

# THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

May 16, 2002

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

Present: Regents Atkinson, Blum, Davies, T. Davis, Hopkinson, Johnson, Kozberg, Lansing, Lozano, Marcus, Montoya, Moores, Morrison, Parsky, Preuss, Saban, Sayles, and Seymour (18)

In attendance: Regents-designate Ligot-Gordon and Terrazas, Faculty Representatives Binion and Viswanathan, Secretary Trivette, General Counsel Holst, Provost King, Senior Vice Presidents Darling and Mullinix, Vice Presidents Broome, Gomes, and Hershman, Chancellors Berdahl, Bishop, Carnesale, Cicerone, Dynes, Greenwood, Tomlinson-Keasey, and Yang, Acting Chancellor Warren, and Recording Secretary Bryan

The meeting convened at 1:05 p.m. with Chairman Moores presiding.

## 1. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion of Regent Johnson, duly seconded, the minutes of the meeting of March 14, 2002 were approved.

## 2. REPORT OF THE PRESIDENT

President Atkinson presented the report concerning University activities and individuals.

Upon motion of Regent Davies, 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.]

**3. REPORT OF THE COMMITTEE ON FINANCE****A. *Amendment of the University of California Retirement Plan – To Provide Relative Equity of Retirement Benefits for University of California Retirement Plan Members with Same-Sex Domestic Partners***

The Committee recommended that:

- (1) The University of California the University of California Retirement Plan (UCRP or Plan) be amended to provide Preretirement Survivor Income, the death while eligible to retire benefit, and Postretirement Survivor Continuance to eligible same-sex Domestic Partners of UCRP Members, effective July 1, 2002.
- (2) The implementation of these provisions be delegated to the President.

**B. *Amendment of the University of California Retirement Plan – To Provide for Concurrent Retirement; Amendments of the University of California Retirement Plan and the Defined Contribution Plan to Clarify the Effect of Year-Round Operations on Summer Salary***

The Committee recommended that:

- (1) The University of California Retirement Plan (UCRP or Plan) be amended, effective July 1, 2002, as set forth in Attachment I, to provide for concurrent retirement from UCRP and from the Defined Benefit Program of the State Teachers' Retirement System of the State of California (STRS).
- (2) UCRP and the Defined Contribution Plan (DC Plan) be amended, as set forth in Attachments II and III, to clarify the effect of year-round operations on summer salary as follows:
  - a. The definition of Covered Compensation in UCRP be amended to exclude compensation for "equivalent term session" along with compensation for "summer session";
  - b. The DC Plan be amended to include the expression "or equivalent term" wherever the expression "summer" appears.

C. ***Proposed Ad Hoc COLA for Retirees Covered Under the 1991 University of California Public Employees' Retirement System Voluntary Early Retirement Incentive Program***

The Committee recommended that:

- (1) The University of California - California Public Employees' Retirement System Voluntary Early Retirement Incentive Program (UC-PERS Plan) be amended to provide a one-time ad hoc Cost of Living Adjustment (COLA), effective July 1, 2002.
- (2) The ad hoc COLA will provide a one-time adjustment of 25 percent which is equal to the total of the COLAs that have been provided annually to the University of California Retirement Plan (UCRP) Members who accepted the UCRP/Voluntary Early Retirement Incentive Program-I (VERIP-I).

D. ***Incremental Funding of Fixed-Price Construction Subcontract at Lawrence Livermore National Laboratory***

The Committee recommended that as an exception to Standing Orders 100.4(dd)(1) and (8), and subject to appropriate University pre-bid concurrence and the approval of the Department of Energy, the Lawrence Livermore National Laboratory be authorized to solicit and execute incrementally funded fixed-price construction subcontracts at LLNL for the construction of the Building 151 Seismic Upgrade. This project is 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.

E. ***Approval of Financing and Associated Finding Related to the Richard J. Heckmann International Center for Entrepreneurial Management at Palm Desert, Riverside Campus***

The Committee recommended that:

- (1) The Regents accept a loan not to exceed principal outstanding of \$2 million to be made available by the Palm Desert Redevelopment Agency (Agency) toward the construction of improvements related to the Richard J. Heckmann International Center for Entrepreneurial Management (ICEM) in Palm Desert on behalf of the Riverside campus, subject to the following conditions:
  - a. A loan of up to \$2 million will be made available by the Agency for draw-down by the Riverside campus during construction of Phase I of the ICEM;

- b. No interest shall accrue on the outstanding balance during the construction period and for three years after completion of the Phase I improvements;
  - c. Repayment of the loan shall be as follows:
    - i. the principal balance shall be repaid to the Agency in five equal annual principal payments beginning on the fourth anniversary of completion of the Phase I improvements;
    - ii. interest on the outstanding principal balance shall begin to accrue at a rate of 4 percent annually (simple interest) beginning on the first day of the fourth year after completion of the Phase I improvements, to be paid in conjunction with annual payments of principal over five years; and
    - iii. repayment of the financing shall be from gift funds and, if gifts collected are insufficient, from Opportunity Funds allocated to the Chancellor of the Riverside campus.
  - d. The general credit of The Regents shall not be pledged; and
  - e. The Officers of The Regents be authorized to execute documents necessary in connection with the above.
- (2) The Regents make the following finding:
- “The Regents find that no other reasonable means of financing certain facilities at the University of California Richard J. Heckmann International Center for Entrepreneurial Management in Palm Desert could be arranged on terms more favorable than those offered by the Palm Desert Redevelopment Agency.”

F. ***Authorization to Mortgage Property, San Francisco Art Institute***

The Committee recommended that:

- (1) The President, in consultation with the General Counsel, be authorized to provide for the subordination of The Regents' remainder interest in the 800 Chestnut Street property to the interests of a lending or conduit financing authority for the benefit of the San Francisco Art Institute.
- (2) No funds of The Regents shall be pledged in any financing contemplated by the San Francisco Art Institute.
- (3) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

G. ***Endorsement of the Kindergarten-University Public Education Facilities Bond Acts of 2002 and 2004***

The Committee recommended that The Regents endorse the Kindergarten – University Public Education Facilities Bond Acts of 2002 and 2004, to be included on the November 2002 statewide general election ballot and 2004 statewide primary election ballot, respectively. It is further recommended that the President and other University officials be authorized to organize an information program to explain the important nature of the bond measures in ensuring that projected enrollment growth can be accommodated, buildings are seismically safe, essential infrastructure is repaired or replaced, and critical fire and life-safety improvements are made at the ten University of California campuses.

H. ***Approval of Resolution to Exclude Access to Classified Information for a Regent***

The Committee recommended that The Regents adopt the following resolution pertaining to the University's respective Department of Defense and Department of Energy Facility Security Clearance, as follows:

WHEREAS, current Department of Defense and Department of Energy Regulations contain a provision making it mandatory that the Chairman of the Board, Chief Executive Officer, and those other officers and officials who are to have access to classified information meet the personnel clearance requirements established for a contractor's facility clearance; and

WHEREAS, said Regulations permit the exclusion from the personnel clearance requirements of certain members of the Board of Regents,

provided that this action is recorded in the University Regents' Board Minutes;

NOW, THEREFORE, BE IT DECLARED that the Chairman of the Board, at least an official quorum of the Board of Regents, and the Chief Executive Officer at the present time do possess, or will be processed for, the required security clearance; and

BE IT RESOLVED that in the future, when any individual enters upon any duties as Chairman of the Board, as a replacement for one of the cleared quorum of the Board, or as the Chief Executive Officer, such individual shall immediately make application for the required security clearance; and

BE IT RESOLVED FURTHER that the following member of the Board of Regents shall not require, shall not have, and shall be effectively excluded from access to all classified information in the possession of the Corporation and does not occupy a position that would enable him to affect adversely Corporate policies or practices in the performance of classified contracts for the Department of Defense, U.S. Department of Energy, or contracts with other Federal User Agencies of the National Industrial Security Program:

<u>NAME</u>	<u>TITLE</u>
Dexter Ligot-Gordon	Regent

Upon motion duly made and seconded, the recommendations of the Committee on Finance were approved, with the exception of Item A, which was approved following consideration of the recommendation in paragraph 4, below.

4. **AMENDMENT OF THE UNIVERSITY OF CALIFORNIA RETIREMENT PLAN – TO PROVIDE RELATIVE EQUITY OF RETIREMENT BENEFITS FOR UNIVERSITY OF CALIFORNIA RETIREMENT PLAN MEMBERS WITH OPPOSITE-SEX DOMESTIC PARTNERS**

At the request of Regents Hopkinson and Parsky, this item was brought before the Board for consideration.

- A. The University of California Retirement Plan (UCRP or Plan) be amended to provide Preretirement Survivor Income, the death while eligible to retire benefit, and Postretirement Survivor Continuance to eligible opposite-sex Domestic Partners of UCRP Members, effective July 1, 2002.
- B. The definition of opposite-sex Domestic Partner for purposes of UCRP be defined as determined by The Regents to be either:

- (1) All opposite-sex domestic partners, or
- (2) Only opposite-sex domestic partners as currently defined by the State of California under Family Code Section 297, i.e., one partner must be 62 years of age or older and eligible for Social Security benefits, who otherwise meet UCRP's eligibility requirements.
- (3) Implementation of these provisions be delegated to the President.

Regent Hopkinson moved that the recommendation be amended by replacing paragraphs B.(1), and (2) with the following:

- B. (1) The definition of opposite-sex Domestic Partner for purposes of UCRP be defined as UC employees over the age of 18 in a long-term committed relationship.

Upon motion duly made and seconded, the recommendation was approved as amended, Regents Atkinson, Blum, T. Davis, Hopkinson, Lozano, Morrison, Parsky, Saban, Sayles, and Seymour voting "aye" (10), Regents Davies, Johnson, Kozberg, Marcus, Montoya, Moores, and Preuss voting "no" (7), and Regent Lansing abstaining. The Board then voted to approve Item A of paragraph 3 above.

## 5. **REPORT OF THE COMMITTEE ON GROUNDS AND BUILDINGS**

### A. ***Certification of Addendum to Environmental Impact Report and Approval of Design, Library and Information Technology Center, Science and Engineering Building, and Classroom and Office Building, Merced Campus***

Upon review and consideration of the environmental consequences of the proposed project as indicated in Addendum No. 1 to the Long Range Development Plan Environmental Impact Report certified at the January 2002 Regents meeting, the Committee reported its:

- (1) Certification of Addendum No. 1 to the 2002 Long Range Development Plan Environmental Impact Report.
- (2) Adoption of the Findings.

- (3) Approval of the design of the Library and Information Technology Center, Science and Engineering Building, and Classroom and Office Building, Merced campus.

[Addendum No. 1 and the Findings were mailed to all Regents in advance of the meeting, and a copy is on file in the Office of the Secretary.]

**B. *Adoption of Findings and Approval of Design, Stanley Quantitative Biosciences and Bioengineering Facility, Berkeley Campus***

Upon review and consideration of the environmental consequences of the proposed action as indicated in the Northeast Quadrant Science and Safety Projects Environmental Impact Report certified by The Regents in January 2002, the Committee reported its:

- (1) Adoption of the Findings.
- (2) Approval of the design of the Stanley Quantitative Biosciences and Bioengineering Facility, Berkeley campus.

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

**C. *Certification of Addendum to Environmental Impact Report and Approval of Design, Channing-Bowditch Student Housing and Units 1 and 2 Infill Student Housing and Common Areas Projects, Berkeley Campus***

Upon review and consideration of the environmental consequences of the proposed project as indicated in Addendum 1 to the Final Environmental Impact Report for the Underhill Area Projects, certified and adopted by The Regents in November 2000, the Committee reported its:

- (1) Certification of the Addendum to the Underhill Area Projects EIR.
- (2) Adoption of the Findings.
- (3) Approval of the design of the Channing-Bowditch Student Housing Project, Berkeley campus.
- (4) Approval of the design of the Units 1 and 2 Infill Student Housing and Common Areas Project, Berkeley campus.

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



D. ***Adoption of Mitigated Negative Declaration and Approval of Design, Arroyo Vista Infill, Irvine Campus***

Upon review and consideration of the environmental consequences of the proposed project as indicated in the 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 Arroyo Vista Infill, Irvine campus.

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

E. ***Adoption of Findings and Approval of Design, Mission Bay Building 21A Parking Garage, San Francisco Campus***

Upon review and consideration of the environmental consequences of the proposed project as indicated in Addendum No. 3 to the 1996 Long Range Development Plan Final Environmental Impact Report, certified at the March 2002 Regents meeting, the Committee reported its:

- (1) Adoption of the Findings.
- (2) Approval of the design of the Building 21A Parking Garage, Mission Bay, San Francisco campus.

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

Upon motion of Regent Kozberg, duly seconded, the recommendations of the Committee on Grounds and Buildings were approved. Regent Davies abstained from discussing or voting on Item D., ***Adoption of Findings and Approval of Design, Mission Bay Building 21A Parking Garage, San Francisco Campus.***

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

***Approval of Revision to General Endowment Pool Target Benchmark***

The Committee recommended that the General Endowment Pool Target Benchmark be revised as follows:

***GEP Recommended Asset Allocation***

	<b>Recommended</b>	<b><u>Allowable Range</u></b>		<b><u>Current Policy</u></b>
		<b><u>Target Allocation</u></b>	<b><u>Minimum</u></b>	
U.S. Equity	45%	40%	50%	53%
Non-U.S. Equity	10	8	12	7
Fixed Income	30	25	35	35
Absolute Return <sup>1</sup>	5	0	6	0
Private Equity	<u>10</u>	5	12	<u>5</u>
	100%			100%

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

7. **REPORT OF THE COMMITTEE ON AUDIT**

***Resolution in Support of UC Health Sciences HIPAA Compliance Plan***

The Committee recommended that The Regents approve the following resolution in support of the University's academic health centers' Health Insurance Portability and Accountability Act (HIPAA) Compliance Plan, an initiative of the University's Health Sciences Clinical Enterprise Corporate Compliance Program.

**RESOLUTION OF THE UNIVERSITY OF CALIFORNIA BOARD OF REGENTS: ACADEMIC HEALTH CENTER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) COMPLIANCE PROGRAM**

The University's individual and institutional providers of health care recognize and respect a patient's expectations that the privacy and security of individual health information will be protected. The University is committed to implementing policies and practices that will enable it to reasonably and appropriately protect its patients' privacy while carrying out its mission of care, service, education, and research. Compliance with the mandates of The Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy Rule and Security Regulations requires a thoughtful balance between the rights of the University's patients to privacy of their protected health information, the patient's expectation that quality care will be delivered in a cost-effective and timely manner, and society's expectation that academic health centers will continue to teach and perform leading-edge research.

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<sup>1</sup> Absolute Return encompasses a range of investment strategies that provide protection against market declines while offering returns close to common stocks.

The Board of Regents recognizes and supports the efforts of the members of the University's Systemwide Corporate Compliance Committee: Academic Health Center Taskforce to implement a HIPAA Compliance Program that will provide for compliance by developing, where appropriate, systemwide privacy and security policies; demonstrate a commitment and leadership across the organization to the principles embodied in HIPAA; minimize disruption to the care, research, and teaching missions of the University; and enhance patient confidence in the institutions that serve them.

Upon motion of Regent Morrison, duly seconded, the recommendation of the Committee on Audit was approved.

## 8. REPORT OF THE NOMINATING COMMITTEE

### A. CHAIRMAN OF THE BOARD

That Regent John Moores be elected Chairman of The Regents of the University of California for the year commencing July 1, 2002.

### B. VICE CHAIRMAN OF THE BOARD

That Regent Odessa Johnson be elected Vice Chairman of The Regents of the University of California for the year commencing July 1, 2002.

### C. STANDING COMMITTEE ASSIGNMENTS

That the following Standing Committee assignments for the year commencing July 1, 2002 be approved:

#### Committee on Audit

Regent Terrazas, Chair  
 Regent Lozano, Vice Chair  
 Regent Connerly  
 Regent Lee  
 Regent Eastin  
 Regent Parsky  
 Regent Hopkinson  
 Regent Saban

#### Committee on Educational Policy

Regent Kozberg, Chair  
 Regent Lansing, Vice Chair  
 Regent Connerly  
 Regent Sayles  
 Regent Bustamante  
 Regent Marcus  
 Regent Lozano  
 Regent Pattiz  
 Regent Wesson  
 Regent Sainick  
 Regent Terrazas

Committee on Finance

Regent Hopkinson, Chair  
Regent Connerly, Vice Chair  
Regent Lee  
Regent Montoya  
Regent Sayles  
Regent Preuss  
Regent Parsky  
Regent Lozano  
Regent Wesson  
Regent Ligot-Gordon

Committee on Investments

Regent Parsky, Chair  
Regent Davies, Vice Chair  
Regent Lee  
Regent Montoya  
Regent Preuss  
Regent Pattiz  
Regent Saban  
Regent Blum  
Regent Ligot-Gordon

Committee on Grounds  
and Buildings

Regent Marcus, Chair  
Regent Sainick, Vice Chair  
Regent Bustamante  
Regent Kozberg  
Regent Hopkinson  
Regent Johnson  
Regent Lozano  
Regent Ligot-Gordon

Committee on Oversight of the  
Department of Energy  
Laboratories

Regent Preuss, Chair  
Regent Montoya, Vice Chair  
Regent Davies  
Regent Eastin  
Regent Marcus  
Regent Pattiz  
Regent Blum  
Regent Terrazas

Committee on Health Services

Regent Lee, Chair  
Regent Johnson, Vice Chair  
Regent Davies  
Regent Sayles  
Regent Preuss  
Regent Kozberg  
Regent Lansing  
Regent Marcus  
Regent Sainick  
Regent Terrazas

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 Johnson be appointed as The Regents' representative to the California Postsecondary Education Commission for a two-year term beginning July 1, 2002, and that Regent Kozberg be appointed as the Regents' alternate representative for a two-year term beginning July 1, 2002.

E. INVESTMENT ADVISORY COMMITTEE:

That Regent Blum and Regent Hopkinson be appointed as members of the Investment Advisory Committee; Regent Blum to serve a one-year term from July 1, 2002 to June 30, 2003, and Regent Hopkinson to serve a four-year term from July 1, 2002 to June 30, 2006.

Upon motion of Regent Davies, the recommendations of the Nominating Committee were approved.

9. **COMMITTEE ON GROUNDS AND BUILDINGS AND COMMITTEE ON FINANCE**

A. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program for Hearst Memorial Mining Building Seismic and Program Improvements, Berkeley Campus***

With the concurrence of the Committee on Finance, the Committee on Grounds and Buildings recommended that the 2001-02 Budget for Capital Improvements and the 2001-04 Capital Improvement Program be amended to reflect the following changes:

From: Berkeley: Hearst Memorial Mining Building Seismic and Program Improvements – preliminary plans, working drawings, construction, and equipment – \$80,615,000 to be funded from State funds (\$34,442,000), gifts (\$33,158,000), and campus funds (\$13,015,000).

To: Berkeley: Hearst Memorial Mining Building Seismic and Program Improvements – preliminary plans, working drawings, construction, and equipment – \$90,615,000 to be funded from the State (\$34,642,000, including \$200,000 through the California Institutes for Science and Innovation), gifts (\$42,958,000), and campus funds (\$13,015,000).

**B. *Amendment of the Budget for Capital Improvements and the Capital Improvement Program for Cogeneration Addition to the Central Plant, Irvine Campus***

With the concurrence of the Committee on Finance, the Committee on Grounds and Buildings recommended that the 2001-02 Budget for Capital Improvements and the 2001-04 Capital Improvement Program be amended to include the following project:

Irvine: Cogeneration Addition to the Central Plant – preliminary plans – \$1.4 million to be funded from campus funds.

**C. *Amendment of the Budget for Capital Improvements and the Capital Improvement Program, and Approval of External Financing, Court of Sciences Building, Los Angeles Campus***

- (1) With the concurrence of the Committee on Finance, the Committee on Grounds and Buildings recommended that the 2001-02 Budget for Capital Improvements and the 2001-04 Capital Improvement Program be amended to include the following project:

Los Angeles: CNSI Court of Sciences Building – preliminary plans, working drawings and construction – \$149.1 million to be funded from the State through the California Institutes for Science and Innovation program (\$61,175,000), external financing using the Garamendi funding mechanism (\$50,000,000), and in-kind gift funds (\$37,925,000).

- (2) The Committee on Finance recommended that the President be authorized to obtain financing not to exceed \$50 million to finance the CNSI Court of Sciences Building project, 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 Los Angeles campus' share of the University Opportunity Fund; and
  - c. The general credit of The Regents shall not be pledged.
- (3) 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.

- (4) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

D. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program for Medical Center Hillcrest Seismic Improvements, Phase 2, San Diego Campus***

With the concurrence of the Committee on Finance, the Committee on Grounds and Buildings recommended that the 2001-02 Budget for Capital Improvements and the 2001-04 Capital Improvement Program be amended to include the following project:

San Diego: UCSDMC Hillcrest Seismic Improvements, Phase 2 – preliminary plans, working drawings, and construction – \$43,454,000 to be funded from State lease revenue bond funds (\$36,626,000) and hospital reserves (\$6,828,000).

E. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, and Amendment of External Financing, Cancer Center Facility, San Diego Campus***

- (1) With the concurrence of the Committee on Finance, the Committee on Grounds and Buildings recommended that the 2001-02 Budget for Capital Improvements and the 2001-04 Capital Improvement Program be amended as follows:

From: San Diego: UCSD Cancer Center Facility – preliminary plans, working drawings, construction, and equipment – \$87,109,000 to be funded from gifts (\$67,879,000) and external financing (\$19,230,000).

To: San Diego: UCSD Cancer Center Facility – preliminary plans, working drawings, construction, and equipment – \$104,840,000 to be funded from gifts (\$41,200,000) and external financing (\$63,640,000).

- (2) The President be authorized to obtain external financing not to exceed \$19,230,000 to finance the project listed in (1) above, 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; and
  - b. Repayment of the debt shall be from the gross revenues of the UC San Diego Medical Center funds.

- (3) The President be authorized to obtain external financing not to exceed \$44,410,000 to finance the project listed in (1) above, 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; and
  - b. Repayment of the debt shall be from the UC San Diego campus' share of the University Opportunity Fund.
- (4) The President be authorized to obtain standby financing not to exceed \$27.2 million prior to awarding a construction contract for any gift funds not received at that time and 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; and
  - b. Repayment of the debt shall be from gift funds, and in the event gift funds are insufficient, from the UC San Diego campus' share of the University Opportunity Fund.
- (5) The general credit of The Regents shall not be pledged.
- (6) 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.
- (7) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

F. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, and Approval of External Financing, San Clemente Student Housing, Santa Barbara Campus***

- (1) With the concurrence of the Committee on Finance, the Committee on Grounds and Buildings recommended that the 2001-02 Budget for Capital Improvements and the 2001-04 Capital Improvement Program be amended to include the following project:

Santa Barbara: San Clemente Student Housing – preliminary plans, working drawings, construction, and equipment – \$116,702,000 total project cost to be funded from external financing (\$114,702,000) and Santa Barbara campus UCHS Net Revenues (\$2,000,000).



- (2) The Committee on Finance recommended that the President be authorized to obtain financing not to exceed \$114,702,000 to finance the San Clemente Student Housing project, 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. As long as this debt is outstanding, University of California Housing System fees for the Santa Barbara campus shall be established at levels sufficient to meet requirements of the UC Housing System Revenue Bond Indenture and to provide excess net revenues sufficient to pay the debt service and related requirements of the proposed funding;
  - c. The general credit of The Regents shall not be pledged.
- (3) 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.
- (4) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

G. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, and Amendment of External Financing, Colleges Nine and Ten Residence Halls, Santa Cruz Campus***

- (1) With the concurrence of the Committee on Finance, the Committee on Grounds and Buildings recommended that the appropriate Budgets for Capital Improvement and Capital Improvement Programs be amended to reflect the following changes:

From: Santa Cruz: A. Colleges Nine and Ten Residence Halls – preliminary plans, working drawings, construction, and equipment – \$82,945,000 to be funded from external financing (\$73,503,000), University of California Housing System (UCHS) Net Revenue Funds (\$7,923,000), University Center Reserves (\$1,012,000), gift funds (\$400,000) and Student Facilities Fee reserves (\$107,000).

To: Santa Cruz: A. Colleges Nine and Ten Residence Halls – preliminary plans, working drawings, construction, and equipment – \$89,418,000 to be funded from external financing (\$78,706,000), University of California Housing System (UCHS) Net Revenue Funds (\$9,193,000), University Center

Reserves (\$1,012,000), gift funds (\$400,000) and Student Facilities Fee reserves (\$107,000).

- (2) The President be authorized to obtain financing not to exceed \$78,706,000 to finance a portion of the construction and related costs of Colleges Nine and Ten Residence Halls, Santa Cruz campus, 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. As long as the housing portion of the debt (\$76,427,000) is outstanding, UC Housing System (UCHS) fees for the Santa Cruz campus shall be established at levels sufficient to meet all requirements of the UC Housing System Revenue Bond Indenture and to provide excess net revenues sufficient to pay the debt service and related requirements on the proposed financing;
  - c. As long as the student facilities portion of the debt (\$2,279,000) is outstanding, the Student Facilities Fee shall be established at a level sufficient to meet all debt service and related requirements on this proposed financing;
  - d. The general credit of The Regents shall not be pledged.
- (3) 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.
- (4) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

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

**10. REPORT OF THE SPECIAL COMMITTEE ON REGENTS' PROCEDURES****A. *Amendment of Bylaws and Standing Orders: Rates of Compensation for Faculty***

The Special Committee recommended that:

- (1) Service of notice be waived.
- (2) Bylaw 12.3(m) and Standing Order 101.2(a) be amended as shown below to delegate to the President the authority to approve routine academic personnel salary actions.

**BYLAW 12.****RESPONSIBILITIES OF STANDING COMMITTEES**

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**12.3 Committee on Finance.**

The Committee on Finance shall:

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**(m) Recommend to the Board:**

- (1) All compensation of the following Officers of the Corporation and all Officers of the University: Principal Officers of The Regents and their chief deputies, President of the University, Provost and Senior Vice President, Senior Vice Presidents, other Vice Presidents, University Auditor, Chancellors, and Laboratory Directors;
- (2) The rates of compensation of Regents' Professors at salary rates above the approved range and rates of compensation of ~~faculty members, including~~ University Professors; at exceptional-above-scale salary rates. An exceptional-above-scale salary rate is defined as a salary rate that exceeds the maximum salary step of the applicable academic salary scale, as adjusted from time to time, by more

than the percent difference between the maximum salary step of the Regular Ladder-Faculty Academic Year salary scale and the compensation approval level. The compensation approval level is defined as the dollar limit on the President's authority to approve salaries (\$156,000). The compensation approval level shall be indexed annually in accordance with the Consumer Price Index, said percent increase to be reported annually to the Board; and

- (3) Except as otherwise provided in Bylaw 12.7(c), the rates of compensation of all other University personnel, **except faculty other than Regents' Professors and University Professors**, whose annual full-time salary rate is \$150,000 or more. The compensation approval level shall be indexed annually in accordance with the Consumer Price Index, said percent increase to be reported annually to the Board.

#### STANDING ORDER 101.

### FACULTY MEMBERS AND OTHER EMPLOYEES OF THE UNIVERSITY

#### 101.2 Compensation.

- (a) Rate of compensation and subsequent changes in rate of compensation shall be determined by the Board upon recommendation of the President of the University or upon recommendation of the Secretary, Treasurer, or General Counsel of The Regents in their respective areas of responsibility through the Committee on Finance for:
  - (1) A Regents' Professor at a salary rate above the approved range, and a ~~faculty member, including a~~ University Professor; at an exceptional-above-scale salary rate. An exceptional-above-scale salary rate is defined as a salary rate that exceeds the maximum salary step of the applicable academic salary scale, as adjusted from time to time, by more than the percent difference between the maximum salary step of the Regular Ladder-Faculty Academic Year salary scale and the compensation approval level. The compensation approval level is defined as the dollar

limit on the President's authority to approve salaries (\$156,000). The compensation approval level shall be indexed annually in accordance with the Consumer Price Index, said percent increase to be reported annually to the Board;

- (2) Other University personnel, **except faculty other than Regents' Professors and University Professors**, whose annual salary rate is \$150,000 or more. The compensation approval level shall be indexed annually in accordance with the California Consumer Price Index, said percent increase to be reported annually to the Board.

**B. *Amendment of Bylaws and Standing Orders: Approval of Fees Adopted by Student Referendum***

The Special Committee recommended that:

- (1) Service of notice be waived.
- (2) Standing Order 100.4(g), Duties of the President of the University, be amended to delegate to the President authority to approve compulsory, campus-based fees, including summer charges for these fees, as follows:

**additions shown by shading, deletions by strikeout**

100.4 Duties of the President of the University

- (g) The President shall fix and determine the amount, conditions, and time of payments of all fees, fines, and deposits to be assessed against students of the University, except that the President shall secure the Board's approval prior to the assessment of the University Registration Fee, Educational Fee, tuition fees, ~~compulsory student government fees~~, and fees and charges required in connection with the funding of loan financed projects, except **student-fee-funded facilities**, parking facilities, and housing projects.

Upon motion of Regent Davies, duly seconded, the recommendations of the Special Committee on Regents' Procedures were approved, 17 Regents voting "aye," and Regent Montoya voting "no."

**11. 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:

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 recommendation:

***Amendment of the Budget for Capital Improvements and the Capital Improvement Program, and Approval of External Financing for Arroyo Vista Infill, Irvine Campus***

**Pursuant to Standing Order 100.4(q)**

- A. That the President amend the 2001-02 Budget for Capital Improvements and the 2001-04 Capital Improvement Program to include the following project:

Irvine: Arroyo Vista Infill – preliminary plans, working drawings, construction, and equipment – \$11 million to be funded from external financing.

**Pursuant to Bylaw 21.4(d) and Standing Order 100.4(nn)**

- B. That the President approve and the Treasurer be authorized to obtain financing not to exceed \$11 million to finance the projected listed in A. above, subject to the following conditions:
- (1) Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
  - (2) As long as this debt is outstanding, University of California Housing System fees for the Irvine campus shall be established at levels sufficient to meet requirements of the UC Housing System Revenue Bond Indenture and to provide excess net revenues sufficient to pay the debt service and related requirements of the proposed funding.
  - (3) The general credit of The Regents shall not be pledged.
- C. That the Officers of The Regents be authorized to provide certification to the lender that interest paid by The Regents is exempt from federal income taxation under existing law.
- D. That the Officers of The Regents be authorized to execute all documents necessary in connection with the above.

**12. REPORT OF PERSONNEL ACTIONS**

Secretary Trivette reported that, in accordance with Bylaw 14.7(b), the following personnel actions were taken at the meetings on March 13, 2002 and April 9, 2002. There were no roll call votes on Items A and B. There was a roll call vote taken at the April 9, 2002 Special Meeting on item C (roll call vote required by State law on all actions taken in meetings held by teleconference).

- A. Appointment of David H. Warren as Acting Chancellor, Riverside campus, until July 1, 2002 or until the appointment of a new Chancellor, for a period not to exceed one year.
- B. Appointment of Gabor A. Somorjai as University Professor, Department of Chemistry, Berkeley campus, effective immediately.
- C. Appointment of France A. Córdova as Chancellor of the Riverside campus, 100 percent, effective July 1, 2002. The roll call vote was as follows: Regents Atkinson, Davies, T. Davis, Hopkinson, Johnson, Kozberg, Lee, Lozano, Montoya, Moores, Morrison, Parsky, Pattiz, Preuss, Sayles, Seymour voting "aye" (16).

**13. REPORT OF COMMUNICATIONS**

Secretary Trivette presented summaries of communications received subsequent to the March 2002 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.

**14. REPORT OF THE PRESIDENT**

President Atkinson 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. Report of the audit of Hastings College for the year ended June 30, 2001. May 2, 2002.

**To Members of the Committee on Educational Policy**

- B. Statistical Summary of Students and Staff for Fall 2001. March 18, 2002. (Schedule of Reports)
- C. Report on Matters Relating to the California Postsecondary Education Commission. April 2, 2002. (Schedule of Reports)

**To Members of the Committee on Finance**

- D. UC Technology Transfer Annual Report for 2001. April 30, 2002. (Schedule of Reports)

**To Members of the Committee on Health Services**

- E. Activity and Financial Status Report on Hospitals and Clinics as of January 31, 2002. March 7, 2002. (Schedule of Reports)
- F. Activity and Financial Status Report on Hospitals and Clinics as of February 28, 2002. April 1, 2002. (Schedule of Reports)
- G. Activity and Financial Status Report on Hospitals and Clinics as of March 31, 2002. May 6, 2002. (Schedule of Reports)

**The Regents of the University of California**

- H. "Current Developments for Audit Committees" and "A Summary of the Current Reporting Environment," publications from PricewaterhouseCoopers. March 8, 2002.
- I. Status report on the addition of the Visual and Performing Arts requirement to the courses required for eligibility to the University as a freshman. March 18, 2002.
- J. Report on the Eligibility in the Local Context (ELC) Program. March 18, 2002.
- K. Report on President's Initiative in Engineering and Computer and Information Sciences. March 25, 2002.
- L. "Determining the Comparability of Graduate Student Support: Evidence from the 2001 Graduate Student Support Survey." March 25, 2002
- M. Composition of the Career Staff Workforce by Race and Sex. April 25, 2002.
- N. Copy of new publication featuring highlights of NIH-funded research at the University of California. May 1, 2002.



**15. RESOLUTION IN APPRECIATION – RAYMOND L. ORBACH**

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

WHEREAS, Raymond L. Orbach, a distinguished scholar, respected administrator, and sixth chancellor of the Riverside campus has retired from the University of California following his appointment by President Bush as Director of the Office of Science at the Department of Energy, a position to which he brings extensive scientific knowledge and the highest ideals of public service; and

WHEREAS, his ties to the University of California are strong and deeply rooted, having earned his doctorate in physics from the Berkeley campus, followed by an exceptional career at UCLA where his outstanding work in theoretical and experimental physics brought him international recognition and his skills as an administrator were honed as the Provost of the College of Letters and Science; and

WHEREAS, in 1992 he assumed the chancellorship of the Riverside campus, where his prodigious energy, extraordinary vision, and inspired leadership guided the campus into the spotlight as a center of innovative research and education, nationally recognized for the excellence of its programs and faculty; and

WHEREAS, under his stewardship, the diversity of the Riverside campus greatly increased, providing a culturally enriching experience for the entire campus community; major construction and renovation transformed the character of the campus with new teaching, research, and office space; academic programs have been created and existing programs enhanced; annual contributions to the UCR Foundation have more than doubled; cordial relationships with the Inland Empire community have been forged and strengthened; and

WHEREAS, he has been resolute in his efforts to expand educational opportunities for all Californians, developing innovative publications such as *Keys to Your Future*, personally visiting schools, community centers, and other gatherings throughout southern California to encourage high school students to consider attending an institution of higher learning, challenging high schools to offer the appropriate courses needed for college entrance, and assisting students and parents in planning for college;

NOW, THEREFORE, BE IT RESOLVED that the Regents of the University of California express their lasting appreciation to Raymond L. Orbach for his significant contributions to teaching and research, steadfast adherence to excellence, grand vision of the Riverside campus as a leading research university, and unswerving commitment to the University of California;

AND BE IT FURTHER RESOLVED that the Regents extend to Ray and Eva Orbach their warmest good wishes for a rich and full life in Washington, D.C. and direct that a suitably inscribed copy of this resolution be presented to them as a token of the Regents' esteem and lasting friendship.

Chancellor Orbach thanked his wife, his former colleagues from the University of California, Riverside, and Regent Sue Johnson for their dedication to the institution. He recalled that his and his wife's greatest joy during his ten years as Chancellor was working with remarkable students whose respect for one another, civility, commitment to scholarship and community, and diverse backgrounds combined to give strength and purpose to the UCR campus. He noted that dedicated UCR faculty and staff have worked with students to create a wonderful campus community, one which has propelled UCR into an academic leadership position. This accomplishment has occurred in large part because of the unity of the University of California. There is but one Academic Senate, and each campus receives the same funding per student and is treated fairly and equitably for capital construction. As a consequence, every campus is expected to be preeminent in the academic programs of its choice. Decentralization of the University has enabled UCR to develop its own personality and to achieve excellence while also contributing to the system. He believed that Chancellor Córdova, who has a reputation for scholarship and leadership, will be a great Chancellor for the Riverside campus. Finally, he thanked the Regents for continuing to demand quality in every aspect of the University's operations. He believed that the demand for excellent faculty has been the fuel that has driven the University to greatness.

Mr. Orbach commented that he and his family would look back at their University of California days with fondness, affection, and gratitude. He welcomed his former colleagues from the University to visit him in Washington, D.C.

Chairman Moores commented that, although the committee to find a new chancellor for the Riverside campus had received a lot of advice about what qualities he or she should have, the comment they heard most often was that the new chancellor should be as much like Chancellor Orbach as possible.

Regent Preuss recalled that, as a new Regent, it had taken him some time to become aware of the importance of the Riverside campus and to develop a fondness for it as he watched Chancellor Orbach guide it toward prominence. He had been struck particularly by the positive relationship that the Chancellor had built up with the community.

Regent Lansing stated that getting to know Chancellor Orbach had been one of the nicest things about being a Regent. She praised not only his intellect and leadership but also his warmth, humility, and dignity, and she stated that the work he had done to diversify his campus had furthered the University's goals significantly.

Regent Seymour recalled his long-standing friendship with Chancellor Orbach and wished the very best to him and his wife.

Regent Montoya believed that Chancellor Orbach had blazed a trail in expanding diversity on the campus, and she expressed her appreciation for the time he had spent giving hands-on instruction to students and parents about what it requires to aspire to and become eligible for the University of California.

Regent T. Davis thanked Chancellor Orbach on behalf of the thousands of students whose lives he had touched and whom he had invited to participate in making decisions about campus issues.

Regent Kozberg, who had been a commencement speaker on the Riverside campus, recalled that the Chancellor's vision for the future had formed the frame for the campus' expansion and diversification. She believed that he had left a legacy of excellence in education.

President Atkinson stated that the Orbachs had been incredibly important to the University of California system. He expressed the hope that eventually they would return to the institution.

Faculty Representative Viswanathan recalled that he had been a student at UCLA when Chancellor Orbach had joined the Physics Department as an Associate Professor and later had become Chair of the Academic Senate and Provost. He expressed his admiration for the Chancellor and wished him and his wife all the best.

16. **RESOLUTION IN APPRECIATION – TRACY M. DAVIS**

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

WHEREAS, on June 30, 2002, Tracy M. Davis will complete her term as the twenty-seventh student Regent, having carried out her responsibilities with thoughtfulness, unwavering dedication to excellence, and steadfast loyalty to the University; and

WHEREAS, throughout her career at UCLA, where she earned her bachelor's and master's degrees and is currently pursuing her doctorate in higher education and organizational change, she has been deeply committed to a wide range of student government, alumni, and civic activities benefitting the campus and Los Angeles communities, activities in which her compassion, deep concern for the welfare of others, and dedicated public service have been recognized by her being awarded the UCLA Chancellor's Service Award and the UCLA Panhellenic Community Service Award; and

WHEREAS, her experiences as a UC undergraduate and graduate student, as well as an outreach and admissions officer and coordinator of student

programs, have given her a broad perspective on the complex issues facing the University and have shaped her resolve to maintain UC's excellence, increase student access to a UC education, expand K-12 outreach programs, and provide affordable housing for members of the University family; and

WHEREAS, she has earned the respect and admiration of her fellow Regents through her service as member of the Regents' Committees on Educational Policy, Grounds and Buildings, and Investments, where her clear understanding of and profound concern for the issues facing the University and education in the twenty-first century have been the hallmarks of her term; and

WHEREAS, it is the hope of her fellow Regents that not only will the University of California continue to benefit from her abiding interest in its welfare, but that as a spirited advocate and friend of the University and higher education, the people of California will also be beneficiaries of her lasting contributions to all levels of education;

NOW, THEREFORE, BE IT RESOLVED that the Regents express to Tracy M. Davis their heartfelt gratitude for her dedicated service to the University as a student, staff member, and Regent and their pleasure in her company;

AND BE IT FURTHER RESOLVED that the Regents direct that a suitably inscribed copy of this resolution be presented to Tracy Davis as a symbol of the Regents' lasting friendship and warmest good wishes for success in her future endeavors.

Chairman Moores stated that Regent T. Davis would be missed but that he hoped she would remain in contact with the Regents.

Regent Hopkinson expressed her admiration for Regent Davis and described her as an inspiration to other Regents.

Regent Kozberg commented that Regent Davis swayed opinions on many issues through her thoughtful analysis.

Regent Seymour recalled having watched Regent Davis mature and excel during her years at the University and wished her the best of luck in the future.

Regent-designate Ligot-Gordon thanked Regent Davis for supporting him and sharing her experience with him. He stated that she had inspired him to serve his term as a Regent with dedication and passion.

Regent Marcus believed that Regent Davis had based her decisions while on the Board on rational, objective analysis, had been prepared to listen to other points of view, and had always considered what was best for the University.

Regent Morrison stated that he was pleased to have served his term simultaneously with Regent Davis. He believed that she was a person wise beyond her years who had brought hard work, judgment, enthusiasm, diplomacy, and passion to her role as student Regent.

President Atkinson expressed the hope that once Regent Davis receives her doctorate should would return to the University to teach. He indicated his intention to continue following her career.

Faculty Representative Viswanathan noted that it was a matter of great pride and privilege for faculty members to see their students do so well and get so much recognition. He also urged her to return to the University in an academic capacity.

Regent Johnson expressed admiration for Regent Davis' intellect and tenacity and her devotion to duty.

Chairman Moores commented that Regent Davis' parents have much to be proud of and that he was pleased to have known her.

17. **RESOLUTION IN APPRECIATION – ROBERT C. MORRISON**

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

WHEREAS, Robert C. Morrison will complete his tenure on the Board of Regents on June 30, 2002, having faithfully and conscientiously fulfilled his responsibilities as a Regent-designate and Regent; and

WHEREAS, since receiving his bachelor's degree and law degree from UC Davis, he has remained a close and active member of the University family, serving as President of the Cal Aggie Alumni Association, as a member of the UC Davis Chancellor's Club and the UC Davis Foundation Board of Trustees, and as Treasurer and Vice President of the Alumni Associations of the University of California; and

WHEREAS, his wide-ranging experience as a deputy legislative counsel for the State of California, a respected attorney, and a community activist enabled him to bring a thoughtful and reasoned approach to the discussions of the Regents' Committees on Finance, Grounds and Buildings, and Oversight of the Department of Energy Laboratories; and

WHEREAS, his special interest in the enrollment of students from underserved and low-income communities at UC and California's community colleges and in the expanded role of the University's K-14 outreach programs is the embodiment of the University's commitment to educational opportunity, student access, and diversity; and

WHEREAS, his keen sense of loyalty to the University is reflected in his many volunteer efforts on the Davis campus, where his enthusiastic support of the campuswide Student First Campaign helped ensure that its fund-raising goals were greatly exceeded and his thoughtful advice and wise counsel were instrumental in the development of the campus' Alumni Visitors Center;

NOW, THEREFORE, BE IT RESOLVED that the Regents of the University of California convey to Robert C. Morrison their gratitude and appreciation for his distinguished service as a representative of the alumni on this Board and for the many valuable contributions he has made 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 Bob and Janet Morrison as an expression of the Board's warmest regard and continuing affection.

Regent Morrison commented that people are the key ingredient in any successful organization and that he would like to acknowledge some individuals. He thanked the staff of the Office of the Secretary for their professional excellence and positive attitudes and the staff of the Office of the President for their kind assistance to the Regents. He thanked the Chancellors and Laboratory Directors for exposing him to the breadth, depth, and diversity of the academic and scientific innovation and expertise that they steward, commenting that each campus and laboratory visit brought renewed appreciation for the scope, complexity, and excellence of the UC system. He believed that its status as the premier public research university in the world is clearly attributable to their collective and individual talents in building and leading quality faculty, staff, and administrative teams and in building the critical support and partnerships from outside constituencies. He acknowledged the talent and leadership of President Atkinson and Vice Presidents King, Darling, Mullinix, Hershman, Gomes, and Gurtner, Associate Vice President Arditti, and Treasurer Russ and wished them and the Regents well as they grapple with the implications and budgetary constraints and other outside pressures on the University of California system. He expressed appreciation to Faculty Representatives Viswanathan and Binion and to the Academic Senate for their invaluable advice during his term.

Regent Morrison then thanked the Regents for their varied talents, perspectives, personal kindnesses, and collegiality, stating that their deep commitment and concern for the welfare of UC are gratifying to an alumnus and a matter he emphasizes whenever he speaks to alumni about what it is like to serve on the Board and what the Board does.

Regent Morrison described the special qualities of individual Regents. He thanked Regent Davies for his thoughtful leadership, collegiality, and principled statesmanship. He commented that the level of preparation of Regent Hopkinson and her dedication to the UC system had been a source of personal inspiration. He acknowledged also her support of alumni and student Regents. He recalled Regent Johnson's good humor

and her willingness to interact with students and other constituencies on behalf of the University. He described his admiration for Regent Connerly for his strong desire for justice and equality of opportunity in society and his belief in the dignity and ability of all people. He acknowledged the many contributions of former Regent Sue Johnson and thanked her for her counsel, support, and intelligent and graceful leadership of the Board spanning two decades, and also for her active support of the University as an alumna. He was confident that the present alumni Regents would carry on that high tradition.

Finally, he thanked his wife for her support over the years. He described her work as a second grade teacher in the Stockton Unified School District, where the students are predominantly low income and from underrepresented groups. She is on the front line every day in dealing with the impacts of poverty and the frequently less-than-supportive family situations which poverty, language, and cultural barriers impose on the lives of children. He believed that their individual problems with school highlight America's and California's need to provide guidance and support that is sufficient to assure that every child has the opportunity to develop to his full potential. He stressed that, as much as it has done, the University needs to do more to focus public dialogue and resources on the societal and family problems that prevent that dream from becoming a reality. He urged the Regents and the administration to become a persistent, outspoken force for change. Although eligibility in the local context, dual admissions, comprehensive review, and the imminent replacement of SAT I may have substantial merits, they may serve to deflect attention and urgency from the reality that until demographic equilibrium in UC student bodies results from demographic equilibrium from academic preparedness in K-12, social progress will continue to be minimal. He believed that, as legislators have made clear their expectations of the Board, the Board should state clearly its expectations of the State. He believed that the expertise of those in the University could help illuminate the problems in education and discover the solutions and that the Regents should focus on getting these solutions put into practice.

Chairman Moores believed that Regent Morrison's comments demonstrated substantial wisdom and insight.

Regent Hopkinson voiced her respect for him and expressed the hope that he would continue to help the University.

Regent Marcus thanked him for his thoughtful, well-prepared comments.

President Atkinson believed that his observations had always reflected the clarity of his thoughts. He observed that as a long-term member of the University family Regent Morrison would continue to be very visible in his efforts to support the University.

Regent T. Davis expressed her appreciation for advice he provided to her and her family.

Faculty Representative Viswanathan thanked him on behalf of the Academic Senate for his service to the University in various capacities. He acknowledged the importance of the alumni in enhancing the reputation of the University.

Regent Johnson expressed her appreciation for his friendship and noted that his questions and responses during meetings had always been thoughtful and insightful.

18. **RESOLUTION IN APPRECIATION – JEFFREY A. SEYMOUR**

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

WHEREAS, on June 30, 2002, Jeffrey A. Seymour will complete his tenure on the Board of Regents, having carried out his duties as a Regent-designate and Regent with enthusiasm, skill, and an abiding devotion to his alma mater; and

WHEREAS, a proud graduate of UCLA, with a bachelor's degree in political science and a master's degree in public administration, he has served as a county and city legislative aide in Los Angeles, as Vice President of the Bank of Los Angeles, and as a governmental relations consultant for communities throughout the state, thus providing him with a rich and varied array of experiences that he has used to enhance the Board's discussions of the vital educational and public policy issues of the day; and

WHEREAS, he has given generously of his time and energy to his regental duties, making thoughtful contributions to the Regents' Committees on Audit, Health Services, Grounds and Buildings, and Oversight of the Department of Energy Laboratories, always acting in the highest tradition of public service, in all matters supportive of the need to sustain and enhance the University as an educational resource of the highest order; and

WHEREAS, he has been an articulate and ardent advocate of the University, with a firm commitment to its outstanding programs, a deep concern for the welfare of the University's students, and a resolute desire to expand affordable housing opportunities for UC's students and faculty; and

WHEREAS, in his role as President of the Alumni Associations of the University of California, not only has he strengthened the organization to better serve the University and its more than one million alumni, but he has given abundantly of his time and talents to the expansion of alumni activities from coast to coast through special regional programs;

NOW, THEREFORE, BE IT RESOLVED that the Regents of the University of California convey to Jeffrey A. Seymour their heartfelt appreciation for his unflagging support of higher education in California and for his superb contributions to the University of California as a respected alumnus and friend;



AND BE IT FURTHER RESOLVED that the Regents extend to Jeff and Valerie Seymour their best wishes for the future, and direct that a suitably inscribed copy of this resolution be presented to them as an expression of the Board's warmest regard and lasting friendship.

Regent Seymour extended his thanks to his colleagues on the Board, the Chancellors, and all those who serve the University for allowing him, an alumni representative with a short length of time in that position, the opportunity to participate equally with others as a Regent. He recalled with particular fondness his assignment as Vice Chair of the Committee on Grounds and Buildings. Through Regent Kozberg's leadership, the Committee focused on creating a working partnership with the campuses aimed at preserving campus autonomy in areas of planning and design while clarifying The Regents' mandate which focuses on the overall vision of a ten-campus system that physically reflects the excellence of one University of California.

Recalling his involvement with the President's housing advisory committee, Regent Seymour urged the Regents to work aggressively in partnership with the campuses, the private sector, and the State of California to create new opportunities that will complement the ongoing work undertaken at both the campus and OP levels aimed at developing housing for students and faculty. He noted that in July, the advisory committee will bring to the Board recommendations which focus on this partnership. He suggested that, beyond these recommendations, the Regents should focus on relations with campus neighbors, specifically municipalities and community associations. He believed that the University will be required to, at times, take a more aggressive and proactive approach when dealing with future growth of its physical plants. Such action will require the campuses and the Regents to decide on a case-by-case basis how to balance the responsibility to serve the people of the State of California with an appropriate response to local opposition when it occurs.

Regent Seymour reported that, with Regent Morrison, who is Vice President of the Alumni Associations of the University of California, Senior Vice President Darling, and Director of Alumni Affairs and Special Events Stofan and his staff, work was begun on reassessing and refocusing the AAUC. He noted that, while new initiatives had been developed, work towards redefining the AAUC would continue.

Regent Seymour thanked Regents Hopkinson, Johnson, and T. Davis for their dedication and friendship and stated that it had been an honor to serve with President Atkinson. He acknowledged friends and family who had played significant roles in his life, and he credited Senior Vice President Darling with pointing out to him that, as a Regent, it was important to treat all campuses equally, and he declared that he had tried to do so. He thanked everyone for their kindness and informed them he would never forget his experiences of the past two years.

Regent Hopkinson recalled that Regent Seymour's assistance and insight had been invaluable to her and that she had valued her friendship with his family. She noted that she had served on the design committee for the Committee on Grounds and Buildings, the work of which she believed had made a tremendous impact on campus planning.

Regent T. Davis described Regent Seymour as a role model and mentor who had demonstrated a high level of integrity during his service to the University.

Regent Johnson thanked him for his friendship and commented that through her association with him on the Committee on Grounds and Buildings she had learned a great deal about the University's physical planning. She noted that he had made an impact on the Board during his relatively brief term.

Regent Morrison thanked him for his friendship and support and suggested that he would be an appropriate gubernatorial appointee to the Board.

Regent Marcus commented that the University, its alumni, and the Regents had been lucky to have had him on the Board. He thanked him for his dedication and enthusiasm and agreed that he would make a valuable permanent member.

Faculty Representative Viswanathan recalled his long association with Regent Seymour and had admired his leadership, energy, and enthusiasm. He hoped that Regent Seymour would continue to devote his time to the betterment of the University.

President Atkinson observed that Regent Seymour had been enthusiastic about tackling the problems facing the Board during the past two years and finding solutions. He had been invaluable in bringing people together and in improving relations with the Legislature.

The meeting adjourned at 2:25 p.m.

Attest:

Secretary