

**TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY**

**California State University  
Office of the Chancellor  
401 Golden Shore  
Long Beach, California**

**November 13, 2002—10:15 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 September 18, 2002**

**Approval of Minutes of Board of Trustees' Meeting of October 31, 2002**

**Report of Committees**

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

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

1. Article 15. Alumni Association—A Revision to Title 5, California Code of Regulations

**Joint Committee Meeting: Educational Policy and Campus Planning, Buildings and Grounds: *Chairs—Roberta Achtenberg and Ralph Pesqueira***

**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

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

1. Amend the 2002/2003 Capital Outlay Program, Nonstate Funded
3. Approval of Schematic Plans

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

1. 2001/2002 Legislative Report No. 11

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

**Committee on University Faculty and Personnel, *Chair – Martha Fallgatter***

1. Executive Compensation

**Ad Hoc Committee on Off-Campus Facilities: *Chair- Anthony M. Vitti***

**Committee on Educational Policy: *Chair – Roberta Achtenberg***

1. California State University Northridge Participation in the *Teachers for a New Era* Initiative

**Communications and Correspondence**

**Old Business**

**New Business**

**Public Comment**

**Adjournment**

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

**Trustees of the California State University  
CSU Office of the Chancellor  
Dumke Auditorium  
Long Beach, California 90802**

**September 18, 2002**

**Trustees Present**

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

**Trustees Absent**

Ricardo Icaza  
Gray Davis, Governor  
Delaine Eastin, Superintendent of Public Education  
Dee Dee Myers  
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 9:53 a.m.

### **Chair's Report**

Chair Farar welcomed and thanked the Lt. Governor to the meeting. Dr. Farar stated that his attendance at the September meeting was especially important because last year's meeting had been scheduled on September 11. Dr. Farar said that she had asked President Gerth if he remembered a board meeting being cancelled and he said that he did not. She further stated that many campuses held memorial observances to honor those who had lost their lives and noted that the pilot of Flight 93, Captain Jason Dahl was an alum of San Jose State.

Chair Farar welcomed the newest member of the Board of Trustees, Alex Lopez. Governor Davis appointed Alex Lopez as a student trustee. He assumes the position as the non-voting student trustee until July 1, 2003, when he will then become the voting student trustee.

Chair Farar announced the retirement of three CSU Presidents. Presidents Don Gerth, Bob Suzuki and Manuel Esteban will retire next summer. Trustee Farar named the members of the three Presidential Search Committees as follows: CSU Sacramento, Bill Hauck to chair the committee along with Trustees Denny Campbell and Martha Fallgatter; Cal Poly Pomona, Tony Vitti to chair Trustees Harold Goldwhite and Ralph Pesqueira; and CSU Chico Roberta Achtenberg as chair of the Trustees Selection Committee and Trustees Murray Galinson and Kyriakos Tsakopoulos as the other trustee members. All three committees will work closely with campus constituents through an advisory committee.

Chair Farar announced that in discussing the searches and other projects with the board and Chancellor, it was decided to delay the search for the Chico presidency until later in the academic year and gave the following reasons: The two searches at Sacramento and Cal Poly would already be under way and Sacramento and Chico are in the same geographical area and because the curricula are somewhat similar they would attract an overlapping pool of candidates. She stated that the Chico Search would be ready to begin as soon as the other two searches were completed in March 2003

Chair Farar stated that the board would examine executive compensation policies and programs and would recommend the creation of an Ad Hoc Committee on Executive Compensation at the October meeting. She further stated her intention to name Murray Galinson to chair and trustees Campbell, Hauck, Mehta and Vitti to serve on the committee.

Chair Farar reported that she had been privileged to attend the grand opening ceremonies of the newest CSU campus at Channel Islands on Friday August 16. She stated that she had shared the dais with Governor Davis, Trustees Galinson, Hauck, Vitti, Thomas and Chancellor Reed. She also noted that 750 students were enrolled for the first day of classes, Monday, August 26, when President Rush personally greeted students offering chocolate silver dollars, snow-cones and popcorn.

Chair Farar reported on the many CSU events she and other members of the Board participated in during the summer months including Tanglewood in the Berkshires of Massachusetts with President Armiñana, his wife Marne and Trustee Fallgatter; the Panetta Institute at Monterey Bay, along with Trustee Achtenberg; CSU Fullerton's faculty days; and at CSU Fresno to honor retiring State Senator Jim Costa.

Chair Farar congratulated Trustee Fallgatter on her upcoming nuptials noting that the September meeting would be the last meeting for Martha, as Trustee Fallgatter, whose new surname would be Walda.

Chair Farar reminded everyone to be on the lookout for the Chancellor's column on Academic Freedom in the September/October Trusteeship Magazine.

Chair Farar announced that the next board meeting is scheduled for Thursday, October 31 from 9:00 a.m. to 12:00 noon. It will not be a conference call this year, but a live meeting in this room.

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

### **Chancellor's Report**

Chancellor Reed joined Chair Farar in welcoming the new student trustee, Alex Lopez.

Chancellor Reed congratulated President Rush on the opening of CSU Channel Islands. He also congratulated President Gordon on opening the El Toro campus, the branch campus of CSU Fullerton.

Chancellor Reed thanked President Don Gerth for his many years of service and noted that during the coming year there will be many celebrations to honor him for what he's done for the California State University. He also noted President Esteban's service to CSU Chico and Bob Suzuki's contributions to Cal Poly Pomona.

Chancellor Reed discussed some of the major issues facing the CSU this year such as the record increase in enrollment. He stated that enrollment was up 7% with the CSU welcoming 22,000 students to the CSU. This brings enrollment to over 400,000 students. He reported that he had met with the presidents on Monday night to discuss enrollment management policies and what the CSU needed to do.

Chancellor Reed discussed the 2002/2003 budget and the problems that the current enrollment trend will bring about if funding is not made available to the CSU. He said that the worst thing that can happen is to get more students, clog up the pipeline, and make students wait around longer than they should to get the required classes in order to graduate.

Chancellor Reed stated that 2003/04 will be a tougher budget year than 2002/03. He stated that mandatory costs are \$78 million, meaning that no matter what we do it is going to cost \$78 million more to run this university system next year to keep the same level of services in place, meet our labor agreements, provide the same kind of health insurance and maintain our other commitments. He stated that he will continue to make enrollment, budget, and faculty and staff compensation a priority.

Chancellor Reed stated that the costs for ACR 73, about \$35 million, have been included in the budget. He stated that the ACR 73 report is an excellent report that showed that labor, the academic senate, the chancellor's office and the institutions can all work together for the same cause and put forth an excellent plan.

Chancellor Reed also reported that additional money is being sought for off-campus centers because they are going to continue to grow.

Chancellor Reed reported on the progress of implementing Cornerstones. He talked about the academic technology plan and the progress that has been made in putting the necessary technological infrastructure in place. He also discussed the CSU's role in preparing students for the workforce and the needs of California's workforce especially in the areas of teacher education, nursing, business, engineering, computer science, and agriculture. Chancellor Reed reported that he had hosted a meeting to examine this issue and thanked Trustee Bill Hauck for bringing representatives from the California Chamber of Commerce, state health organizations and others with him to talk about what the CSU needed to do.

Chancellor Reed commended those CSU faculty members who will work on the reading project.

Chancellor Reed also spoke about the early assessment project, which also relates back to Cornerstones and CSU's goal to minimize students' need for remedial education. He stated that if all the school districts cooperate with CSU on the early assessment, information can go back to those school districts so they can use the 12<sup>th</sup> grade year for students to improve their skills.

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

### **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 Pesqueira referred the trustees to the report contained in their packets.

## **Approval of Minutes**

The minutes of the meeting of the Board of Trustees of July 17, 2002 were approved as submitted.

## **Report of Committees**

### **Committee on Collective Bargaining**

Trustee Foster reported the committee ratified the new bargaining agreement with the State Employees Trades Council on a new three-year contract. The committee also recognized the request to address the committee by a member of the Academic Professionals of California, who commented on recent positive experiences dealing with representatives of CSU Fullerton administration and also a representative of the California State Employees Association who expressed gratitude to the CSU for providing a health care stipend to employees at Cal Poly San Luis Obispo.

### **Committee on Finance**

Trustee Hauck reported the committee heard three information items, 2002/2003 Support Budget Update; Status Report on the 2003/2004 Support Budget and Recommended Lottery Revenue Budget; and Annual Investment Report and one action item. The action item was:

### **Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects (RFIN 09-02-10)**

Trustee Hauck moved the item; there was a second.

The Board of Trustees approved the following resolution:

The Board of Trustees approved the resolutions prepared by Orrick, Herrington & Sutcliffe LLP as bond counsel for the Trustees by unanimous vote. The resolutions are on file and relate to the San Diego State University Continuing Education facility and to the CSU Monterey Bay Auxiliary Student Housing Renovation. Two separate sets of financing resolutions, one set for each project, were adopted to accomplish the following:

- (1) Authorize the sale and issuance of the Systemwide Revenue Bond Anticipation Notes and authorize the related sale and issuance of the Trustees of the California State University, Systemwide Revenue Bonds and certain actions relating thereto in an amount not-to-exceed the amounts shown for the projects above, and certain actions relating thereto.
- (2) Provide for a delegation to authorize the Chancellor, the Executive Vice

Chancellor And Chief Financial Officer, and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

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

### **Committee on Campus Planning, Buildings and Grounds**

Trustee Pesqueira reported the committee heard two information items, Final Report on the 2002/2003 State Funded Capital Outlay Program and Economic Stimulus Package; California State University Sacramento—Future Site Acquisition and three action items. The action items follow:

#### **Amend the 2002/2003 Capital Outlay Program, Nonstate Funded (RCPBG 09-02-13)**

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) \$13,922,000 for preliminary plans, working drawings, construction and equipment for the California State University, Los Angeles, Parking Structure III project; 2) \$37,700,000 for preliminary plans, working drawings, construction and equipment for the California State University, Monterey Bay, North Quad Student Housing, Phase I project; 3) \$27,768,000 for preliminary plans, working drawings, construction and equipment for the California State Polytechnic University, Pomona, University Village Phase III Expansion project; 4) \$7,000,000 for preliminary plans, working drawings, construction and equipment for the California State University, Sacramento, Center for Space Science; and 5) \$2,400,000 for preliminary plans, working drawings and construction for the San Diego State University, Site Circulation Improvements project.

#### **State and Nonstate Funded Five-Year Capital Improvement Program 2003/2004 through 2007/2008 (RCPBG 09-02-14)**

Trustee Pesqueira moved the item; there was a second.

The Board of Trustees approved the following resolution:

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

1. The final State and Nonstate Funded Five-Year Capital Improvement Program 2003/04 through 2007/08 totaling \$3,405,357,000 and \$1,858,979,000 respectively are approved.
2. The 2003/04 State Funded Capital Outlay Program included in the five-year program distributed with the agenda is approved at \$690,229,000.
3. The 2002/03 Nonstate Funded Capital Outlay Program included in the five-year program distributed with the agenda is approved at \$51,912,000, and the chancellor is authorized to proceed in 2002/03 with design documents for fast-track projects in the 2003/04 nonstate program.
4. The chancellor is requested to explore all reasonable funding methods available and communicate to the governor and the legislature the need to provide funds for the CSU state funded plan in order to develop the facilities necessary to serve all eligible students.
5. The chancellor is authorized to make adjustments, as necessary, including priority sequence, scope, phase, project cost and total budget request for the 2003/04 State Funded Capital Outlay Program within the \$690,229,000.

#### **Approval of Schematic Plans (RCPBG 09-02-15)**

Trustee Pesqueira moved the item; there was a second.

The Board of Trustees approved the following resolutions:

#### **1. San Diego State University—Campus Children’s Center**

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

1. The board finds that the Final EIR certified by this board in March 2001 was prepared to include the Campus Children's Center project pursuant to the requirements of the California Environmental Quality Act.
2. The project before this board is consistent with the project description as analyzed in the previously certified Final EIR and does not propose substantial changes to the original project description, which would require major revision to the Final EIR or Findings adopted by this board and certifying said Final EIR.
3. The project will not involve substantial changes in the circumstances under which the project will be undertaken that would require major revision to the Final EIR or the Findings adopted by this board and certifying said Final EIR.

4. No new information of substantial importance has been identified which shows the project will have one or more significant effects not discussed in the previously certified Final EIR.
5. Although the proposed project potentially could have a significant effect on the environment, no further environmental documentation is required because all potentially significant effects (a) have been analyzed adequately in the Final EIR, and (b) have been avoided or mitigated pursuant to Findings adopted in the certification of the Final EIR, including revisions or mitigation measures imposed upon the proposed project.
6. Therefore, the project is within the scope of the previously certified Final EIR, no new effects will occur and no new mitigation measures are required, and no new environmental document is required.
7. The chancellor is requested under Delegation of Authority by the Board of Trustees to file the Notice of Determination for the project.
8. The schematic plans for the San Diego State University, Campus Children's Center are approved at a project cost of \$3,509,000 at CCCI 4019.

## **2. San Diego State University—Gateway Addition**

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

1. The board finds that the Categorical Exemption for the San Diego State University, Gateway Addition has been prepared in accordance with the requirements of the California Environmental Quality Act.
2. The proposed project will not have a significant effect on the environment, and the project will benefit the California State University.
3. The schematic plans for the San Diego State University, Gateway Addition are approved at a project of \$13,000,000 at CCCI 4019.

## **3. California State University, Stanislaus—Residence Life Village Phase III**

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

1. The board finds that the Negative Declaration for the California State University, Stanislaus, Residence Life Village Phase III project has been prepared in accordance with the requirements of the California Environmental Quality Act.

2. The proposed project will not have a significant effect on the environment; and the project will benefit the California State University.
3. The chancellor is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
4. The schematic plans for the California State University, Stanislaus, Residence Life Village Phase III project are approved at a project cost of \$16,890,000 at CCCI 4019.

### **Committee on University and Faculty Personnel**

Trustee Campbell reported the committee heard one action item as follows:

#### **Revision of Title 5, California Code of Regulations, Section 42933, Catastrophic Leave (RUFP 09-02-04)**

Trustee Campbell moved the item; there was a second.

Trustee Campbell stated that this resolution proposed a change in Title 5 Regulations and therefore a public hearing must be held. He 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 Section 42933, Article 4.2, Subchapter 7, Chapter 1, Division 5 of Title 5 of the California Code of Regulations as follows:

#### **§42933. Donation.**

(a) Only vacation and sick leave credits may be donated. Employees may donate a maximum of ~~thirty two (32)~~ forty (40) hours of leave credits per fiscal year in increments of one hour or more. Donations are irrevocable. Donated leave credits may be used ~~only~~ to supplement Industrial Disability leave, Nonindustrial Disability Insurance or Temporary Disability payments ~~from the State Compensation Insurance Fund~~ upon the application for these benefit(s) by an eligible employee. The total amount of leave credits donated and used may not

exceed an amount sufficient to ensure the continuance of the employee's regular monthly rate of compensation.

(b) The total donated leave credits shall normally not exceed an amount necessary to continue the employee for three calendar months calculated from the first day of catastrophic leave. The appointing authority may approve an additional three-month period in exceptional cases. The leave shall not be deemed donated until actually transferred by the appointing authority's recordkeeper to the record of the employee receiving leave credits. Such transfer shall be accomplished at the end of a pay period, and credits shall be transferred in the order of the dates actually pledged.

(c) For employees whose appointments have not been renewed, donated time may not be used beyond the employee's appointment expiration date in effect at the beginning of the disability.

(d) Unused donated leave credits may not be used to receive service credit following a service or disability retirement.

NOTE: Authority cited: Sections 89030 and 89500, Education Code. Reference: Section 89500, Education Code.

And, be it further

**RESOLVED**, That the Board of Trustees has determined that the adoption of the proposed revisions 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 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 pursuant to the Administrative Procedure Act 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 Mehta reported the committee heard one discussion item, Status Report on Current and Follow-up Internal Audit Assignments.

## **Committee on Institutional Advancement**

Trustee Pierce reported the committee heard three information items, 2002/2003 University Advancement Campus Plans; Article 15. Alumni Associations—A Proposed Revision to Title 5, California Code of Regulations; and University Advancement Update; and two action items as follow:

### **Approval of Naming of Facility – California State University, Dominguez Hills (RIA 09-02-07)**

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 Track and Field Complex and the Velodrome at California State University, Dominguez Hills be named as part of The Home Depot National Training Center, subject to clarifying the circumstances under which California State University, Dominguez Hills would be entitled to additional payments, such clarification to be approved by the Chancellor.

### **Approval of Naming of Facility – California State University, San Marcos (RIA 09-02-08)**

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 library at California State University, San Marcos, be named The Kellogg Library.

## **Committee of the Whole**

Chair Farar reported the committee heard one information item, Litigation Report Number 16 and one action item as follows:

### **Revision of Title 5, California Code of Regulations, Adding Section 42356 “Smoking on Campus” (RCOW 09-02-01)**

Chair Farar 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 adopts Section 42356 of Article 9, Subchapter 5, Chapter 1, Division 5 of Title 5 of the California Code of Regulations as follows:

**§42356. Smoking on Campus.**

The president of each campus and the Chancellor for the headquarters office may adopt rules regulating smoking on the campuses and property of the California State University. The regulation shall seek to mitigate exposure to secondhand smoke. Notice shall be posted at or near the principal entrances of each campus or property calling attention to the existence of the rules.

NOTE: Authority cited: Sections 89030 and 89031, Education Code. Reference: Section 89031, Education Code; Sections 19994.30 *et seq.*, Government 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.

**Student and Employee Participation in Adopting Rules Concerning Smoking on Campus (RCOW 09-02-02)**

Chair Farar moved the item; there was a second.

The Board of Trustees approved the following resolution:

**RESOLVED**, by the Board of Trustees of the California State University that the presidents and the chancellor shall consider the views of students and employees as appropriate in adopting rules concerning smoking on campus.

**Committee on Governmental Relations**

Trustee Galinson reported the committee heard one action item:

**2001/2002 Legislative Report No. 10 (RGR 09-02-06)**

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 2001-02 Legislative Report No. 10 is adopted.

**Committee on Educational Policy**

Trustee Achtenberg reported the committee heard two action items, Preparing Teachers to Teach Reading Effectively; Notable Accomplishments in California State University Teaching, Research, and Scholarship: The Student Research Competition and two action items as follows:

**California State University Enrollment Management Policies (REP 09-02-07)**

Chair Farar asked for discussion on the matter.

Lt. Gov. Cruz Bustamante commented on the importance of guaranteeing access to all students who apply and are qualified for admissions. He stated that the CSU must continue to expand in order to accommodate the need to build needed facilities for those students that the CSU currently serves and those future students.

Trustee Achtenberg moved the item; there was a second.

The Board of Trustees approved the following resolution:

**WHEREAS**, California law acknowledges the responsibility of the State of California to provide the resources necessary for higher education to fulfill the requirements of the Master Plan for Higher Education; and

**WHEREAS**, Education Code Section 66202.5 states, “The State of California reaffirms its historic commitment to ensure adequate resources to support enrollment growth ... to accommodate eligible California freshmen applicants and eligible California Community College transfer students...” and

**WHEREAS**, Education Code Section 66202 outlines categories for enrollment planning and admission priority in the following order: continuing undergraduate students in good standing, California Community College transfer students, transfer students from other four year campuses and institutions, and finally freshmen or sophomore level students; and

**WHEREAS**, California State University and its campuses remain committed to serving the diversity of the state through its enrollment management policy and local regions; and

now, therefore, be it

**RESOLVED**, By the Board of Trustees of the California State University that the following principles are adopted by the Board of Trustees effective with students seeking admission to the CSU for fall ~~2001~~2003 to aid the Chancellor and campuses in carrying out the mission of the CSU and to ensure that CSU campuses continue to comply with the provisions of the Master Plan for Education:

- **CSU commits itself to the provision of equal educational opportunities for all admitted and enrolled CSU students.**
- CSU reaffirms its commitment to the Master Plan to accommodate within the CSU all fully eligible students in the upper one-third of recent California high school graduates and all fully eligible, upper-division California community college transfer students.
- Appropriate to the mission of the CSU system and that of its member campuses, each CSU campus is expected to maintain a balanced student body and to provide broad-based access to the people of California.

- CSU outreach, admission, and retention policies shall continue to provide encouragement, support, academic and counseling services, and access to students traditionally underrepresented in California higher education toward the goal of enrolling a student population reflective of campus' local regions and California's growing diversity. To ensure that each campus works toward this goal within its local region, the Office of the Chancellor will coordinate all statewide efforts related to these services.
  
- It is the intent of the CSU Board of Trustees that campuswide impaction be avoided. The trustees will seek the instructional and physical capacity resources necessary to serve all fully eligible students who desire a CSU education. The enrollment target of each campus and its off-campus centers will be established and publicized ten months prior to the beginning of each academic year. The CSU system shall work with CSU campuses for which program impaction is inadequate to manage their enrollment pressures. A campus may be designated as impacted campuswide only if the campus can demonstrate that it has exhausted existing enrollment capacity by implementing such approaches as flexible scheduling and year-round operations, expanding distance learning and use of technology, increasing the capacity of existing off-campus centers, establishing new centers, and using facilities imaginatively, but not at the expense of regular campus maintenance and capital outlay needs.
  
- CSU-eligible students are guaranteed admission to at least one local CSU campus. Applicants to impacted majors or programs must meet the supplemental admission criteria for that major or program. Admission to the campus, ~~however,~~ therefore, does not include assurance of admission to a specific program.
  - If a major or program is not offered as part of the curriculum at an applicant's local CSU campus, CSU-eligible first-time freshman students are guaranteed admission to a CSU campus immediately adjacent to the applicant's local region if it offers that major or program. Depending upon enrollment demand at the immediately adjacent CSU campus, the applicant may be required to enroll in their local CSU campus to complete lower-division requirements. The student will then be guaranteed admission as an upper-division transfer student at the immediately adjacent CSU campus. Should the student apply to any other CSU campus, (s)he will be treated as an out-of-region applicant. Students wishing to change their major or program after enrolling at the immediately adjacent CSU

campus may be required by the campus to petition for approval of a change in major.

- If a major or program is not offered as part of the curriculum at an applicant's local CSU campus, CSU-eligible upper-division transfer students are guaranteed admission to a CSU campus immediately adjacent to the applicant's local region if it offers that major or program. Should the student apply to any other CSU campus, (s)he will be treated as an out-of-region applicant. Students wishing to change their major or program after enrolling at the immediately adjacent CSU campus may be required by the campus to petition for approval of a change in major.
- First-time freshmen and upper division transfer students shall be admitted to a local CSU campus on the basis of established CSU system admission policies, i.e., those standards defined in the first principle listed above. The local admission guarantee will be announced and figure prominently in all campus recruitment, outreach, and admission materials.
- For purposes of admission, "local" first-time freshmen are defined as those students who graduate from a high school historically served by a CSU campus in that region, and local upper division transfer students are defined as those who transfer from a community college historically served by a CSU campus in that region. The boundaries of a campus' local region shall contain the entire territory of the school district or community college district in which the local high school or community college campus is located.
- CSU campuses shall utilize program impaction where appropriate prior to requesting campuswide impaction.
- CSU campuses may pursue program impaction for those programs receiving more fully eligible applicants than can be accommodated. Campuswide impaction shall be authorized only when program impaction is inadequate to cope with an excess number of fully eligible applicants.
- To assist the campus in the identification of effective enrollment management policies, new or existing, that address the education needs of the local, regional, and state student population in terms of outreach, admission, and enrollment, each campus president shall consult with a presidential advisory group. The members of the

presidential advisory group will include faculty, students, administrators, representatives of educational institutions from the campus' local region, and local community leaders representing broad community interests. In selecting members of the presidential advisory group, sensitivity to the cultural diversity of the campus and participants' cultural competence will be essential.

- Supplemental admission criteria will be used to screen applicants for impacted programs. Campuses approved by the chancellor to implement supplemental admission criteria shall provide public notice to all students who may be affected by these criteria, parents/families, and appropriate education agencies no later than twelve months prior to the term in which the supplemental admission criteria take effect, and shall be publicized widely. Supplemental admission criteria may be used in campuswide impact situations provided that CSU-eligible students guaranteed local regional access shall be admitted. In unusual circumstances in which a campus must respond to unanticipated enrollment pressures, a campus may implement enrollment management strategies or supplemental admission criteria without a twelve-month notice with the approval of the chancellor in accordance with Board of Trustee policy and following consultation with the presidential advisory group. In such instances, the campus shall notify immediately (1) local K-12 schools and community colleges that serve local students and (2) all applicants affected by the change and their families. Students whose street or e-mail addresses are on file at the campus will be notified directly. Local media announcements shall be used to inform the broader community and students who may not have yet been in direct contact with the campus.
- Each campus shall maintain a process by which students can confirm their admission eligibility status and processes.
- The effects of these principles and other CSU admission policies and practices shall be monitored carefully and reported by the chancellor on at least an annual basis to ensure that CSU continues to honor its Master Plan obligations in a clear and consistent way. This report will include but is not limited to the examination of campus-based services and programs to assist students at affected campuses, analysis of the impact of approved pilot programs and supplemental criteria on student enrollment, and data on the racial and ethnic composition of the student population at campuses implementing enrollment management policies.

## **Academic Plan Update for Fast-Track Program Development (REP 09-02-08)**

Trustee Achtenberg 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 Academic Plan for California State University, Fresno (as contained in Attachment A to Agenda Item 2 of the March 12-13, 2002, meeting of the Committee on Educational Policy) be amended to include projection of a Bachelor of Science with a major in Enology and a Bachelor of Science with a major in Viticulture, with projected implementation dates of 2003; and be it further

**RESOLVED**, by the Board of Trustees of the California State University, that the Academic Plan for California State University, Sacramento (as contained in Attachment A to Agenda Item 2 of the March 12-13, 2002, meeting of the Committee on Educational Policy) be amended to include projection of a Master of Science in Urban Land Development, with a projected implementation date of 2003; and be it further

**RESOLVED**, by the Board of Trustees of the California State University, that the Academic Plan for California State University, San Bernardino (as contained in Attachment A to Agenda Item 2 of the March 12-13, 2002, meeting of the Committee on Educational Policy) be amended to include projection of a Master of Arts in Teaching Mathematics, with a projected implementation date of 2003; and be it further

**RESOLVED**, that each degree program newly included in the campus Academic Plan is authorized for implementation, at approximately the date indicated, subject to the chancellor's determination of need and feasibility, and provided that financial support, qualified faculty, facilities, and information resources sufficient to establish and maintain the program will be available.

## **Communications and Correspondence**

### **Old Business**

### **New Business**

### **Public Comments**

The board heard comments from Pauline Robinson, CSEA, Andrew Carter, a student at SLO, Stafford Cox, CSULB, Jana Weeks, COUGH, and Dr. Susan Meisenhelder, president, California Faculty Association.

**REPORT OF CHAIR DEBRA S. FARAR  
Board of Trustees  
The California State University  
September 18, 2002**

Good morning everyone. First of all I'd like to welcome the Lt. Governor to our meeting. Thank you for coming. I'm especially glad to be here this September meeting of the Board of Trustees because last year we did not have a September board meeting. The date of our meeting last year was September 11. We all remember exactly where we were when we learned of the horrors of that day and probably although we didn't realize the enormity of the situation also remember exactly where we were when we were told there would be no Board meeting at all that month. Because of his extraordinary institutional memory, I ask Don Gerth if he ever remembered a board meeting being cancelled and he did not believe so. At least since the 1960's. Last week most of our campuses joined universities across country to hold memorial observances. Campus events were not only for students, staff and faculty, but included community members as well. Alumni who lost lives were honored at Fresno and San Diego State. The pilot of Flight 93, Captain Jason Dahl, was an alum of San Jose State and was also honored. In what ever manner the first anniversary of September 11 was marked, it brought together CSU campus communities and we would expect nothing less of a people's university like the CSU. And I am very proud, as I know all of you are to be a part of this great system.

This morning I am pleased to welcome our newest member of the Board of Trustees, Alex Lopez. Governor Davis appointed Alex Lopez as a student trustee. He assumes the position as the non-voting student trustee until July 1, 2003, when he will then become the voting student trustee. Alex is a Business Administration student at Fullerton and he is also a twice-elected president of the Associated Students. I was privileged to meet Alex at the Fullerton commencement earlier this year and also spent some time with him recently at the Chancellor's office and from the little I have seen, I'm very impressed with Alex' dedication to and his knowledge of the CSU. I have already come to the conclusion that Alex is a very impressive young man and that we are very fortunate that he has joining our board. Welcome Alex, would you like to say anything?

Remarks of Alex Lopez: I just want to say thank you very much for your welcome to all the trustees and everybody in the Chancellor's office. I didn't know anybody and I didn't know what impression I was going to get when I first was appointed, but you all have been really great and very supportive in that transition. I'm extremely excited to work with all of you, the campus presidents, and I look forward to a challenging but very important year with all of you, so thank you very much.

Thank you very much Alex.

In his fall address to the faculty and staff, Sacramento State president Donald Gerth announced that he would retire from the office of president next summer. In addition to being president of the Sacramento campus for almost twenty years, Dr. Gerth was president of CSU Dominguez Hills for eight years, Dr. Gerth was also the vice-president for Academic Affairs for Chico before that he held several other positions at Chico, the Chancellor's Office and at San Francisco State. In all Dr. Gerth has had over forty-five years of his professional life invested in the California State University. As chair of the Board, I am appointing three trustees to serve on the Trustees Selection for President, Bill Hauck to chair the committee along with Trustees Denny Campbell and Martha Fallgatter. Working closely with campus constituents through an advisory committee, the selection should complete its task in March 2003.

Yesterday, Dr. Bob Suzuki, president of Cal Poly Pomona announced his plans to retire in Summer 2003. Dr. Suzuki will have completed his twelfth year as president. Before coming to Cal Poly, Dr. Suzuki was the vice-president for Academic Affairs at Northridge and Dean of Graduate Studies at Cal State Los Angeles. I'm naming Tony Vitti to chair the Trustees Selection Committee and Trustees Harold Goldwhite and Ralph Pesqueira to serve on the committee. A campus based advisory committee will join the trustees selection committee in conducting the search. Like the Sacramento search, I anticipate this process will conclude in March.

And last, but certainly not least at the opening year convocation at CSU Chico, President Manuel Esteban informed the campus community that he would step down from the presidency in August 2003. Dr. Esteban became president of CSU Chico in July 1993. Dr. Esteban began his career with the CSU in 1987 when he was selected Dean of the School of Arts and Sciences at CSU Bakersfield. In 1990 he moved to Humboldt State as Provost and Vice President for Academic Affairs. I am naming Roberta Achtenberg as chair of the Trustees Selection Committee and Trustees Murray Galinson and Kyriakos Tsakopoulos as the other trustee members.

In discussing the other two searches and other project with the board and Chancellor Reed, we decided to delay the search for the Chico presidency until later in the academic year. The reasons for this are the following: We would already have two searches under way, Sacramento and Cal Poly Pomona and Sacramento and Chico are in the same geographical area and because the curricula are somewhat similar they would attract an overlapping pool of candidates. We want to be sure we have a discreet pool of candidates for Sacramento and a separate pool for Chico. We will also appoint a campus based advisory committee who will work closely with trustees and be ready to begin as soon as we complete the other two searches.

In the mid 1990's the board established a special committee to review executive compensation issues and to develop a plan. It is appropriate once again to examine our executive compensation policies and program. At the October Board meeting, I will recommend the creation Ad Hoc

Committee on Executive Compensation. My intention is to name Murray Galinson to chair and to name trustees Campbell, Hauck, Mehta and Vitti to the committee.

On Friday August 16, Governor Davis, Trustees Galinson, Hauck, Vitti, Thomas and Chancellor Reed and I were present for the grand opening of the California State University's 23<sup>rd</sup> campus, CSU, Channel Islands. It is a beautiful setting and will serve generations of Ventura County residents as well as others. The first day of classes was Monday, August 26 when President Rush personally greeted students offering chocolate silver dollars, snow cones and popcorn. Approximately 750 students enrolled for classes. Thank you, President Rush and your faculty, staff and colleagues. You opened on time and I'm looking forward to a planned visit next month to our newest campus.

Our first of the season family battles took place on August 29 when the Fresno State Bulldogs and the San Diego State Aztecs tangled on the football field. Fresno State won this nationally televised game by blocking an attempted game winning field goal with two seconds left in the game. A nearly full stadium of 39,000 fans cheered the Bulldogs to victory.

In early August I had the privilege at Tanglewood in the Berkshires of Massachusetts with President Armiñana, his wife Marne and other members of the Sonoma State community. Trustee Fallgatter was also in attendance. What an experience. I'm still talking about it to anyone who will listen. President Armiñana, we are looking forward to the opening of the Green Musical Art Center at Sonoma State so Californians don't have to travel across the country for a picnic on the grass with world class musical concerts.

As well as all the previously mentioned summer events and activities, I also attended the Panetta Institute at Monterey Bay, along with Trustee Achtenberg. Where we were privileged to view a panel discussion with former Mayor of New York, Rudy Giuliani and chairman and CEO of the New York Stock Exchange, Richard Grasso on terrorism and its challenges and impact on America.

I was also honored to be part of Fullerton's faculty days and spoke on the future of the CSU in the 21<sup>st</sup> Century. I made a trip to Fresno along with Chancellor Reed and several other legislators as well as our Governor to honor retiring State Senator Jim Costa an alumna of Fresno State. Last week, I attended the Academic Senate meeting right here in this room with our esteemed hard working senate.

I would also like to report that this will be the last meeting for Martha, as Trustee Fallgatter. Martha is getting married this weekend, so the next time you see her she will officially have a new name and can now be referred to as Trustee Walda. Congratulations and best wishes Martha.

EXHIBIT A  
Full Board Meeting  
November 12-13, 2002  
Page 4 of 4

Please be on the lookout for the Chancellor's column on Academic Freedom in the September/October Trusteeship Magazine. The next board meeting is scheduled for Thursday, October 31 from 9:00 a.m. to 12:00 noon. It will not be a conference call this year, but a live meeting in this room.

Thank you, that concludes my report and I would now like to recognize Dr. Charles Reed to deliver the Chancellor's Report.

**REPORT OF THE CHANCELLOR CHARLES B. REED**  
**Board of Trustees**  
**The California State University**  
**September 18, 2002**

Thank you, Chair Farar. I want to join you in welcoming Alex Lopez. Alex, I look forward to working with you, as I know all the presidents and staffs do.

I want to begin by congratulating President Rush on the opening of CSU Channel Islands. I know the people in Ventura County have waited 30 years to open a new campus. You and your faculty and staff and the people in Ventura County certainly worked very hard and it was a wonderful day. Given the capacity problems that face the California State University, it was very important to bring that institution online, within budget, on time.

Second, I want to congratulate Milton Gordon on opening the El Toro campus, the branch campus of CSU Fullerton. When you open a branch campus and bring in 2,500 students the first day, that's some heavy lifting. That branch also opened on time and within budget. Thanks, Milton for all the hard work you and others did to bring that online.

Our dynamic and ever-changing institutions are observing many other transitions this year as well. I want to thank Don Gerth for his many years of service. There will be many celebrations all this year for what you and others have done but I just want to say this: There is only one Don Gerth. He is one of kind. He probably knows more about the CSU than anybody. Don has promised that he is going to write the second edition of his book about the CSU, so we all look forward to that. President Esteban, thank you for all you have done at Chico to bring new life to that campus and serve that campus. President Suzuki, you too have made very important contributions to Cal Poly Pomona, and I know the campus reputation is much better today than before you got there. Thank you all for what you have done for the CSU.

Let me talk about some of the major things that we are working on this year. Enrollment is on the top of the list as a hot topic in the CSU. We had a record increase in enrollment this year. We have welcomed 22,000 students to the California State University, an incredible 7% increase in our enrollment. We had planned on a 5% increase, but that is yet to be determined. But we can say this: We have now gone well over 400,000 students in the California State University. Serving those students well is very important. We met with the presidents on Monday night and they spent about 5 hours with us here in the building to talk about enrollment management policies and what we needed to do.

Richard West reported yesterday on the 2002/03 budget. Whether or not there will be more cuts, we do not know. We do know that classes have started. We are accommodating 22,000 new students. Our faculty is crowding students into their classrooms, and we have to serve all of these

students. What we know is that we have got to be funded and have the capacity to continue to grow. The worse thing that can happen is to get more students, clog up that pipeline, and make students wait around longer than they should to get the required classes in order to graduate.

We estimate that 2003/04 will be a tougher budget year than 2002/03. We do know that there will be some additional reductions if we do not see additional revenue. I have said this over and over again: Governors and legislatures can pretty much do two things. They can increase revenue or decrease expenditures. I think they have done everything this year outside of that box so next year that is about what is left. Richard's budget recommendations say we have to take care of our mandatory costs this next year. That is about \$78 million. That means that no matter what we do it is going to cost us \$78 million more to run this university system next year to keep the same level of services in place, meet our labor agreements, and provide the kind of health insurance and others agreements that we do. We will continue to make enrollment, budget, and faculty and staff compensation a priority.

We have included ACR 73 costs of about \$35 million in the new budget. I think that the ACR 73 report is an excellent report that showed that the labor, the academic senate and the chancellor's office and the institutions can all work together for the same cause and put forth an excellent plan. As planned, it will take eight years to implement.

We are also asking for some additional money for off-campus centers because they are going to continue to grow. For instance, Coachella Valley has the lowest college-going rate in California. San Bernardino has opened a new facility there and has another facility under construction. But all of these good ideas take operating money to make them work and we hope that the governor and the legislature will recognize that.

When I came five years ago, Martha and this board emphasized to me that implementing Cornerstones was what I was supposed to do. I have Cornerstones out at home, keep a copy under my pillow, and look at it to make sure that we are staying on task and on course. In August, I invited some of the presidents and all of the provosts to come together at the LAX airport to talk about academic technology and the use of technology in the academic arena, an important part of the Cornerstones plan. We have another year of wiring, but we have pretty much put in place the necessary technological infrastructure. This academic technology plan could help us with capacity. If we could rearrange the way that we teach some of our courses or provide incentives to look at the use of technology, maybe we could have some students in some courses only have to come one day a week instead of two or three. We have a task force that will be reporting to this board just as we did for our administrative technology with the CMS project. This January we should have the outline of a report that is right now being discussed with the faculty and provosts and presidents.

Cornerstones also emphasizes the importance of the CSU's role in preparing students for the workforce. Our goal is to work with the California business community to make sure that we are meeting California's workforce needs, especially in the areas of teacher education, nursing, business, engineering, computer science, and agriculture. In June, I hosted a meeting to examine this issue. I very much appreciated Bill Hauck bringing representatives from the California Chamber of Commerce, state health organizations and others with him to talk about what the CSU needed to do.

Cornerstones asks us to connect learning with the real world. So this week we have launched a web site that will allow Californians to hold a virtual discussion about what we should be doing to prepare students for the real world. The address is [www.csuadvantage.org](http://www.csuadvantage.org). We have asked the California Chamber of Commerce to use their communications channels to alert businesses in California about this opportunity. I believe that we can use technology to have a conversation, and I believe that this is going to be an opportunity for our faculty, our students, our staff, and businesses throughout California to participate in a conversation about what the CSU ought to do to in preparing students for the real world. We will keep the virtual conversation and discussion forum up through Thanksgiving. In December, we will start to pull that information together and then share that back out over the web site.

Another item that Dave Spence brought us is the reading report. Everything that we do is important, but preparing students to read, comprehend, analyze is extremely important. I want to commend our faculty members who will work on the reading project. I have said over and over again, you can't prepare teachers to teach with only one methodology. There are just too many different kids out there and you have got to have more than one way of doing something in order to be successful, so I commend our faculty and staff for working on that.

Another project we are working on for this spring is early assessment. Again, it all relates back to Cornerstones and our goal to minimize students' need for remedial education. In mathematics, we can probably meet the goal if we stay on course. In reading we can't, unless we turn something around. That is why we are doing the reading project and the early assessment. If all the school districts cooperate with us on the early assessment, we can send information back to those school districts and use the 12<sup>th</sup> grade year for students to improve their skills. Louis Caldera and I were on a national commission about the 12<sup>th</sup> grade, and we found that the 12<sup>th</sup> grade is often wasted in American education. If California can turn it around and get students to take math in the 12<sup>th</sup> grade and do something about their reading skills, then that will help us meet the Cornerstones' remedial education goals.

Chair Farar, that concludes my report.