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Chair of the Assembly and the Academic Council
Faculty Representative to the Board of Regents
University of California
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Oakland, California 94607-5200

May 10, 2007

ROBERT C. DYNES
PRESIDENT

Re: Academic Council Endorsement of Plans to Establish a Trust to Comply with New Governmental Accounting Standards Board (GASB) Standards Relating to Annuitant Health Benefit Obligations

Dear Bob,

I am pleased to report the Academic Council's unanimous endorsement of the proposed GASB trust for the collection and transmission of funds from all UC units to pay for retiree health care. The Academic Council's support is based on the recommendation of the University Committee on Faculty Welfare (UCFW), presented at Council's April 25, 2007, meeting. UCFW reported that establishment of the trust will facilitate compliance with the new GASB requirements, but that decisions remain to be made regarding how the University will proceed in funding future health care benefits.

On behalf of the Academic Council, thank you for seeking our input on this matter.

Sincerely,

A handwritten signature in blue ink, appearing to be "JO", representing John B. Oakley.

John B. Oakley, Chair
Academic Council

Copy: Academic Council
María Bertero-Barceló, Senate Director