

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA  
MEETING AS A COMMITTEE OF THE WHOLE**

January 17, 2008

The Regents of the University of California met on the above date at Covell Commons, Los Angeles Campus.

Members present: Regents Allen, Blum, Bugay, Dynes, Garamendi, Gould, Hopkinson, Island, Kozberg, Lansing, Lozano, Marcus, Parsky, Pattiz, Preuss, Ruiz, Schilling, and Varner

In attendance: Regents-designate Scorza and Shewmake, Faculty Representatives Brown and Croughan, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Chief Compliance and Audit Officer Vacca, Provost Hume, Executive Vice Presidents Darling and Lapp, Vice Presidents Beckwith, Dooley, Foley, and Sakaki, Chancellors Block, Blumenthal, Drake, Fox, Kang, Vanderhoef, and Yang, Acting Chancellor Grey, and Recording Secretary Johns

The meeting convened at 8:50 a.m. with Chairman Blum presiding.

**1. PUBLIC COMMENT**

Chairman Blum explained that the Board had been convened as a Committee of the Whole in order to permit members of the public an opportunity to address University-related matters. The following persons addressed the Board concerning the items noted.

- A. Mr. Charles Young, UCLA Chancellor Emeritus, emphasized the importance of issues currently facing the University. He praised the work of the Committee on Governance and the Working Group on the Roles of the Office of the President. Mr. Young opined that the University now stands at an inflection point, an opportunity when conditions may get much better or much worse. He urged the Regents to examine relevant issues, especially the governance issue, in even greater depth than they have before. He emphasized the unity of the University in its quality and in the face it presents to the State regarding the budget and other matters, but stated that in other ways, UC is not one, but ten. He described UC chancellors as peers of the presidents of Harvard, Princeton, and other universities and urged the University to find the right balance between its identity as one and as ten. This issue is important in the search for a new president, who must fit the model of governance that is being developed. The UC president has no deans, faculty, or students; this is not an academic post. A president who sees himself or herself as a “super

chancellor” will not be an appropriate chief executive, spokesperson to the public, and face of the University to the State of California. Mr. Young opined that it is good for the University to have one face in its dealings with the Legislature and the Governor, but that this would not be desirable in dealing with many federal agencies. He urged the Regents to examine this in more detail and postpone the presidential search in order to conclude the work on governance and the role of the president. In the interim UC could have an acting president.

- B. Ms. Velma Montoya, former Regent, thanked Regent Parsky for his service, noting that he enabled UC to maintain management of the Los Alamos, Livermore, and Berkeley laboratories, and pushed the Office of the President to maximize UC laboratory fees which support scientific research, especially by postdoctoral researchers. Ms. Montoya expressed gratitude to Regent Preuss for his service and for creation of the Preuss School, a new paradigm for UC outreach to disadvantaged and minority K-12 students. She noted that UCB and UCD are creating their own K-12 charter schools based on the model of the Preuss School.
- C. Mr. Rich Reed, a UC alumnus, noted that he has been presenting his educational reform proposals to the Regents since 1985. He discussed his efforts to promote these reforms in music, math, and language education. Mr. Reed noted that he has talked to staff in Senator Feinstein’s office and at the Los Angeles Opera about his proposals.
- D. Ms. Marisa Martinez, a representative of the UCLA chapter of Students for a Democratic Society, stated that momentum against the war and occupation in Iraq has grown in the UC system since the last Regents meeting. She noted that over 3,800 U.S. soldiers have died in Iraq and that 2007 has been the deadliest year since the beginning of the war. California has lost over 400 troops, more than any other state. She stressed the Regents’ important civic role and responsibility to address pressing issues. She presented a written statement and materials.
- E. Mr. Kevin Mann, a UCSD student and co-chair of the statewide UC student-initiated academic preparation coalition, which represents educational equity centers at UC campuses, urged support for student-initiated outreach programs and services, noting that this work is cost-effective and gives thousands of UC students the opportunity to become involved in their local communities.
- F. Ms. Mona Auyoung, a graduate student in the UCLA School of Public Health, discussed the significant impact that fee increases have on graduate students, many of whom work while being full-time students. In spite of the fee increases, the poor condition of facilities at the School of

Public Health has not improved. She observed that this situation is frustrating to professors as well as students.

- G. Ms. Arundathi Gururajan, a UCSD student and representative of the UC Student Association, expressed concern about possible fee increases and emphasized that, if the Regents do not support the students, the Legislature will not prioritize education. She cited the burden of student debt and urged the Regents to support the resolution by Lieutenant Governor and Regent Garamendi. She reported that many students are turning away from the UC system because they cannot afford to attend.
- H. Mr. George Chacon, a UCLA student and intern at the UCLA Community Programs Office and at the Student Initiated Access Center's Samahang Pilipino Advancing Community Empowerment (SPACE) Project, informed the Regents that he attended public schools in Los Angeles and learned about higher education through Project SPACE. He urged the Regents to maintain support for this and other academic preparation programs.
- I. Mr. Justin Reyes, a second-year undergraduate at UCSB, discussed his personal financial challenges. He noted that his parents are working-class immigrants who were opposed to his attending UC because of the cost. He emphasized that fee increases take away from the quality of student life.
- J. Ms. Laura Flores, a second-year UCSB student, noted her family's difficult financial situation and informed the Regents that, like many other students, she is not eligible for financial aid because of her residency status. She stated that she is now being forced to take time off from school and that a fee increase will make it more difficult for her to return and for her siblings to attend UC. She urged the Regents not to increase fees and to allow students to achieve their dreams.
- K. Ms. Megan Kline, a third-year undergraduate at UCSB, noted that fee increases force students to choose between study and work. She emphasized that this is not a fair situation and discussed her financial challenges and work situation. She noted that, due to these pressures, she is trying to graduate more quickly.
- L. Mr. David Preciado, a first-year undergraduate at UCSB, urged the Regents not to increase fees. He discussed the difficult financial circumstances of his single-parent home. Mr. Preciado noted that his mother is a house cleaner with an annual salary of \$24,000, and that even with four Cal Grants, he is in debt after his first quarter.

- M. Mr. Gary Coyne, a graduate student at UCR and UC Student Association representative, cautioned the Regents against setting a precedent for raising fees every year. Mr. Coyne cited the California Master Plan for Higher Education and noted that, as fees increase, UC resembles a private rather than a public institution, it becomes less affordable and diverse, the quality of education suffers, and the University is less able to fulfill its Master Plan mission.
- N. Ms. Eunie Kim, a UCLA graduate student in public policy and UC Student Association representative, stated that the fee increases make it more difficult for students like her to pursue a career in public service. She noted her personal \$40,000 debt burden. Ms. Kim opined that fees are a form of taxes on students, and unfair when other elements in the state are not taking responsibility for balancing the budget. She called on the Regents to consider what they would like their legacy to be, and urged them to vote against a fee increase.
2. **RESOLUTION IN APPRECIATION – PETER PREUSS**

Regent Lansing related that she first met Regent Preuss over ten years ago when she was appointed as a Regent. She expressed gratitude for having Regent Preuss as an unofficial mentor who, during her first year, taught her everything about being a Regent. She expressed admiration for Regent Preuss' work, preparation, and conscientious dedication. She noted that Regent Preuss brought intelligence, knowledge, and kindness to every issue. She praised his empathy and his extraordinary integrity. She observed that, although she and Regent Preuss are on opposite ends of the political spectrum, he never politicized issues, and they always came together in their mutual concern for the University. Out of this there developed not only a business relationship, but a deep friendship.

Regent Lansing noted that Regent Preuss wanted to give something back to the University in return for his education; she believed that in fact the University has received much more from Regent Preuss than it gave him. She recounted that Regent Preuss received a degree in mathematics at UCSD before becoming a pioneer in the computer software industry. He became an Alumni Regent, then was appointed for an additional 12 years, and is currently the longest-serving Regent. She noted his service on numerous Regental committees, including service as Chair and Vice Chair. In addition, Regent Preuss has founded the Preuss Foundation, which fosters communication among cancer researchers, the Preuss Laboratory of Molecular Neuro-Oncology at UCSF, and the Preuss School, one of the finest charter schools in San Diego. Regent Lansing thanked Regent Preuss for his valuable insights, his hard work, his idealism, his goodwill, and his sense of humor. She recognized his wife, Mrs. Peggy Preuss, who is involved in the UCSD Alumni Association and Board of Overseers, and his son, Peter Jr. She concluded by noting that Regent Preuss will continue to serve on the

Health Services Advisory Group and will continue his involvement with the University.

Regent Preuss briefly discussed his concerns about graduate education and the quality of education at UC. He noted that, in the 1990s, the Regents did not realize that the number of graduate students at UC was decreasing, while it was increasing at other universities. Regent Preuss described graduate students as the life blood of the University and observed that not having as many graduate students as the University can accommodate is a waste of resources. UC pays for places for graduate students, and if these are not filled, the University is missing an opportunity. Regent Preuss discussed the importance of graduate students who become well-trained professionals, scientists, experts, employees, and entrepreneurs, and who carry a great deal of the UC teaching load. Once the Regents noticed that graduate student enrollments were declining, they went into action, and the trend is now being reversed. He asked how the Regents, a competent body, could not notice this, and opined that the Regents are sometimes unaware of topics which are not brought before them. For this reason, he believed it is important for the Regents to have a Chief of Staff to help identify significant issues. He expressed appreciation for Secretary and Chief of Staff Griffiths and for her work in ensuring that the Regents do not miss important issues.

Regent Preuss discussed his abiding concern about the quality of the institution. He stated that he was happy to conclude that the quality of the University has improved during his 14-year tenure in spite of UC's financial challenges. Although everyone wishes that quality might improve more quickly, the University is on the right path. Regent Preuss urged the Regents to work diligently to ensure that this trend is not reversed. He concluded by emphasizing the importance of hiring good faculty; with good faculty, other issues will work out. Regent Preuss expressed the hope that UC will remain vibrant, exciting, successful in hiring the best faculty, and continue to be a place that will draw gifted people from around the country to help California prosper.

3. **RESOLUTION IN APPRECIATION – GERALD L. PARSKY**

Regent Kozberg recognized Regent Parsky's 12 years of service and in particular stressed his two-and-a-half years as Chairman, when he led the Regents through the challenge of compensation reform and helped restore the public's trust. She expressed admiration for Regent Parsky's willingness to be personally accountable before the Legislature and the press, and to ensure that the Regents, the UC community, and the public were informed about what action was needed and would be undertaken to solve the problem. She noted that, as Chair of the Committee on Investments, Regent Parsky led an overhaul of procedures which saved the University billions of dollars. She praised Regent Parsky for his tireless effort to reshape the management of the national laboratories and for his role in helping the University win the contracts for the Los Alamos and Livermore laboratories.

Regent Kozberg then discussed Regent Parsky's professional accomplishments as chairman of Aurora Capital Group and his service on nonprofit and public boards and community commissions. She noted that Governor Schwarzenegger named him to chair a State commission on public pensions to address the problem of unfunded retiree healthcare costs. A Princeton alumnus, Regent Parsky is a member of the Council on Foreign Relations, a trustee of the George Bush Presidential Library Foundations and Ronald Reagan Presidential Foundation, and serves on the advisory council for the Woodrow Wilson School at Princeton. Regent Kozberg praised Regent Parsky for his stamina and grace and acknowledged his wife, Mrs. Robin Parsky, and his children, Laura and David. She thanked Regent Parsky for his leadership, stewardship, and dedication to the University and its students.

Regent Parsky observed that his 12 years of service, including service on almost every Committee and service as Chairman, had given him the opportunity to meet faculty and students and to understand how great an institution the University is. He expressed admiration for the dedication of UC's employees, and recognized Director Trey Davis, General Counsel Robinson, University Counsels Blair and Eklund, Associate Vice President Boyette and Assistant Vice President Arditti as individuals who were particularly helpful as issues arose. He expressed satisfaction with recent searches for positions which have resulted in the appointment of outstanding people who can help the University – General Counsel Robinson, Executive Vice President for Business Operations Lapp, Chief Compliance and Audit Officer Vacca, and Chief of Staff Griffiths. He underscored that the new Chief of Staff position and the person in that position will be invaluable to the Regents and to UC. Regent Parsky expressed special thanks to members of the secretariat, former Secretary Trivette, Associate Secretary Shaw, and Executive Secretary Alpaugh.

Regent Parsky discussed lessons learned from the many issues the University has faced in the last 12 years. He noted that UC has made positive changes in its investment policies; he acknowledged the role of former Treasurer David Russ and Chief Investment Officer Berggren for their dedication. He emphasized that the safety and soundness of the University's financial condition is the highest priority. Regent Parsky acknowledged the debates about the University's role at the national laboratories and asserted that a role for UC can be preserved as long as science and research in the national interest are of paramount importance.

Regent Parsky next discussed the crisis of confidence regarding compensation. He stressed that appropriate compensation should be offered to qualified faculty and administrators, and identified the crisis as one of transparency and accountability, which must be preserved in the interest of the University's public trust. If the University can not defend an action publicly, that action should not be taken. In the area of governance, he noted the restructuring of the Office of the President. He described this as a positive change and underscored that the

purpose of the Office of the President is to serve UC. When the Office of the President is viewed as an impediment, it is not serving the rest of the University.

Regent Parsky urged the Regents to maintain the quality of the three essential parts of the University: the physical plant, the faculty, and the student body. The Regents should not lose sight of the concepts of access, diversity, and affordability. He described his own involvement in the study of diversity at UC as a rewarding experience. He concluded by noting that he began his work as Regent in a period of contention and is ending it in a period of free, open, and honest debate. He emphasized the importance to the University of open discussion which allows for differences of opinion, is characterized by mutual respect, and is above politics. Regents serve for a term of 12 years so that no governor or elected official can dictate their actions or prevent them from doing what is in the best interest of the University.

4. **RESOLUTION IN APPRECIATION – JOHN J. MOORES**

Chairman Blum recalled that Regent Moores has left the Board. He praised Regent Moores for being fearless and forthright in speaking his mind, which was helpful for the Regents and the University. He stated that Regent Moores had provided him personally with wise counsel. Regent Moores received degrees from the University of Houston, where he also served on the Board of Regents from 1991 to 1994. Regent Moores expressed special concern about transparency and admissions at UC. He served on every Committee and served as an excellent Chairman for two years. In San Diego, Regent Moores has made his mark not only as the owner of the San Diego Padres, but through development of the downtown area near the stadium.

Regent Blum explained that a major reason for Regent Moores' departure from the Board is that he currently serves as Chair of the Carter Center in Atlanta. The Carter Center devotes significant effort to improving healthcare in Africa, which was an interest of Regent Moores before he began serving at the Center. Regent Blum praised Regent Moores' generous philanthropy to UC and the Carter Center, noting especially the establishment of the Moores Cancer Center at UCSD. On behalf of the Regents, he thanked Regent Moores for his service.

[It was noted that action would be taken on the three resolutions at the Board meeting scheduled later that day.]

The meeting adjourned at 9:55 a.m.

Attest:

Secretary and Chief of Staff