Supervisor, gave a presentation about the progress that has been made by the University’s Sustainable Purchasing Project.

In 2011, President Emeritus 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 with the following goals:

- **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

The presentation specifically focused on what procurement is doing to reduce greenhouse gas emissions, promote waste reduction, and increase sustainable food purchasing.

Procurement Services provides support to the Facilities & Operations Utilities department and their efforts to reduce the university's greenhouse gas emissions through increased on-campus production of clean energy and identifying opportunities to take advantage of renewable energy sources. Procurement provides bid, supplier selection, and award support for the Central Power Plant expansion project which included the purchase of a 15-megawatt combustion turbine. It is estimated that the new natural gas turbine will reduce university greenhouse gas emissions by 80,000 tons per year. Procurement Services is also working with Utilities and other F&O staff to identify opportunities in which the university may take advantage of renewable energy sources.

Procurement Services supports University efforts to procure and promote compostable and recyclable products by negotiating with suppliers for more favorable pricing to bring costs more in line with non-compostable products. They have also enhanced the procurement website and eProcurement platform M-Marketsite for greater supplier and product visibility for customer ordering.
When it comes to supporting sustainable food purchasing, Procurement Services works with Student Dining and Michigan Medicine Patient Food Services to identify local sources and negotiates for more favorable pricing to bring costs more in line with traditional larger providers. They have also initiated technology processes that simplify the procure-to-pay process and they seek to make products more visible and easier to find for customer ordering.

Moving forward, the focus is on offering awards to suppliers who clearly identify products and/or services that meet high ratings and standards recognized by certifying agencies. Also, negotiating prices of sustainable products (with current and potential suppliers) to be comparable or close to traditional products would positively influence customer behavior and budget-sensitive decision making on campus.

Committee discussion ensued. Chair Anupindi asked how Procurement Services identifies true needs on campus and aligns them with sustainability purchasing. Ted explained that they spend a fair amount of time meeting with constituents from around campus to understand exactly what they need and want.

Chair Anupindi also asked about the largest hurdle in this area. Specifically, why isn’t it mandated that all University contracting be exclusively with sustainable providers? Ted responded by explaining that budget restrictions ultimately dictate spending habits, and that certain groups can only do so much because of the typically higher prices of sustainable products.

Chair Anupindi thanked Ted, Selin, and Paul for presenting on the topic. He commented that this information is helpful as the committee moves forward and decides on what student research is supported in the future.

**Research and Educational Leadership**

Chair Anupindi asked the committee to review the PACLSHR-sponsored student research projects from Winter 2018 around supplier engagement and environmental issues. He asked the committee to read each group’s report before the December 2018 meeting so they can both be discussed. Specifically, Chair Anupindi wanted to see how the committee can act on any of the report recommendations.

Chair Anupindi also mentioned that the one-day conference on responsible University food procurement that he is helping to plan is still on track for spring 2019. So far five students have signed up to help with the planning and execution of the event.

**Operational Leadership**

Chair Anupindi remarked that committee member KAblauf mentioned to him that a major University of Michigan licensee had recently ended their association with the FLA. All University licensees are typically required to be a part of the FLA, so the committee will need to decide how to proceed. Chair Anupindi noted that we have made exceptions for licensees before when their
practices still align with the University’s views on labor standards and human rights, but each is handled on a case-by-case basis. This could be a topic for discussion during the December 2018 meeting.

Meeting adjourned at 12:32 pm.