

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

**California State University, Fullerton
Titan Student Union, Portola Pavilions B & C
800 North State College Drive
Fullerton, California**

March 12, 2003—10:45 a.m.

Presiding: Debra S. Farar, Chair

Call To Order and Roll Call

Chair's Report

Chancellor's Report

Report of the CSU Alumni Council: *President—Wayne Adelstein*

Report of the California State Student Association: *Chair—Artemio Pimentel*

Report of California Postsecondary Education Commission: *Anthony M. Vitti*

Approval of Minutes of Board of Trustees' Meeting of January 29, 2003.

Report of Committees

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

Committee on Finance: *Chair – William Hauck*

2. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects
3. Educational Partnership and Housing Development at California Polytechnic University, San Luis Obispo

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

1. Amend the 2002/2003 Capital Outlay Program, Nonstate Funded
3. Preliminary State and Nonstate Funded Five-Year Capital Improvement Program 2004/2005 through 2008/2009
5. Approval of Schematic Plans

Committee on Organization and Rules: *Chair - Harold Goldwhite*

Committee of the Whole: *Chair - Debra Farar*

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

1. 2003/2004 Legislative Report No. 2

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

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

1. Approval of Naming of Colleges, Schools, and other Academic Entities, California State University, Northridge
2. Approval of Naming of Facility, California State University, Dominguez Hills

Committee on Educational Policy: *Chair – Roberta Achtenberg*

2. Facilitating Student Success in Achieving the Baccalaureate Degree: A Report From the California State University Task Force on Facilitating Graduation
6. Academic Planning and Program Review

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
Dumke Auditorium
Long Beach, California 90802**

January 29, 2003

Trustees Present

Debra S. Farar, Chair
Roberta Achtenberg
Cruz Bustamante, Lt. Governor
Bob Foster
Murray L. Galinson
Harold Goldwhite
William Hauck
M. Alexander Lopez
Shailesh J. Mehta
Ralph Pesqueira
Frederick W. Pierce IV
Charles B. Reed, Chancellor
Erene S. Thomas
Kyriakos Tsakopoulos
Anthony Vitti
Martha Walda

Trustees Absent

William D. Campbell
Gray Davis, Governor
Ricardo Icaza
Dee Dee Myers
Jack O'Connell, Superintendent of Public Education
Herb Wesson, Jr., Speaker of the Assembly

Chancellor's Office Staff

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

Chair Farar called the meeting to order at 10:14 a.m.

Chair's Report

Chair Farar welcomed everyone to the first official gathering of the Board of Trustees of 2003. She stated that the CSU is facing an unusually difficult budget situation.

Chair Farar thanked everyone -- trustees, faculty, staff, and students – for their participation in the difficult set of circumstances that had to be dealt with on very short notice. She further stated that things would not be getting any closer to “ordinary” in the coming year.

Chair Farar stated that Governor Davis' proposed 2003/2004 budget, attempts to close an estimated \$34 billion dollar plus deficit. She noted that the CSU is facing simultaneous severe budget cuts in the midst of projected higher enrollment increases. She further stated that Chancellor Reed would comment about the budget situation in his report.

Chair Farar asked all the participants present to monitor the budget situation closely and to remain informed about these issues. She noted that this will be a time when everyone will need to work together cooperatively in Sacramento to make sure that CSU's funding is preserved.

In accordance with our Rules of Procedure, Chair Farar nominated five trustees to serve on the Committee on Committees. They are Roberta Achtenberg to serve as chair, Bill Hauck, Dee Myers, Murray Galinson and Kyriakos Tsakopoulos. She stated that a vote to approve the committee membership will be taken at the March meeting.

Chair Farar noted the passing of Professor Hal Charnofsky, who served as a member of the faculty at CSU Dominguez Hills for thirty-six years and as member of the Statewide Academic Senate for twenty-five years and stated that he will be greatly missed.

Chair Farar reported that she and Trustees Achtenberg and Goldwhite visited the San Luis Obispo campus in December and that she and Trustee Goldwhite attended the CSUF faculty's retreat at Asilomar.

Chair Farar also reported on her participation with Bill Hauck, David Spence, Karen Yelverton-Zamarripa, Jackie Kegley, Artemio Pimental, President Jolene Koester, President Alex Gonzalez, and President Jim Rosser, in a symposium on higher education held in Sacramento on developing accountability for postsecondary education.

Chair Farar also reported that she and Executive Vice Chancellor Richard West had met with student leaders at the CSSA meeting in an effort to keep students, faculty, and staff informed in a timely manner about the budget.

Chair Farar announced that the CSSA will host its annual California Higher Education Student Summit (also known as CHESS) in Sacramento on February 21 through 24, and encouraged board members to attend the conference.

Chair Farar also announced the Advancement Academy Conference scheduled for April 27th through the 29th, in Long Beach.

Chair Farar reported that both the Sacramento and Pomona presidential searches continue on target for presentation of a final slate of candidates for both universities in mid-March. She stated that soon after, the search for a president at CSU Chico will begin.

Chair Farar announced that the space shuttle Columbia mission commander, Air Force Col. Rick Husband, earned a master's degree in mechanical engineering from Fresno State in 1990 through the university's distance learning program at Edwards Air Force Base.

Chair Farar congratulated the students of both Cal Poly institutions for their Rose Parade float. This year's float, called "A Sundae Afternoon," had a candy amusement park theme and won the coveted Theme Trophy.

Chair Farar reminded everyone that the March meeting of the Board of Trustees will be held at CSU Fullerton.

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

Chancellor's Report

Chancellor Reed stated that the CSU is entering into new territory that higher education in this country has not experienced in the past, what AGB calls the "double whammy." There is tremendous enrollment pressure combined with very difficult economic problems.

Chancellor Reed reported that during the month of December there were several meetings that focused on the budget and how to preserve quality in this system. He stated that talks are centering on putting together a plan to manage the CSU during the "double whammy" in a different way than this board managed the CSU in the early 1990s.

Chancellor Reed stated that the decision taken by the board in December was the foundation for the current budget plan under discussion. He also stated that the fee increase was significantly important because it allows the CSU to serve current and future students and will get us through June 30th.

The chancellor discussed the governor's budget recommendation, noting that part of that recommendation is a gross reduction of \$447 million from CSU's budget. On the positive side, the governor put \$150 million of enrollment funding into the budget and has anticipated additional fee increases of 25 percent for undergraduates. The bottom line is that CSU is essentially looking at a \$260 million dollar cut.

The Chancellor stressed that if the governor's budget comes through, the CSU will be able to manage its budget and all the challenges being faced.

The Chancellor announced that the System Budget Advisory Committee will meet every month and that the Board's Finance Committee will also meet every month until at least May. In addition there is going to be a budget summit. Invitations to the budget summit will be sent to campus presidents, the Academic Senate chairs of each campus, the Associated Students presidents on each campus, and the executive committees of both the Statewide Academic Senate and the CSSA. The purpose of the summit is for these groups to come together and look at the different choices and advise the administration on the tough choices that need to be made.

Chancellor Reed reported on a recent meeting he attended in Arizona. He noted that the CSU was not the only university system in this country facing these challenges. He noted that Arizona has proposed a 40% fee increase; that the University of Maryland is proposing a 15% increase in fees retroactive to January 1st and Ohio State is going to be increasing fees by 20%, in addition to already having increased their fees by 34% last year.

The Chancellor reported on a terrible incident that happened at San Jose State where a student was killed in a brawl between two fraternities. He said that both fraternities have been suspended and that President Caret is working with counselors, with all of the students there, and with the inter-fraternity council to make sure that there are no repetitions.

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

Trustee Galinson commented on the importance of the Chancellor and presidents' making sure this type of thing is not festering on any of the other CSU campuses.

Jackie Kegley, chair, Statewide Academic Senate commented on the life of colleague Hal Charnofsky, particularly his seven years as a member of the Statewide Academic Senate Executive Team. She also thanked Chair Farar for the kind words she had made regarding Professor Charnofsky.

Dr. Kegley thanked the chancellor for his commitment to a broad and consultative process that allows for collaboration by all constituents on the budget discussion.

Report of the CSU Alumni Council

Wayne Adelstein, president, reported for the Alumni Council

Report from the California State Student Association

Artemio Pimentel, chair, reported for the CSSA.

Report from the California Postsecondary Education Commission

Trustee Vitti stated that there was nothing to report from CPEC.

Approval of Minutes

The minutes of the meeting of the Board of Trustees of October 31, 2002 were approved as corrected; the minutes of November 13, 2002 were approved as presented, and the minutes of December 16, 2002 were approved as amended.

Report of Committees

Committee on Collective Bargaining

Trustee Foster reported the committee recognized two speakers from the Academic Professionals of California, Dr. Charles Goetzl, President and Ms. Christine McCarthy, Vice President.

Committee on Institutional Advancement

Trustee Pierce reported the committee heard two information items, Recognition of Mrs. Katherine B. Locker for her significant contribution to California State University, Dominguez Hills; and University Advancement Update; and three action items as follows:

Approval of Naming of Facility – California State University, Long Beach (RIA 01-03-01)

Trustee Pierce moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the North Campus Library at California State University, Long Beach, be named the Steve and Nini Horn Center.

Approval of Naming of Facility – California State University, Fresno (RIA 01-03-02)

Trustee Pierce moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the museum that is to be constructed to complement the existing Downing Planetarium at California State University, Fresno, be named the Downing Planetarium Museum.

2001/2002 Annual Report on External Support (RIA 01-03-03)

Trustee Pierce moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the Board adopts the 2001/2002 Annual Report on External Support for the California State University distributed as part of Agenda Item 3 of the January 28, 2003 meeting of the Committee on Institutional Advancement.

Committee on Governmental Relations

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

Adoption of Trustees' Statement of Legislative Principles (RGR 01-03-01)

Trustee Galinson moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the Statement of Legislative Principles in Agenda Item 1 of the January 28-29, 2003 meeting of the Trustees' Committee on Governmental Relations be adopted as amended, and be it further

RESOLVED, That the Chancellor is authorized to take positions on pending legislation on behalf of the Board of Trustees and California State University system; and be it further

RESOLVED, That the Chancellor shall keep the Board regularly informed of the positions taken and of such other matters affecting governmental relations as is deemed necessary and desirable.

2003/2004 Legislative Report No. 1 (RGR 01-03-02)

Trustee Galinson moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the legislative proposals described in Agenda Item 2 of the January 28-29, 2003 meeting of the Trustees' Committee on Governmental Relations are adopted as the 2003 Board of Trustees' Legislative Program.

California State University Federal Agenda for 2003 (RGR 01-03-03)

Trustee Galinson moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the federal legislative program described in Agenda Item 3 of the January 28-29, 2003 meeting of the Trustees' Committee on Governmental Relations is adopted as the 2003 CSU Federal Agenda.

Committee on Finance

Trustee Hauck reported the committee heard two information items, Status Report on the 2002/2003 and 2003/2004 Support Budgets, Sale of Systemwide Revenue Bonds in January 2003, and four action items as follows:

Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects (RFIN 01-03-01)

Trustee Hauck moved the item; there was a second.

The Board of Trustees approved the following resolutions:

Resolutions prepared by Orrick, Herrington & Sutcliffe LLP, as bond counsel for the Trustees for projects at Sonoma State University (Student Union Recreation Center) and San Francisco State University (SFSU, Property Acquisition – Park Merced Lot 41) that achieve the following:

- (1) Authorize the sale and issuance of Systemwide Revenue Bond Anticipation Notes and the related sale and issuance of the Trustees of the California State University, Systemwide Revenue Bonds in an amount not-to-exceed \$20,630,000 and certain actions relating thereto.
- (2) Provide a delegation to the Chancellor, the Executive Vice Chancellor and Chief Financial Officer, and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

The resolutions are on file and will be implemented subject to the receipt of all construction permits and good bids consistent with the projects' financing budget.

Auxiliary Organization Tax-Exempt Financing at California State University Chico (RFIN 01-03-02)

Trustee Hauck moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of the California State University, that the trustees

1. Approves the concept of the proposed auxiliary organization financing in an amount not-to-exceed \$5,500,000 as described and for the purposes indicated in agenda item 4 of the January 28-29, 2003 meeting of the trustees' Committee on Finance.
2. Confirms that the Chancellor, the Executive Vice Chancellor Business and Finance, the Assistant Vice Chancellor, Business Services, and the Senior Director, Financing and Treasury are authorized to take any and all actions on behalf of the Board of Trustees and to execute any documents that in their judgment are necessary to assist the auxiliary organization to complete the financing described in this agenda item.

Public Sector Partnership in the Development of a California Regional Crime Laboratory Facility at California State University, Los Angeles (RFIN 01-03-03)

Trustee Hauck moved the item; there was a second.

The Board of Trustees approved the following resolution:

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

1. Approve the specific development program as presented in agenda item 5 of the January 28-29, 2003 meeting of the Committee on Finance for the construction and operation of a regional crime laboratory facility as developed by California State University, Los Angeles working jointly with the State of California, and the City and County of Los Angeles through its Joint Powers Authority, and
2. Confirm the chancellor's authority to enter into such leasing and other associated agreements as necessary to implement the specific development program.

Real Property Development Project at California State Polytechnic University, Pomona for the Southern California Regional Blood Processing Center for the American Red Cross (RFIN 01-03-04)

Trustee Hauck moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the Trustees approve the development of the SoCal Project of the American Red Cross at California State Polytechnic University, Pomona as described in agenda item 6 of the January 28-29, 2003 meeting of the Committee on Finance and confirm the Chancellor's authority to execute the agreements necessary to implement the development plan for this project.

Committee on Educational Policy

Trustee Roberta Achtenberg reported the committee heard one information item in closed session regarding honorary degrees and in open session heard three information items, Remedial Education Policy Implementation: Seventh Annual Report, Facilitating Student Success in Achieving the Baccalaureate Degree: A Report on the California State University Task Force on Facilitating Graduation, and Cañada College/San Francisco State University Pathways Program, and one action item as follows:

Modification of California State University Admission Policy for Upper-Division Transfer Students (REP 01-03-01)

Trustee Achtenberg moved the item; there was a second.

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

Hearing none, the public hearing was closed.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, acting under the authority prescribed herein and pursuant to Section 89030.1 of the Education Code, that the board hereby amends its regulations in Title 5, Division 5, Chapter 1, Subchapter 3, Article 5, Sections 40803, 40803.1, 40804, 40804.1, 40805, 40805.1, and 40806 and Article 6, Sections 40900 and 40901 as follows:

40803. Applicants Who Are California Residents and Who Have Completed 56 the Prescribed Number of Units of College Credit.

An applicant who is a resident of California may be admitted to a campus as an undergraduate transfer, upon satisfaction of the requirements of subdivisions (a), ~~(e)(b)~~, and (d) or ~~(b)(a)~~, (c), and (d), as appropriate:

- ~~(a) For admissions prior to fall term 2000, the applicant has completed satisfactorily the comprehensive pattern of college preparatory subjects~~

~~defined in subdivision (n) of Section 40601 or an alternative program determined by the Chancellor to be equivalent;~~

- ~~(b)(a)~~ Commencing with admissions to the fall term 2000, the applicant has completed satisfactorily at least 30 semester (45 quarter) units in courses at a level at least equivalent to General Education-Breadth courses, including courses in written communication in the English language, oral communication in the English language, critical thinking, and mathematics and quantitative reasoning;
- ~~(e)(b)~~ For admission prior to fall term 2005, ~~T~~the applicant has attained a grade point average of 2.0 (grade of C) or better in at least 56 semester (84 quarter) units of transferable college credit;
- (c) Commencing with admission to the fall term 2005, the applicant has attained a grade point average of 2.0 (grade of C) or better in at least 60 semester (90 quarter) units of transferable college credit;
- (d) The applicant was in good standing at the last college attended.

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

§40803.1. Applicants Who Are Not California Residents and Who Have Completed 56 the Prescribed Number of Units of College Credit.

An applicant who is not a resident of California may be admitted to a campus as an undergraduate transfer upon satisfaction of the requirements of subdivisions (a), ~~(e)(b)~~, and (d) or ~~(b)(a)~~, (c), and (d), as appropriate:

- ~~(a)~~ ~~For admissions prior to fall term 2000, the applicant has completed satisfactorily the comprehensive pattern of college preparatory subjects defined in subdivision (n) of Section 40601 or an alternative program determined by the Chancellor to be equivalent;~~
- ~~(b)(a)~~ Commencing with admissions to the fall term 2000, the applicant has completed satisfactorily at least 30 semester (45 quarter) units in courses at a level at least equivalent to General Education-Breadth courses, including courses in written communication in the English language, oral communication in the English language, critical thinking, and mathematics and quantitative reasoning;
- ~~(e)(b)~~ For admission prior to fall term 2005, ~~T~~the applicant has completed at least 56 semester (84 quarter) units of transferable college credit and has attained a grade point average in all units of transferable college credit

which places the applicant among the upper one-half of eligible California residents who are applicants for admission under Section 40803, the required minimum grade point average to be determined by the Chancellor;

- (c) Commencing with admission to the fall term 2005, the applicant has attained a grade point average of 2.0 (grade of C) or better in at least 60 semester (90 quarter) units of transferable college credit and has attained a grade point average in all units of transferable college credit which places the applicant among the upper one-half of eligible California residents who are applicants for admission under Section 40803, the required minimum grade point average to be determined by the Chancellor;
- (d) The applicant was in good standing at the last college attended.

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

§40804. Applicants Who Were Eligible for Admission As First-Time Freshmen and Who Have Completed Fewer Than ~~56~~ the Prescribed Number of Units of College Credit.

An applicant who has completed fewer than 56 semester (84 quarter) units of college credit for admission prior to fall term 2005 and fewer than 60 semester (90 quarter) units of college credit commencing with admission to the fall 2005 term of college credit may be admitted to a campus as an undergraduate transfer upon satisfaction of the requirements of each of the following lettered subdivisions:

- (a) The applicant was eligible for admission to a campus as a first-time freshman, either
- (1) on the basis of the admission requirements in effect at the time of the application, other than the provisions of Sections 40757, 40758, 40900, or 40901, and including satisfactory completion of the comprehensive pattern of college preparatory subjects as defined in subsection (n) of Section 40601 or an alternative program determined by the Chancellor to be equivalent; or
 - (2) on the basis of the admission requirements in effect at the time of the applicant's graduation from high school, other than the provisions of Sections 40757, 40758, 40900, or 40901, including satisfactory completion of any college preparatory course requirements in effect at that time or an alternative program determined by the Chancellor to be equivalent, if the applicant has been in continuous attendance at a college since graduation;

- (b) The applicant has attained a grade point average of 2.0 (grade of C) or better in all transferable college units attempted;
- (c) The applicant was in good standing at the last college attended.

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

§40804.1. Applicants Who Were Ineligible for Admission As First-Time Freshmen for Failure to Meet Course Requirements and Who Have Completed Fewer Than 56 the Prescribed Number of Units of College Credit.

An applicant who has completed fewer than 56 semester (84 quarter) units of college credit for admission prior to fall term 2005 and fewer than 60 semester (90 quarter) units of college credit commencing with admission to the fall 2005 term and who was not eligible for admission to a campus as a first-time freshman solely because of failure to complete satisfactorily the comprehensive pattern of college preparatory subjects defined in subdivision (n) of Section 40601 or an alternative program determined by the Chancellor to be equivalent may be admitted to a campus as an undergraduate transfer upon satisfaction of each of the following lettered subdivisions:

- (a) Except for satisfactory completion of the comprehensive pattern of college preparatory subjects defined in subdivision (n) of Section 40601 or an acceptable alternative program, the applicant who was eligible for admission to a campus as a first-time freshman, either
 - (1) on the basis of the admission requirements in effect at the time of the application, other than the provisions of Sections 40757, 40758, 40900, or 40901; or
 - (2) on the basis of the admission requirements in effect at the time of the applicant's graduation from high school, other than the provisions of Sections 40757, 40758, 40900, or 40901, if the applicant has been in continuous attendance at a college since graduation;
- (b) Subsequent to high school graduation, the applicant has completed satisfactorily whatever college preparatory course requirements were in effect at the time of the applicant's graduation from high school, or an alternative program determined by the Chancellor to be equivalent;
- (c) The applicant has attained a grade point average of 2.0 (a grade of C) or better in all transferable college units attempted;

(d) The applicant was in good standing at the last college attended.

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

§40805. Applicants with Particular Majors.

An applicant not eligible under Section 40804 or 40804.1 may be admitted to a campus as an undergraduate transfer upon satisfaction of the requirements of each of the following subdivisions:

- (a) The applicant has completed satisfactorily the comprehensive pattern of college preparatory subjects defined in subsection (n) of Section 40601 or an alternative program determined by the Chancellor to be equivalent;
- (b) The degree objective is such that at least 56 semester (84 quarter) units for admission prior to fall term 2005 and at least 60 semester (90 quarter) units commencing with admission to the fall 2005 term, or the equivalent, of appropriate course work are not offered at the college from which the applicant seeks to transfer;
- (c) The applicant has completed that portion of the curricular program required by the campus for the degree objective, as is offered at the college from which the applicant seeks to transfer;
- (d) The applicant has attained a grade point average of 2.0 (grade of C) or better in all transferable college work attempted;
- (e) The applicant was in good standing at the last college attended.

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

§40805.1. Veterans.

An applicant who is not eligible for admission as a first-time freshman on the basis of the admission requirements in effect at the time of application for admission as an undergraduate transfer, who has not completed 56 semester (84 quarter) units of college credit for admission prior to fall term 2005 and 60 semester (90 quarter) units of college credit commencing with admission to the fall 2005 term, and who is not otherwise eligible under the provisions of this Article, may be admitted to a campus as an undergraduate transfer; provided, that the applicant is an “eligible veteran” as that term is defined in subdivision (a)(1) of Section ~~1652~~ 3452, Title 38, United States Code and if the applicant is a

California resident. The Chancellor is authorized to establish and from time to time revise procedures appropriate for the administration of this section.

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

§40806. Other Applicants.

An applicant who does not meet the requirements of Sections 40803, 40804 and 40805, but who is eligible for admission as a first-time freshman on the basis of the admission requirements in effect at the time of the application for admission as an undergraduate transfer, other than the provisions of Section 40759, or who has completed 56 semester (84 quarter) units of transferable college credit for admission prior to fall term 2005 and 60 semester (90 quarter) units of transferable college credit commencing with admission to the fall 2005 term, may be admitted to a campus as an undergraduate transfer, if in the judgment of the appropriate campus authority, the applicant can succeed at the campus.

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

§40900. General Exceptions.

An applicant who is not otherwise eligible for admission as either a first-time freshman pursuant to Article 4 (commencing with Section 40751) or as a transfer student with fewer than 56 semester (84 quarter) units for admission prior to fall term 2005 and fewer than 60 semester (90 quarter) units commencing with admission to the fall 2005 term pursuant to Article 5 (commencing with Section 40801) may be admitted to a campus provided that the number of applicants enrolled in The California State University ~~and Colleges~~ pursuant to this Section for any college year shall not exceed 4% of all undergraduate students who enrolled for the first time in The California State University ~~and Colleges~~ during the previous college year exclusive of those who enrolled after being admitted under the provisions of this article. The Chancellor may prescribe, and may from time to time revise, procedures for the administration of this Section.

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

§40901. Exceptions for Applicants to Special Compensatory Programs.

- (a) An applicant who is not otherwise eligible for admissions either as a first-time freshman pursuant to Article 4 (commencing with Section 40751) or as a transfer student with fewer than 56 semester (84 quarter) units for admission prior to fall term 2005 and fewer than 60 semester (90 quarter)

units commencing with admission to the fall 2005 term pursuant to Article 5 (commencing with Section 40801) may be admitted to a campus provided that he or she is a disadvantaged applicant for whom special compensatory assistance is available, and provided further that the number of applicants enrolled in The California State University ~~and Colleges~~ pursuant to this Section for any college year shall not exceed 4% of all undergraduate students enrolled for the first time in The California State University ~~and Colleges~~ during the previous college year exclusive of those who enrolled after being admitted under the provisions of this article. The Chancellor may establish, and may from time to time revise, procedures for the administration of this Section.

- (b) As used in this Section, the term “disadvantaged applicant” means an applicant who comes from a low-income family, who has the potential to perform satisfactorily on the college level, but who has been and appears to be unable to realize that potential without special assistance because of economic, cultural, or educational background or environment.

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

And be it further

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

And, be it further

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

Committee on Audit

Trustee Pierce reported the committee heard four discussion items, Status Report on Current and Follow-up Internal Audit Assignments, Report on Construction Auditing in the California State University--2001/2002, Report of the Systemwide Audit in Accordance with Generally Accepted

Accounting Principles Including the Report to Management, and Single Audit Report of Federal Funds. The committee acted on the following item: Assignment of Functions to Be Reviewed by the Office of the University Auditor for Calendar Year 2003.

Committee on Campus Planning, Buildings and Grounds

Trustee Pesqueira reported the committee heard two information items, Annual Report on Completed Capital Projects and a Status Report on the 2003/2004 State Funded Capital Outlay Program--Governor's Budget and two action items as follows:

Amend the 2002/2003 Capital Outlay Program, Nonstate Funded (RCPBG 01-03-01)

Trustee Pesqueira moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the 2002/03 Nonstate Funded Capital Outlay Program is amended to include: 1) \$4,065,000 for preliminary plans, working drawings, construction and equipment for the Humboldt State University, Recreation Center and Field House Renovation project; 2) \$20,345,000 for preliminary plans, working drawings, construction and equipment for the California State University, Northridge, Parking Structure II project; 3) \$3,000,000 for preliminary plans, working drawings, and construction for the California State Polytechnic University, Pomona, Innovation Village Infrastructure Improvements, Phase I project; 4) \$41,600,000 for preliminary plans, working drawings, construction and equipment for the California State Polytechnic University, Pomona, American Red Cross Regional Headquarters; 5) \$15,000,000 for preliminary plans, working drawings, construction and equipment for the California State University, San Bernardino, Student Union Expansion project; 6) \$25,000,000 for preliminary plans, working drawings, construction and equipment for the San Diego State University, Student Health Services Building; and 7) \$19,058,000 for acquisition of Real Property for San Francisco State University.

Approval of Schematic Plans (RCPBG 01-03-02)

Trustee Pesqueira moved the item; there was a second.

The Board of Trustees approved the following resolutions:

1. California State University, Fullerton—Parking Structure I

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

1. The board finds that the Mitigated Negative Declaration for the California State University, Fullerton, Parking Structure I project has been prepared in accordance with the requirements of the California Environmental Quality Act.
2. Implementation of the recommended mitigation measures specified in the Mitigated Negative Declaration is hereby adopted as part of this approval of the California State University, Fullerton, Parking Structure I project.
3. With implementation of the adopted mitigation measures, the proposed project will not have a significant effect on the environment, and the project will benefit the California State University.
4. The chancellor is requested under Delegation of Authority by the Board of Trustees to file the Notice of Determination for the project.
5. The schematic plans for the California State University, Fullerton, Parking Structure I project are approved at a project cost of \$28,200,000 at CCCCI 4019.

2. California State University, Los Angeles—Los Angeles Regional Crime Laboratory

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

1. The State Office of Criminal Justice Planning has certified a Mitigated Negative Declaration for the project pursuant to the requirements of the California Environmental Quality Act. The board concurs with the determination set forth in the Mitigated Negative Declaration that the project will not have a significant impact on the environment.
2. Implementation of the recommended mitigation measures specified in the Mitigated Negative Declaration is required as part of this approval of the California State University, Los Angeles, Los Angeles Regional Crime Laboratory project.
3. The project will benefit the California State University.
4. The schematic plans for the California State University, Los Angeles, Los Angeles Regional Crime Laboratory project are approved at a total project cost of \$96,571,000 at CCCCI 4019.

3. California State University, San Bernardino—Student Union Expansion

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

1. The FEIR was previously certified by the Board of Trustees on January 27, 1999, pursuant to the requirements of the California Environmental Quality Act.

2. Prior to certification of said FEIR, the Board of Trustees reviewed and considered the above-mentioned FEIR in relation to the California State University, San Bernardino, Student Union Expansion schematic plans and construction project and that the board continues to consider the information provided by the FEIR in its action on the project.
3. This board finds that the California State University, San Bernardino, Student Union Expansion project considered in this action is consistent with the project description and analysis previously reviewed in January 1999.
4. The project will benefit the California State University.
5. The mitigation measures and implementation of the recommended improvements contained in the FEIR certified by this board on January 27, 1999 for the master plan revision and the Student Union Expansion project are hereby incorporated by reference and made part of this approval of the California State University, San Bernardino, Student Union Expansion schematic plans.
6. The schematic plans for the California State University, San Bernardino Student Union Expansion are approved at a project cost of \$15,000,000 at CCCCI 4019.

4. California State University, San Marcos—Academic Hall II, Building 13

RESOLVED, By the Board of Trustees of The California State University, that upon consideration of the information provided in the previously approved Final EIR prepared for the California State University, San Marcos, campus master plan, the board finds that:

1. The Final EIR was prepared to specifically include this project and has been previously approved by the Board of Trustees on March 9, 1988, pursuant to the requirements of the California Environmental Quality Act.
2. Based on the information contained in the previously approved Final EIR and the mitigation measures identified therein and previously adopted, the proposed project will not have a significant effect on the environment.
3. No additional mitigation measures are necessary.
4. The project will benefit the California State University.
5. The mitigation measures and implementation of the recommended improvements specified in the Final EIR for the campus master plan relative to the main (academic) campus development projects are hereby adopted as

part of this approval of the California State University, San Marcos, Academic Hall, Building 13.

6. The schematic plans for the California State University, San Marcos, Academic Hall, Building 13 are approved at a project cost of \$26,526,000 at CCCI 4019.

Board of Trustees Item

The Board heard one action item as follows:

Recognition of the Emeriti Association of California State University, Los Angeles (RBOT 01-03-01)

Chair Farar moved the item; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, The Emeriti Association of California State University, Los Angeles, was established on February 9, 1978, climaxing more than a year of planning and organizational effort; and

WHEREAS, This was the first Emeriti Association to be established within the California State University; and

WHEREAS, The Emeriti Association has successfully encouraged members to continue contributing to the University through their scholarly endeavors and advice at all levels of governance regarding issues where their perspective is of unique value; and

WHEREAS, The Emeriti Association, through its publications and other activities, labors to secure and enhance the status and rights of retired faculty and to inform and assist other faculty in their transition to retirement; and

WHEREAS, The Emeriti Association has established and continues to fund and support endowed fellowships for outstanding graduate students in a variety of disciplines; and

WHEREAS, Dr. Sidney Albert was the moving force in establishing the Emeriti Association of California State University, Los Angeles, as well as the California State University Emeriti and Retired Faculty Association (CSU ERFA), which recognized its 15th anniversary in 2001; therefore be it

RESOLVED, That the Board of Trustees and Chancellor of the California State University extend their appreciation and thanks to the Emeriti Association of

California State University, Los Angeles, as it begins the year-long recognition of its 25th anniversary during Emeriti Week (February 2003); and be it further

RESOLVED, That the Trustees and Chancellor extend thanks to Dr. Sidney Albert for his recognition of the lasting significance and relevance of emeriti faculty to the University, years before he, himself, retired and joined that august group.

Communications and Correspondence

Old Business

New Business

Public Comments

The board heard comments from Dr. Charles Goetzel, President, Academic Professionals of California; Mr. Joseph Texeira, Mr. Rich Reed, Mr. Andrew Carter, Ms. Sandra Rolli, Mr. Gil Smith, Mr. George Kurtz, Mr. Pat Gantt, CSEA and Dr. Susan Meisenhelder, President, California Faculty Association.

Trustee Foster requested an investigation into the allegations raised by Mr. Texeira.

Adjournment

The meeting was adjourned at 11:51 a.m.

BOARD OF TRUSTEES

Election of Five Members to Committee on Committees for 2003/2004

Presentation By

Debra S. Farar, Chair

Board of Trustees

According to the Rules of Procedure of the Board of Trustees (Article VI, Section 2), Chair Farar nominated five trustees to serve as members of the Committee on Committees for the term 2003/2004 at the January 29, 2003 meeting of the Board of Trustees. The Rules now allow any other nominations and require that a vote be taken on all those nominated.

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 2003/2004 term:

Roberta Achtenberg, Chair

William Hauck

Murray Galinson

Dee Dee Myers

Kyriakos Tsakopoulos

REPORT OF CHAIR DEBRA S. FARAR
Board of Trustees
The California State University
January 29, 2003

Welcome to the first official gathering of the Board of Trustees of 2003. I hope everyone had an enjoyable holiday season and Happy New Year.

As we prepare to face an unusually difficult budget situation, these are extraordinary times for the California State University.

Last month's meeting was out of the ordinary because we had a very difficult set of circumstances that we had to deal with on very short notice. It was not an easy discussion. I want to thank all of you – trustees, faculty, staff, and students – for your participation and cooperation. In the coming year, however, things will not be any closer to “ordinary.” And they certainly will not be any easier.

As we have learned, Governor Davis' proposed 2003/2004 budget, attempts to close an estimated \$34 Billion dollar plus deficit. While nothing has been finalized, one thing is for sure: The CSU as well as universities throughout the nation will have a very challenging year ahead. The National Center for Public Policy in Higher Education reports that this is the first time in the modern history of higher education that we've had simultaneously severe budget cuts in the midst of a projected big enrollment increase. Chancellor Reed will have more comments about the budget situation in his report.

I want to ask the members of this Board – and in fact all of our participants here today – to monitor this situation closely and to remain informed about these issues. This will be a time when we all need to work together cooperatively in Sacramento to make sure that our funding is preserved.

Now first in accordance with our Rules of Procedure, I'm required to nominate at this meeting five trustees to serve on the Committee on Committees. I nominate Roberta Achtenberg to serve as chair, Bill Hauck, Dee Myers, Murray Galinson and Kyriakos Tsakopoulos to serve on this committee. A vote to approve the committee membership will be taken at the March meeting.

Next, a very sad piece of news. On December 21st, Professor Hal Charnofsky passes away. Hal served as a member of the faculty at CSUDH for thirty-six years and as member of the Statewide Academic Senate for twenty-five years. In the current year, Hal was serving as the Senate Secretary and a member of the Executive Committee. He loved being on the Senate as much as he enjoyed reciting professional baseball statistics. Hal was an All-American baseball player at the University of Southern California and spent a few years as a professional ball player. We are

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grateful for many years he shared his wisdom, thoughtfulness and optimism with us. He will be greatly missed.

In December, Roberta Achtenberg, Harold Goldwhite and I visited the San Luis Obispo campus. We met with faculty, staff, and students and we're all impressed with their dedication and enthusiasm. Last week, I was honored along with Trustee Harold Goldwhite to participate in the annual retreat of the San Francisco State faculty at Asilomar. We had some lively and candid, and very important discussions.

Also last week I participated in a symposium on higher education held in Sacramento. The CSU was there in impressive numbers represented by Bill Hauck, David Spence, Karen Yelverton-Zamarripa, Jackie Kegley, Artemio Pimental, President Jolene Koester, President Alex Gonzalez, and President Jim Rosser. The theme of the symposium was developing accountability for postsecondary education. I know that this is an issue that the California State University has worked on extensively in the past few years. We are clearly leaders in this effort, and to quote Bill Hauck, "The CSU is not complacent about accountability." But we will need to do even more in the coming years to meet the accountability demands of our policymakers and the public.

Richard West and I met with student leaders at the CSSA meeting in San Francisco last month. We are making every effort to keep our students, faculty, and staff informed in a timely manner about the budget.

Looking ahead: On February 21 through 24, the CSSA will host the California Higher Education Student Summit (also known as CHESS) in Sacramento. This conference is intended to help student leaders understand more about higher education policies and build leadership and advocacy skills. I encourage my fellow board members to attend the conference.

Also looking ahead. And as we heard yesterday, please mark your calendars for the Advancement Academy Conference scheduled for April 27th through the 29th, here in Long Beach that I am co-chairing with Vice Chancellor Caldera. There will be a number of nationally prominent speakers and it should be an informative and productive conference. This is a real opportunity to establish a culture of giving at the California State University in support of our students and our academic mission.

We are continuing our presidential searches for both Sacramento and Pomona and are still on target for presentation of a final slate of candidates for both universities in mid-March. Soon after we will begin our presidential search for CSU Chico.

Last, just a few brief campus updates: On January 16, NASA launched space shuttle Columbia. The mission commander, Air Force Col. Rick Husband, earned a master's degree in mechanical

engineering from Fresno State in 1990 through the university's distance learning program at Edwards Air Force Base. Col. Husband brought a red Fresno State sweatshirt along with him to wear on the flight. He will be sending President Welty a copy of a picture from that flight. President Welty, we will look forward to seeing that picture.

Also, I want to congratulate students at both of our Cal Poly institutions for their Rose Parade float. For the past 55 years, the two Cal Poly campuses have worked together to create the only entirely student-constructed, student-designed, and student-financed float in the parade. This year's float, called "A Sundae Afternoon," had a candy amusement park theme. I am proud to report that it won the coveted Theme Trophy. Congratulations to all of the Cal Poly students who worked on this float.

One last item – just a reminder that the March meeting of the Board of Trustees will be held at CSU Fullerton.

That concludes my report.

REPORT OF CHANCELLOR CHARLES B. REED
Board of Trustees
The California State University
January 29, 2003

As Chair Farar said, we are entering into new territory that higher education in this country has not experienced in the past. We have this tremendous enrollment pressure – Tidal Wave II – coming from the high schools of our state. At the same time this country is experiencing very difficult economic problems. AGB call this double-edged challenge the “double whammy.”

In our meetings in December and in another specially called meeting with our presidents, we have focused on the budget, the budget, and the budget. We are talking about how to preserve quality in this system. We are talking about putting together a plan to manage the CSU during the “double whammy” in a different way than this board managed the CSU in the early 1990s.

This board made a decision in December to adjust the CSU’s fees, and I cannot say how very important that decision was because that was the foundation for this plan. I know that it was done with short notice, but we worked hard to get everyone’s input on the decision.

Knowing that that decision had been made was very important because it will allow us to serve all the students that we have right now and we’re going to get to June 30th. We don’t think that we will have to lay anybody off for the remainder of this year.

Now, the high-risk part is trying to read the tea leaves about what the legislature is going to do, because our presidents have begun the process to send letters to the new students that we will welcome on our campuses this next year.

The governor has made a set of budget recommendations that have a negative component and a positive component. The negative part of the recommendation is that we are facing a gross reduction of \$447 million from our budget. On the positive side, the governor put \$150 million of enrollment funding into the budget and he has anticipated additional fee increases of 25 percent for undergraduates. The bottom line is we are still essentially looking at a \$260 million dollar cut.

Now in order to manage that cut we are going to have to very carefully manage this system. And it is going to be very difficult to manage the instruction and the service side across the entire university. But we’re going to count on the governor’s budget. We have to count on the governor’s budget, including the fee revenue and the enrollment

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revenue. If we can do that, it will almost be a miracle, but we will be able to continue to provide access with quality for our students. I think that that is very important because this system saw a loss of about 50,000 students in the early 1990s. And I think that was a setback to this state – a setback to our economy and a setback to people.

We can manage this budget if we get the governor's request. The risk side is that we could be in big trouble next fall if we don't get the governor's budget and to try to offer the number of classes and sections to all those students. What doesn't work in universities is to enroll the students and not be able to offer the classes and the sections. It just crams up the system. It takes people longer to graduate. They take courses that they don't need because they can't get courses that they need. And that's the instructional management side that we're going to have to watch very closely.

Now, we're going to ask this board to work even harder. We're going to ask the System Budget Advisory Committee to meet every month. All segments of the CSU are represented on this committee, including labor, academic senate, students, presidents, provosts and vice presidents, business and finance. We're going to ask this board's Finance Committee to meet every month from now until at least May. Thirdly, we're going to have a budget summit. We're going to invite our campus presidents, the Academic Senate chairs of all of our campuses, the Associated Students presidents on each campus, and the executive committees of both the Statewide Academic Senate and the CSSA to come and look at the different choices and advise us on the tough choices, because there is going to be pain, I guarantee you that.

I was in Arizona this past weekend for a meeting. California State University is not the only university system in this country that is going through this. Arizona used to pride itself at having the lowest in fees in the United States. Now the former chairman of the Board of Regents in Arizona, who was just elected Governor of Arizona, has proposed a fee increase of \$1000 on a base of \$2500. That's pretty significant. My counterpart in Maryland has called an emergency board meeting of the Maryland University System for next week to increase fees retroactive to January 1st by 15% for the Maryland system. Those are some of the kinds of things that are going on around the country. Ohio State is going to be increasing their fees 20%. They increased their fees 34% last year. I think though, the risks are worth taking if we can continue to provide the kind of access that are necessary to meet the Master Plan and the needs of California citizens. So we will keep you informed as we go through this.

Lastly, one very unfortunate situation occurred on one of our campuses, and I have tried to keep you informed through email and fax. We had a terrible incident last week at San Jose State University. We had no information that there was any animosity or problems between the two fraternities. But there was an incident that occurred at a pool hall early

in the day, and the participants agreed to meet at midnight out of town at a park to settle it. So we saw upwards of 100 students, not only ours, but from other institutions that came together, and one of our students was killed. President Caret called me right away when it happened and I've tried to keep the Chair and members of the Board informed. The fraternities that were involved have been suspended. President Caret is working with counselors with all of the students there, and working with the inter-fraternity council to make sure that there are no other instances of getting even or those kinds of things. The whole situation is very unfortunate. We have to be very careful about our information because this is a police murder investigation. But if you have any questions, I'm sure Bob will be glad to respond.

Chair Farar, that concludes my remarks.