

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

May 17, 2001

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

Present: Regents Atkinson, Bagley, Connerly, Fong, Hopkinson, O. Johnson, S. Johnson, Kohn, Kozberg, Lansing, Marcus, Miura, Montoya, Parsky, Preuss, and Sayles (16)

In attendance: Regents-designate T. Davis, Morrison, and Seymour, Faculty Representatives Cowan and Viswanathan, Secretary Trivette, General Counsel Holst, Provost King, Senior Vice Presidents Darling and Mullinix, Vice Presidents Drake, Gomes, and Gurtner, Interim Vice President Gómez, Chancellors Berdahl, Bishop, Greenwood, Orbach, Vanderhoef, and Yang, and Recording Secretary Nietfeld

The meeting convened at 12:15 p.m. with Chairman S. Johnson presiding.

1. **INTRODUCTIONS OF MR. ALFREDO TERRAZAS AND MR. DEXTER LIGOT-GORDON**

Regent Miura introduced Mr. Alfredo Terrazas, who will become an alumni Regent-designate on July 1, 2001. Mr. Terrazas is a 1974 graduate of UC Berkeley and holds a law degree from the University of Santa Clara. He is a Deputy Attorney General representing the Medical Board of California. Mr. Terrazas has served in a number of capacities for the California Alumni Association, including president, executive committee liaison to the student outreach committee, and as a member of the scholarship committee. He is president of the Multicultural Institute and in that capacity assisted in the establishment of a master's degree in multicultural ministry at the Franciscan School of Theology.

Regent O. Johnson introduced Mr. Dexter Ligot-Gordon, who was chosen by the Special Committee to Select a Student Regent to serve as the student Regent during the 2002-03 academic year. Mr. Ligot-Gordon's appointment will be recommended to The Regents at its September meeting, when he will begin his service as a Regent-designate. Mr. Ligot-Gordon is a junior at the Berkeley campus.

Chancellor Berdahl commented on Mr. Terraza's dedication and service to the Alumni Association as well as the campus' pride in the fact that Mr. Ligot-Gordon had been chosen to serve as a Regent.

2. **APPROVAL OF MINUTE OF PREVIOUS MEETINGS**

Upon motion of Regent Lansing, duly seconded, the minutes of the meetings of March 14 and 15 and April 3, 2001 were approved.

3. **REPORT OF THE PRESIDENT**

President Atkinson presented the report concerning University activities and individuals. Upon motion of Regent Bagley, 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.

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

At the President's invitation, Faculty Representative Cowan presented his remarks. He commented that, in approving the resolution on future admissions policies, The Regents had reaffirmed the role of the faculty in setting conditions for admission to the University of California, subject to the approval of The Regents. The faculty recognize that they face a major task in responding to resolution RE-28. The Board on Admissions and Relations with Schools (BOARS) is in the process of examining admissions procedures as well as minimal eligibility standards. Professor Cowan stressed that while the faculty will move as expeditiously as possible in responding to the resolution, it will not be rushed into a thoughtless recommendation. If necessary, BOARS and other Senate groups will work during the summer. The Office of the President has agreed to provide support to systemwide Senate committees. The intention is to bring a recommendation to The Regents in the fall if possible. An attempt will be made to meet the deadline to complete the admissions review by the end of calendar year 2001.

Regent Connerly supported the comments made by Faculty Representative Cowan, agreeing with the need for a careful review of the admissions process. He did not perceive that RE-28 committed the faculty to a deadline.

4. **RESOLUTION IN APPRECIATION—S. STEPHEN NAKASHIMA**

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

WHEREAS, the Regents of the University of California wish to express their sincere regret upon the untimely resignation from the Board of S. Stephen Nakashima, a valued colleague who has served The Regents and UC with unflinching dedication and loyalty since 1989; and

WHEREAS, throughout his tenure on the Board of Regents, he has given generously of his knowledge, experience, and legal expertise as vice chairman of the Board, as chair of the Committee on Audit, as chair and vice chair of the Committees on Grounds and Buildings and

Investments, and as a member of the Committees on Educational Policy, Finance, and Oversight of the Department of Energy Laboratories; and

WHEREAS, he has consistently brought a thoughtful and informed perspective to discussion of the many vital issues that have faced the Board during his tenure, working diligently for the long-term interests of the University and serving the people of California in an exemplary manner; and

WHEREAS, after earning a bachelor's degree in 1948 from the Berkeley campus and a law degree in 1951 from Boalt Hall, he upheld the highest standards of the legal profession in a successful private practice and has distinguished himself as a member of the California State Board of Medical Examiners, as national vice president of the Japanese Americans Citizens League, and as a member of the San Jose chapter of the American Cancer Society, the University of California Japanese Alumni Association, the Boalt Hall Law School Alumni Association, and the National Conference of Christians and Jews; and

WHEREAS, he has been a dedicated alumnus of the University and has always taken a lively interest in its well-being, firm in his commitment to help the University maintain the excellence of its endeavors and its stature as a world-class institution of learning;

NOW, THEREFORE, BE IT RESOLVED that the Regents of the University of California do hereby express to S. Stephen Nakashima their heartfelt gratitude for his service to the Board and his exceptional devotion to the University;

AND BE IT FURTHER RESOLVED that the Regents extend to Steve their warmest and affectionate good wishes and direct that a suitably inscribed copy of this resolution be presented to him as a lasting symbol of the Board's high regard and enduring friendship.

5. **RESOLUTION IN APPRECIATION—JUSTIN W. FONG**

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

WHEREAS, on June 30, 2001, Justin W. Fong will complete his term as the twenty-sixth student Regent, having carried out his responsibilities with notable thoughtfulness, enthusiasm, and loyalty to the University; and

WHEREAS, as an undergraduate student at UC Berkeley where he was a Woodrow Wilson Public Policy Fellow, and as a graduate student in public policy at UCLA, he has combined exceptional academic achievement with a strong commitment to improving the quality of campus life, working diligently on behalf of affordable housing for students, staff, and faculty, undergraduate health insurance, and expanded K-12 outreach programs, while also giving generously of his time and talents as a coordinator for the UC Berkeley Educational Mini-grants Program, a member of

Berkeley's Leadership Education Development Task Force, an intern for the UC Berkeley Office of Asian Pacific American Student Development, and an outreach recruitment associate for the UCLA School of Public Policy; and

WHEREAS, he has demonstrated a passionate dedication to teaching and assisting people of all ages and backgrounds through his work as a volunteer teacher and mentor for at-risk youth, his leadership in co-founding organizations such as Diversity in Action, Project STOP, and Bridges and his involvement with Reach! Asian Recruitment and Retention Center to improve student access, recruitment, and retention, and his work with the Citizenship Rights Project where he tutored elderly Asian immigrants to help prepare them for their U.S. citizenship tests; and

WHEREAS, his deep understanding of the complex issues facing the University and his unfailing efforts to ensure that the Board's decisions benefit the students and the people of California have been the hallmark of his tenure on the Board, where he has served with distinction on The Regents' Committees on Educational Policy, Finance, Grounds and Buildings, and on the Special Committee to Select a Student Regent; and

WHEREAS, it is the earnest hope of his fellow Regents that he continue his valued service to the University of California in future years, and it is their expectation that the citizens of California will continue to benefit from his thoughtful advocacy on major issues of public policy;

NOW, THEREFORE, BE IT RESOLVED that the Regents express to Justin W. Fong their deep appreciation for his dedicated service to the University and their abiding respect and esteem for his many contributions to the Board;

AND BE IT FURTHER RESOLVED that the Regents transmit a suitably inscribed copy of this resolution to Justin Fong, along with their warmest wishes for success in all his future endeavors.

Regent Fong recognized the presence of his family members who were in the audience. He commented on the approval by The Regents of the rescission of the policies adopted by the Board in 1995 which ended the use of affirmative action in admissions, employment, and contracting (SP-1 and SP-2). He noted the importance of the fact that the vote had been unanimous. He believed that the action by The Regents would help to restore the public's faith in the University. Regent Fong stressed that a chasm exists between the University community on the one hand and The Regents on the other. He believed that the Board would benefit from the input of the students, faculty, and staff who comprise the University system.

Regent Miura recalled that the committee that had recommended that Justin Fong be appointed to the position of student Regent had been informed that Mr. Fong was among the protestors who were arrested at the Board's July 20, 1995 meeting, when resolutions SP-1 and SP-2 were adopted. She congratulated Regent Fong on achieving his goal of seeing SP-1 and SP-2 rescinded.

Regents Kohn, Seymour, T. Davis, and O. Johnson commended Regent Fong for his service, and particularly for his tenacity with respect to the rescission of SP-1 and SP-2. President Atkinson noted that Regent Fong had truly made a difference during his service to the University. He anticipated a great career for Regent Fong of which the Regents would be proud.

6. **RESOLUTION IN APPRECIATION—MARKELL W. KOHN**

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

WHEREAS, Markell W. Kohn, a loyal alumnus of UC Riverside and UC San Francisco, will complete his tenure on the Board of Regents on June 30, 2001, having served with great enthusiasm, distinction, and skill as Regent-designate and Regent during the past two years; and

WHEREAS, his experience as Chief of Oral and Maxillofacial Surgery at Children's Hospital in San Diego, President of the American Association of Oral and Maxillofacial Surgeons, consultant to the Commission on Dental Accreditation, associate clinical professor at UC San Diego, and clinical professor at the University of Southern California has made him an invaluable contributor to the Regents' discussions not only on health services matters but on a wide variety of educational and public policy issues as well; and

WHEREAS, as Chair of the Committee on Health Services, he has brought his professional expertise to bear on the University's broad role in health care, especially with regard to the UCSF-Stanford merger, while as a member of the Committees on Audit, Nominating, and Grounds and Buildings he has worked diligently to ensure that the University's excellence is maintained in all aspects of its teaching, research, and public service; and

WHEREAS, his deep commitment to the quality of campus life led him to seek innovative ways to improve student health care and to become an articulate and committed advocate on behalf of the University's K-12 outreach programs, to the lasting benefit of students from underserved and low-income communities and throughout California; and

WHEREAS, as President of the UC Riverside Alumni Association he has been instrumental in planning for the first alumni center to be built on the Riverside campus, and under his leadership as Vice President of the Alumni Associations of the University of California, the AAUC has expanded its services to the University's ten campuses and one million alumni, forging greater University support of alumni affairs and extending alumni activities beyond the borders of California through special regional programs ranging from Chicago to Seattle;

NOW, THEREFORE, BE IT RESOLVED that the Regents of the University of California convey to Markell W. Kohn their admiration for his accomplishments and their heartfelt appreciation for his generous service and valued contributions to the University of California as an esteemed alumnus, ardent supporter, and respected colleague;

AND BE IT FURTHER RESOLVED that a suitably inscribed copy of this resolution be presented to Mark and Teri Kohn as an expression of the Board's warmest regard and lasting affection.

Regent Kohn observed that he had joined the Board of Regents with the best interests of the University in mind and with the hope that he might make a contribution to its continued success. In surgery, the contributions of those who came before are recognized by the expression "on the shoulders of giants." This expression is equally applicable to the greatness of the University, which is dependent in part on the critical role of The Regents to preserve and protect and to ensure that the University's core purpose is not subverted nor compromised. If the Board continues to do these things, the state and the society will benefit. Regent Kohn drew attention to the financial crisis that the University's medical centers face due to changes in health care reimbursement, which have compromised the ability of the medical centers to be self supporting. He expressed the hope that The Regents would establish a focus group to analyze the issues and to initiate corrective measures. This national problem may be an opportunity for the University to provide the leadership to find solutions.

Regent Preuss noted Regent Kohn's effectiveness in addressing the many issues which came before The Regents. He suggested that Mr. Kohn would be an excellent appointed Regent.

Regent-designate Morrison and Regents Kozberg and Seymour commented on Regent Kohn's outstanding service to The Regents and expressed appreciation for his Chairmanship of the Committee on Health Services. Chancellor Orbach noted that two of the greatest resources of the University are its students and its alumni and expressed his gratitude to Regent Kohn for his contributions to the alumni association.

Chair S. Johnson recognized Regent Kohn's wealth of knowledge about issues facing the University. She pointed out that alumni Regents share an extra burden through their service to the association.

7. **RESOLUTION IN APPRECIATION–IRENE T. MIURA**

WHEREAS, on June 30, 2001, Irene T. Miura, a steadfast alumna of the Berkeley campus, will step down from the Board of Regents, having served two outstanding terms as a Regent-designate and Regent, during which time she distinguished herself as an articulate and persuasive spokesperson for the alumni of the University and as a devoted member of the UC family; and

WHEREAS, she is only the second woman in the 129-year history of Berkeley's California Alumni Association to serve as its president, and in her role as president of the systemwide Alumni Associations of the University of California she has performed with great distinction, aiding the Association in expanding its services for the one million alumni of the University, forging greater

University support for alumni affairs, and expanding alumni activities beyond the borders of California by establishing regional programs in New Mexico and New York; and

WHEREAS, following her graduation from Berkeley and the attainment of a master's degree from the College of Notre Dame and a Ph.D. from Stanford University, not only has she been an active participant in the higher education community as a professor and as the Executive Assistant to the President of San Jose State University, but also she has earned a distinguished reputation for her contributions to the field of child development, all of which have proved invaluable to the Regents in their consideration of the various educational, management, and public policy issues that have come before the Board; and

WHEREAS, she has enhanced the Board's deliberations by giving generously of her expertise and knowledge as the chair and vice chair of the Committee on Oversight of the Department of Energy Laboratories, as vice chair of the Committee on Finance, and as a member of the Committees on Educational Policy and Investments, thereby garnering the respect and appreciation of her colleagues; and

WHEREAS, through her service as a member of the advisory committee to select the first chancellor of the University of California, Merced and as a member of the Regents' Special Committee on UC Merced, she has played a significant role in helping to create the nation's first comprehensive research university of the new millennium;

NOW, THEREFORE, BE IT RESOLVED that the Regents of the University of California convey to Irene T. Miura their heartfelt appreciation for her staunch advocacy of and tireless devotion to the University of California and those it serves and for her noteworthy contributions to higher education;

AND BE IT FURTHER RESOLVED that a suitably inscribed copy of this resolution be presented to Irene and Neal Miura as a lasting token of the Board's profound gratitude and friendship.

Regent Miura recalled the issues that the Board had faced during her two terms as a Regent and a Regent-designate, including the merger with and dissolution from Stanford University Hospital, the political intrigues involved with the vote on domestic partners benefits, and SP-1 and SP-2. She noted that she had attended the inaugurations of four chancellors and visited the three Department of Energy national laboratories. She expressed her appreciation at having been treated as an appointed Regent, serving in a variety of roles. Regent Miura believed that all Regents acted in the best interests of the University, even when they disagreed. She suggested that there is a tendency to take greatness for granted when one is surrounded by excellence. The faculty members who have been awarded the Nobel Prize were drawn to the University by the excellence of the student body. Regent Miura expressed her gratitude to Chancellor Bishop for his valuable help in the recent diagnosis of a serious medical condition.

Regent-designate Seymour expressed his appreciation to Regent Miura for the invaluable assistance which she had provided to him. He recognized her contributions to the University of California Alumni Associations. Regents Connerly, Kohn, Montoya, Marcus, Kozberg, and O. Johnson acknowledged Regent Miura's many contributions to the Board of Regents.

Chair S. Johnson acknowledged the immense respect of the Regents for Regent Miura.

President Atkinson commented on Regent Miura's dedication to the Berkeley campus as well as to the University of California as a whole. He recognized her important contributions to the development of the Merced campus.

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

A. ***Approval of Pediatric Research Network Agreement at UCLA and UCSF***

The Committee recommended that the President be given authorization to approve the formation of a Pediatric Research Network at the University of California, Los Angeles and the University of California, San Francisco and execute the Pediatric Research Network Agreement among the parties participating in the Research Network.

B. ***Delegation of Authority to the President to Establish Per-Unit Fees for Selected Part-Time Graduate Degree Programs***

The Committee recommended that authority be delegated to the President to establish per-unit fees, equivalent to fees charged during the regular academic year, for selected part-time, State-supported, graduate degree programs.

The President will report to The Regents annually on the fee levels established for such degree programs.

C. ***Approval of Incremental Funding of Fixed-Price Construction Subcontracts, Lawrence Livermore National Laboratory***

The Committee recommended that, as an exception to Standing Order 100.4 (dd)(1) and (8) and subject to appropriate University pre-bid concurrence and approval of the Department of Energy, the Lawrence Livermore National Laboratory (LLNL) be authorized to solicit and execute incrementally funded, fixed-price construction subcontracts at LLNL for the construction of Building 140, Sensitive Compartmented Information Facility; and Building 155, Chemistry and Materials Science Office Building. Both projects are authorized in connection with work done under the University's master

operating contract for LLNL, where the total value of the individual subcontracts would exceed the amount appropriated for project work on a fiscal year basis.

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

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

A. ***Adoption of Tiered Mitigated Negative Declaration and Approval of Design, Genome Launch Facility, Davis Campus***

Upon review and consideration of the environmental consequences of the project as indicated in the Tiered Initial Study/Mitigated Negative Declaration, 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 the Genome Launch Facility, Davis campus.

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

B. ***Adoption of Initial Study/Tiered Mitigated Declaration, Amendment of Long Range Development Plan, and Approval of Design, Center for the Medical Investigation of Neurodevelopmental Disorders (M.I.N.D. Institute), Davis Campus***

Upon review and consideration of the environmental consequences of the project as indicated in the Initial Study/Tiered Mitigated Negative Declaration, the Committee recommended that The Regents:

- (1) Adopt the Initial Study/Tiered Mitigated Negative Declaration.
- (2) Adopt the Findings and Mitigation Monitoring Program.
- (3) Approve the amendment of the UCDCMC Long Range Development Plan to include the project site.

- (4) Approve the design of Phases 1 and 2 of the UC Davis Center for the Medical Investigation of Neurodevelopmental Disorders (M.I.N.D. Institute).

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

C. ***Certification of Environmental Impact Report, Amendment of Long Range Development Plan, and Approval of Design, Intramural Field Parking Structure, Los Angeles Campus***

Upon review and consideration of the environmental consequences of the project as indicated in the Final Environmental Impact report, the Committee recommended that The Regents:

- (1) Certify the Environmental Impact Report.
- (2) Adopt the Findings, Statement of Overriding Considerations, and Mitigation Monitoring Program.
- (3) Amend the UCLA 1990 Long Range Development Plan to transfer 3,600 gsf from the Southwest Zone to the Central Zone to accommodate the project.
- (4) Approve the design of the underground Intramural Field Parking Structure, Los Angeles campus.

[The Environmental Impact Report, Findings, Statement of Overriding Considerations, and Mitigation Monitoring Program were mailed to all Regents in advance of the meeting, and copies are on file in the Office of the Secretary.]

D. ***Adoption of Initial Study/Mitigated Negative Declaration and Approval of Design, Life Sciences Building, Santa Barbara 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 Findings and Mitigation Monitoring Program.

- (3) Approval of the design of the Life Sciences Building, Santa Barbara campus.

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

E. ***Adoption of the Addendum to Environmental Impact Report and Approval of Design, Marine Science Research Building, Santa Barbara Campus***

Upon review and consideration of the environmental consequences of the proposed project as indicated in the Addendum to the Final Environmental Impact Report for the Environmental Sciences and Marine Science Institute Buildings, certified by The Regents in May 1994, the Committee reported its:

- (1) Adoption of the Findings and EIR Addendum.
- (2) Approval of the revised design of the Marine Science Research Building, Santa Barbara campus.

[The Findings and EIR Addendum were mailed to all Regents in advance of the meeting, and copies are on file in the Office of the Secretary.]

Upon motion of Regent Kozberg, the reports and recommendations of the Committee on Grounds and Buildings were approved.

10. **REPORT OF THE COMMITTEE ON INVESTMENTS**

Approval of Asset Allocation Rebalancing Policy

The Committee recommended the adoption of the rebalancing policy as set forth in the attachment.

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

11. **REPORT OF THE 2000-2001 NOMINATING COMMITTEE**

Appointment to the California Postsecondary Education Commission

The 2000-2001 Nominating Committee recommended that Regent Montoya be appointed as The Regents' Representative to the California Postsecondary Education Commission, effective immediately, through June 30, 2001.

Upon motion of Regent Preuss, duly seconded, the recommendation of the 2000-2001 Nominating Committee was approved.

12. **REPORT OF THE 2001-2002 NOMINATING COMMITTEE**

The 2001-2002 Nominating Committee recommended as follows:

A. ***Chairman of the Board***

That Regent S. Johnson be elected Chairman of The Regents of the University of California for the year commencing July 1, 2001.

B. ***Vice Chairman of the Board***

That Regent Moores be elected Vice Chairman of The Regents of the University of California for the year commencing July 1, 2001.

C. ***Standing Committee Assignments***

That the following Standing Committee assignments for the year commencing July 1, 2001 be approved:

Committee on Audit

Regent Connerly, Chair
 Regent Morrison, Vice Chair
 Regent Bagley
 Regent Davies
 Regent Lee
 Regent Sayles
 Regent Parsky
 Regent Moores
 Regent Marcus
 Regent Seymour

Committee on Educational Policy

Regent Montoya, Chair
 Regent Sayles, Vice Chair
 Regent Bagley
 Regent Connerly
 Regent Bustamante
 Regent Lansing
 Regent Hertzberg
 Regent Marcus
 Regent Davis, T.
 Regent-designate Sainick (Advisory)
 Regent-designate Terrazas (Advisory)

Committee on Finance

Regent Preuss, Chair
 Regent, Connerly, Vice Chair
 Regent Lee
 Regent Montoya
 Regent Parsky
 Regent Kozberg

Committee on Investments

Regent Hopkinson, Chair
 Regent Parsky, Vice Chair
 Regent Bagley
 Regent Davies
 Regent Lee
 Regent Eastin

Regent Hopkinson
Regent Moores
Regent Hertzberg
Regent Morrison

Regent Lansing
Regent Moores
Regent Davis, T.

Committee on Grounds and Buildings Department of Energy Laboratories
Committee on Oversight of the

Regent Kozberg, Chair
Regent Seymour, Vice Chair
Regent Connerly
Regent Bustamante
Regent Hopkinson
Regent Johnson, O.
Regent Hertzberg
Regent Davis, T.
Regent Morrison
Regent-designate Sainick (Advisory)

Regent Moores, Chair
Regent Preuss, Vice Chair
Regent Davies
Regent Montoya
Regent Sayles
Regent Marcus
Regent Morrison
Regent Seymour
Regent-designate Terrazas (Advisory)

Committee on Health Services

Regent Lee, Chair
Regent Davies, Vice Chair
Regent Preuss
Regent Bustamante
Regent Kozberg
Regent Lansing,
Regent Johnson, O.
Regent Marcus
Regent Seymour
Regent-designate Sainick (Advisory)
Regent-designate Terrazas (Advisory)

Except for the Chairman and the Vice Chairman, committee members are listed in order of seniority on the Board.

The President of the Board, the Chairman of the Board, or in the Chairman's absence the Vice Chairman of the Board, and the President of the University are ex officio members of all Standing Committees, except that the President of the University is not a member of the Committee on Audit.

The Regents' representatives to the California Postsecondary Education Commission and the Superintendent of Public Instruction are ex officio members of the Committee on Educational Policy.

D. *California Postsecondary Education Commission*

That Regent O. Johnson be appointed as The Regents' representative to the California Postsecondary Education Commission for a one-year term beginning July 3, 2001, and that Regent Davies be appointed as the Regents' alternate representative for a one-year term beginning July 1, 2001.

Upon motion of Regent Preuss, duly seconded, the report of the 2001-2002 Nominating Committee was approved.

13. REPORT OF THE COMMITTEES ON GROUNDS AND BUILDINGS AND FINANCE

A. *Amendment of the Budget for Capital Improvements and the Capital Improvement Program for Center for the Medical Investigation of Neurodevelopmental Disorders (M.I.N.D. Institute), Davis Campus*

- (1) With the concurrence of the Committee on Finance, the Committee on Grounds and Buildings recommended that the 2000-01 Budget for Capital Improvements and the 2000-03 Capital Improvement Program be amended to include the following project:

Davis: UC Davis Center for the Medical Investigation of Neurodevelopmental Disorders (M.I.N.D. Institute): preliminary plans, working drawings, construction, and equipment – \$38,840,000, to be funded by State lease revenue bonds to be repaid from State funds appropriated annually for support of the Institute (\$28,566,000), hospital reserves (\$3,728,000), and State operating funds (\$6,546,000).

- (2) The Committee on Finance recommended that the Treasurer be authorized to provide interim financing not to exceed \$28,566,000 to construct the facilities to house the M.I.N.D. Institute, subject to the following conditions:
- a. Funding shall be appropriated for the M.I.N.D. Institute project by the State of California Legislature to pay for the interest costs when incurred during interim financing;

- b. The Legislature shall authorize The Regents to provide interim financing for the M.I.N.D. Institute and authorize the use of State Public Works Board (SPWB) lease revenue bonds to reimburse The Regents for interim construction expenditures incurred;
- c. The Legislature shall authorize the use of State general funds appropriated for the M.I.N.D Institute to pay the annual debt service associated with the SPWB lease revenue bonds to be issued to reimburse the interim construction financing by The Regents; and
- d. A Preliminary Resolution of the SPWB authorizing the lease revenue bonds for the M.I.N.D Institute shall be adopted by the SPWB.

B. *Amendment of the Budget for Capital Improvements and the Capital Improvement Program, and Approval of External Financing for Cal-(IT)² Facility, Irvine Campus*

- (1) With the concurrence of the Committee on Finance, the Committee on Grounds and Buildings recommended that the 2000-01 Budget for Capital Improvements and the 2000-03 Capital Improvement Program be amended to include the following project:
 - Irvine: Cal-(IT)² Facility – preliminary plans, working drawings, construction, and equipment – \$54.3 million, to be funded from the State through the California Institutes of Science and Innovation program (\$28.5 million), external financing using the “Garamendi” funding mechanism (\$10 million), gift funds (\$10.8 million), and federal grant funds (\$5 million).
- (2) The Committee on Finance recommended that the Treasurer be authorized to obtain financing not to exceed \$10 million to finance the Cal-(IT)² Facility, subject to the following conditions:
 - a. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period;
 - b. Repayment of the debt shall be from the campus’ share of the University Opportunity Fund;
 - c. The general credit of The Regents shall not be pledged.

- (4) The Officers of The Regents be authorized to provide certification to the lender that interest paid by The Regents is excluded from gross income for purposes of federal income taxation under existing law.
- (5) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

Upon motion of Regent Preuss, duly seconded, the recommendations of the Committee on Grounds and Buildings and the Committee on Finance were approved.

14. **SUPPLEMENTAL REPORT ON EXECUTIVE COMPENSATION**

Salary for John P. McTague as Vice President–Laboratory Management, Office of the President

The Committee on Finance recommended that an annual salary rate of \$300,000 be approved for John P. McTague, effective June 1, 2001.

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

15. **REPORT OF INTERIM ACTIONS**

Secretary Trivette reported that, in accordance with authority previously delegated by The Regents, interim action was taken on routine or emergency matters as follows:

- A. The Chairman of the Board, the Chair of the Committee on Grounds and Buildings, the Chair of the Committee on Finance, and the President of the University concurred in the following recommendations:

- (1) *Amendment of the Budget for Capital Improvements and the Capital Improvement Program for Hargrove Music Library Building, Berkeley Campus*

That the President amend the 2000-01 Budget for Capital Improvements and the 2000-03 Capital Improvement Program to include the following project:

Berkeley: A. Hargrove Music Library Building – preliminary plans, working drawings, construction, and equipment – \$12,219,000, to be funded from gift funds (\$11,000,000) and campus funds (\$1,219,000).

(2) ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program for Hillcrest: Building Systems Improvements, San Diego Campus***

That the President amend the 2000-01 Budget for Capital Improvements and the 2000-03 Capital Improvement Program to include the following project:

San Diego: Hillcrest: Building Systems Improvements – preliminary plans, working drawings, and construction, \$16,494,000 total to be funded from State infrastructure funds.

- B. The Chairman of the Board, the Chair of the Committee on Grounds and Buildings, the Chair of the Committee on Finance, the Chair of the Committee on Health Services, and the President of the University concurred in the following recommendation:

Amendment of the Budget for Capital Improvements and the Capital Improvement Program, and Approval of Changes in Funding Sources for Tower II, Phase II, Davis Campus

That the President amend the 2000-01 Budget for Capital Improvements and the 2000-03 Capital Improvement Program to reflect the following changes:

From: Davis: Tower II, Phase II – preliminary plans, working drawings, construction, and equipment – \$18,140,000 to be funded from hospital reserves.

To: Davis: Tower II, Phase II – preliminary plans, working drawings, construction, and equipment – \$19,971,000 to be funded from hospital reserves (\$5,826,000), State lease revenue bonds funds (\$9,145,000), and State appropriation for teaching hospital infrastructure funds (\$5,000,000).

16. **REPORT OF PERSONNEL ACTIONS**

In accordance with Bylaw 14.7(b), Secretary Trivette reported personnel actions taken in meetings on March 14 and April 3, 2001. There was no roll call vote on Item A. There was a roll call vote taken at the April 3, 2001 Special Meeting on Item B (roll call vote required by State law on all actions taken in meetings held by teleconference).

- A. Appointment of Emory Elliott, as University Professor, Department of English, Riverside campus, effective immediately.

- B. Appointment of David H. Russ as Treasurer of The Regents and Vice President for Investments effective June 1, 2001. The roll call vote was as follows: Regents Atkinson, Bagley, Connerly, Eastin, Fong, O. Johnson, Kohn, Kozberg, Lansing, Miura, Montoya, Parsky, Preuss, and Sayles voting “aye” (14).

17. **REPORT OF COMMUNICATIONS**

Secretary Trivette presented summaries of communications received subsequent to the March 2001 meeting. The residency appeals will be referred to General Counsel Holst, and the remaining communications will be referred to President Atkinson for response as appropriate.

18. **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 Educational Policy

- A. Statistical Summary of Students and Staff for Fall 2000. March 19, 2001. (Schedule of Reports)
- B. Report on Matters Relating to the California Postsecondary Education Commission. March 21, 2001. (Schedule of Reports)
- C. Report on University of California Admissions and Enrollments for 1998 and 1999, and the Annual Report on Student Financial Support, 1998-99. March 22, 2001. (Schedule of Reports)

To Members of the Committee on Finance

- D. Report Regarding Change in Threshold of Delegated Authority for Leasing. March 29, 2001.
- E. Annual Report, University of California Technology Transfer Program for Fiscal Year 2000. April 27, 2001. (Schedule of Reports)

To Members of the Committee on Health Services

- F. Activity and Financial Status Report on Hospitals and Clinics as of January 31, 2001. March 12, 2001. (Schedule of Reports)

- G. Activity and Financial Status Report on Hospitals and Clinics as of February 28, 2001. March 29, 2001. (Schedule of Reports)

The Regents of the University of California

- H. Composition of the Career Staff Workforce by Sex and Race. March 8, 2001.
- I. Report on the Review of Current Third-Party Vendors of Investment Options for the Period Ending June 30, 2000. March 12, 2001.
- J. Analysis of the Predictive Power of the SAT I Versus the SAT II. March 16, 2001.
- K. Report on the Status of Campus Long Range Development Plans. April 19, 2001.
- L. Recent Publication of the Office of Research Highlighting Work Done on the Campuses Through Funding by the National Endowment for the Humanities. April 19, 2001.
- M. Progress Report on the California Digital Library. April 19, 2001.
- N. Report on the California Bureau of State Audits' Audit of the University's Employment Practices for Temporary Staff. April 26, 2001.
- O. Report on the California Bureau of State Audits' Audit of the University's Faculty Recruitment Practices. May 1, 2001.
- P. Letter Report from PricewaterhouseCoopers Detailing the Scope of Audit Coverage for the Three DOE Laboratories. May 7, 2001.
- Q. Copy of the Inaugural Edition of *UC Valley Connection*, a Quarterly Newsletter Dedicated to Providing News and Information About the University's Programs in the San Joaquin Valley. May 7, 2001.

The meeting adjourned at 1:20 p.m.

Attest:

Secretary

