

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

March 18, 2004

The Regents of the University of California met on the above date at UCSF-Laurel Heights, San Francisco.

Present: Regents Bodine, Connerly, Dynes, Hopkinson, Johnson, Kozberg, Lozano, Marcus, Montoya, Moores, Murray, Parsky, Preuss, and Seigler (14)

In attendance: Regents-designate Anderson, Novack, and Ornellas, Faculty Representatives Blumenthal and Pitts, Secretary Trivette, General Counsel Holst, Treasurer Russ, Provost King, Senior Vice Presidents Darling and Mullinix, Vice Presidents Broome, Drake, Foley, Gomes, and Hershman, Chancellors Tomlinson-Keasey and Yang, Executive Vice Chancellor Gray representing Chancellor Berdahl, and Recording Secretary Nietfeld

The meeting convened at 1:25 p.m. with Chairman Moores presiding.

1. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Upon motion of Regent Preuss, duly seconded, the minutes of the meetings of January and February 2004 were approved.

2. REPORT OF THE PRESIDENT

President Dynes presented the report concerning University activities and individuals.

Upon motion of Regent Montoya, duly seconded, the President's report was accepted, and it was directed that notes of thanks be sent to the donors of the gifts mentioned in the report, that congratulations be extended to those faculty and staff members who have been awarded honors, and that notes of sympathy and regret be sent to the families of those whose deaths were reported.

[A copy of the report is on file in the Office of the Secretary.]

3. RESOLUTION IN APPRECIATION - DOLORES HUERTA

Upon motion duly made and seconded, the following resolution was approved:

WHEREAS, the Regents of the University of California wish to express their warmest appreciation to Dolores Huerta for having faithfully and conscientiously carried out her responsibilities as a Regent, bringing to the Board's deliberations fresh perspectives on education and society reflective of her passion for equal opportunity and justice; and

WHEREAS, her interest in improving the human condition, particularly of the children of California, began early in her career when as a teacher of the sons and daughters of migrant farm workers she witnessed firsthand the effects of poverty on the acquisition of an education, thus spurring her to a lifetime of service to humanity that has seen her hailed as one of the most celebrated and successful activists of the late 20th century; and

WHEREAS, her deep sense of compassion for those less fortunate found expression in her role as co-founder of the United Farm Workers, as a staunch advocate for civil rights, as a tireless champion of social justice in California and throughout the nation, and as a voice of hope for the disenfranchised and those without hope, all of which led to numerous honors and awards, including the California State Senate's Outstanding Labor Leader Award, the ACLU Roger Baldwin Medal of Liberty Award, the Ellis Island Medal of Freedom Award, and the Eugene V. Debs Foundation Outstanding American Award, as well as selection by the Ladies Home Journal as one of the "100 Most Important Women of the 20th Century;" and

WHEREAS, during her term as a Regent of this University, her heartfelt concern for such vital issues as student access, diversity, and outreach coupled with her breadth of experience and passion for justice made her a source of wise counsel and valued insights for the Board as a whole, as well as for her colleagues on the Committees on Educational Policy, Grounds and Buildings, and Health Services; and

WHEREAS, her boundless energy, perseverance, and considerable contributions across a wide field of endeavor have helped move California and its University ever closer to fulfilling its ideals of a just and secure society for all its citizens, regardless of their circumstances and backgrounds;

NOW, THEREFORE, BE IT RESOLVED that the Regents express their gratitude to Dolores Huerta for her dedicated service to education and to the people of the Golden State;

AND BE IT FURTHER RESOLVED that the Regents extend to Dolores their best wishes for the future, and direct that a suitably inscribed copy of this resolution be presented to her as an expression of their admiration and friendship.

4. RESOLUTION IN APPRECIATION - C. JUDSON KING

Upon motion duly made and seconded, the following resolution was approved:

WHEREAS, the Board of Regents wishes to honor C. Judson King upon his retirement from the University after four decades of devoted service, the last eight years of which have been spent guiding the academic and research enterprise of the University as its Provost and Senior Vice President—Academic Affairs; and

WHEREAS, he has brought to his duties as Provost a broad perspective and comprehensive grasp of the complex and dynamic issues facing higher education and the University, at all times providing effective leadership on academic and research initiatives that will lead UC well into the twenty-first century, including establishment of the highly innovative California Digital Library; the growth of the University's international activities and programs; improvement of the undergraduate and graduate educational experience; increased attention to faculty gender equity; and oversight of the technological achievements and astronomical research of the renowned UC Observatories, Keck Telescopes, and the hoped for Thirty Meter Telescope; and

WHEREAS, under his stewardship he has steadfastly guided and overseen the historic restructuring of the University's admissions process and, in recognition that success in higher education depends upon early academic preparation, he helped lay a firm foundation for UC's enormously effective outreach programs, thus greatly expanding access to higher education for all of California's brightest young people, regardless of their background; and

WHEREAS, his numerous accomplishments as a scholar scientist, educator of uncommon skill, and insightful administrator have brought him international recognition and reflect his deep devotion to the welfare of the University's students, as well as to its core mission of teaching, research, and public service; and

WHEREAS, a man of steady principle, firm convictions, and absolute integrity, his loyalty and steadfast faith in the greatness of the University, coupled with a wry sense of humor, hearty booming laugh, and incisive mind, have enriched and enlivened this Board and the faculty, staff, and students of the University of California;

NOW, THEREFORE, BE IT RESOLVED that the Regents extend to C. Judson King their gratitude for the wise counsel he has consistently provided the Board and for the thoughtful leadership he has given to the academic mission of the University, and express their pleasure over his continued association with the University in his post-retirement role as Director of the Center for Studies in Higher Education on the Berkeley campus;

AND BE IT FURTHER RESOLVED that the Regents extend to Jud and Jeanne King their affectionate good wishes for a full and happy life in the years ahead, and direct that a suitably inscribed copy of this resolution be presented to them as an expression of esteem and affection in which the Board holds them both. Ave atque vale.

Provost King prefaced his remarks by acknowledging the contributions that his wife had made to the success of his career, which spanned 41 years as both a professor and an

administrator at the University of California, culminating in his service as Provost and Senior Vice President–Academic Affairs. He commented on the fact that the outstanding faculty, graduate students, and undergraduate students all contribute to the University’s excellence. Provost King pointed out that the present budgetary situation is serious and challenging, particularly in light of the interdependence between the University and the state that it serves. He suggested that the Regents, the administration, and the Academic Senate would need to work together in the most synergistic fashion possible to preserve and enhance the institution. He urged the Regents as individuals to call attention to the consequences that the state would suffer if the University’s greatness were to be lost.

5. **REPORT OF THE COMMITTEE ON FINANCE**

Appointment of Consulting Actuary for the University of California Retirement System by The Regents as Trustee

The Committee recommended that:

- A. The Segal Company be appointed Consulting Actuary for the University of California Retirement System on behalf of The Regents as Trustee for the period April 1, 2004 through December 31, 2005, with the ability to renew annually.
- B. The Secretary be authorized to execute the necessary documents effecting the appointment and subsequent calendar year reappointments.
- C. The Request for Proposals process continue to be undertaken every five to seven years or as necessary.

Upon motion of Regent Hopkinson, duly seconded, the recommendation of the Committee on Finance was approved.

6. **REPORT OF THE COMMITTEE ON GROUNDS AND BUILDINGS**

The Committee presented the following from its meeting of February 18, 2004:

- A. *Adoption of Negative Declaration, Amendment of Long Range Development Plan, and Approval of Design, College of Humanities, Arts and Social Sciences (CHASS) Instruction and Research Facility, Riverside Campus*

Upon review and consideration of the environmental consequences of the proposed project as indicated in the Tiered Initial Study, the Committee reported its:

- (1) Adoption of the Negative Declaration for the project.

- (2) Approval of and incorporation into the project all project elements and relevant 1990 LRDP EIR Mitigation Measures identified in the project's Negative Declaration.
- (3) Adoption of the Findings in their entirety.
- (4) Amendment of the UC Riverside 1990 LRDP land use map to convert approximately 1.6 acres of Public Services and Student Services to the College of Humanities, Arts and Social Sciences.
- (5) Approval of the design of the CHASS Instruction and Research Facility, Riverside campus.

[The Negative Declaration, Findings, and 1990 LRDP were mailed to Committee members in advance of the meeting, and copies are on file in the Office of the Secretary.]

B. *Adoption of Findings and Approval of Design, Robert Mondavi Institute for Wine and Food Science, Davis Campus*

Upon review and consideration of the environmental consequences of the proposed project as indicated in the 2003 UC Davis Long Range Development Plan Environmental Impact Report, the Committee reported its:

- (1) Adoption of the Findings, Statement of Overriding Consideration, and Mitigation Monitoring Program.
- (2) Approval of the design of the Robert Mondavi Institute for Wine and Food Science, Davis campus.

[The Findings, Statement of Overriding Consideration, and Mitigation Monitoring Program were mailed to Committee members in advance of the meeting, and copies are on file in the Office of the Secretary.]

C. *Adoption of Mitigated Negative Declaration and Approval of Design, Mayer Hall Renovation and Addition, San Diego Campus*

Upon review and consideration of the environmental consequences of the proposed project as indicated in the Initial Study/Mitigated Negative Declaration, the Committee reported its:

- (1) Adoption of the Initial Study/Mitigated Negative Declaration.

- (2) Adoption of the Mitigation Monitoring Program and Findings.
- (3) Approval of the design of the Mayer Hall Renovation and Addition, San Diego campus.

[The Initial Study/Mitigated Negative Declaration, Mitigation Monitoring Program, and Findings were mailed to Committee members in advance of the meeting, and copies are on file in the Office of the Secretary.]

D. ***Adoption of Negative Declaration and Approval of Design, Parking and Transportation Improvements Program, Step 6, Irvine Campus***

Upon review and consideration of the environmental consequences of the proposed project as indicated in the Initial Study, the Committee reported its:

- (1) Approval of the Tiered Initial Study/Mitigated Negative Declaration.
- (2) Adoption of the Findings and Mitigation Monitoring Program.
- (3) Approval of the design of the Parking and Transportation Improvements Program, Step 6, Irvine campus.

[The Tiered Initial Study/Mitigated Negative Declaration, Findings, and Mitigation Monitoring Program were mailed to Committee members in advance of the meeting, and copies are on file in the Office of the Secretary.]

E. ***Adoption of Negative Declaration and Approval of Design, Campus Surge Building, Irvine Campus***

Upon review and consideration of the environmental consequences of the proposed project as indicated in the Initial Study, the Committee reported its:

- (1) Adoption of the Tiered Initial Study/Mitigated Negative Declaration.
- (2) Adoption of the Findings and Mitigation Monitoring Program.
- (3) Approval of the design of Campus Surge Building, Irvine campus.

[The Tiered Initial Study/Mitigated Negative Declaration, Findings, and Mitigation Monitoring Program were mailed to Committee members in advance of the meeting, and copies are on file in the Office of the Secretary.]

Upon motion of Regent Marcus, duly seconded, the reports of the Committee on Grounds and Buildings were approved.

7. **REPORT OF THE COMMITTEE ON EDUCATIONAL POLICY**

A. ***Designation of Real Property, Nevada County, Sagehen Creek Field Station, Natural Reserve System***

The Committee recommended that The Regents designate the Sagehen Creek Field Station as a component of the University's systemwide Natural Reserve System, with no change in the day-to-day management of Sagehen by the Berkeley campus.

B. ***Adoption of Resolution Reaffirming Policy on Comprehensive Review in Undergraduate Admissions***

The Committee recommended that the following resolution be approved:

Whereas, on May 16, 2001, the University of California Board of Regents adopted RE-28, stating that "the University shall seek out and enroll, on each of its campuses, a student body that demonstrates high academic achievement or exceptional personal talent, and that encompasses the broad diversity of backgrounds characteristic of California," a goal that is in keeping with the mission of a public land-grant university;

Whereas, The Regents adopted comprehensive review on November 15, 2001, to accomplish this goal of evaluating undergraduate applicants using multiple measures of achievement and promise while considering the context in which each student has demonstrated academic accomplishment;

Whereas, the vast majority of selective public and private research universities throughout the United States use comprehensive review to admit their undergraduate students;

Whereas, The Regents has confidence in the academic qualifications and potential of the students admitted through comprehensive review on the basis of fourteen criteria, rather than solely on high-school grade-point average and college-admissions test scores;

Whereas, the University's comprehensive review policies comply with California law as enacted by Proposition 209;

Whereas, in approving the comprehensive review resolution, The Regents called for an annual review and reporting on the implementation of these policies;

Whereas, The Regents affirms the role of the faculty, subject to approval of The Regents, in setting the conditions for admissions to the University through the Academic Senate Board on Admissions and Relations with Schools, which has served the University well and contributed immeasurably to the University's rise to international academic prominence;

Whereas, the Eligibility and Admissions Study Group has performed a valuable review of undergraduate admissions policies and practices, identified certain areas that need further evaluation and study, and underscored the University's commitment to continue its ongoing review of these policies and modify them as needed;

Whereas, The Regents commends President Dynes, the chancellors, and the faculty through BOARS for their continued improvement of UC's admissions processes, evidenced by their commitment to make any necessary changes in time for the next admissions cycle;

NOW, THEREFORE, BE IT RESOLVED that The Regents affirms the use of comprehensive review in the University's undergraduate admissions;

AND BE IT FURTHER RESOLVED that The Regents is committed to the continued monitoring, evaluation, and improvement of the implementation procedures and methods to assure their effectiveness and compliance with University policies as well as federal and state law;

AND BE IT FURTHER RESOLVED that the views on UC admissions policies expressed by Regent John J. Moores, as Chairman of the Board of Regents, in the March 12, 2004, edition of *Forbes* magazine do not represent the views of the Board of Regents.

Upon motion of Regent Kozberg, duly seconded, Item A. of the recommendations of the Committee on Educational Policy was approved.

At the request of Regent Parsky, there was a roll call vote on Item B., Regents Bodine, Dynes, Hopkinson, Johnson, Kozberg, Lozano, Marcus, and Murray (8) voting "aye," and Regents Connerly, Montoya, Moores, Parsky, Preuss, and Seigler (6) voting "no." The motion carried.

8. REPORT OF THE COMMITTEE ON INVESTMENTS

The Committee recommended that The Regents approve the **attached portfolio investment guidelines** for the U.S. Public Equity Asset Class within the University funds of the retirement, general endowment, and 403(b) plans.

Upon motion of Regent Parsky, duly seconded, the recommendation of the Committee on Investments was approved.

9. REPORT OF THE COMMITTEE ON AUDIT**A. *Approval of External Audit Plan for the Year Ending June 30, 2004 and External Audit Coverage of the National Laboratories***

The Committee recommended that both the scope, as reflected in the audit and communications plan, of the external audit of the University for the year ending June 30, 2004 and the external audit coverage of the national laboratories be approved, including the audit fees as shown in **Attachment II**.

[The audit and communications plan was mailed to all Regents in advance of the meeting, and a copy is on file in the Office of the Secretary.]

B. *Amendment of Bylaw 12.1 - Committee on Audit Charter and Related Governance Documents*

The Committee recommended that:

- (1) Following service of appropriate notice, Bylaw 12.1 - Committee on Audit be amended as indicated in **Attachment III**.
- (2) The University of California Internal Audit Mission Statement, the Internal Audit Management Charter, and the Outline of University of California Audit Management Plan be updated to incorporate the changes to Bylaw 12.1 and to incorporate additional recommendations by the Committee on Audit, as indicated in **Attachments IV and V**.

Upon motion of Regent Hopkinson, duly seconded, the recommendations of the Committee on Audit were approved.

10. REPORT OF THE NOMINATING COMMITTEE

The Nominating Committee recommended the following appointments:

- A. Regent Odessa Johnson be appointed Chair of the Committee on Health Services through June 30, 2004.
- B. Speaker Núñez be appointed as a member of the Committee on Finance through June 30, 2004.

Upon motion of Regent Preuss, duly seconded, the recommendations of the Nominating Committee were approved.

11. SUPPLEMENTAL REPORT ON COMPENSATION***Salary for Martin M. Chemers as Acting Chancellor of the Santa Cruz Campus***

The Committee on Finance recommended that, contingent upon approval of his appointment by The Regents as Acting Chancellor, 100 percent, an annual base salary rate of \$162,400 plus an administrative stipend of \$106,800 (65.8 percent), for a total annual salary of \$269,200 be approved for Martin M. Chemers, effective April 1, 2004 and continuing until the appointment of a new Chancellor.

Upon motion of Regent Dynes, duly seconded, the Supplemental Report on Compensation was approved.

12. REPORT OF PERSONNEL ACTION

In accordance with Bylaw 14.7(b), Secretary Trivette reported a personnel action taken at a Special Meeting on February 23, 2004. A roll call vote was taken (roll call vote required by State law on all actions taken in meetings held by teleconference).

Appointment of M.R.C. Greenwood as Provost and Senior Vice President–Academic Affairs, Office of the President, 100 percent, effective April 1, 2004. The roll call vote was as follows: Regents Bodine, Dynes, Hopkinson, Johnson, Kozberg, Lee, Lozano, Montoya, Moores, Murray, Preuss, and Seigler voting “aye” (12).

13. REPORT OF COMMUNICATIONS

Secretary Trivette presented summaries of communications received subsequent to the January 2004 meeting. Unless otherwise instructed, the residency appeals will be referred to General Counsel Holst, and the remaining communications will be referred to President Dynes for response as appropriate.

14. **REPORT OF THE PRESIDENT**

The President reported that on the dates indicated, the following informational reports were mailed to The Regents or to Committees:

To Members of the Committee on Audit

- A. Annual audit of Hastings College of the Law for the year ended June 30, 2003. February 23, 2004.

To Members of the Committee on Finance

- B. Report to the Committee on Finance regarding the change in approval thresholds delegated in Standing Order 100.4(cc)(4) based on the percentage change in the Consumer Price Index-All Urban Consumers, U.S. City Average from November 2002 to November 2003. January 6, 2004.

- C. Annual Report on University Employee Housing Assistance Programs for 2002-03. January 12, 2004. (Schedule of Reports)

To Members of the Committee on Health Services

- D. Activity and Financial Status Report for the UC Medical Centers as of November 30, 2003. January 8, 2004. (Schedule of Reports)
- E. Medical Center Activity and Financial Status Report for the second quarter ended December 31, 2003. February 9, 2004. (Schedule of Reports)

The Regents of the University of California

- F. Informational report on the review of current third-party vendors of investment options for the period ending June 30, 2003. January 12, 2004.
- G. Academic Ranking of World Universities 2003, a study by Shanghai Jiao Tong University's Institute of Higher Education ranking the top 500 universities in the world. February 4, 2004.

The meeting adjourned at 1:37 p.m.

Attest:

Secretary