

REVISED

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

**Trustees of the California State University
California State University, Fresno
Save Mart Center
2650 E. Shaw Avenue
Fresno, California 93710**

March 17, 2004—8:30 a.m.

Presiding: Debra S. Farar, Chair

Call To Order and Roll Call

Chair's Report

Chancellor's Report

Report of the CSU Alumni Council: *President—Bob Linscheid*

Report of the California State Student Association: *Chair—José Solache*

Report of California Postsecondary Education Commission: *Ralph Pesqueira*

Approval of Minutes of Board of Trustees' Meeting of January 28, 2004

Board Items

1. Election of Five Members to Committee on Committees for 2004-2005

Report of Committees

Committee of the Whole, *Chair – Debra S. Farar*

Committee on Institutional Advancement: *Chair – Frederick W. Pierce, Vice Chair*

1. Approval of Naming of Facility- California State University, Los Angeles
2. Approval of Naming of Facility – California State University, Monterey Bay
3. Approval of Naming of Facility- California State University, Stanislaus

Committee on Collective Bargaining: *Chair—Robert G. Foster*

Committee on Finance: *Chair – William Hauck*

3. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects
4. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments to Refund California State University Channel Islands Financing Authority Bond Anticipation Notes

Committee on Campus Planning, Buildings and Grounds: *Chair – Ralph Pesqueira*

1. Amend the 2003/2004 Capital Outlay Program, State Funded
2. Acceptance of Interest in Real Property
4. Preliminary State and Nonstate Funded Five-Year Capital Improvement Program 2005/2006 through 2009/2010
5. Approval of Schematic Plans
6. Amend the 2003/2004 Capital Outlay Program, Nonstate Funded
7. Certify the Final Supplemental Environmental Impact Report and Approve the Campus Master Plan Revision for California State University, Channel Islands

Committee on Organization and Rules: *Chair - Anthony M. Vitti*

1. Revision of Trustees' Rules of Procedure

Committee on Governmental Relations: *Chair – Murray L. Galinson*

1. 2003/2004 Legislative Report No. 8

Committee on Educational Policy: *Chair – Roberta Achtenberg*

1. Review and Recommendation of Nominees for Honorary Degrees

Committee on Audit: *Chair – Shailesh J. Mehta*

Communications and Correspondence

Old Business

New Business

Public Comment

Adjournment

**MINUTES OF THE MEETING OF
BOARD OF TRUSTEES**

**Trustees of The California State University
Office of the Chancellor
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California**

January 28, 2004

Trustees Present

Debra S. Farar, Chair
Roberta Achtenberg
Bob Foster
Murray L. Galinson
Eric Z. Guerra
William Hauck
Kathleen E. Kaiser
M. Alexander Lopez
Shailesh J. Mehta
Ralph Pesqueira
Frederick W. Pierce IV
Charles B. Reed, Chancellor
Kyriakos Tsakopoulos
Anthony M. Vitti

Trustees Absent

Cruz Bustamante, Lt. Governor
Arnold Schwarzenegger, Governor
Ricardo Icaza
Dee Dee Myers
Jack O'Connell, Superintendent of Public Instruction
Herb Wesson, Jr., Speaker of the Assembly

Chancellor's Office Staff

David S. Spence, Executive Vice Chancellor and Chief Academic Officer
Richard P. West, Executive Vice Chancellor and Chief Financial Officer
Christine Helwick, General Counsel
Jackie R. McClain, Vice Chancellor, Human Resources

Chair Farar called the meeting to order at 10:17 a.m.

Chair's Report

Chair Farar welcomed everyone back after the holiday break and congratulated the Cal Poly students who worked to design and build the Rose Parade float. She noted that their float called "Bob's Barnacle Band" won the Founder's Trophy.

Chair Farar provided an update on the current presidential searches and thanked the trustees for their work on the various presidential search committees. She reported that the CSU Bakersfield presidential search committee had held its first meeting on January 13 and that over the next few months, they will be reviewing applications to identify and interview semi-finalists in order to have someone selected before the end of June.

Chair Farar thanked the Academic Senate for their invitation to attend their January meeting and for their hard work and support of the CSU.

Chair Farar congratulated Trustee Eric Guerra on his being featured in the December issue of the California Journal.

Chair Farar reported that in closed session, the Board of Trustees completed its six-year review of Chancellor Reed. She thanked the review team, who included Dr. James McCormick, chancellor of the Minnesota State Colleges and Universities; Dr. Robert Caret, former president of San Jose State University and current president of Towson State University; Mr. Denny Campbell, a two-term former CSU Trustee, Trustee Roberta Achtenberg, and herself. She stated that based on the input the team had received from trustees, former trustees, vice chancellors, CSU presidents, national higher education figures, student leaders, faculty leaders, and leaders from government and from the business community, the Board concluded that Chancellor Reed is a strong advocate for the CSU in obtaining the financial resources that are needed to accomplish the mission of the university. He works constantly to promote the accomplishments of the CSU and its students, faculty, staff and alumni. On behalf of the Board, Trustee Farar commended Chancellor Reed for all of his hard work and diligence. We feel extremely fortunate to have him at the helm of the CSU and are of the opinion that Charlie Reed is one of the best things to ever happen to the CSU.

Chair Farar stated that the governor's budget reductions coupled with fee increases would necessitate that enrollment in CSU be reduced. She said that Chancellor Reed, Executive Vice Chancellor West, the campus presidents, and constituent groups will be working over the next few months with policymakers to get the CSU message across.

Chair Farar reported that the California Public Utilities Commission awarded the California State University and the University of California \$12 million to implement energy efficient programs. CSU will receive half of the total for personnel training, enhancements to monitoring systems and equipment upgrades.

Chair Farar nominated five trustees to serve on the Committee on Committees as required by the Board's Rules of Procedure. The nominees are Roberta Achtenberg as chair, and Trustees Bill Hauck, Murray Galinson, Shailesh Mehta and Kyriakos Tsakopoulos. The Board will vote to approve the committee membership at the March meeting.

Chair Farar reminded everyone that the next meeting of the Board would be held at Fresno State on March 16 and 17.

(The complete text of the Chair's Report is attached as "Exhibit A.")

Chancellor's Report

Chancellor Reed reported on the budget situation stating that the CSU faces a major challenge. He said that the State has cut 29% of the CSU's budget or \$771 million and indicated that the CSU would continue to work with the Department of Finance to develop a new compact so that the CSU could know exactly how much money the state would provide per student. He also said that before the March meeting, the CSU would hold a budget summit with the statewide budget advisory committee, the student organizations, the Academic Senate, and labor to develop a comprehensive plan that will include a recommendation about fees and financial aid.

Chancellor Reed stated that between now and the March meeting, the CSU would begin the process of reducing enrollment by assigning targets to each of the campuses so that total CSU enrollment is reduced 5% or 20,000 students. He noted that plans would be developed for EOP, academic enhancement in the public schools, and how 4,000 first-time college freshmen would be re-directed. He also said that the CSU would figure out how to manage summer operations to make summer more efficient in making courses available to students.

Chancellor Reed thanked John Travis, president of the California Faculty Association and the CFA for their \$50,000 donation to the Californians for Higher Education for media buys in support of Proposition 55. Proposition 55 will provide resources to renovate and build new facilities and is very important to all of education.

Chancellor Reed recognized Scott McNall and Roy McTarnaghan for their service to the California State University. Both men served as interim presidents, the former at CSU Chico and the latter at CSU San Marcos.

Chancellor Reed congratulated CSU, Long Beach and CSU, San Marcos: CSULB for reaching a 5-year, 15 million dollar agreement with Long Beach Memorial Medical Center to increase the number of nursing graduates that will be serving in the Long Beach Memorial service area; and CSU, San Bernardino for launching the Inland California Television Network that will provide local news to a potential six million cable owners.

(The complete text of the Chancellor's Report is attached as "Exhibit B.")

Report of the California State University Alumni Council

Bob Linscheid, president, reported for the Alumni Council.

Report from the California State Student Association

Caitlin Gil, vice chair, internal affairs, reported for the CSSA.

Report from the California Postsecondary Education Commission

Trustee Pesqueira reported there was no report generated at the last meeting of CPEC which met in retreat on December , 2003.

Approval of Minutes

The minutes of the meeting of the Board of Trustees of November 19, 2003 were approved.

Report of Committees

Committee on Institutional Advancement

Trustee Tsakopoulos reported the committee heard one information item, Council for Advancement and Support of Education District VII Awards and six action items as follow:

Approval of the 2002/2003 Annual Report on External Support (RIA 01-04-01)

Trustee Tsakopoulos moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the Board adopts the *2002/2003 Annual Report of External Support for the California State University* for submission, as required by law, to the California Postsecondary Education Commission, the California Joint Legislative Budget Committee, and the California Department of Finance.

Approval of Naming of Facility- California State University, Monterey Bay (RIA 01-04-02)

Trustee Tsakopoulos moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the new math and technology wing of the Chapman Science and Academic

Center at California State University, Monterey Bay be named the Hilton and Roberta Bialek Math and Technology Wing.

Approval of Naming of Facility – California State University, Northridge (RIA 01-04-03)

Trustee Tsakopoulos moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the west wing of the Oviatt Library at California State University, Northridge be named the Tseng Family Wing.

Naming of an Academic Entity – California State University, Northridge (RIA 01-04-04)

Trustee Tsakopoulos moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the College of Extended Learning at California State University, Northridge be named the Roland Tseng College of Extended Learning.

Approval of Naming of Facility- California Polytechnic State University, San Luis Obispo (RIA 01-04-05)

Trustee Tsakopoulos moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that Education Building 02 at California Polytechnic State University, San Luis Obispo, be named The Cotchett Education Building.

Approval of Naming of Facility – California Polytechnic State University, San Luis Obispo (RIA 01-04-06)

Trustee Tsakopoulos moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the Cal Poly Theatre, Building 44 at California Polytechnic State University, San Luis Obispo, be named The Faye and Alex Spanos Theatre.

Committee on Collective Bargaining

Trustee Foster reported the committee ratified the new agreement with the California Faculty Association for fiscal year 2003/04 and 2004/05. The committee also recognized requests to address the committee by representatives of Academic Professionals of California and the California State Employees Association, who both gave a status on the current collective bargaining talks for a new contract and commented on the positive tone of bargaining and hoped for a new contract in the near future.

Committee on Finance

Trustee Hauck reported the committee heard one information item, Report on the 2004/2005 Support Budget and two action items as follow:

Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects (RFIN 01-04-01)

Trustee Hauck moved the item; there was a second.

The Board of Trustees approved the following resolutions:

Orrick, Herrington & Sutcliffe LLP, as bond counsel, prepared resolutions for projects at Humboldt State University (Recreation Center and Field House Renovation), and CSU Northridge (Parking Structure II) that:

- (1) Authorize the sale and issuance of Systemwide Revenue Bond Anticipation Notes and the related sale and issuance of the Trustees of the California State University Systemwide Revenue Bonds in an amount not-to-exceed \$18,360,000 and certain actions relating thereto.
- (2) Provide a delegation to the Chancellor, the Executive Vice Chancellor and Chief Financial Officer, and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

The resolutions will be implemented subject to the receipt of good bids consistent with the projects financing budget.

Revision of Title 5—Fee Waiver for Dependents of Deceased/Disabled Veterans (RFIN 01-04-02)

Trustee Hauck moved the item; there was a second.

Chair Farar stated that because the resolution proposes a change in Title 5, a public hearing must be held. She asked for public comment on the proposed changes in the regulations.

Hearing none the public hearing was closed

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, acting under the authority prescribed herein and pursuant to Section 89030.1 of the Education Code, that the Board hereby repeals Section 41801 of Article 3, Subchapter 5, Chapter 1, Division 5 of Title 5 of the *California Code of Regulations* as follows:

~~§ 41801. Exemption from Fees Under Education Code Section 32320.~~

~~A person who seeks exemption from fees pursuant to Education Code Section 32320 and who is a resident of California shall on or before the date he or she registers file with the campus a certification by the Division of Veterans Affairs, or by any section thereof, that one of the following circumstances exists:~~

~~(a) The person is receiving assistance under the provisions of Division 4, Chapter 4, Article 2 (commencing with Section 890) of the California Military and Veterans Code.~~

~~(b) The person is a child of a veteran of the United States military service who has a service-connected disability and whose annual income not including governmental compensation for such service-connected disability does not exceed \$5,000.~~

~~(c) The person is a child of a veteran of the United States who has been killed in service or has died of a service-connected disability, and the annual income of the child, including the value of any support received from a parent, together with the annual income of the surviving parent, does not exceed \$5,000.~~

~~Note: Authority cited: Section 89030, Education Code. Reference: Section 32320, Education Code.~~

And, be it further

RESOLVED, That the Board of Trustees has determined that the adoption of the proposed revision to Title 5 will not impose a cost or savings on any state agency; will not impose a cost or savings on any local agency or school district that is required to be reimbursed under Section 17561 of the Government Code; will not result in any nondiscretionary cost or savings in federal funding to the state; and will not impose a mandate on local agencies or school districts;

And be it further

RESOLVED, That the Board of Trustees delegates to the Chancellor of the California State University authority to further adopt, amend, or repeal this revision if further adoption, amendment or repeal is required and is nonsubstantial or solely grammatical in nature, or sufficiently related to the original text that the public was adequately placed on notice that the change could result from the originally proposed regulatory action.

Committee on Campus Planning, Buildings and Grounds

Trustee Pesqueira reported that item 1 in the agenda, Amend the 2003/2004 Capital Outlay Program, Nonstate Funded was deferred, and the committee heard one information item, Status Report on the 2004/2005 State Funded Capital Outlay Program—Governor's Budget and two action items as follow:

Campus Master Plan Revision at California State University, Sacramento (RCPBG 01-04-01)

Trustee Pesqueira moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University that:

1. Upon consideration of the information provided in the Negative Declaration for the California State University, Sacramento, campus master plan revision, the Negative Declaration has been prepared pursuant to the requirements of the California Environmental Quality Act.
2. The proposed California State University, Sacramento, campus master plan revision will not have a significant effect on the environment.
3. The revision will benefit the California State University.
4. The chancellor or his designee is directed under the Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the California State University, Sacramento, campus master plan revision.
5. The California State University, Sacramento, campus master plan revision dated January 2004 is approved.

Approval of Schematic Plans (RCPBG 01-04-02)

Trustee Pesqueira moved the item; there was a second.

The Board of Trustees approved the following resolution:

1. CSU Long Beach—Parking Structures 2 and 3

RESOLVED, By the Board of Trustees of the California State University, that upon consideration of the information provided in the previously approved FEIR prepared for the California State University, Long Beach, campus master plan revision (Northeast Campus Improvements Project), the board finds that:

1. The FEIR was prepared to specifically include the Parking Structures 2 and 3 project and was previously approved by the Board of Trustees at the July 15-16, 2003 meeting pursuant to the requirements of the California Environmental Quality Act.
2. Based on the information contained in the previously approved FEIR and the mitigation measures identified therein and previously adopted, the proposed project will not have a significant effect on the environment.
3. The project does not propose substantial changes, which would require revision of the previously approved FEIR.
4. The project does not involve any substantial changes in the circumstances under which the previous FEIR was certified for the California State University, Long Beach, campus master plan revision (Northeast Campus Improvements Project).
5. No substantial new information has been identified, which shows that the project would have one or more significant effects not discussed in the previous FEIR.
6. No additional mitigation measures are necessary.
7. The mitigation measures and implementation of the recommended improvements specified in the FEIR for the campus master plan revision (Northeast Campus Improvements Project) are hereby adopted as part of this approval of the California State University, Long Beach, Parking Structures 2 and 3 project.
8. The project will benefit the California State University.
9. The chancellor is requested under the Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
10. The schematic plans for the California State University, Long Beach, Parking Structures 2 and 3 project are approved at a project cost of \$38,193,000 at CCCCI 4019.

2. CSPU Pomona—Parking Structure 1

RESOLVED, By the Board of Trustees of the California State University, that:

1. The board finds that the Negative Declaration for the California State Polytechnic University, Pomona, Parking Structure 1 project and associated infrastructure improvements has been prepared pursuant to the requirements of the California Environmental Quality Act.
2. The proposed project will not have the potential for significant adverse impacts on the environment, and the project will benefit the California State University.
3. The chancellor is requested under the Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
4. The schematic plans for the California State Polytechnic University, Pomona, Parking Structure 1 project are approved at a project cost of \$32,379,000 at CCCCI 4019.

3. San Diego State University—Social Sciences/Parking Structure 8

RESOLVED, By the Board of Trustees of the California State University, that upon consideration of the information provided in the previously approved FEIR prepared for the San Diego State University, campus master plan revision, the board finds that:

1. The FEIR was prepared to specifically include the Social Sciences/Parking Structure 8 project and was previously approved by the Board of Trustees at the March 2001 meeting pursuant to the requirements of the California Environmental Quality Act.
2. Based on the information contained in the previously approved FEIR and the mitigation measures identified therein and previously adopted, the proposed project will not have a significant effect on the environment.
3. The project does not propose substantial changes, which would require revision of the previously approved FEIR.
4. The project does not involve any substantial changes in the circumstances under which the previous FEIR was certified for the San Diego State University, campus master plan revision.

5. No substantial new information has been identified, which shows that the project would have one or more significant effects not discussed in the previous FEIR.
6. No additional mitigation measures are necessary.
7. The mitigation measures and implementation of the recommended improvements specified in the FEIR for the campus master plan revision are hereby adopted as part of this approval of the San Diego State University, Social Sciences/Parking Structure 8 project.
8. The project will benefit the California State University.
9. The chancellor is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
10. The schematic plans for the San Diego State University, Social Sciences/Parking Structure 8 project are approved at a project cost of \$30,360,000 at CCCI 4019.

4. San Francisco State University—Joint Library: J. Paul Leonard Library/Sutro Library

RESOLVED, By the Board of Trustees of the California State University, that:

1. The board finds that the Mitigated Negative Declaration for the San Francisco State University, J. Paul Leonard Library/Sutro Library project has been prepared in accordance with the requirements of the California Environmental Quality Act.
2. With implementation of the recommended Mitigation Measures, the proposed project will not have the potential for significant adverse impacts on the environment, and the project will benefit the California State University.
3. The recommended Mitigation Measures are hereby approved and incorporated as a requirement for implementation of the project, along with the Mitigation Monitoring Plan which is also approved and incorporated by reference, and which meets the requirements of Public Resources Code Section 21081.6.
4. The chancellor is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
5. The schematic plans for the San Francisco State University, J. Paul Leonard Library/Sutro Library project are approved at a project cost of \$99,595,000 at CCCI 4019.

5. CPSU San Luis Obispo—Engineering/Architecture Renovation and Replacement, Phase IIA

RESOLVED, By the Board of Trustees of the California State University, that:

1. The board finds that the California Polytechnic State University, San Luis Obispo, Engineering/Architecture Renovation and Replacement, Phase IIA project is consistent with the campus master plan revision approved in March 2001 and a Letter of Compliance documenting the Finding of Consistency was prepared pursuant to the requirements of the California Environmental Act.
2. With the implementation of the mitigation measures set forth in the Master Plan previously approved by the Board of Trustees, the proposed project will not have a significant effect on the environment, and the project will benefit the California State University.
3. The mitigation measures shall be monitored and reported in accordance with the requirements of the California Environmental Quality Act (Public Resources Code, Section 21081.6).
4. The Chancellor is requested under Delegation of Authority by the Board of Trustees to file a Notice of Determination for the project.
5. The schematic plans for the California Polytechnic State University, San Luis Obispo, Engineering/Architecture Renovation and Replacement, Phase IIA project are approved at a project cost of \$36,099,000 at CCCI 4019.

Committee on University and Faculty Personnel

Trustee Pierce reported the committee heard two action items as follow:

Executive Compensation (RUF 01-04-01)

Trustee Pierce moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of the California State University, that Dr. Karen S. Haynes shall receive a salary set at the annual rate of \$203,376 and a housing allowance set at the annual rate of \$36,804, effective February 1, 2004, the date of her appointment as president of the California State University, San Marcos; and Dr. Warren J. Baker shall receive a housing allowance set at the annual rate of \$36,804, effective February 1, 2004.

Early Retirement Incentive Programs (RUF 01-04-02)

Trustee Pierce moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of The California State University, that the Chancellor is directed to take such actions as are necessary and appropriate to implement early retirement incentive programs authorized by law for designated employee groups, as determined appropriate; and be it further

RESOLVED, that this Board elects to exercise the provisions of Education Code Section 22715 and Government Code Section 20901, contingent upon the receipt of necessary authorizations required by law, including issuance of an executive order by the governor, and contingent on the Chancellor determining, in light of fiscal circumstances, that implementing provisions of Education Code Section 22715 and Government Code Section 20901 is in the interest of the California State University.

Committee on Organization and Rules

Trustee Vitti reported the committee heard one information item, Revision of Trustees' Rules of Procedure.

Committee on Audit

Trustee Mehta reported the committee heard four information items: Status Report on Current and Follow-up Internal Audit Assignments, Report on Construction Auditing in the California State University—2002/2003, Report of the Systemwide Audit in Accordance with Generally Accepted Accounting Principles Including the Report to Management, Single Audit Report of Federal Funds; and one action item: Assignment of Functions to be Reviewed by the Office of the University Auditor for Calendar Year 2004.

Committee on Educational Policy

Trustee Achtenberg reported the committee heard one action item in closed session, Review and Recommendation of Nominees for Honorary Degrees; and in open session heard one information item, Remedial Education Policy Implementation: Eighth Annual Report; and two action items as follow:

Revision of Title 5—Student Discipline and Intellectual Property (REP 01-04-01)

Trustee Achtenberg moved the item; there was a second.

Chair Farar stated that because the resolution proposes a change in Title 5, a public hearing must be held. She asked for public comment on the proposed changes in the regulations.

Hearing none the public hearing was closed

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, acting under the authority prescribed herein and pursuant to Section 89030.1 of the Education Code, that the Board hereby amends Section 41301 of Article 2, Subchapter 4, Chapter 1, Division 5 of Title 5 of the California Code of Regulations as follows:

§ 41301. Expulsion, Suspension and Probation of Students.

Following procedures consonant with due process established pursuant to Section 41304, any student of a campus may be expelled, suspended, placed on probation or given a lesser sanction for one or more of the following causes which must be campus related:

- (a) Cheating or plagiarism in connection with an academic program at a campus.
- (b) Forgery, alteration or misuse of campus documents, records, or identification or knowingly furnishing false information to a campus.
- (c) Misrepresentation of oneself or of an organization to be an agent of a campus.
- (d) Obstruction or disruption, on or off campus property, of the campus educational process, administrative process, or other campus function.
- (e) Physical abuse on or off campus property of the person or property of any member of the campus community or of members of his or her family or the threat of such physical abuse.
- (f) Theft of, or non-accidental damage to, campus property, or property in the possession of, or owned by, a member of the campus community.
- (g) Unauthorized entry into, unauthorized use of, or misuse of campus property.
- (h) On campus property, the sale or knowing possession of dangerous drugs, restricted dangerous drugs, or narcotics as those terms are used in California statutes, except when lawfully prescribed pursuant to medical or dental care, or when lawfully permitted for the purpose of research, instruction or analysis.

- (i) Knowing possession or use of explosives, dangerous chemicals or deadly weapons on campus property or at a campus function without prior authorization of the campus president.
- (j) Engaging in lewd, indecent, or obscene behavior on campus property or at a campus function.
- (k) Abusive behavior directed toward, or hazing of, a member of the campus community.
- (l) Violation of any order of a campus president, notice of which had been given prior to such violation and during the academic term in which the violation occurs, either by publication in the campus newspaper, or by posting on an official bulletin board designated for the purpose, and which order is not inconsistent with any of the other provisions of this Section.
- (m) Soliciting or assisting another to do any act which would subject a student to expulsion, suspension or probation pursuant to this Section.
- (n) Unauthorized recording, dissemination, and publication of academic presentations for commercial purposes. This prohibition applies to a recording made in any medium, including, but not limited to, handwritten or typewritten class notes.
- (1) The term “academic presentation” means any lecture, speech, performance, exhibition, or other form of academic or aesthetic presentation, made by an instructor of record as part of an authorized course of instruction that is not fixed in a tangible medium of expression.
- (2) The term “commercial purpose” means any purpose that has financial or economic gain as an objective.

“Instructor of record” means any teacher or staff member employed to teach courses and authorize credit for the successful completion of courses.

~~(n)~~(o) For purposes of this Article, the following terms are defined:

- (1) The term “member of the campus community” is defined as meaning California State University ~~and Colleges~~ Trustees, academic, non-academic and administrative personnel, students, and other persons while such other persons are on campus property or at a campus function.
- (2) The term “campus property” includes:

- (A) real or personal property in the possession of, or under the control of, the Board of Trustees of the California State University ~~and Colleges~~, and
- (B) all campus feeding, retail, or residence facilities whether operated by a campus or by a campus auxiliary organization.
- (3) The term “deadly weapons” includes any instrument or weapon of the kind commonly known as a blackjack, sling shot, billy, sandclub, sandbag, metal knuckles, any dirk, dagger, switchblade knife, pistol, revolver, or any other firearm, any knife having a blade longer than five inches, any razor with an unguarded blade, and any metal pipe or bar used or intended to be used as a club.
- (4) The term “behavior” includes conduct and expression.
- (5) The term “hazing” means any method of initiation into a student organization or any pastime or amusement engaged in with regard to such an organization which causes, or is likely to cause, bodily danger, or physical or emotional harm, to any member of the campus community; but the term “hazing” does not include customary athletic events or other similar contests or competitions.

~~(p)~~(p) This Section is not adopted pursuant to Education Code Section 89031.

~~(p)~~(q) Notwithstanding any amendment or repeal pursuant to the resolution by which any provision of this Article is amended, all acts and omissions occurring prior to that effective date shall be subject to the provisions of this Article as in effect immediately prior to such effective date.

Note: Authority cited: Sections 66300, ~~66600, 66452, and 89030 and 89035~~, Education Code. Reference: Sections ~~66017, 66300, and 66450 et seq. 66600, 69810-69813 and 89030~~, Education Code; ~~and Section 626.2, Penal Code.~~

And be it further

RESOLVED, That the Board of Trustees has determined that the adoption of the proposed revision to Title 5 will not impose a cost or savings on any state agency; will not impose a cost or savings on any local agency or school district that is required to be reimbursed under Section 17561 of the Government Code; will not result in any nondiscretionary cost or savings in federal funding to the state; and will not impose a mandate on local agencies or school districts;

And be it further

RESOLVED, That the Board of Trustees delegates to the Chancellor of the California State University authority to further adopt, amend, or repeal this revision if further adoption, amendment or repeal is required and is nonsubstantial or solely grammatical in nature, or sufficiently related to the original text that the public was adequately placed on notice that the change could result from the originally proposed regulatory action.

**Revision of Title 5—Nonvehicular Transportation and Animals on Campus
(REP 01-04-02)**

Trustee Achtenberg moved the item; there was a second.

Chair Farar stated that because the resolution proposes a change in Title 5, a public hearing must be held. She asked for public comment on the proposed changes in the regulations.

Hearing none the public hearing was closed

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, acting under the authority prescribed herein and pursuant to Section 89030.1 of the Education Code, that the Board hereby adopts Section 42353.1 and amends Section 42354 of Article 9, Subchapter 5, Chapter 1, Division 5 of Title 5 of the *California Code of Regulations* as follows:

§ 42353.1. Bicycles, Skateboards, Roller Skates, and Animals.

- (a) The president of the campus may permit forms of transportation on the campus in accordance with reasonable directives issued by the campus president. No person shall use forms of transportation upon the campus driveways, pathways, parking facilities or grounds except in accordance with directives issued by the campus president. The campus president may designate the campus areas that shall be open to use of forms of transportation, and shall place appropriate signs indicating the time and the conditions for their use. “Forms of transportation,” shall include bicycles, motorized bicycles, scooters, motorized scooters, skateboards, roller skates including inline skates, and other forms of transportation that are not motor vehicles.
- (b) No person shall bring an animal onto the grounds or into the buildings of a campus except in accordance with directives issued by the campus president. The president of the campus may permit animals on campus in accordance with reasonable directives issued by the campus president. The president shall consider such factors as the safety of the campus community, cleanliness of

the buildings and grounds of the campus, and the needs of the animal's owner as in the case of service animals.

Note: Authority cited: Sections 89030 and 89031, Education Code; Section 21113, Vehicle Code. Reference: Section 89031, Education Code; Section 21113, Vehicle Code.

§ 42354. Notice.

Notice shall be posted at or near the principal entrances of each campus calling attention to the existence of regulations relating to ~~soliciting handbills and circulars, and to public meetings, performances, rallies and similar public events, citing by the number the sections in this Article~~ use of CSU buildings and grounds and designating the places where copies thereof and of directives issued by the campus president pursuant thereto may be examined.

Note: Authority cited: Sections ~~66600, 89030, and 89031 and 89035,~~ Education Code. Reference: Section 89031, Education Code; Section 21113, Vehicle Code.

And, be it further

RESOLVED, That the Board of Trustees has determined that the adoption of the proposed revision to Title 5 will not impose a cost or savings on any state agency; will not impose a cost or savings on any local agency or school district that is required to be reimbursed under Section 17561 of the Government Code; will not result in any nondiscretionary cost or savings in federal funding to the state; and will not impose a mandate on local agencies or school districts;

And be it further

RESOLVED, That the Board of Trustees delegates to the Chancellor of the California State University authority to further adopt, amend, or repeal this revision if further adoption, amendment or repeal is required and is nonsubstantial or solely grammatical in nature, or sufficiently related to the original text that the public was adequately placed on notice that the change could result from the originally proposed regulatory action.

Committee on Governmental Relations

Trustee Galinson reported the committee heard three action items as follow:

2003/2004 Legislative Report No. 7 (RGR 01-04-01)

Trustee Galinson moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the 2003-04 Legislative Report No. 7 is adopted.

California State University Federal Agenda for 2004 (RGR 01-04-02)

Trustee Galinson moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the federal legislative program described in this item are adopted as the 2004 CSU Federal Agenda.

Economic Recovery Bond (Proposition 57) and California Balanced Budget (Proposition 58): Endorsement by Board of Trustees (RGR 01-04-03)

Trustee Galinson moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the board supports the Economic Recovery Bond initiative, Proposition 57, and the California Balanced Budget initiative, Proposition 58, that are scheduled to appear on the March 2004 Primary Election ballot.

Committee of the Whole

Chair Farar reported the committee heard one action item as follows:

Appointment of Member to the California State University Headquarters Building Commission (COW 01-04-01)

Chair Farar moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that Mr. George Pardon be reappointed a commissioner of the California State University Headquarters Building Commission for a succeeding four year term.

Communications and Correspondence

Old Business

New Business

Public Comments

The board heard comments from the following members of the public: Hylah Jacques, CSEA; John Travis, President CFA; Saul Figueroa, CSUDH Chicano/a Studies; Xihuan Montalvo, CSUDH Chicano/a Studies; Agustin Sevada, CSUDH Chicano/a Studies; Richard Jetler, CSUDH Chicano/a Studies; Marta Hernandez, CSUDH Chicano/a Studies; and Ixlana Lopez, CSUDH Chicano/a Studies

The Chair also called on Rich Reed and Charles Goetzl, who were not present to make their remarks.

Adjournment

The meeting was adjourned at 11:30 a.m.

BOARD OF TRUSTEES

Election of Five Members to Committee on Committees for 2004-2005

Presentation By

Debra S. Farar, Chair

According to the Rules of Procedure of the Board of Trustees of the California State University (Article VI, Item 2), Chair Debra Farar nominated five trustees to serve as members of the Committee on Committees for the term 2004-2005 at the January 28, 2004 meeting of the Board of Trustees.

The following resolution is recommended for approval:

RESOLVED, By the Board of Trustees of The California State University, that the following trustees are elected to constitute the board's Committee on Committees for the 2004-2005 term:

Roberta Achtenberg, Chair
William Hauck
Murray Galinson
Shailesh Mehta
Kyriakos Tsakopoulos

REPORT OF CHAIR DEBRA S. FARAR
Board of Trustees
The California State University
January 28, 2004

Good morning, Happy New Year, and welcome back to everyone after the holiday break. I hope you all had a good holiday season.

I'm sure many of us watched the Rose Parade on New Year's Day either on TV or in person. I'm happy to report that the float entry from the Cal Poly campuses did it again – their float called “Bob's Barnacle Band” won the Founder's Trophy. This is the 45th time the Cal Poly float has won a parade award. Congratulations to the students who worked to design and build the float – for the 56th consecutive year.

Next, I want to thank the trustees for their work on all of the various presidential search committees. I just want to update you on a couple of the current searches: The Board search committee for the CSU Bakersfield presidential vacancy held its first meeting on January 13. Trustee Roberta Achtenberg is chairing the committee. Over the new few months, they will be reviewing applications to identify and interview semi-finalists. We hope to have someone selected before the end of June. Chancellor Reed and the executive search firm are continuing to identify potential candidates for the presidential vacancy at San Jose State. If you know of anyone who would be a good candidate, please let the Chancellor know.

Last Thursday I had the privilege of attending the meeting of the academic senate as well as a reception. I would like to thank the Senate for inviting me and for their hard work and support of the CSU.

Our very own student trustee, Eric Guerra was featured in the December issue of the California Journal. I hope that most of you had an opportunity to see this very impressive article. It is entitled, "Living the California Dream" and it is all about Eric, his background, his leadership roles in student government and his appointment to the Board of Trustees.

In closed session yesterday, the Board of Trustees completed its six-year review of Chancellor Reed. The Board is responsible for periodically reviewing the Chancellor's performance with regard to educational effectiveness, leadership and management. I want to thank the members of the review team who included Dr. James McCormick, chancellor of the Minnesota State Colleges and Universities; Dr. Robert Caret, former president of San Jose State University and current president of Towson University; Mr. Denny Campbell, a two-term former CSU Trustee, Trustee Roberta Achtenberg, and

EXHIBIT A

Full Board Meeting

January 27-28, 2004

Page 2 of 2

myself. The review team talked separately to a number of individuals who have worked with Chancellor Reed and have had the opportunity to observe his work. This included trustees, former trustees, vice chancellors, CSU presidents, national higher education figures, student leaders, faculty leaders, and leaders from government and from the business community. Based on this input, the Board concludes that Chancellor Reed is a strong advocate for the CSU in obtaining the financial resources that are needed to accomplish the mission of the university. He works constantly to promote the accomplishments of the CSU and its students, faculty, staff and alumni. On behalf of the Board, I'd like to commend Chancellor Reed for all of his hard work and diligence. We feel extremely fortunate to have him at the helm of the CSU and are of the opinion that Charlie Reed is one of the best things to ever happen to the CSU.

We're going to need all the help we can get judging from the governor's proposed 2004/2005 budget plan. Basically, the governor has proposed more budget reductions coupled with fee increases. Our enrollment will also need to be reduced. Yesterday, the Board Committee on Finance heard a detailed report on the impact of the proposed cuts. I know that Chancellor Reed, Executive Vice Chancellor West, the campus presidents and our constituents will be working over the next few months with policymakers to get our message across. The Chancellor's report will provide more details on the proposed budget.

There is a little good financial news to report. The California Public Utilities Commission awarded the California State University and the University of California a total of \$12 million to implement energy efficient programs. CSU will receive half of the total for personnel training, enhancements to monitoring systems and equipment upgrades. All of these will help to reduce energy consumption, save money and further the CSU's environmental initiatives.

Each January, the Chair is required to nominate five trustees to serve on the Committee on Committees. I would like to nominate Robert Achtenberg as chair, and Trustees Bill Hauck, Murray Galinson, Shailesh Mehta and Kyriakos Tsakopoulos. We will vote to approve the committee membership at our March meeting.

Just as a reminder, the next meeting of the Board will be held at Fresno State on March 16 and 17.

That concludes my report.

REPORT OF CHANCELLOR CHARLES B. REED
Board of Trustees
The California State University
January 28, 2004

Thank you, Chair Farar.

Yesterday, I talked mostly about the budget and so I'm not going to repeat all of that except to say that we do have a major, major challenge ahead of us.

When you think about it, the state has taken out of the California State University 771 million dollars. That's about 29% of where we were. Anytime the state takes that part, and Richard talked about this partnership when he was talking about a fee policy, the state has to be a part of this partnership too. The state should support us and step up and say, "Here's how much money that we're going to guarantee you per student." So we've got some work to do there.

We did talk to the Governor's office in Finance about trying to build a new compact or partnership, but the net results with the 30% fee increase on top of the 10%, and then the 10% that the governor recommended and then the fees for graduate students and non residents is a net-net of about 570 million dollars -- even with our fees and even with everything going right. So that's about a 20% reduction from where we were in 2001/2002. Now, yesterday, I said this, but I think I'll just repeat it quickly. Between now and the March board meeting with the presidents, with consultation with the budget summit, with the statewide budget advisory committee, the student organizations, the Academic Senate, Labor we plan to come back to this board with as comprehensive a plan that we can. That plan will include a recommendation about fees and financial aid as a part of that.

Yesterday, I think we were very clear that we have to start the process now to reduce our enrollment. We will be assigning targets to each of the 23 institutions to reduce the enrollment by about 20,000 students or 5%. We will have a plan for our EOP and Academic enhancement in the public schools. We'll try to figure out how we're going to re-direct 4,000 first time college freshmen. We will have a plan about how we'll go about excess units. We will have a plan to defer our common management system probably until 2007 or thereabouts. And lastly, we're also trying to figure out how we might manage our summer operations to make summer as efficient in getting students courses and trying to save some of the state funding. So that's our plan between now and March.

It is critical that the CSU reinforce our mission everyday. How we are working for California, how we are tied to California's economic liability and how we are committed to providing a high quality, accessible higher education for California students. But we can't take our eye off of quality just for accessibility. It just doesn't work. We can't do more and more with less and less. Having said that, I'm very optimistic that the entire CSU family is going to be working together.

EXHIBIT B

Full Board Meeting

January 27-28, 2004

Page 2 of 3

I shared with you that we are putting together a group of labor and other organizations in Sacramento. Patrick Lentz is going to be chairing that for us. We'll be meeting this afternoon to begin talking about that.

I want to share with the board that I had a conversation with John Travis, the head of the California Faculty Association a couple of weeks ago. Proposition 55 is extremely important to all of public education in California. It means over 600 million dollars to the California State University. These are bonds that will provide resources to renovate and build new facilities.

Bill Hauck had called me because of the recent polling about the support for the school bond. The school bond two weeks ago, had the least amount of support statewide that any school bond has had since the early 1990's when one happened to fail. So, Trustee Hauck is our representative on an organization called, "Californians for Higher Education" and they want to try to get out the word to the public, sooner rather than later. So I asked John if the CFA could help us and within just a very few days he called me back and offered to make a \$50,000 donation to the Californians for Higher Education to help purchase television and other media. John, we very much appreciate that.

Let me just quickly recognize Scott McNall who has been serving as interim president of CSU Chico since last June. Scott will be returning to his real position as provost and vice president for academic affairs at Chico next Monday. But, Scott, thank you for your help and your service to CSU Chico and the California State University.

Roy McTarnaghan could not be with us today but Roy, like Joe Crowley -- we lied to both Roy and Joe. We told them we wouldn't need them after Christmas, but both of them agreed to stay.

Roy agreed to stay through this month as the interim president at CSU San Marcos. But Roy will be heading back to Florida on Friday and Karen Haynes will be in San Marcos on Monday. And the good news is Joe has committed to stay with us for the next 5 to 10 years.

Lastly, two pretty big events on our campuses, CSULB has been working for several months with Long Beach Memorial Medical Center about the nursing shortage. As I know that several of our other institutions have. But, CSULB and Long Beach Memorial Medical Center entered into a 15 million dollar, 5 year partnership where Long Beach has committed to increase the number of nursing graduates that will be serving in the system of hospitals between here, Newport, Laguna and the service areas that they have.

It's quite impressive because CSULB's Nursing program is going to increase their size to 1,400 nurses, which is double the size that it is now. They also agreed to produced 350 masters degree nurse practitioners as well as 100 nurses with Associate nursing degrees will move into the BS degree in nursing. That is a pretty big operation and I know in this community, as in many other

communities, meets a huge need for the nursing profession. So Bob, thank you and good luck to Long Beach Memorial.

The other large undertaking was at Cal State San Bernardino. There, Al Karnig has taken a pretty big risk with some of his resources, and he has launched what they are calling the Inland California Television Network. There is no news generated in the Inland Valley, so CSUSB has gone live, every night of the week at 10 p.m. CSUSB will provide news to about 4 million cable owners and then they will repeat that, and so 2 million additional people will have access to that news. I think they will potentially reach 6 million people. So Al, I think that will help put CSUSB on the map.

Chair Farar, that concludes my remarks.