

Report of the meeting of the  
Board of Trustees  
September 19-20, 2006

Craig R. Smith, CSU Faculty Trustee

*HEADLINE: Executive Compensation Under Review*

Full reports from the Board of Trustees meeting can be found [www.calstate.edu/BOT](http://www.calstate.edu/BOT).

The public committee meetings were held with among others, the CSU presidents and members of the Statewide Academic Senate's Executive Committee in attendance.

\*The Committee on University and Faculty Personnel heard a report on executive compensation conducted by the Mercer Group. (Lieutenant Governor Bustamante attended this session.) The Chancellor agreed to review the current policies and to bring in recommendations for the November Board meeting. The Executive Transition program replaced the Trustee Professorship program in 1992; the transition program pays presidents for one year at a rate half way between their current salary and what they would get as a 12-month tenured professor (i.e., \$112,548). After that year, they may take the salary of the tenured professor and continue at the university. In a comparison with the 20 cohort universities as determined by CPEC, CSU presidents have a 42% lag behind their cohort institution presidents in terms of salary, which closes to 12% when all benefits are figured in. In terms of the perks given to CSU presidents, 94% of the cohort presidents received a housing allowance; 82% received a car allowance; 76% received club dues; 65% had separate entertainment funds; 65% received family education aid; 59% had retreat rights to become tenured full professors. Executive Compensation will be revisited in November in terms of reporting procedures to the board and the public, defined benefits compensation, portability, and other matters.

\*The Committee on Collective Bargaining heard a report on bargaining with unit 13. Agreements with operators and physicians and dentists were approved.

\*The Committee on Finance was informed that CSU employees require \$233 million to cover health care alone and that will escalate by \$27.6 million in the coming year. We heard a report on Alternate Revenue Sources. \$45 million in income come from endowments. \$350 million come from contracts and grants. We then heard a report on the 2007-08 Support Budget. Compact projected revenue increases are estimated to be \$264,789,000 (\$241,483,000 in fund increases and \$23,306,000 in state university fees). In terms of spending, \$72,279,000 will go for enrollment growth; \$6,305,000 for financial aid; \$82,746,000 for compensation; \$50,000,000 for closing salary gaps; the remainder is eaten by mandatory costs. \$391 million will be dedicated to capital improvement. There will be budget challenges to ongoing programs such as joint doctoral programs, K-12 math and science teachers, and clinical nursing support, all of which are currently funded over the Compact floor. There will be huge unmet needs that will be carried forward such as the \$405,000,000 in deferred maintenance; \$310,000,000 to close salary gaps; and \$40,000,000 for increasing the tenure-track ratio. (These will be used to try to raise

the floor of the Compact.) We then reviewed the Lottery Revenue Budget, which was projected to be \$44 million. The Committee approved a Systemwide Revenue Bond allocation for the Green Music Center Project at Sonoma State. The Committee approved a commercial office and research facility for Pomona and the Los Angeles County High School for the Arts and a Math and Science Charter High School at California State University, Los Angeles.

\*The Committee on Institutional Advancement approved the naming of the Leonard Transportation Center at San Bernardino and the Curb College of the Arts, Media and Communication at Northridge. The Board honored Boeing for its \$50,000 gift to print “how to get to college” posters. The Board then recognized Hearst/Trustees’ Awards.

\*The Committee on Audit heard a status report.

\*The Committee on Organizational and Rules proposed that the March Board meeting be at San Diego State University.

\*The Committee on Governmental Relations heard report number 11. Several bills rest on the desk of the governor awaiting his action. He has signed the Bowen bill on campus newspaper rights. Pending are bills to provide relief to the CSU on sellers permits (SB 1724), to provide higher age qualification for Cal Grants (AB 2813), and to provide construction costs at San Francisco State (SB 682).

\*The Committee on Campus Planning, Buildings and Groups heard reports on capital outlays (including a new bookstore front for Stanislaus) and seismic work.

- The Committee on Educational Policy approved an initiative in strategic planning that would review information collected under the Cornerstone project. I raised questions about the preliminary report of accomplishments with regard to giving credit to faculty for their contributions, acknowledging faculty workloads, problems with YRO implementation, and the failure to make progress toward ACR73 tenure goals. There will be a steering committee that includes the executive committee of our senate, three more faculty members appointed from campus, and me, along with 8 presidents and 10 other trustees. All stakeholders would be given a voice in the consultative process. The first meeting of the steering committee will be October 16<sup>th</sup>. The Educational Policy Committee also updated its fast-track program development plan, revised Title 5 with regard to providing educational materials on sexual violence, and heard reports on the Early Assessment Program and community service learning. In 2005, there were almost 172,000 students who participated in the math test; 185,595 took the English test.

\*The Board heard a report on litigation. About half of the cases brought in the CSU are settled and the CSU prevails in the remainder of cases. The caseload has been significantly reduced over the last five years.

**After public comments, the above recommendations were affirmed and the reports were accepted during the general board meeting.**

\*The following are the Committee Chairs:

Ray Holdsworth, Chair, Audit

Kyriakos Tsakopoulos, Chair, Campus Planning, Buildings and Grounds\*

Murry Galinson, Chair, Collective Bargaining

Herbert Carter, Chair, Educational Policy\*

William Hauck, Chair, Finance\*

Melinda Guzman Moore, Chair, Government Relations\*

Carol Chandler, Chair, Craig Smith, Vice Chair, Institutional Advancement\*

George Gowgani, Chair, Craig Smith, Vice Chair, Organization and Rules\*

Debra Farar, Chair, University and Faculty Personnel\*

\*Faculty Trustee Smith to serve as member. He will also serve as alternate representative to CPEC.

Roberta Achtenberg is the Chair of the Board and Jeffrey Bleich is Vice Chair.

My list of campus visits follows below:

Provided here is a chart of my completed campus visits:

<u>Campus</u>	<u>1<sup>st</sup> Official Visit</u>	<u>Visit</u>	<u>Visit</u>	<u>Visit</u>	<u>Visit</u>
Humboldt	9/05	Graduation 05			
Chico	12/05				
Sonoma	2/26				
Sacramento	12/05				
Maritime A.	2/06	guest lecture	Graduation 06		
San Francisco	10/05				
East Bay	11/05	Workshop	1/07		
San Jose	11/05				
Stanislaus	9/06				
Monterey Bay	2/06				
Fresno	10/05	Graduation 06	9/06		
Bakersfield	5/06				
San Luis Obispo	10/06				
Channel Islands	4/06				
Northridge	11/05				
San Bernardino	11/05				
Fullerton		Arts Center	Alumnae	Picnic	
Los Angeles	1/06				
Dominguez Hills	5/06	Tennis Center			
Long Beach	9/05	5/06	Graduation	9/06	
Pomona	4/06				
San Marcos	1/06				
San Diego	1/06	Graduate Dean			