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Chair of the Assembly and the Academic Council
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April 27, 2007

WYATT R. HUME, PROVOST AND EXECUTIVE VICE PRESIDENT
ACADEMIC AND HEALTH AFFAIRS

Re: Academic Council Recommendations on the UC/TALX Contract and University Responsibility for Purging Employee Information

Dear Rory,

The Academic Council, at its March 28, 2007, meeting, considered the UC/TALX contract, the transmission of employees' W2 data to TALX, and the University's apparent mishandling of this matter. By way of background, the following information was provided by the University Committee on Faculty Welfare (UCFW):

In a document dated March 7, 2007, Kristine Hafner, Associate Vice President Information Resources & Communications, UCOP, explained that UCOP contracted with the TALX Corporation to enable UC employees to import their W2 tax information into online tax preparation software such as TurboTax.

Seven UC locations provided 2006 employee W2 information (including social security numbers) to TALX unless the employee opted out of this "service" by January 5, 2007. 167,837 W2s were produced for the seven locations. Only 5,797 employees opted out.

UCFW believes that so few employees opted out of having their social security numbers and wage information sent to TALX because they had no idea that this information would otherwise be released. The opt-out provision was included at the end of a fairly long email communication, sent out toward the end of the fall term, which appeared to be about something entirely different—what you had to do to be able to access your W2 information online at the At Your Service website. Indeed, several UCFW members (including the Chair), who remember receiving the communication, did not see the opt-out provision, and were shocked to find that this most sensitive information had been released by UC to an outside vendor without requiring affirmative consent of the affected employees. The entire committee is shocked that this kind of program was adopted without consulting the Academic Senate.

Now that TALX has been acquired by Equifax, we are even more concerned that UCOP has opened the door for identity thieves and believe that immediate steps should be taken to try to control the damage.

As a result of concerns raised by faculty and staff, UCOP has said that it will change the At Your Service Online website to allow UC employees to request that their W2 data and logon information be purged from the TALX data base until July 1, 2007, for the 2006 records. UCFW believes that this is not an adequate response. UC should take the responsibility for getting the data purged rather than placing the burden on employees.

UCFW seriously questions the need for either a service that allows downloading W2 information directly into TurboTax or for the proposed future employment verification service. We believe that employees are perfectly capable of entering their wage information into tax preparation software and that the benefit of any efficiencies gained in the verification of employment process is far outweighed by the risks involved.

In light of UCFW's findings, including the dangers created by transmitting employee social security numbers and wage data to outside parties, and the dubious benefits, the Academic Council unanimously approved the following recommendations:

1. The University shall take appropriate action to terminate the TALX contract;
2. The University shall take responsibility for purging all employee information from the TALX databases; and
3. The Office of General Counsel shall review its opinion that the University has the authority to disclose employee information without the consent of its employees.

On behalf of the Academic Council, I respectfully request your thoughtful consideration of the above recommendations, and look forward to your plans for implementation. Please let me know if you foresee any problems that we might further address.

Sincerely,



John B. Oakley, Chair
Academic Council

Copy: Academic Council
María Bertero-Barceló, Senate Director

JOMAR