TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY
SCHEDULE OF MEETINGS

March 17-18, 1998

Glenn S. Dumke Conference Center
400 Golden Shore
Long Beach, California 90802

<table>
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<tr>
<th>Time*</th>
<th>Committee</th>
<th>Location</th>
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<tbody>
<tr>
<td><strong>Tuesday, March 17, 1998</strong></td>
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<tr>
<td>11:30 a.m.</td>
<td>Committee on Educational Policy—<em>Closed Session</em></td>
<td>Board Room</td>
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<td>Honorary Degrees (Government Code Section 11126[c][5])</td>
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<td>12:00 p.m.</td>
<td>Closed Session—Honorary Degrees (Government Code Section 11126[c][5]); Personnel Matters, including Executive Review and Selection of the Executive Vice Chancellor (Government Code Section 11126[a]) <em>(Luncheon)</em></td>
<td>Board Room</td>
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<tr>
<td>1:00 p.m.</td>
<td>Ad Hoc Committee on Technology Utilization</td>
<td>Auditorium</td>
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<td>1:30 p.m.</td>
<td>Committee on University and Faculty Personnel</td>
<td>Auditorium</td>
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<td>1:45 p.m.</td>
<td>Committee on Educational Policy</td>
<td>Auditorium</td>
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<td>2:45 p.m.</td>
<td>Committee on Finance</td>
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<td>3:15 p.m.</td>
<td>Committee on Organization and Rules</td>
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<td>3:30 p.m.</td>
<td>Committee on Campus Planning, Buildings and Grounds</td>
<td>Auditorium</td>
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<td>4:00 p.m.</td>
<td>Committee on Institutional Advancement</td>
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<td>4:15 p.m.</td>
<td>Committee on Governmental Relations</td>
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<td>4:30 p.m.</td>
<td>Committee on Audit</td>
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<td><strong>Wednesday, March 18, 1998</strong></td>
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<tr>
<td>8:30 a.m.</td>
<td>Committee on Collective Bargaining—<em>Open Session</em></td>
<td>Board Room</td>
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<td><em>Closed Session</em>—(Government Code Section 3596[d])</td>
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<td>9:00 a.m.</td>
<td>Committee of the Whole</td>
<td>Auditorium</td>
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<td>10:15 a.m.</td>
<td>Meeting of the Board of Trustees</td>
<td>Auditorium</td>
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**Note:** Anyone wishing to address the trustees who has special requirements, e.g., vision or communication impairment, please contact the Trustees' Secretariat (562) 985-2638, at least 48 hours in advance of the meeting so appropriate accommodations may be made.

*The meetings will begin at or about the above scheduled times. The actual times may be sooner or later than the estimates given, depending upon how quickly the board and its committees proceed with their business.*
AGENDA

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

Glenn S. Dumke Conference Center
400 Golden Shore
Long Beach, California

March 18, 1998, 10:15 a.m.

Presiding: Martha C. Fallgatter

Call to Order and Roll Call

Chairman’s Report

Chancellor’s Report

Report of California Postsecondary Education Commission—Ralph R. Pesqueira

Approval of Minutes of Board of Trustees’ Meeting of January 28, 1998

Agenda Items for Board of Trustees’ Consideration

1. Election of Five Members to Serve on Committee on Committees for 1998-99, Action
2. Appointment of Ad Hoc Committee on Board Operations, Action

Report of Standing Committees

Ad Hoc Committee on Technology Utilization: Chair—Martha C. Fallgatter

Committee on University and Faculty Personnel: Chair—Anthony M. Vitti

1. Executive Compensation

Committee on Educational Policy: Vice Chair—Joan Otomo-Corgel

3. Academic Planning and Program Review

Committee on Finance: Chair—Joan Otomo-Corgel

2. Approval of Tax-Exempt Refinancing for a California State University Auxiliary Organization at California State University, Long Beach

3. Authorization to Refinance Dormitory Revenue Fund Student Union Obligations of the Board of Trustees

4. Application for Financial Assistance for the 404 Hazard Mitigation Grant Program—Designation of the CSU Authorized Agents

Committee on Organization and Rules: Chair—Stanley T. Wang
Committee on Campus Planning, Buildings and Grounds: Chair—Michael D. Stennis
1. Amend the 1997/98 Capital Outlay Program, Nonstate Funded
2. Amend the 1997/98 Capital Outlay Program, State Funded
4. Certify a Final Environmental Impact Report and Approve Parking Structure I—California Polytechnic State University, San Luis Obispo

Committee on Institutional Advancement: Chair—Jim Considine
1. Naming of Facility—California State University, Fresno
2. Naming of Facility—California State University, San Bernardino

Committee on Governmental Relations: Chair—James H. Gray
1. 1997-98 Legislative Report No. 9
2. Education Bond Act: Endorsement by Board of Trustees

Committee on Audit: Chair—Ali C. Razi

Committee on Collective Bargaining: Chair—William Hauck

Committee of the Whole: Chair—Martha C. Fallgatter
2. Private-Sector Participation in Development of the North Campus Property at California State University, Northridge

Communications and Correspondence

Old Business

New Business

Public Comment

Adjournment
MINUTES OF MEETING OF
BOARD OF TRUSTEES

Trustees of The California State University
Glenn S. Dumke Conference Center
400 Golden Shore
Long Beach, California

January 28, 1998

Trustees Present
Martha C. Fallgatter, Chairman of the Board
William D. Campbell
Ronald L. Cedillos
Jim Considine
Bernard Goldstein
Laurence K. Gould, Jr.
James H. Gray
William Hauck
Eric C. Mitchell
Maridel Moulton
Joan Otomo-Corgel
Ralph R. Pesqueira
Alice S. Petrossian
Ali C. Razi
Michael D. Stennis
Stanley T. Wang

Trustees Absent
Roland E. Arnall
Cruz Bustamante, Speaker of the Assembly
William D. Campbell
Gray Davis, Lt. Governor
Delaine Eastin, Superintendent of Public Instruction
Robert G. Foster
Pete Wilson, Governor

Chancellor’s Office Staff
June M. Cooper, Senior Vice Chancellor and Interim Chief of Staff
Charles W. Lindahl, Interim Senior Vice Chancellor, Academic Affairs
Richard P. West, Senior Vice Chancellor, Business and Finance
Douglas X. Patiño, Vice Chancellor, University Advancement
Christine Helwick, General Counsel
Bruce M. Richardson, Deputy General Counsel
Samuel A. Strafaci, Interim Senior Director, Human Resources

Others Present
Barry Munitz, Immediate Past Chancellor
Charles B. Reed, Chancellor Designate
Chairman Fallgatter called the meeting to order at 10:50 a.m.

Chairman’s Report
Chairman Fallgatter reported that the governor had appointed three new members to the board; she welcomed Robert G. Foster, Maridel Moulton, and Alice S. Petrossian to the meeting.

Chairman Fallgatter reported that during the last couple of months she had had the opportunity to attend the Christian A. Johnson Leadership Seminar and a Association of Governing Boards (AGB) retreat for system heads and board chairs. She said the focus of the Christian A. Johnson Leadership Seminar was similar to the goals of the Cornerstones initiative, a commitment to those things most difficult to access: the search for reasoned judgment, rich imagination, personal integrity, and civic engagement. The AGB retreat focused around the role of trustees and board effectiveness.

She said that from these discussions it was apparent that the CSU Board of Trustees is the envy of other boards across the nation because of how this board works so effectively and congenially as a board. She said that she had discussions with Barry Munitz and Charles B. Reed to ensure that the CSU board stays as effective and healthy as it is during this time of transition. Based on those discussions, Chairman Fallgatter reported that she was appointing an Ad Hoc Committee on Board Operations, which will consist solely of former board chairs and the chancellor. She said the committee will meet from time to time in a retreat type fashion to review what the board is doing and what it could do to be better. She said the immediate past chair would serve as the chair of the ad hoc committee. She made the following appointments to the Ad Hoc Committee on Board Operations:

- Martha C. Fallgatter, Chair
- William D. Campbell
- Jim Considine
- Charles B. Reed, Chancellor
- Anthony M. Vitti

Chairman Fallgatter informed the board that she was going to change the meeting agenda just a bit by taking an item out of order. Chairman Fallgatter presented Agenda Item 2 of the items for Board of Trustees’ consideration:

Resolution Honoring Departing Chancellor Barry Munitz (RBOT 01-98-02)
Chairman Fallgatter read and moved the resolution; there was a second.

WHEREAS, Chancellor Barry Munitz has served the California State University system with extraordinary distinction since 1991; and

WHEREAS, He has raised the profile of the CSU and garnered greater respect for its mission of excellence in undergraduate and graduate education, teacher training and work force preparation; and

WHEREAS, He has emerged as a national spokesperson for higher education and captured the attention of the country with his commitment to the CSU and its nearly 400,000 students, faculty, staff and administrators; and

WHEREAS, He fought through the state’s economic downturn and successfully secured stable funding for the system by crafting a four-year financial compact with the governor and legislature; and

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WHEREAS, He imaginatively engineered the transfer of the former Fort Ord Army Base to the system for rebirth as CSU Monterey Bay in what has become a national model of a defense conversion project; and

WHEREAS, He brought the California Maritime Academy into the CSU family, shepherded the formation of the Multi-Campus Regional Center at the former Stockton Developmental Center, and laid the plans for the 23rd CSU campus in Ventura County; and

WHEREAS, He boldly brought the boards of the CSU, the University of California, the California Community Colleges and the state Board of Education together for the first time ever to better serve the students and citizens of the state; and

WHEREAS, His creative approach of “doing things differently” in education has resulted in a public/private partnership that will provide the system with a strong technological backbone for students and faculty; and

WHEREAS, He developed the Cornerstones strategic planning initiative to meet the challenges of access, accountability and funding for the CSU in the 21st century; and

WHEREAS, His far-reaching vision, his gifted leadership, his exceptional wisdom and his warm friendship made him invaluable to the CSU; now, therefore, be it

RESOLVED, By the Board of Trustees of the California State University, that we do hereby honor and graciously thank Barry Munitz for all that he has done for the system and wish him godspeed as he leaves to head the J. Paul Getty Trust.

(The complete text of the Chairman’s Report is attached marked Exhibit “A.”)

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 November 12, 1997, were approved as submitted.

Agenda Items for Board of Trustees’ Consideration

Appointment of Student Trustee to Ad Hoc Committee on Technology Utilization (RBOT 01-98-01)

Chairman Fallgatter 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 appointment of Eric C. Mitchell to the membership of the Ad Hoc Committee on Technology Utilization is confirmed.
Report of Standing Committees

Report from the Committee on Educational Policy
Trustee Campbell, chair, reported for the committee.

Trustee Campbell reported that the board acted in closed session on nominations for honorary degrees and that the committee heard three information items. The information items consisted of a report of the SB 1422 advisory panel, a proposed revision to Title 5 on admission to teacher preparation programs, and a presentation by the Statewide Academic Senate on their study of the CSU baccalaureate degrees.

Report from the Committee on Finance
Trustee Otomo-Corgel, chair, reported for the committee.

Trustee Otomo-Corgel said the committee heard one information item and two action items. The information item provided a status report on the 1998/99 Governor’s Budget.

Delegation of Authority for the Sale of Housing Units at California State University, Monterey Bay (RFIN 01-98-01)
Trustee Otomo-Corgel moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, CSUMB Employee Housing, Inc. (“CEHI”) has been formed for the purpose of promoting and assisting the educational program of the California State University, Monterey Bay (the “University”) as more fully described in the Articles of Incorporation of the Corporation; and

WHEREAS, The Corporation is an auxiliary organization of the California State University governed by California Education Code Section 89900 et seq. and the administrative regulations of the California State University as set forth in California Code of Regulations, Title 5, Section 42400 et seq.; and

WHEREAS, CEHI was created with the objective of implementing an employee housing ownership program to enhance employee recruitment, retention, productivity and participation at California State University, Monterey Bay; and

WHEREAS, Chapter 31, Statutes of 1997 authorizes the trustees to sell housing units on the California State University, Monterey Bay campus transferred from the federal government, in circumstances in which the fee interest in the underlying land remains with the trustees; now, therefore, be it

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

Section 1. The chancellor and the senior vice chancellor, business and finance, and their designees are hereby authorized and directed, for and on behalf of the board, to execute and deliver sale documentation conveying a fee interest in the improvements on the Schoonover Park II parcel on the campus of California State University, Monterey Bay to CSUMB Employee Housing, Inc.
Section 2. The officers of the Board of Trustees, the chancellor, the senior vice chancellor, business and finance, and their designees are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to, and comply with the terms and intent of this resolution and the transaction approved hereby.

Section 3. This resolution shall not constitute or authorize an obligation of the State of California, the Trustees of The California State University, California State University, Monterey Bay, or any officers or employees of any of such entities, and no lending or pledging of the credit of any of such entities is intended or authorized by this resolution.

Section 4. This resolution shall take effect immediately upon its adoption.

Approval of Tax-Exempt Refinancing for a California State University Auxiliary Organization at California State University, Hayward (RFIN 01-98-02)

Trustee Otomo-Corgel moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, The California State University, Hayward Foundation, Inc. (the “Foundation”) has been formed for the purpose of promoting and assisting the educational program of the California State University, Hayward (the “University”) as more fully described in the Articles of Incorporation of the Corporation; and

WHEREAS, The Foundation is an auxiliary organization of the California State University governed by California Education Code Section 89900 et seq. and the administrative regulations of the California State University as set forth in California Code of Regulations, Title 5, Section 42400 et seq., and

WHEREAS, In 1994, the Foundation issued its Bonds Series 1994 in the aggregate principal amount of $5,500,000 (the “Series 1994 Bonds”) on behalf of the Board of Trustees of the California State University (the “Board”); and

WHEREAS, Proceeds of the Series 1994 Bonds were used to finance the construction of a replacement bookstore and administrative offices (the “Bookstore Project”) located on the campus of the California State University, Hayward; and

WHEREAS, The Foundation has determined that it is also desirable to refund and defease the Series 1994 Bonds; and

WHEREAS, The Board has determined that it is desirable to approve the refunding of the Series 1994 Bonds and the refinancing of the Bookstore Project through the issuance of new tax-exempt obligations by the Foundation and thereby comply with federal income tax laws; now, therefore, be it
RESOLVED, By the Board of Trustees of The California State University, as follows:

Section 1. The Board of Trustees hereby approves the issuance of the Foundation’s bonds in an aggregate principal amount not to exceed $6.2 million for the purpose of refinancing the Bookstore Project in the manner described herein.

Section 2. The officers of the Board of Trustees, the chancellor, the senior vice chancellor, business and finance, and their designees are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to, and comply with the terms and intent of this resolution and the transactions approved hereby.

Section 3. This resolution shall not constitute or authorize an obligation of the State of California, the Trustees of The California State University, California State University, Hayward, or any officers or employees of any such entities, and no lending or pledging of the credit of any of such entities is intended or authorized by this resolution.

Section 4. This resolution shall take effect immediately upon its adoption.

Report from the Committee on Audit
Trustee Razi, chair, reported for the committee.

Trustee Razi reported that the committee heard two information items and one committee action item. The information items consisted of a status report of current and follow-up internal audit assignments and a report of the systemwide audit in accordance with generally accepted accounting principles.

Trustee Razi reported that the committee approved Agenda Item 2, Assignment of Functions to be Reviewed by the Office of the University Auditor for Calendar Year 1998.

Report from the Committee on Governmental Relations
Trustee Gray, chair, reported for the committee.

1997-98 Legislative Report No. 8 (RGR 01-98-01)
Trustee Gray 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 1997-98 Legislative Report No. 8 is adopted.

Report from the Committee on Organization and Rules
Trustee Wang, chair, reported for the committee on one information item setting the calendar for trustees’ meetings for the next year.

Amendment to Standing Orders—Deletion of Outdated Language (ROR 01-98-01)
Trustee Wang moved the resolution; there was a second.
The Board of Trustees approved the following resolution:

**RESOLVED, By the Board Trustees of the California State University, that Sections 8-a and 8-i of Chapter III, and Section 2 of Chapter IV of the Standing Orders of the Board of Trustees of the California State University are deleted. The letter designations assigned to paragraphs in Chapter III, Section 8 shall be adjusted accordingly. The deleted paragraphs follow.**

Sections 8-a and 8-i of Chapter III are deleted as follows:

a. **Appointment of Persons Over 70 Years of Age.**

The Chancellor shall be authorized to approve appointments of persons over the mandatory retirement age who otherwise have the qualifications as provided in Education Code Section 89509.

i. **Extension of Employment of Certain Employees Serving in Academic Administrative Assignments Beyond Age 65.**

Pursuant to the policy of the Board that vice presidents and deans retire at age 65 unless authorization is given to continue employment beyond that age, the Chancellor is authorized to extend the employment of any vice president or dean beyond the age of 65, on a year-to-year basis, subject to the provisions of Sections 43593 and 43594 of Title 5 of the California Code of Regulations. Notwithstanding the provisions of Section 1 of Chapter 3 of the Standing Orders, such authorization may be made only by the Chancellor, without further delegation. The Chancellor shall report to the Board of Trustees on actions taken under this subdivision at the next regular meeting of the Board following the action.

Section 2 of Chapter IV is deleted as follows:

§2. **Presidents**

a. **Appointments to Advisory Boards.**

In addition to any other powers and duties a President may have, each President is authorized to appoint Advisory Board members of the campus.

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

Trustee Stennis, chair, reported for the committee.

Trustee Stennis reported that the committee heard two information items and two action items. The information items were a report on professional appointments and a status report on the 1998/98 State Funded Capital Outlay Program.

**Amend the 1997/98 Capital Outlay Program, Nonstate Funded (RCPBG 01-98-01)**

Trustee Stennis 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 1997/98 Nonstate Funded Capital Outlay Program is amended to include: (1) $370,000 for preliminary plans, working drawings, and construction for the CSU Long Beach Child and Family Center Expansion; (2) $12,000,000 for preliminary plans, working drawings, construction and equipment for the CSU Northridge Administration Building; (3) $14,930,000 for preliminary**
plans, working drawings, construction and equipment for the CSU Northridge Health and Human Development and Technology Center; (4) $1,500,000 for preliminary plans, working drawings and construction for the San Jose State University Stadium Renovation.

### Approval of Schematic Plans (RCPBG 01-98-02)

Trustee Stennis moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

1. **Approval of Schematic Plans—California State University, Long Beach—Peterson Hall Addition**

   **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, Long Beach, Peterson Hall Addition project, the board finds that:

   1. The Mitigated Negative Declaration was prepared for this project pursuant to the requirements of the California Environmental Quality Act; and
   2. With the implementation of the mitigation measures set forth in the Mitigated Negative Declaration prepared for this project, 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 mitigation measures and implementation of recommended improvements are hereby adopted as part of this approval of the California State University, Long Beach, Peterson Hall Addition project; 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 is requested, under Delegation of Authority by the Board of Trustees, to file the Notice of Determination for the California State University, Long Beach, Peterson Hall Addition project; and, be it further

   **RESOLVED,** That the schematic plans for the California State University, Long Beach, Peterson Hall Addition project are approved at a project cost of $31,421,000 at ENR 5734.

2. **Approval of Schematic Plans—California State Polytechnic University, Pomona—Agriscapes**

   **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 Polytechnic University, Pomona, Agriscapes project, the board finds that:

   1. The Mitigated Negative Declaration has been prepared for the project pursuant to the requirements of the California Environmental Quality Act; and
2. With the implementation of the mitigation measures set forth in the Mitigated Negative Declaration prepared for this project, 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 mitigation measures and implementation of recommended improvements are hereby adopted as part of this approval of the California State Polytechnic University, Pomona, Agriscapes project; and, be it further

RESOLVED, That the mitigation measures shall be monitored and reported in accordance with the plan included as Attachment B 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 is requested, under the Delegation of Authority granted by the Board of Trustees, to file the Notice of Determination for the California State Polytechnic University, Pomona, Agriscapes project; and, be it further

RESOLVED, That the schematic plans for the California State Polytechnic University, Pomona, Agriscapes project are approved at a project cost of $5,292,000 at ENR 5734.

Report from the Ad Hoc Committee on Technology Utilization
Chairman Fallgatter reported for the committee.

Chairman Fallgatter reported that the committee heard one information item on the status of the CETI proposal. She said that as a result of the committee discussion, she and Chancellor Designate Reed had agreed to solicit an objective third party analysis of the economic terms of the agreement. She said the committee expected to have complete information of the details of the partnership available in early March to assure there is an opportunity for complete review before the board takes action in May.

Report from the Committee on Collective Bargaining
Trustee Hauck, chair, reported for the committee.

Trustee Hauck said the committee heard presentations from representatives of various bargaining units and approved moving forward with the bargaining with unit 3, California Faculty Association, and unit 4, Academic Professionals of California.

Report from the Committee on Institutional Advancement
Trustee Considine, chair, reported for the committee.

Trustee Considine reported that the committee heard one information item and two action items. The information item consisted of the 1996/97 annual report on voluntary contributions, special revenue and a combined summary.

Naming of Facility—California State University, Bakersfield (RIA 01-98-01)
Trustee Considine 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 California State University, Bakersfield Activities Center be named the Jimmie and Marjorie Icardo Activities Center.

1996/97 Annual Report of the Survey of Voluntary Support for the California State University (RIA 01-98-02)
Trustee Considine 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 adopts the 1996/97 Annual Report of the Survey of Voluntary Support for the California State University included as Attachment A of Agenda Item 3 of the January 27-28, 1998, meeting of the trustees’ Committee on Institutional Advancement for submission, as required by law, to the California Postsecondary Education Commission, the California Joint Legislative Budget Committee, and the California Department of Finance.

Report from the Committee of the Whole
Chairman Fallgatter reported for the committee.

Chairman Fallgatter said the committee heard a presentation on the Cornerstones planning initiative and, following discussion, accepted and endorsed the report.

Cornerstones: The CSU Planning Initiative (RCOW 01-98-01)
Chairman Fallgatter moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, The Cornerstones systemwide planning process has been successfully completed; now, therefore, be it

RESOLVED, By the Board of Trustees of The California State University, that the Cornerstones report included as Attachment A of Agenda Item 1 of the January 27-28, 1998, meeting of the trustees’ Committee of the Whole be accepted and endorsed as a planning framework; and, be it further

RESOLVED, That the board directs the chancellor to actively pursue the recommendations of the Cornerstones report; and, be it further

RESOLVED, That the board expresses deep appreciation to the members of the Cornerstones group and all who contributed to the project.

Report from the Committee on Committees
Trustee Hauck, chair, reported for the committee.

Revision of Committee Assignments for 1997/98 (RCOC 01-98-01)
Trustee Hauck 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 following additions be made in the committee assignments for the 1997/98 year:

Robert Foster and Maridel Moulton will fill the vacancies on the Committees on Governmental Relations and Institutional Advancement.

Alice S. Petrossian will fill the vacancies on the Committees on Audit and Organization and Rules. In addition, Trustee Petrossian will also serve on the Committee on Educational Policy.

**Communications and Correspondence**

**Old Business**

**New Business**
Chairman Fallgatter reminded the trustees that the Rules of Procedure of the Board of Trustees require that the chairman, at the January meeting, nominate five members to serve on the Committee on Committees for the 1998/99 term. Chairman Fallgatter nominated the following trustees: Joan Otomo-Corgel, chair; Bernard Goldstein, Laurence K. Gould, Jr., Eric C. Mitchell and Ali C. Razi. Chairman Fallgatter said that the election of the committee membership would be at the March meeting.

**Public Comments**
The Board of Trustees heard comments from the following members of the California Faculty Association regarding the faculty salary gap: Terry Jones, Hayward; Elizabeth Hoffman, Long Beach; Harvey Grody, Fullerton; Risa Dickson, San Bernardino; and Linda Smith, San Diego.

The board also heard from Heith Rothman, president, Associated Students, CSU Fullerton, regarding a section of the student fee policy requiring one-third of any mandatory campus-based fee increase go toward financially needy students.

**Adjournment**
The meeting adjourned at 11:50 a.m.
REPORT OF CHAIRMAN MARTHA C. FALLGATTER
Board of Trustees
The California State University
January 28, 1998

I would like to introduce our new trustees. Maridel Moulton is the former chair of the Student Aid Commission and a leader on access, and we are very fortunate that the governor has appointed you to our board. Bob Foster is a key leader on state public policy, and Alice Petrossian is the former chair of both the Credentialing Commission and the statewide Community College board. We welcome you, look forward to working with you, and know that you will be a wonderful asset to our board.

Over the last couple of months, I’ve had an opportunity to attend a leadership seminar in Connecticut and an AGB (Association of Governing Boards) retreat with Chancellor Munitz in New Mexico. The Christian Johnson leadership seminar in Connecticut basically discussed two themes. One of the main focuses was really centered on the same goals that we focused on in our Cornerstones initiative: a commitment to those things most difficult to assess, the search for reasoned judgment, rich imagination, personal integrity, and civic engagement.

The other theme focused on the role of trustees. An interesting quote from the readings came from a former trustee at the University of Chicago who said, “The governing board consists of individuals who care about the project but do not overdo the caring. In a word, the board has the power to control the institution but is tolerant in letting the educators for the most part run it. A wise trustee learns what should be asked of whom and what should not. He learns what the right questions are and the circumstances under which good answers are likely to emerge.”

When Barry and I met with other chairs and chancellors from across the country in New Mexico, the conversations there also centered around board effectiveness. What was obvious in both Connecticut and New Mexico was the envy of other boards across the nation about how we are able to work effectively and congenially. There are other boards around the nation which are not as fortunate as this board. Many institutions have become handicapped or politicized by fractured boards, where an individual board member is more interested in advancing his or her own agenda than in serving the overall institution. In my discussion with Barry and with Charlie and with the different presidents, it is very easy to see how quickly board dynamics can unravel. As we move into a transition from Chancellor Munitz to Chancellor Reed, the three of us have been discussing ways in which we can ensure that this board stays as effective and as healthy as we are and that we stay a role model for those institutions across the nation.

As an outgrowth of those discussions and reflection, I have decided to appoint a new Ad Hoc Committee on Board Operations which will consist solely of former board chairs, to take advantage of their unique experience, the current chair, and the chancellor. The committee will meet in a retreat style from time to time, be available to the chancellor as he settles in, step back and review what we are doing as a board and how we can do it better. Therefore, I’m appointing Denny Campbell, Tony Vitti, Jim Considine, Chancellor Reed, and myself to this committee. The immediate past chair will always serve as the chair on this committee.
At this point I’m going to take the chair’s prerogative to change our agenda around a little. We’ve a resolution for our chancellor and I’m going to incorporate that resolution into my chairman’s report. I will read it, then we will vote on it, and then we can give it to him.

[She reads resolution—see minutes.]

That was a vote by acclamation. I would now like to ask Academic Senate Chair Jim Highsmith for a presentation, please.

Highsmith: Thank you. Barry, we wanted you to remember the CSU and all the campuses, so we decided the best way to do that, besides all the memories that you have, is to present you a collage of pictures of each of the campuses. And so, this reads: “With best wishes to Chancellor Munitz from the CSU Academic Senate on behalf of the faculty.” Barry gets to take this one with him. An identical one will be made and will be available to be placed in the new building.

Fallgatter: I would now like to take a moment of my Chairman’s Report to turn to Chancellor Reed.

Reed: Thank you. Just briefly, Barry, everybody in here knows this, but I need to say it. You have cast a huge shadow over this university. I want to say for those of us who are in this business, when they write the history, they will say that you have left your mark on California State University, and they will say that this university is better today than it was when you got here. I don’t think that the people of California or this board can ask any more of anybody who fulfills these roles. So we all, the people of California, this board, the presidents, the students, the faculty, owe you a great deal of thanks for what you’ve done to improve people’s lives in California.

That’s not all of what Barry has done and I want to recognize this: this is also a better board than when Barry came. Together, through a collaborative relationship, this board has gained enormous respect in this state and throughout the United States for your vision, your leadership, and your focus on the future. The project on Cornerstones is just one example. I want to say, and last night Barry said this, that this board has come together and figured out that if you support your chancellor and your presidents, good things will happen by giving these presidents that support, but also providing that vision that we all need to improve the quality of life in this state. So, Barry, on behalf of the presidents, I know, and this board, thank you for making this one of the best boards in the United States, and the most respected board in this state.

The other thing that I want to share is, again I want to thank this board for giving me the privilege of working with you and serving this great state. Along with my colleagues, the presidents, I can commit to you that I will work as hard as I can to continue what Barry Munitz has put together. Barry has put forth a great road map for me to follow. I think it’s going to be a lot of fun to implement Cornerstones, to make sure that CETI works and is something different than anybody in this country has ever tried to do in higher education. So those are the exciting things that I have to look forward to. But I can promise this board, the presidents, and Barry that, Barry, I will seek your advice, your counsel, and your friendship in the years that I will be here in California.

With that, let me just quickly report to this board. Good things happened a week or so ago in Florida: they chose my replacement. I will spend two or three days next week in Florida. It’ll be a
very quick transition. They chose someone inside. Probably the best cost benefit you’ll ever get out of me will be for the rest of the month of February. The people of Florida do not give out many gifts, although they did pay for me to come out and meet with Martha. We didn’t charge you all for that. And two, I will be a gift from the people of Florida to the people of California for the next month. I will be here as much as I possibly can be for the rest of the month of February and, sometime during the last week of February, I will be here on a full-time basis, and, around the middle of March, Cathy will join me here. So I look forward to working with you all and I look forward to working with Barry to make this a better university.

Fallgatter: I can only echo what has basically been said, and the gifts that have been given to Barry, but, you know, our alumni are so proud of their campuses, the legislators respect our institutions, and through Barry’s leadership, there isn’t a person in this room who isn’t working at a higher level to do what’s best for this institution. And I don’t know that there are the right words, and maybe we could create some new vocabulary words to show our appreciation and to acknowledge how grateful we are, so I am going to do it in my own way with a hug.

Munitz: That’s the best thank you. I don’t have much to add to that at all except for deep appreciation to everybody here. I will have a chance in the next couple of months to stay close enough to Charlie through February and March to be certain that all the information needed and required is available. It won’t be very much—he’s ready to go. I’ve thanked over the past weeks the presidents for their role and, really, I think I have talked at great length to the board about its responsibilities and the gifts that they have given to me and to the constituencies. And I agree with Charlie that the Cornerstones project is just the perfect way to have this transition work and get that road map in place. The faculty, staff, and students who have participated in it, and many other things that we have done, have been so critical.

It’s really important here to thank my team, the cabinet leaders in this building, to the people that I can see, June, Richard, Chuck, Douglas, Christine, Sam, Colleen, and the people behind here who’ve always looked after me, have made this institution what it is. I was thinking looking at the tape and looking at Molly that she’s ever a presence here around this table as long as I’m here. And that group stays and works hard and looks after this institution, many of them here long before I was here. And for Bernie, always a special relationship, we started almost together, we probably will end close together, although they’ll be lucky to have you for a long time. And certainly to Martha who has chaired not just this board for us but the chancellor search—a very complicated, quick and firm search.

It’s mentioned in the annual report, and I hope you’ll notice in this document, in the very front page, that the annual report this year is dedicated to the three faculty members we lost at San Diego State just as Steve Weber was arriving. It’s appropriate that we do that because the faculty are, as I said earlier in Cornerstones, the heart and soul of this institution. And we have done everything we can in our best sense to look after those who are committed and working hard and leading this institution. So it’s a great pleasure to receive this thank you gift from the Senate.

Happily, and most essentially and finally, it’s an unexpected privilege to be able to turn this institution over to such a wonderful long-time friend. It’s a rare experience in higher education to keep a spectacular institution inside one family. And so as Anne and I give the house and the institution
over to Cathy and to Charlie, we do it with our commitment and with our love and with the utmost
admiration and respect, and had I been chairing that search committee, and you would have given
me the ticket the first day out, I simply would have handed it to him. Look after him for me, both of
them, and, as many of you have reminded me, we’ll be close by with a substantial amount of
money. And although we can’t close the gap all by ourselves, we can certainly help make the
argument. Thank you all.
Election of Five Members to Serve on Committee on Committees for 1998-99

Presentation By
Martha C. Fallgatter
Chairman of the Board

Summary
At the January meeting of the Board of Trustees, Chairman Fallgatter nominated Trustee Otomo-Corgel, as chair, and Trustees Goldstein, Gould, Mitchell, and Razi as members to serve on the Committee on Committees for 1998-99.

Recommended Action
Approval of the resolution.
ITEM

2
Agenda Item 1
March 17-18, 1998

BOARD OF TRUSTEES

Election of Five Members to Serve on Committee on Committees for 1998-99

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 1998-99 term:

Joan Otomo-Corgel, Chair
Bernard Goldstein
Laurence K. Gould, Jr.
Eric C. Mitchell
Ali C. Razi
BRIEF

Action Item

Agenda Item 2
March 17-18, 1998

BOARD OF TRUSTEES

Appointment of Ad Hoc Committee on Board Operations

Presentation By
Martha C. Fallgatter, Chairman
Board of Trustees

Summary
At the January 28, 1998, meeting of the Board of Trustees, Chairman Fallgatter established an ad hoc committee to monitor board functioning and to provide advice and counsel on board operations to the new chancellor and trustees. Chairman Fallgatter appointed Trustees Campbell, Vitti, Considine, all former board chairs, the chancellor, and herself to this committee. This item confirms the committee and appointment of the members to that committee.

Recommended Action
Approval of the resolution.
ITEM

2
Agenda Item 2
March 17-18, 1998

BOARD OF TRUSTEES

Appointment of Ad Hoc Committee on Board Operations

At the January meeting, the chairman of the Board of Trustees established an Ad Hoc Committee on Board Operations. The Trustees’ Rules of Procedure, Article VI, Section 6, require that such appointments be confirmed at the next regular meeting of the board. Accordingly, the following resolution is recommended for adoption:

RESOLVED, By the Board of Trustees of The California State University, that there be an Ad Hoc Committee on Board Operations consisting of the current and past board chairs and the chancellor. The immediate past board chair will serve as the chair of the ad hoc committee. The committee shall consist of:

Martha C. Fallgatter, Chair
William D. Campbell
Jim Considine
Charles B. Reed, Chancellor
Anthony M. Vitti