

AGENDA

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

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

January 24, 2001--10:15 a.m.

Call To Order and Roll Call

Chairman's Report

Chancellor's Report

Report of the CSU Alumni Council: President: *Larry Adamson*

Report of the California State Student Association: *Shaun Lumachi*

Report of California Postsecondary Education Commission: *Ralph Pesqueira*

Approval of Minutes of Board of Trustees' Meeting of November 9, 2000

Board Items

1. Reappointment of Ad Hoc Committee on Off-Campus Facilities
2. Appointment of Member to the California State University Headquarters Building Commission
3. Conferral of the Title Vice Chancellor *Emeritus*

Report of Committees

Ad Hoc Committee on Off-campus Facilities: *Chair – Anthony Vitti*

1. El Toro Off-Campus Center for California State University Fullerton

Committee on Collective Bargaining: *Chair – Ralph Pesqueira*

Committee on Audit: *Chair – Frederick W. Pierce, IV*

2. Assignment of Functions to be Reviewed by the Office of the University Auditor for Calendar Year, 2001

Committee on Finance: *Chair – William Hauck*

3. Approval of Implementation of a Commercial Paper Financing Program for the California State University

4. Approval for the Issuance of the Debt Instruments Supported by Bonds of the California State University Housing Revenue Bond System For an Apartment Complex at California State University, Fullerton
5. Approval for the Issuance of Debt Instruments Supported by Humboldt State University Student Union Revenue Bonds
7. Real Property Development Project for San Jose State University for a Classroom and Office Complex Project
8. Real Property Development Project at San Jose State University for a Campus Housing and Retail Village Project
9. Real Property Development Project at California State University, Northridge for the Los Angeles Unified School District Academy High School
10. Real Property Development Project at California State Polytechnic University, Pomona for the International Polytechnic High School
11. Real Property Development Project for California State University, Hayward, Internet Switching Center

Committee on Educational Policy: *Chair – Dee Dee Myers*

Committee on University & Faculty Personnel: *Chair – Bob Foster*

1. Paid Holidays—Cesar Chavez Day—March 31

Committee on Governmental Relations: *Chair – Martha Fallgatter*

1. Adoption of Trustees' Statement of Legislative Principles
2. 2001-2002 Legislative Report No. 1

Committee on Campus Planning, Building and Grounds: *Chair – Stanley Wang*

1. Annual Report on Completed California State University Capital Outlay Projects
3. Approval of Schematic Plans
4. Certify a Mitigated Negative Declaration, Approve the Campus Master Plan Revision, Amendment to the Nonstate Funded Capital Outlay Program and Schematic Plans for the Internet Switching Center Phase 1 at California State University, Hayward

Committee on Institutional Advancement: *Chair – Ali C. Razi*

3. 1999/2000 Voluntary Support Raised by the California State University Campuses
4. Naming of Facility, California State University, Stanislaus
5. Naming of Facility, California State University, San Bernardino
6. Naming of Academic Program, California Polytechnic State University, San Luis Obispo
7. Naming of Facility, California State University, San Luis Obispo

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**

November 9, 2000

Trustees Present

Laurence K. Gould, Chair
Roberta Achtenberg
William D. Campbell
Daniel N. Cartwright
Martha Fallgatter
Debra S. Farar
Robert G. Foster
Murray L. Galinson
Harold Goldwhite
William Hauck
Shailesh J. Mehta
Neel I. Murarka
Dee Dee Myers, Vice Chair
Ralph R. Pesqueira
Frederick W. Pierce IV
Ali C. Razi
Charles B. Reed, Chancellor, ex-officio
Stanley T. Wang

Trustees Absent

Cruz Bustamante, Lt. Governor
Gray Davis, Governor
Delaine Eastin, Superintendent of Public Education
Robert Hertzberg, Speaker of the Assembly
Anthony M. Vitti

Chancellor's Office Staff

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

Chair Gould called the meeting to order at 9:10 A.M.

Chair's Report

Chair Gould noted that a former student trustee was elected to the State Assembly and will represent a portion of Long Beach. He also observed that the newly elected District Attorney for Los Angeles County was a Cal State Los Angeles alumnus and former student body president.

Chair Gould noted groundbreaking ceremonies at Dominguez Hills, San Jose, and Sonoma and said these new facilities will improve quality and access. He added that each of the projects had significant donor funding.

The recently held University Advancement Academy Conference was described as a success. Chair Gould reminded everyone of the Academic Conference to be held in San Diego February 28th to March 2nd.

The presidential searches for Channel Islands and the Maritime Academy are underway.

Chair Gould announced the Wang Family Scholarship. In preparation for this announcement, the Wang family is committing \$1.2 million over the next 10 years to establish the Wang Family Scholarships. Every year for the next 10 years, 20 students will be awarded \$4,000 scholarships to travel to China to study there for a semester. In addition, every year for the next decade four \$10,000 stipends will be awarded annually to faculty for teaching and research at Chinese universities. The Wang Family Scholarships recognize the increasing importance of economic globalization. Chair Gould congratulated Trustee Wang and his family for this magnificent gift.

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

Chancellor's Report

The chancellor noted the budget request approved by the board two weeks ago through a teleconference meeting on October 26, 2000. The budget reflects \$380 million dollars to the California State University system. The chancellor emphasized the qualitative gains that this system has made over the last two to three years, noting that the priority is to ensure student access, and then to maintain high quality by recruiting and retaining the best faculty and students.

The chancellor reported that this budget reflects a continued effort by the California State University in working with our public schools. We can see by our students' admissions and testing that our students are getting better. We have less remedial needs this year than we have the past two years.

The chancellor also thanked the Governor for the important partnership agreement that allows us to provide California students with the high quality education they deserve. The partnership provides stability to CSU and UC that no other university in this country has, and that is extremely important because it is something we can count on, plan on and look forward to. More importantly, the chancellor notes is that the board we have, stayed the course with the plan that is reflected in Cornerstones and the priorities of this board.

The chancellor joined the Chair in expressing his gratitude to the Wang family for their generous contribution that will enable us to create the Wang family Scholarship. This scholarship will provide important opportunity for students to prepare for a role in the international business world, especially those students whose financial situations might have prevented them from studying abroad.

The chancellor reported that he joined Trustee Wang and chair Gould in Taiwan where they visited many of the universities in this scholarship program.

The chancellor thanked Warren Fox of the California Postsecondary Education Commission for attending our meeting yesterday. The CSU will continue its efforts to Build enrollment capacity.

The chancellor noted that he will continue to make rounds of the CSU campuses.

The chancellor reported that the entire CSU family was saddened this fall by the tragic alcohol-related death of a CSU Chico student. The chancellor asked President Welty to chair an ad hoc committee of CSU presidents and student leaders. The committee will study this issue, look at our current policies, analyze the programs we have in place, and come up with new ideas for preventing alcohol abuse on campus. The committee will have a report to the Board of Trustees in early spring.

The chancellor congratulated President Bob Maxson who was named CEO of the year, President Milton Gordon who was named as a Humanitarian of the year, Vice Chancellor, Jackie McClain who won the Kathryn G. Hanson Publication Award, and recognized Dave Spence for his work in the classroom.

Last, the chancellor asked President Arciniega, chair Gould and trustee Fallgatter to join him up front as he commented that CSU Bakersfield is celebrating its 30th anniversary and presented a resolution congratulating the university.

(The complete text of the chancellor's report is attached marked "Exhibit B.")

Report of the CSU Alumni Council

Larry Adamson, president, reported for the Alumni Council.

Report of the California State Student Association

Shaun Lumachi, chair, reported for the CSSA.

Report of California Postsecondary Education Commission

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

Approval of Minutes

The minutes of the Board of Trustees' meeting September 20, 2000 were approved as submitted.

Report of Committees

Report from the Committee on Educational Policy

Trustee Dee Dee Myers reported that the committee heard one information item. The committee heard a report from CPEC executive director, Warren Fox on the latest enrollment projections for the next ten years, then Dr. Spence provided a briefing on the four ways the system is expanding capacity to meet tidal wave II : (1) new campuses, (2) new off campus centers, (3) increased use of summers and weekends ,and (4) expanding applications of technology assisted instructions.

Report from the Committee on Finance

Trustee Bill Hauck reported that the committee heard three items, one an information item related to student fees and two action items, the first action item related to a real property development project at CSU Monterey Bay.

Real Property Development project at California State University, Monterey Bay (RFIN 11-15-00)

Trustee Bill 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 Trustees approve the development program with the Chartwell School at California State University, Monterey Bay described in Agenda Item 3 of the November 17, 2000 meeting of the Trustees' Committee on Finance.

Real Property Development Project at California State University, Hayward (RFIN 11-16-00)

Trustee Bill 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 trustees support the concept of a real property development project that could lead to the construction of an Internet switching center at California State University, Hayward, and authorize the campus in consultation with the chancellor's office to formulate a development plan for the project with the understanding that the development plan and additional information will be presented to the trustees at key points in the process.

Report from the Committee on Campus Planning, Building and Grounds

Trustee Stanley Wang reported that the committee heard two action items.

Categories and Criteria for the State Funded Five-Year Capital Improvement program, 2002/03 Through 2006/07 (RCPBG 11-20-00)

Trustee Stanley Wang moved the resolution; there was a second.

The Board of Trustees approved the following resolutions.

RESOLVED, by the Board of Trustees of The California State University, that:

The Categories and Criteria for the 2002/03-2006/07 State Funded Five-Year Capital Improvement Program in Attachment A of Agenda Item 1 of the November 8-9, 2000 meeting of the Board of Trustees' Committee on Campus Planning, Buildings and Grounds be approved; and

The chancellor is directed to use these categories and criteria to prepare the CSU State Funded Five-Year Capital Improvement Program. If this results in an "action year" (2002/03) request beyond reasonable expectation of available funding, the chancellor is delegated authority to adjust the number of campus projects submitted.

Approval of Schematic Plans (RCPBG 11-21-00)

1. California State University, Sacramento – Capital Public Radio Building

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

1. The board finds that the Negative Declaration and addendum have been prepared for the California State University, Sacramento, Capital Public Radio Building pursuant to the requirements of the California Environmental Quality Act; and
2. The proposed project will not have a significant effect on the environment, and will benefit the California State University; and
3. The chancellor is requested under Delegation of Authority by the Board of Trustees, to file the Notice of Determination for the project; and
4. The schematic plans for the California State University, Sacramento Capital Public Radio Building are approved at a project cost of \$5,411,000 at CCCI 3909.

2. California State University, Sacramento – Parking Structure II

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

1. The board finds that the Negative Declaration prepared for the California State University, Sacramento, Parking Structure II has been prepared pursuant to the requirements of the California Environmental Quality Act; and
2. The proposed project will not have a significant effect on the environment; and will benefit the California State University; and
3. The chancellor is requested under Delegation of Authority by the Board of Trustees to file the Notice of Determination for the project; and
4. The schematic plans for the California State University, Sacramento Parking Structure II are approved at a project cost of \$9,754,000 at CCCI 3909.

Report from Committee on University and Faculty Personnel

Trustee Bob Foster reported that three items were presented to the committee. Two information items, one dealing with the use of private and university vehicles, and the second designating Cesar Chavez day as a paid holiday. The third item was an action item recommending board adoption of the resolution declaring that the CSU volunteers are employees for the purpose of workers compensation coverage. The committee recommended adopting the resolution.

Trustee Bob Foster moved the resolution; there was a second.

The Board of Trustees approved the following resolution.

Workers' Compensation and CSU Volunteers (UFP 11-04-00)

RESOLVED, By the Board of Trustees of the California State University, that CSU volunteers, while performing services for the CSU, are defined as employees for purposes of workers' compensation coverage

Report from Committee on Organization and Rules

Trustee Roberta Achtenberg apologized for her absence yesterday and assured the board that only an event that happens every four years would have kept her from the important duties of the committee on Organization and Rules. The committee met and recommended approval of a resolution amending the standing orders expressly delegating authority to the chancellor to develop policies and procedures on the use of university vehicles and private vehicles for university business.

Trustee Roberta Achtenberg moved the resolution; there was a second

The Board of Trustees approved the following resolution.

Amendment to Standing Orders – Delegation of Authority – University and Private Vehicles Policies and Procedures (ROR 11-07-00)

RESOLVED, By the Board of Trustees of the California State University, that the requirement of notice at an earlier meeting for this amendment to the Standing orders is waived inasmuch as this amendment is not controversial and requires no further discussion; and be it further

RESOLVED, that subdivision “j” be added to Section 8 of Chapter III of the Standing Orders of the Board of Trustees to provide:

- j. Use of State Motor Vehicles and Private Vehicles in State Business

The chancellor is authorized to develop policies and procedures for the use of university vehicles and for the use of private vehicles on university business.

Report from the Committee on Collective Bargaining

Trustee Ralph Pesqueira, reported that the committee recognized speakers from the Academic Professionals of California, both of whom expressed their disappointment that their union has yet to reach agreement with the CSU.

Report of Committee on Audit

Trustee Fred Pierce reported that the committee heard one discussion item which was the status report on current and follow up internal audit assignments.

Report from the Committee on Institutional Advancement

Trustee Ali Razi reported that the committee reviewed one information item and is recommending the approval of one resolution.

Naming of Facility – California Polytechnic State University, San Luis Obispo (RIA 11-09-00)

The Robert H. Janson foundation made a \$260,000 contribution to the university athletic campaign.

Trustee Ali 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 softball field at California Polytechnic State University, San Luis Obispo be named the Bob Jansen field.

The information item presented was a report on the university advancement activities. Chair Razi commended Trustee Wang for the contribution he has made and for the type of activity he is supporting with his giving.

Report of the Committee of Governmental Relations

Trustee Martha Fallgatter reported that the committee heard legislative report no. 12 for the 1999-00 session. With the final status report of the trustees legislative program and priority legislation introduced this year.

Trustee Martha 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 1999-2000 Legislative Report No. 12 is adopted.

Chair Gould called on Trustee Bill Hauck for a report of the subcommittee of the committee of Finance on the development of the national sports complex at California State University, Dominguez Hills.

Trustee Bill Hauck reported that the subcommittee met and received a report from President Lyons and scheduled another meeting on December 14.

Communications and Correspondence

Old Business

New Business

Public Comments

The board heard comments from Charles Goetzl, President, Academic Professionals of California, Professor Susan Meisenhelder, CFA President, Professor Jo Bell Whitlatch, San Jose State University and CFA Bargaining Team Chairperson, Professor George Diehr, Professor Mark Sekelick, Professor Margaret Costa, Counselor Linda Smith.

The meeting was adjourned at 10:25 a.m.

BOARD OF TRUSTEES

Reappointment of Ad Hoc Committee on Off-Campus Facilities

Presentation By

Laurence K. Gould, Jr., Chair
Board of Trustees

In January 2000 the board confirmed the continuation of the appointment of the ad hoc committee. In accordance with the Trustees' Rules of Procedure, Article VI, Section 6, this item will renew the appointment of the Ad Hoc Committee on Off-Campus Facilities for an additional year.

RESOLVED, By the Board of Trustees of The California State University, that the Ad Hoc Committee on Off-Campus Facilities be renewed. The membership of this committee shall consist of:

Anthony M. Vitti, Chair
William D. Campbell
Martha C. Fallgatter
Laurence K. Gould, Jr., Chair of the Board, ex officio
Ralph R. Pesqueira
Frederick W. Pierce IV
Ali C. Razi
Charles B. Reed, Chancellor, ex officio

BOARD OF TRUSTEES

Appointment of Member to the California State University Headquarters Building Commission

Presentation By

Richard P. West, Executive Vice Chancellor
and Chief Executive Officer

Summary

The State University headquarters building has been financed and operated through a joint powers agreement (commission) with the city of Long Beach. The commission has the responsibility to ensure that the policies and intent of the joint powers agreement are honored. The trustees appoint two members to the commission. The city of Long Beach appoints two members and those four members of the commission appoint the fifth member. The positions are uncompensated and must be held by a registered California voter.

Mr. Donald Wallace has served as a CSU appointed commissioner since May 1976 when the commission was formed. He has served as the chair of the commission for over the past decade, most recently overseeing the construction of the new facility. The other CSU appointed commissioner is George Pardon—Vice President, Administration and Finance at Dominguez Hills—who has served since December 1999. The Chancellor recommends that Mr. Wallace be appointed for the term that ends November 30, 2004.

The following resolution is recommended:

RESOLVED, By the Board of Trustees of the California State University, that Mr. Donald Wallace be appointed a commissioner of the CSU Headquarters Building Authority for the term ending November 30, 2004.

BOARD OF TRUSTEES

CONFERRAL OF THE TITLE VICE CHANCELLOR *EMERITUS*

Presentation By

Charles B. Reed
Chancellor

It is proposed that the title of Vice Chancellor *Emeritus* be conferred on Douglas X. Patiño.

Background

In 1971 the Board of Trustees adopted a policy governing the award of the title of *Emeritus* to executives who retire from regular service. The policy set three standards; these are:

- 1) *Emeritus* status may be granted to an executive upon retirement from regular service in the California State University.
- 2) Recommendations for *emeritus* status may be made by the Board or by the chancellor to the Board upon receipt of recommendation from constituent groups of the campus, such as the faculty, the student body, or the advisory board.
- 3) The granting of *emeritus* status carries the title *Emeritus* and courtesies, but no compensation.

On the advice of members of the board, Chancellor Reed recommends that Dr. Douglas X. Patiño be recognized both for his professional career with the California State University and his dedicated service to the people of California.

The following resolution is presented for approval:

WHEREAS, Douglas X. Patiño joined the Office of the Chancellor of the California State University in 1993 as the first Vice Chancellor, University Advancement and established the Division of University Advancement in the Office of the Chancellor of The California State University; and

WHEREAS, Douglas X. Patiño guided the campuses of the California State University through the implementation of the recommendations of the Ketchum

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consultant group by assisting the campuses in developing organizational plans and in conducting staff recruitments in the area of university advancement; and

WHEREAS, the campuses have increased fund raising each of the past eight years and 18 campuses are meeting the 10% goal set by the Trustees; and

WHEREAS, during his tenure, Dr. Patiño helped to update the naming policies for recognition of donors and increased external recognition of the CSU system; and

WHEREAS, Douglas X. Patiño and the Division of University Advancement maintained a close and supportive relationship with the CSU Alumni Council and proactively assisted the CSU Alumni Council with its annual projects; and

WHEREAS, recognition and appreciation of the California State University among business leaders and community leaders improved markedly under Dr. Patiño's leadership; and

WHEREAS, Douglas X. Patiño and the Division of University Advancement successfully inaugurated the CSU Advancement Academy which provides sequential training opportunities for campus advancement staff; now, therefore, be it

RESOLVED, By the Board of Trustees of The California State University, that this board confer the title of Vice Chancellor Emeritus, University Advancement, on Douglas X. Patiño, with all the rights and privileges thereto.

REPORT OF CHAIR LAURENCE K. GOULD, JR.
Board of Trustees
The California State University
November 9, 2000

Bubba and Dan, there may be an elected office in your future. On Tuesday Jenny Oropeza, who was a student trustee in the early 1980's, was elected to the State Assembly. I think we're fortunate to have a former student Trustee sitting in the Legislature, and she'll represent the district just west of this Headquarters.

Also, I am pleased to note that the newly elected District Attorney for Los Angeles County is an alumnus and former student body president at Cal State Los Angeles.

Since we last met, several buildings that we've planned around this table have started to become reality. Immediately after the last Trustees meeting, four other Trustees, the Chancellor and I went to Dominguez Hills to help break ground for the first state-funded building built on that campus in 22 years. Two weeks ago, I went to Sonoma where just 10 days after Sonoma had opened its new Schultz Information Center I helped break ground for the new Green Music Center. And the very same day that Sonoma was having its ground breaking, San Jose State was breaking ground for its new Martin Luther King, Jr. Library. These projects and all the others being constructed throughout the system reflect CSU's commitment to quality and access. Our faculty and staff will teach and work in these quality facilities, and our high- quality physical plant will continue to attract high caliber students.

These three projects reflect something else: substantial support from outside CSU supporters. At Dominguez Hills a faculty member left his entire estate to the university and the structure is named for him. Community supporters are donating the entire cost of the new Music Center at Sonoma, and funding for the San Jose Library comes from a partnership with the City of San Jose.

The truly superb results CSU achieves when all of us work together with outside supporters are reflected in these projects and were reinforced last month at the highly successful University Advancement Academy Conference held here in Long Beach. Many trustees, presidents, faculty, student leaders, alumni leaders, our Chancellor and of course our University Advancement personnel participated in the academy, and it was a wonderful opportunity for the CSU family to unite and focus on positive ways of enhancing our image and spreading the CSU message to the public at large. We'll have another such opportunity at the Academic Conference to be held in San Diego February 28th to March 2nd. Jackie Kegley, Debra Farar and their planning committee members are hard at work preparing a superb conference, and I hope trustee attendance will set records.

EXHIBIT A
Full Board Meeting
November 9, 2000

I am pleased to report that the committees searching for new presidents at Channel Islands and the Maritime Academy have both held their initial meetings and commenced their searches. Barring complications, both committees should be poised to make recommendations to this body in early March.

In the balance of this report, I want to focus on one of our fellow Trustees, Stanley Wang. As you know, Stanley has benefited from educational and work experiences on two continents - both here and in Asia. He believes that others can benefit by studying on both continents, and for nearly two years he's been laying the groundwork for exchanges between CSU and leading Chinese universities to permit our students and faculty to learn in an international environment. With this vision in mind, Trustee Wang, Chancellor Reed, Vice Chancellor Patiño and I met last month with leaders of several Chinese universities, and we agreed to formal exchanges with two leading universities on Taiwan. Since many of our finest students do not have the wherewithal to study overseas, Stanley has decided to commit the resources necessary to permit an exchange program of the very highest quality to succeed. Accordingly, I am truly honored to announce today that the Wang family is committing \$1.2 million over the next 10 years to establish the Wang Family Scholarships. Every year for the next 10 years, 20 students will be awarded \$4,000 scholarships to travel to China to study there for a semester. Ten of them will attend either the National Taiwan University or the National Tsinghua University on Taiwan, and 10 will attend two leading mainland universities. In addition, every year for the next decade four \$10,000 stipends will be awarded annually to faculty for teaching and research at these universities. The Wang Family Scholarships recognize the increasing importance of economic globalization. They will permit CSU to be preeminent in preparing our students to participate in the international arena and to keep our faculty on the cutting edge of international learning. Stanley, you and your family's vision and generosity are unbounded. On behalf of everyone in the California State University community, I extend to you, to your lovely wife Franny and to your daughters our heartfelt gratitude for this magnificent gift.

That concludes my report.

**REPORT OF CHANCELLOR CHARLES B. REED
Board of Trustees
The California State University
November 9, 2000**

BUDGET REQUEST

Thank you, Chairman Gould. I want to begin with a few words on the 2001/2002 budget request, which this board approved last month.

This budget would increase our state appropriation by \$380.9 million – an 11.7 % increase over the current year. Along with projected enrollment revenue, it would bring the total CSU base budget to nearly \$3.65 billion.

The budget will go a long way toward helping us develop our priority areas:

- Ensuring student access;
- Maintaining high quality by recruiting and retaining the best faculty and staff, and continuing to close the faculty salary gap;
- Improving student academic preparation by working with the K-12 schools;
- Building California's workforce by investing in key academic programs.

This budget reflects a 6 percent increase for faculty and staff compensation: 4 percent within the partnership agreement plus an additional 2 percent.

This increase would reduce the faculty salary lag to 0.6 percent – down from 13 percent in 1996-97.

I want to thank Governor Davis for the important partnership agreement that allows us to provide California's students with the high-quality education that they deserve. Thanks also to Richard West and our budget team.

WANG FAMILY SCHOLARSHIP

I want to echo Chairman Gould in thanking Trustee Wang and his family for the generous contribution that will enable us to create the Wang Family Scholarship.

EXHIBIT B
Full Board Meeting
November 9, 2000

This scholarship will provide an important opportunity for students to prepare for a role in the international business world.

It will be especially meaningful to those students whose financial situations might have prevented them from being able to study abroad.

It was a pleasure to join Stanley and Larry in Taiwan, where we visited the Taiwanese universities in this scholarship program. We were able to see the outstanding opportunities available for our students and faculty members.

Trustee Wang has shown a great deal of wisdom and foresight in recognizing the increasing importance of international education.

Incidentally, this is the second major gift that the Wang family has given the CSU – the first being the Wang Family Excellence Awards for CSU faculty and administrators.

I thank Trustee Wang and his family for their generosity and commitment to the CSU.

ENROLLMENT DEMAND

I want to thank Warren Fox of the California Postsecondary Education Commission for attending our meeting yesterday.

Meeting future enrollment demand continues to be one of our top priorities.

The CSU will continue its efforts to build enrollment capacity by:

- Expanding use of existing campus facilities,
- Expanding year-round operations;
- Developing additional off-campus centers;
- Expanding distance education.

CAMPUS VISITS

This fall, I am continuing to make the rounds of the CSU campuses through a series of campus visits.

I have had the pleasure of visiting CSU Stanislaus, CSU San Marcos, and CSU Los Angeles this fall. Thanks to those presidents for hosting me during those visits.

I look forward to visiting Cal Poly San Luis Obispo and CSU San Bernardino soon.

NATIONAL COMMISSION

Last week I was in Washington D.C. for another meeting of the National Commission on the High School Senior Year.

We hope to have a report out by the end of the year.

This commission's attention to the link between K-12 and college points to the continuing importance of our work with K-12 schools.

JOINT COMMITTEE ON ALCOHOL ABUSE

The entire CSU family was saddened this fall by the tragic alcohol-related death of a CSU Chico student.

I believe that we need to do more to discuss alcohol abuse on campus.

I have asked President Welty to chair an ad hoc committee of CSU presidents and student leaders.

I have asked this committee to study this issue, look at our current policies, analyze the programs we have in place, and come up with new ideas for preventing alcohol abuse on campus.

We expect that the committee will have a report to the Board of Trustees in early spring.

MISCELLANEOUS ANNOUNCEMENTS

EXHIBIT B
Full Board Meeting
November 9, 2000

Congratulations to President Bob Maxson, who was named CEO of the year by District VII of the Council for the Advancement and Support of Education (CASE). He follows President Welty, who was the winner of last year's award.

Congratulations to President Milton Gordon, who was named by the Orange County National Conference for Community and Justice as a "Humanitarian of the Year."

Congratulations to Vice Chancellor Jackie McClain, who won the Kathryn G. Hansen Publication Award from the College and University Professional Association for Human Resources (CUPA-HR). She won the award for writing "A Guide to Legal Issues for Human Resources Professionals in Colleges and Universities." This is the second year in a row she has won the award.

I'd also like to recognize Executive Vice Chancellor Dave Spence for his work in the classroom. This fall, he is working with a business professor at CSU Bakersfield to "team teach" a graduate management class.

BAKERSFIELD ANNIVERSARY

Last, I would like to ask President Arciniega, Chairman Gould, and Trustee Fallgatter to join me up front.

This year CSU Bakersfield is celebrating its 30th anniversary.

President Arciniega, on behalf of the CSU system, we want to present you with this resolution congratulating your university on 30 years of outstanding service.

Mr. Chairman, that concludes my report.