

AGENDA

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

Office of the Chancellor
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California

September 14, 1999, 10:45 a.m.

Presiding: William Hauck, Chairman

Call To Order and Roll Call

Chairman's Report

Chancellor's Report

Report of the CSU Alumni Council: *President – Larry Admanson*

Report of the California State Student Association: *Chair – Stephanie Rahlfs*

Report of California Postsecondary Education Commission – *Ralph R. Pesqueira*

Approval of Minutes of Board of Trustees' Meeting of July 8, 1999

Report of Committees

Committee on Audit: *Chair—Stanley T. Wang*

Committee on Finance: *Chair—Anthony M. Vitti*

Committee on Campus, Planning Buildings and Grounds: *Chair—Ali C. Razi*

1. Amend the 1999/2000 Capital Outlay Program, Nonstate Funded
2. Amend the 1999/2000 Capital Outlay Program, State Funded
4. State and Nonstate Funded Capital Outlay Program 2000/2001
5. Certify a Final Environmental Impact Report, Approve the Campus Master Plan Revision, and Amend the Nonstate Funded Capital Outlay Program for the Multi-Purpose Event Center at California State University, Fresno
6. Campus Master Plan Revision—California State University, Sacramento
7. Streamlining Policies on Professional Appointments and Approval of Schematic Plans

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

1. Revised Schedule of Board of Trustees' Meetings, 1999/2000
2. Amendments to the Standing Orders—Delegation of Capital Outlay Project Processing

Committee on University and Faculty Personnel: *Chair—Ralph R. Pesqueira*

1. Proposed Revision of Title 5 Regulations—Amendment of CSU Conflict of Interest Code
2. Executive Compensation

Committee on Institutional Advancement: *Chair—Martha C. Fallgatter*

1. Naming of Facility—California State University, Sacramento
2. Naming of Facility—California State University, Channel Islands

**Joint Meeting (Committees on Educational Policy and Institutional Advancement):
*Chair—William D. Campbell***

Committee on Collective Bargaining: *Chair—Michael D. Stennis*

Committee on Governmental Relations: *Chair—Joan Otomo-Corgel*

1. 1999-00 Legislative Report No. 5

Committee on Educational Policy: *Chair—William D. Campbell*

2. Proposed Revision to Title 5 Regulations—CSU Admission Requirements for First-Time Freshman and Upper Division Transfer Students
3. Academic Plan Update for Fast-Track Program Development

Committee of the Whole: *Chair—William Hauck*

Communications and Correspondence

Old Business

New Business

Public Comment

Adjournment

**MINUTES OF 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**

July 8, 1999

Trustees Present

William Hauck, Chairman
William D. Campbell
Martha C. Fallgatter
Bob Foster
Harold Goldwhite
Laurence K. Gould, Jr.
Dee Dee Myers
Joan Otomo-Corgel
Ralph R. Pesqueira
Frederick W. Pierce, IV
Ali C. Razi
Charles B. Reed, Chancellor
Michael D. Stennis
Anthony M. Vitti
Stanley T. Wang

Trustees Absent

Cruz Bustamante, Lt. Governor
Gray Davis, Governor
Delaine Eastin, Superintendent of Public Instruction
Antonio Villaraigosa, 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
Douglas X. Patiño, Vice Chancellor, University Advancement
Christine Helwick, General Counsel
Jackie McClain, Vice Chancellor, Human Resources

Chairman Hauck called the meeting to order at 10:50 a.m.

Chairman's Report

Chairman Hauck reminded the trustees that it is trustee policy that the chairman of the board approve a budget for State University House and report it to the board each year. He said the operating policies and procedures specify that the board chair has the authority to approve that budget. Chairman Hauck advised the trustees that he had approved the 1999/2000 operating budget for the State University House in the amount of \$81,435. He said these were nonstate funds generated from the sale of the previous state house in Bel Air, and that all proceeds from the sale are to be used for maintenance, furnishings, and related expenses on the current residence.

Chairman Hauck asked Dr. Gene Dinielli, chair, statewide academic senate to introduce the 1999/2000 members of the Senate's executive committee: Jacquelyn Kegley, vice chair, CSU Bakersfield; Les Pincu, secretary, CSU Fresno; members-at-large Rafor Boddy, San Diego State University; and Vince Buck, CSU Fullerton.

Chairman Hauck asked Stephanie Rahlfs, chair, California State Student Association, to introduce the 1999/2000 members of CSSA's executive committee: Ivan Pierce, chair, Legislative Affairs Committee, CSU Bakersfield; Richard Ingram, chair, University Affairs Committees, CSU Monterey Bay; and Jason Rollingson, vice chair, Internal Affairs, San Diego State University.

Larry Adamson, president, statewide alumni council, reminded the trustees that the official opening of the Council's theme program for 1999/2000, CSU Celebrating Teachers, would be held September 13th at the Long Beach Renaissance Hotel, with a special recognition at the trustees' meeting on the 14th.

(The complete text the Chairman's Report is attached marked Exhibit "A.")

Chancellor's Report

Chancellor Reed welcomed President Jim Lyons, CSU Dominguez Hills, and Interim President Louanne Kennedy to the meeting.

Chancellor Reed said that based on a recent conversation with Governor Davis, he anticipates the Governor making appointments to the board in late August or early September. He said after the vacancies on the board were filled; he planned to have a retreat to focus on the main policies of the board and next year's budget.

Chancellor Reed informed the trustees that the CSU, in partnership with UC, participated in launching the governor's elementary reading initiative and that the CSU will provide education instruction to over 6,000 reading teachers throughout California this summer.

Chancellor Reed asked Chairman Hauck to join him at the podium to recognize and honor the CSU Headquarters Building Authority. Chancellor Reed informed the trustees that the Building Authority had been in place for over 27 years and its careful handling of bonds made the construction of the new building possible. Chancellor Reed introduced the members of the Building Authority that were present: Donald Wallace, Gene Lasers, Bill Barnes and Jerry Shipski. Chancellor Reed informed the trustees that Mr. Wallace had been with the Building Authority for the past 27 years and thanked him for his great leadership. Chancellor Reed said that to honor Mr. Wallace the largest conference room in the new facility would be named the Donald C. Wallace Jr. Conference Room.

Chancellor Reed said that in 1991 the board named the auditorium in the previous building the Glenn S. Dumke Conference Center. Dr. Dumke served as chancellor from 1962 to 1982. Chancellor Reed asked Mrs. Dorothy Dumke Elliot to come forward and thanked her for her husband's extraordinary vision and remarkable leadership that had molded and built the CSU. Chancellor Reed said that to continue CSU's ongoing admiration for Dr. Dumke's work, the auditorium in the new facility would carry the name of the Glenn S. Dumke Conference Center.

Chancellor Reed reported that it was the 25th anniversary of the CSU Board of Trustees' Award for Outstanding Achievement to students. He said the awards started in 1974 with a generous contribution from Evelyn D. Armor that established the scholarship trust. He said that when the scholarship fund was depleted, the CSU trustees and other contributors continued to fund the scholarship program for those students that show financial need, superior academic performance, remarkable accomplishments, and community service. Chancellor Reed was happy to report that the Hearst Foundation had increased its endowment to support the scholarship program from \$100 thousand to \$300 thousand, allowing for more scholarships for deserving students. He reported that the scholarship program would now be called the Hearst/CSU Trustees' Award for Outstanding Achievement. This year's award recipients are: Andrews Casagrande, CSU Long Beach, with a 4.0 grade point average; Susan Jones, San Francisco State University, with a 3.9 grade point average; and, Aimee Web, CSU Chico, with a 4.0 grade point average.

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

Report from the California Postsecondary Education Commission

Trustee Pesqueira, CSU representative to CPEC, referred the trustees to the report contained in their packets.

Approval of Minutes

The minutes of the Board of Trustees' Meeting of May 12, 1999, were approved as submitted.

Agenda Items for Board of Trustees' Consideration

Conferral of the Title *Student Trustee Emeritus* (RBOT 07-99-09)

Chairman Hauck asked for a motion to approve the resolution; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, Eric C. Mitchell was first appointed a member of the CSU Board of Trustees in 1997, fulfilling a variety of roles therein, including service on the Committees of Finance; Audit; Educational Policy; Governmental Relations; Campus Planning, Buildings and Grounds; and University and Faculty Personnel; and,

WHEREAS, He has broadly participated in the larger work of the board, adding his perspective and individual talents to its discussions and decisions, with noteworthy contributions as a participant in the Cornerstones Initiative and as a member of the search committee for the new chancellor; and

WHEREAS, In his role as Student Trustee, he has championed the more than 350,000 students of the CSU, promoting their interests as well as the greater good of the university; and,

WHEREAS, The California State University is pleased to distinguish those members who have made signal contributions to the California State University; now, therefore, be it

RESOLVED, By the Board of Trustees of The California State University, that this board confer the title of Student Trustee Emeritus on Eric C. Mitchell with all the rights and privileges pertaining thereto.

Conferral of the Title *President Emeritus* (RBOT 07-99-10)

Chairman Hauck asked for a motion to approve the resolution; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, Blenda J. Wilson has completed her term of distinguished service as the third president of California State University, Northridge, which has, under her leadership, proudly marked its forty years of service to the region; and

WHEREAS, During her seven years as president, she has met and mastered numerous challenges to the university community, including a natural disaster which endangered both the ongoing education of the students and the physical structure of the university itself; and

WHEREAS, Dr. Wilson has by her resolute leadership, wise counsel, and personal integrity served in an exemplary fashion the students, faculty, and staff of the California State University; and

WHEREAS, Dr. Wilson has markedly advanced the local, state, and national reputation of the university, and has, through her advocacy and personal efforts, greatly increased the flow of outside support; now, therefore; be it

RESOLVED, By the Board of Trustees of The California State University, that this board confer the title of President Emeritus on Blenda J. Wilson with all the rights and privileges pertaining thereto.

CSSA Award Presentation

Mette Adams, previous chair, CSSA, recognized Chairman Hauck for his service as a distinguished member of the board since 1993 and in appreciation for the commitment shown to CSU students as exemplified by his responsiveness to the California State Student Association.

Report of Committees

Report from the Committee on Finance

Trustee Vitti, chair, reported for the committee.

Trustee Vitti reported the committee heard one information item and two action items. The information item consisted of a status report on the 1999/2000 Support Budget.

Proposed Merge of Two Auxiliary Organizations at Humboldt State University (RFIN 07-99-07)

Trustee Vitti moved the resolution; 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 approve, pursuant to Section 42600 of Title 5 of the California Code of Regulations, Humboldt State University Center Board of Directors as the successor to the net assets, other than trust funds, of Lumberjack Enterprises, upon its scheduled dissolution.

1999/2000 State University Fee Schedule (revised) (RFIN 07-99-08)

Trustee Vitti moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that if the state budget as enacted provides funds in support of a 5 percent reduction in undergraduate and graduate State University Fees, the following schedule for the State University Fee is approved for the 1999/2000 academic year effective the fall term 1999 and until further amended:

1999/2000 State University Fee Schedule (Effective fall term 1999)

All campuses, except California State University, Stanislaus:

<u>Units</u>	<u>Per Semester</u>	<u>Per Quarter</u>	<u>Per Academic Year</u>
Undergraduate			
6.1 or more	\$714	\$476	\$1,428
0 to 6.0	\$414	\$276	\$ 828
Graduate			
6.1 or more	\$753	\$502	\$1,506
0 to 6.0	\$438	\$292	\$ 876

California State University, Stanislaus:

<u>Units</u>	<u>Per Semester</u>	<u>Winter Term</u>	<u>Per Academic Year</u>
Undergraduate			
6.1 or more	\$650	\$128	\$1,428
0 to 6.0	\$350	\$128	\$ 828
Graduate			
6.1 or more	\$685	\$136	\$1,506
0 to 6.0	\$370	\$136	\$ 876

And, be it further

RESOLVED, That the chancellor may approve individual campus State University Fee rates that do not exceed the maximum fee rates established by this fee schedule for the 1999/2000 fiscal year.

Report from the Committee on Campus Planning, Buildings and Grounds.

Trustee Razi, chair, reported for the committee.

Trustee Razi reported the committee heard four information items and four action items. The information items included professional appointments, seismic safety, the final 1999/2000 capital outlay budget and the draft five-year capital improvement program. Trustee Razi reported that agenda item 5, the streamlining proposal, was deferred to the September meeting.

Amend the 1999/2000 Capital Outlay Program, Nonstate Funded (RCPBG 07-99-10)

Trustee Razi moved the resolution; 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 1999/2000 Nonstate Funded Capital Outlay Program be amended to include: (1) \$3,614,000 for preliminary plans, working drawings, construction and equipment for the California State University, Bakersfield, Classroom/Office Building III Complex; (2) \$20,000,000 for preliminary plans, working drawings, construction and equipment for the California State University, Los Angeles, Bookstore/Cafeteria and (3) \$37,884,000 for preliminary plans, working drawings, construction and equipment for the San Diego State University, Residential Housing and Dining Complex.

Policy on the Roles in the Physical Development of CSU Campuses (RCPBG 07-99-11)

Trustee Razi moved the resolution; 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 updated "Policy on the Roles in the Physical Development of CSU Campuses" contained in Attachment A of Agenda Item 4 of the July 7-8, 1999, meeting of the Committee on Campus Planning, Buildings and Grounds be approved.

Approval of Schematic Plans – California State University, Bakersfield – Classroom/Office Building III Complex (RCPBG 07-99-12)

Trustee Razi moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, upon consideration of the information provided in the Mitigated Negative Declaration prepared for the California State University, Bakersfield, Classroom/Office Building III Complex, the board finds that:

1. The Mitigated Negative Declaration, with reference and consideration to the Final Master Environmental Impact Report (Master EIR) prepared and approved by the Board of Trustees in January 1995, for the California State University, Bakersfield, Campus Master Plan, was prepared for this subsequent project pursuant to the requirements of the California Environmental Quality Act; and
2. With the implementation of the mitigation measures set forth in the previously certified Master EIR and Mitigated Negative Declaration prepared for this project and identified specifically in Attachment A herein, the proposed project will not have a significant effect on the environment; and
3. The project will benefit The California State University; and, be it further

RESOLVED, That the additional mitigation measures and implementation of the recommended improvements specified in the Mitigated Negative Declaration are hereby adopted, in addition to those mitigation measures adopted in the previously certified Master EIR as part of this approval of the California State University, Bakersfield, Classroom/Office Building III Complex; and, be it further

RESOLVED, That the mitigation measures shall be monitored and reported in accordance with the plan included as Attachment A herein which meets the requirements of the California Environmental Quality Act (Public Resources Code, Section 21081.6); and, be it further

RESOLVED, That the chancellor or his designee is requested under Delegation of Authority by the Board of Trustees, to file the Notice of Determination for the California State University, Bakersfield, Classroom/Office Building III Complex; and, be it further

RESOLVED, That the schematic plans for the California State University, Bakersfield, Classroom/Office Building III Complex are approved at a project cost of \$12,578,000 at CCCI 3847.

Report from the Committee on Institutional Advancement

In the absence of Trustee Fallgatter, chair, Trustee Gould, vice chair, reported for the committee.

Trustee Gould reported the committee heard five action items and recommends the approval of all five items.

Policy and Procedure on Naming California State University Colleges, Schools, and Other Academic Entities (RIA 07-99-05)

Trustee Gould moved the resolution; 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 adopt the proposed policy and procedure on naming California State University Colleges, Schools, and Other Academic Entities as contained in Attachment A to Agenda Item 1 of the July 7-8, 1999, meeting of the Committee on Institutional Advancement.

Naming of Academic Program – California State Polytechnic University, Pomona (RIA 07-99-06)

Trustee Gould moved the resolution; 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 School of Hotel and Restaurant Management at California State Polytechnic University, Pomona, be designated the Collins School of Hospitality Management.

Naming of Facility – San Francisco State University (RIA 07-99-07)

Trustee Gould moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that a building located at the Romberg Tiburon Center, a San Francisco State University property, be designated The Ohrenschall Guest Center.

Naming of Facility – California State University, San Marcos (RIA 07-99-08)

Trustee Gould moved the resolution; 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 track and soccer field at California State University, San Marcos, be designated The Mangrum Track and Soccer Field.

Amend Policy and Procedure on Naming California State University Facilities and Properties (RIA 07-99-09)

Trustee Gould moved the resolution; 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 adopt the proposed revisions of its policy and procedure on naming CSU facilities and properties as contained in Attachment A of Agenda Item 5 of the July 7-8, 1999, meeting of the Committee on Institutional Advancement.

Report from the Committee on Governmental Relations

Trustee Otomo-Corgel, chair, reported for the committee.

1999-2000 Legislative Report No. 4 (RGR 07-99-05)

Trustee Otomo-Corgel moved the resolution; 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 1999-00 Legislative Report No. 4 is adopted.

Report from the Committee on Audit

Trustee Wang, chair, reported for the committee.

Trustee Wang reported the committee heard one information item, a report of current and follow-up internal audit assignments.

Report from Committee on Collective Bargaining

Trustee Stennis, chair, reported for the committee.

Trustee Stennis reported the committee ratified the two-year agreement with the Academic Professionals of California and heard comments from the Academic Professionals of California, the California Faculty Association, and the California State Employees Association.

Report from the Committee on Organization and Rules

Trustee Gould, chair, reported for the committee.

Amendment to Standing Orders (ROR 07-99-02)

Trustee Gould moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

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

1. The following confirmation of the authority and responsibility of the General Counsel of the California State University and placement in the Trustees' Standing Orders is not controversial and requires no further discussion;
2. Chapter IV of the Standing Orders of the Board of Trustees is amended to add section 3 to read as follows:

§ 3 General Counsel

- a. The General Counsel is the chief legal officer of the California State University and has full authority and responsibility for the legal affairs of the institution.
- b. The General Counsel has the authority to advise and represent the Trustees, the Chancellor, the Presidents, and other officers or employees of the California State University in legal matters that may result from their service to, or employment by, the California State University.

- c. The General Counsel is authorized to accept service of process for the Trustees, the Chancellor and the Presidents, for any matter arising out of their service to, or employment by, the California State University.
- d. The General Counsel is authorized, after consultation with the Chancellor and/or appropriate campus Presidents, to settle, terminate or otherwise resolve all claims and litigation, and to sign all documents relating to such action(s) on behalf of the Trustees, the Chancellor, the Presidents, and those officers or employees of the California State University for whom the Office of the General Counsel also provides representation.

Report from Committee on Educational Policy

Trustee Campbell, chair, reported for the committee.

Trustee Campbell reported the committee heard two information items. The information items consisted of a report on CSU's role in workforce preparation and a proposed revision to Title 5 admission requirements for first-time freshmen and upper division transfer students.

Communication and Correspondence

Old Business

New Business

Public Comments

The Board heard comments from union representatives, Charles F. Goetzl, president, Academic Professionals of California; Susan Meisenhelder, president, California Faculty Association; Pauline Robinson, division director, California State Employees Association; Jerry McIntyre, California Employees Association; Stephanie Rahlfs, chair, California State Student Association; and, Elizabeth Hopkins, California Faculty Association.

Adjournment

The meeting adjourned at 12:00 p.m.

**REPORT OF CHAIRMAN WILLIAM HAUCK
Board of Trustees
The California State University
July 8, 1999**

First item on the agenda is the Chairman's Report. You have in your packet a report on the State University House. It is board policy that the chairman of the board approves an annual budget for the State University House and reports this action at the July meeting. The 1999-2000 operating budget was approved in the amount of \$81,435, with provision for supplies, services, and utilities. The funding, which is non-state money, is derived from the proceeds of the sale of the previous State House in Bel Air. The trust fund is restricted to supporting the operation, furnishing, and maintenance of the State University House. If there are any questions, I will be happy to answer them. If not, I would now like to ask Gene Dinielli to introduce new Executive Committee members of the Academic Senate.

Dinielli: It's a high honor and privilege, Chair Hauck, to introduce the 1999-2000 Executive Committee. Professor Jacquelyn Kegley, who is vice chair, is not present. She is from Bakersfield. We have Professor Les Pincu from Fresno, as secretary, and the two members-at-large are Professor Raford Boddy from San Diego State and Professor Vince Buck from Fullerton. I predict, Mr. Chair, that you and the trustees will be well-served by this bunch.

Hauck: I would also like to give the CSSA the opportunity to introduce their new folks. The new chair is Stephanie Rahlfs.

Stephanie Rahlfs: Thank you. I am proud to introduce my new executives for this year. We have Ivan Pierce from CSU Bakersfield. He is the chair of Legislative Affairs Committee. To my left is Richard Ingram from CSU Monterey Bay, and he is the chair of our University Affairs Committee. We also have our new Internal Affairs vice chair, Jason Rollingson, from San Diego State University, and we are eagerly awaiting the election of our new External Affairs vice chair. Thank you.

Hauck: Thank you, Stephanie. Finally, in this regard, I want to give Larry Adamson, who is the new Alumni Council president, the opportunity to make an announcement and introduce anyone else who might be here. Larry.

Larry Adamson: Thank you very much, Mr. Chairman. I think you are well-acquainted with our immediate past president, Gwynna Morris, who is here on my left. Our other officers have left after our meeting of yesterday. Terry Clark, our new vice president of planning, is from Humboldt; Stan Van Flack is our government affairs vice president; and our president-elect, Wayne Edelstein, who will follow me, is from Northridge. Mr. Chairman, Trustees, Chancellor Reed and staff, Presidents, faculty, students: I would like to take a moment to expand upon an announcement made by Trustee Fallgatter at her Institutional Advancement Committee meeting yesterday. On the eve of your next trustee meeting in September, we are pleased that the trustees and that the chancellor will join us in supporting the official kickoff of the Council's 1999-2000 theme program: The CSU Celebrating

EXHIBIT A
Full Board Minutes
July 8, 1999

Teachers. On September 13, at the Long Beach Renaissance Hotel, we will be introducing and honoring the best of our teaching alumni, as selected by each of the campuses. Over twenty K-12 teachers will be acknowledged for their dedication in educating our young people.

This theme program began over a year ago, and I am pleased at the response and support that we have received from the campuses, particularly the presidents and their Schools of Education; and I am equally pleased that the theme has been so very timely, given the current environment here in California. On Tuesday the 14th, we will be joining with you in your formal recognition here at the trustee meeting. As you know, there are many institutions—the Harvards, Stanfords, Michigans—that claim that they educate the leaders of tomorrow. I believe that is simply not true. I propose that they merely provide the window dressing, that the real true education and the foundation occurs in the classrooms that are staffed by the CSU alumni teachers. And we hope you will be able to join us on the 13th as we honor the best of the best. Formal invitations will be in your mailboxes shortly. Mr. Chairman, I thank you for giving me the opportunity to address you.

Hauck: Thank you very much. Thank you to all of you. As always, I think the board is anxious to work with all of you toward our mutual goals. Finally, I just wanted to say a word of thanks to the chancellor, Richard West, and Karen Yelverton particularly, with respect to the passage of the state budget and obviously that piece which includes the CSU. It was only a very few years ago that we were not looking at augmenting our budget by hundreds of millions of dollars. We were looking at budget problems that were subtracting hundreds of millions of dollars from our budget and certainly creating a tremendous amount of difficulty for everybody associated with the CSU. I think it's important for us to remember where we came from and not to assume that things necessarily will always be as good as they happen to be now. So you all ought to use this money wisely. But it was a very skillful job, I think, done by Richard and by the chancellor and by Karen to achieve what we have achieved at this point; and certainly it will make a real difference in the operation of each of our campuses, and make a difference, I think, for every individual student who attends the CSU. With that, I will call on the chancellor for his report.

REPORT OF CHANCELLOR CHARLES B. REED
Board of Trustees
The California State University
July 8, 1999

Chancellor Reed: Thank you, Mr. Chairman. First, I would like to welcome Jim Lyons to his first trustee meeting as the new president of CSU Dominguez Hills. Louanne Kennedy, the interim president at Northridge, is ill and could not be here, but Louanne is doing an outstanding job.

As Chairman Hauck said, we are very pleased with the budget on a \$2 billion base. We went over 7 percent and that is a lot of money. So, members, please drop a note, frankly a handwritten note, to the governor and thank him for helping the CSU. We spent a lot of time in the last few weeks on the budget, legislative matters, and labor negotiations. And I am very pleased with the labor contracts and the spirit shown by the folks who worked together in our office and in the labor organizations as they worked and focused on what was best for California State University.

I am sorry that Student Trustee Eric Mitchell was not able to be with us last night and today, but Eric gave notice to the governor and to me that he wants to get on with his life. He has served this board as the student trustee representative in an outstanding way. In a few minutes, this board will be taking action to pass a resolution to honor Eric, but Eric made the decision that he wanted to get to work and do some things that he had always wanted to do. And he thought that also might help get some new trustees appointed to this board.

I have had a brief conversation with the governor a few weeks ago and he anticipates that sometime in August or the first of September he will try to make some appointments to this board. Once he has done that, then what I would like to do is to work with all of you to see if we can schedule a retreat with the board to focus on the main policies of this board and our upcoming budget. We have got to begin work on that. In fact, we have already started. We talked to all of the presidents in a retreat, a week before last, about our 2000-2001 budget.

Also, this last month, we participated with the governor in launching the governor's elementary reading initiative, in which I am very proud of the CSU and its partnership with UC. We will be providing education instruction to over 6,000 reading teachers throughout California this summer, and that is ongoing on almost all of our campuses. In addition to that, we participated in the kickoff of the *LA Times*' "Reading by 9" project and thought that that was very successful.

Trustee Larry Gould has also launched the search for a new president at CSU Northridge. We will keep you informed as we progress. We have set a target to try by the 1st of January to be able to name a new president of Northridge. That is optimistic; we may or may not be able to meet that time, but we have set that as a part of our schedule.

EXHIBIT B
Full Board Minutes
July 8, 1999

We had one of our faculty members receive a simply outstanding recognition some two weeks ago. Shawn Carlson, who is a professor of physics at San Diego State, was awarded a MacArthur Foundation genius award. Not only is it a prestigious award but \$300,000 tax-free goes with it, so that's not bad. That is a great honor for Shawn and also for our system.

Since Long Beach State always gets recognized for something in the sports world, I decided to check out the other places and let me just say this: Chico State's baseball team won the Division II National Championship; Humboldt State's women's softball team won the national championship. So, Bob, they are coming at you quickly.

One other thing: we had a meeting with all the presidents yesterday focusing on technology, and I think we are moving down that road with a \$10 million appropriation and have a good technology plan in place, so we are not going to need to meet today. So, I am pleased with that.

At this time, I would like to ask Chairman Hauck to join me at the podium because I would like to recognize and honor the CSU Headquarters Building Authority. This is an authority that has been in place for over 27 years and really has made it possible for us to build this new facility, made it possible for the trustees to join in a partnership with the Authority and to figure out how to pay for, in a tax-free way with local bonds, this building. They have performed their fiduciary responsibility in an outstanding way for more than 27 years.

So, Chairman Hauck, I would like to introduce the four members who are here and ask them to stand: Donald Wallace, Gene Lassers, Bill Barnes, and Gerrie Schipske. We thank all of you. Donald—if you would come forward—we would like to publicly thank you for your service to the Headquarters Building Authority. Don has served for over 27 years and has been the person that has looked after the bonds, looked after the trustees, making sure the we made our annual payments to retire those bonds and made it possible to issue new bonds to build this new facility. We want to honor the Authority but also honor Don Wallace for his great leadership. What we have chosen to do is to dedicate the largest conference room we have and to name that conference room the Donald C. Wallace Jr. Conference Room. We thank all the members of the Headquarters Authority; we thank you, Don, for your service for California State University. And, as somebody said, this Authority had a mission to keep the CSU headquarters building in Long Beach and you have accomplished that. I ask Chairman Hauck to thank Don.

Hauck: Don, on behalf of the board and on behalf of all of the people who are enjoying this building, thanks very much for a lot of years of great work.

Don Wallace: I've been warned not to take too much time because obviously you're having a long-term meeting, but I would like to introduce my fellow members with my committee. And, actually, I have served with that committee for 37 years, if you can believe it. It started back in 1962 with Glenn Dumke—I was on his economic studies group and we met in Los Angeles Cal Fed Building. Dr. Dumke asked me if I would like to come down and work on this committee. Then the first thing I knew I was appointed chairman. So ever since 1962, old Don Wallace has faithfully helped to

provide for the Headquarters Authority. The committee members signed bonds for \$35 million in connection with this new building that was erected; and we certainly feel very proud of the fact that we think the money was extremely well spent. We love the building and we hope we will get better acquainted with it.

Please let me introduce my wife, Elizabeth Wallace. She was a member of the Long Beach Board of Education for 21 years. To her left is my daughter, Ann Wallace McAndrews; then there is her daughter and my secretary, Jenny Edley, and also my son Alex.

Let me introduce the committee. Gerrie Shipske comes from to us from Long Beach as a joint appointee. Gerrie has served for many, many years. And then Gene Saspers, who has been with our committee, the Building Authority Committee, for many, many years – very loyal. Then, Bill Barnes, who dates back to Long Beach Poly High School when he and I were appointed to be the co-chairmen of the Interracial Committee, and who has been in education now for the last 40 years or so. It has been a pleasure to serve for these last 37 years with our particular committee, and our Authority is very, very proud of your new building. Thank you very much.

Reed: Next, I would like to ask former Chancellor Dumke's wife, Mrs. Dorothy Elliott, if she would come forward. As all of you know, Dr. Glenn S. Dumke served as the CSU chancellor from 1962 through 1982. That's a record in these jobs. During his distinguished career, the CSU grew from 16 separate state colleges to become the nation's largest senior system of higher education universities. Dr. Dumke's extraordinary vision and remarkable leadership molded and built an outstanding California State University which is highly regarded today. In 1991, this board named the auditorium in the building across the street as the Glenn S. Dumke Auditorium. We have decided to transfer the title of the old auditorium to the new auditorium to express our ongoing admiration for Dr. Dumke's work. So I am pleased to let you know today that this auditorium is hereby named the Glenn S. Dumke Conference Center. So thank you, Mrs. Elliott, for joining us, and allowing us to honor Dr. Dumke for all of the work that he did for California State University.

Mrs. Elliott: I just can't lose the opportunity to thank Chancellor Reed for the beautiful statement; it's a beautiful building. I haven't seen anything but this magnificent meeting room. Glenn would have been so pleased to know that his name is carried on; and, of course, I keep up to date with your various successes through the *Los Angeles Times* and other sources. So, anyway, it is wonderful to be here, and thank you for honoring Glenn and for allowing me to be here.

Reed: We will continue naming some conference rooms and other places in the building as we continue to meet. We expect Barry Munitz to be here in September and we will dedicate the Munitz Room. I may also say that I have the privilege today to mark the 25th anniversary of the CSU Board of Trustees' Award for Outstanding Achievement to students. The awards started in 1974 with a generous contribution from Evelyn D. Armer which established a scholarship trust. Then and now, the \$2,500 trustee scholarships are awarded each year to CSU students who show financial need, superior academic performance, remarkable accomplishments, and community service. When the scholarship fund was depleted, the CSU trustees and other contributors continued to fund the

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scholarship program; and for that, we have to thank Ali Razi and the other trustees for their service, for their generosity and their contributions that kept the scholarship program alive. Ali, thank you and your colleagues for that.

The good news this year is that the Hearst Foundation has agreed to merge the Hearst Scholarship program and the CSU Trustees' Scholarship program. With that, the Hearst Foundation has increased its endowment to support the scholarship program from \$100,000 to \$300,000, allowing us to offer even more scholarships to deserving students. The program now will be called the Hearst/CSU Trustees' Award for Outstanding Achievement. We thank the Hearst Foundation for its generous support, and we even believe after next year the Hearst Foundation will give us another \$100,000.

I would like to give a brief introduction of these award recipients. They are, first, Andrew Casagrande, a junior at Cal State Long Beach with a 4.0 grade point average in psychology. I believe that Andrew is from western Pennsylvania. Andrew has succeeded in spite of a difficult family situation. He counsels other students and helps the disabled and is active in university athletics.

Second is Susan Jones who comes to us from San Francisco State with a 3.9 grade point average in humanities. Susan is a transfer student from the City College of San Francisco. Despite the hearing loss and health problems that ended her long career in the theater, she continues to help students as an English tutor.

And, third, Aimee Webb, a re-entry junior who is at CSU Chico with a 4.0 grade point average in sociology. As a young mother with personal challenges, and no high school diploma, Aimee turned her life around. She entered a recovery program, graduated from a community college with a 4.0, and then transferred to CSU Chico. She has written a play entitled *Life of an Addict*, which she directs and performs in local schools to teach kids not to use drugs. These three students we applaud today because they are among the best and brightest in the CSU system. As we prepare to build an even better CSU in the future, these students represent the very best about what we are all about. Now, I would like to ask if somebody would turn on the video so that we can see something about these students.

{ Video presentation on the three trustees' scholars }

Reed: That concludes my report, Mr. Chairman.