

## **UC FAIR WAGE/FAIR WORK**

**For Services less than \$100,00.00 annually:** If the Services will be performed at one or more UC campuses and/or medical centers, do not involve furnishing goods, are not a Public Work with a wage determination at or above the UC Fair Wage (defined as \$15.00 per hour as of 10/1/17), and are not subject to extramural agreements (including sub-agreements and sub-awards) containing sponsor-mandated terms and conditions, Supplier warrants that it is in compliance with applicable federal, state and local working conditions requirements, including but not limited to those set forth in Articles 11, 12 and 14 of the UC Terms and Conditions and that Supplier pays its employees performing the Services no less than the UC Fair Wage. Supplier agrees UC may conduct such UC Fair Wage/Fair Work interim compliance audits as UC reasonably requests, as determined in UC's sole discretion.

**For Services that exceed \$100,000 annually:** Supplier will, a) at Supplier's expense, provide an annual independent audit performed by Supplier's independent auditor or independent internal audit department in compliance with UC's required audit standards and procedures, concerning Supplier's compliance with this provision, and b) ensure that in the case of a UC interim audit, its auditor makes available to UC its UC Fair Wage/Fair Work supporting documentation for the most recently audited time period. Supplier agrees to provide UC with a UC Fair Wage/Fair Work certification annually, in a form acceptable to UC, no later than ninety days after each one year anniversary of the agreement's effective date, for the twelve months immediately preceding the anniversary date.

## UC Fair Wage/Fair Work Plan – Fact Sheet

On October 1, 2015 the University of California has implemented the UC Fair Wage/Fair Work Plan. Announced in July by UC President Janet Napolitano, this Plan establishes a UC minimum wage that will reach \$15 per hour over the course of the next three years, for workers at the University of California, whether they are direct employees or workers with UC service contractors. The Plan also implements a series of reforms to ensure that all UC contractors are complying with the new minimum wage and all federal, state, and UC workplace laws and policies.

### The Plan

#### ***The UC Minimum Wage for Employees***

- UC has implemented a policy that all UC employees who are hired to work at least 50 percent time be paid a wage that is at least \$13 per hour, beginning October 1, 2015;
- at least \$14 per hour, beginning October 1, 2016; and
- **at least \$15 per hour, beginning October 1, 2017. (Current)**

#### ***The UC Minimum Wage for Contract Workers***

- UC has implemented a policy that all service contractors, and their subcontractors, doing business with UC must pay their workers a wage that meets or exceeds UC's minimum wage. This requirement is being implemented as existing contracts are renewed and as new contracts are established, beginning October 1, 2015. Any contractor found non-compliant may be blocked from any further business with UC.

#### ***Enhanced Monitoring and Compliance of Contractors***

- UC has adopted measures to strengthen monitoring and compliance of UC contractors' practices related to wages and working conditions.
- *Hotline:* UC has created a hotline (1-855-WAGES-UC) for contract workers to report directly to the UC Office of the President any issues related to contractors' wages or working conditions of UC contract workers. The hotline for reporting fair wages violations has been in effect since July.
- *Central Complaint System:* UC has implemented an online mechanism ([www.ucop.edu/uc-whistleblower/policies-training/contractor-wages.html](http://www.ucop.edu/uc-whistleblower/policies-training/contractor-wages.html)?) for contract workers to register complaints regarding contractors' wages or working conditions directly with the UC Office of the President. The online complaint system has been in effect since July.
- *Annual Audits:* UC has adopted a requirement that all UC contractors undergo an annual compensation audit to ensure that contractors are complying with UC's minimum wage and all federal, state, and UC workplace laws policies. These audits will be funded by the contractors, and are being implemented as existing contracts are renewed and as new contracts are established, beginning October 1, 2015.
- *Interim Audits:* UC has instituted periodic audits of UC contractors to ensure compliance with UC minimum wage rules and UC's expectations for working conditions. These audits are being implemented to occur on new or renewed contracts beginning October 1, 2015.

### The Rationale

The University of California is a leader in cutting edge research, driving social mobility and spurring innovation. It is also committed to being a leader in the equitable treatment of its workforce. These measures are the right thing to do for UC's workers and their families, especially given the mission and values of the nation's leading public research university. As President Napolitano stated, "The University of California is a community comprised of three fundamental groups. These are our students, our faculty, and our staff. ...The strength of our community as a whole is contingent on how well we support each of these three groups."

### A National Leader

Adoption of the Fair Wage/Fair Work Plan places the University at the vanguard of efforts by governments, businesses, and public institutions to establish a fair minimum wage. Through the implementation of this program, the University of California will become the first public university in the United States to voluntarily establish a minimum wage of 15 dollars.