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KATHLEEN KAISER

CSU FACULTY TRUSTEE

REPORT OF THE MEETING OF THE BOARD OF TRUSTEES, July 13-14, 2004

Kathleen Kaiser, Faculty Trustee

Prior to the full Board of Trustees (BOT) meeting on July 13, the eight new trustees, Mr. Jeffrey Bleich, Dr. Herbert Carter, Mrs. Carol Chandler, Mr. Moctesuma Esparza, Mr. George Gowgani, Mr. Raymond Holdsworth, and Ms. Melinda Guzman-Moore, who were appointed by Governor Schwarzenegger, were able to attend orientation with only a week's notice. Mr. Corey Jackson is the new non-voting Student Trustee from CSU San Bernardino. While not all could attend the first BOT meeting, those in attendance actively assumed their new roles and expressed sincere interest and commitment to the welfare of the California State University (CSU). It was a distinct relief to have critical committee positions assigned and to conduct business without worrying about a quorum. Despite a wide-ranging set of background experiences and professional interests, the BOT's first and foremost commitment to the Mission of the CSU was demonstrated as our top priority. I would encourage faculty who have a trustee in their region, especially the new trustees, to reach out and make sure that they are invited to campuses to learn about the diversity, quality and issues facing our campuses first hand, as well as meet the faculty, staff and students who comprise the CSU system, for which they have assumed such a tremendous responsibility.

The BOT met in closed session on July 13 to successfully conclude the evaluations of Dr. Robert Maxson, President, CSU Long Beach and of Dr. John Welty, President, of CSU Fresno. Both Presidents have long served their respective campuses with distinction.

1:00 PM--**Committee on Institutional Advancement:** Minutes from May 17-19, 2004 were approved by consent. The BOT passed as an action item that the Engineering Building 111A of Cal Poly Building 41, at Cal Poly University, San Luis Obispo, be named Grant M. Brown Engineering Building. The BOT received as an information item the *Recognition of the Recipients of the 2004/2005 Williams R. Hearst/CSU Trustees' Award for Outstanding Achievement*. This event was preceded by a lunch held in the recipients' honor. They are: Ms. Deanna Heikkinen, CSU Bakersfield; Ms. Elizabeth Coudright, CSU Chico; Mr. Jimmy Kirby, Jr., CSU Dominguez Hills; Ms. Amy Sweeden, CSU Fresno; Mrs. Tuy Thi Nguyen, CSU Fullerton; Mr. Nathan Curtis, CSU Hayward; Mr. Dion Davis, CSU Los Angeles; Ms. Becky Berger, CSU Northridge; Mr. Nexon Sun, Cal Poly University, Pomona; Ms. Avery Malby, CSU Sacramento; Mr. German E. Loustaunau, CSU San Bernardino; Ms. Cara Statucki, San Francisco State University; Ms. Lisa Ward, San Jose State University; and Ms. Julie Martinez, Sonoma State University.

1:30 PM-- **Closed Session on Collective Bargaining** was followed by open session. The minutes of May 18, 2004 were approved. Jackie McClain, Vice Chancellor, Human Resources, informed the BOT that an agreement had been reached between CSU and International Union of Operating Engineers at the Maritime Academy and the State Employees Trades Council (SETC), which covers all other campuses and is to cover the fiscal years 2004/05-2006/07. The BOT ratified both. A list of issues seen to be impacting the negotiations between the CSU and Academic Professionals of California (APC) was distributed, and Mr. Charles Goetzel, president of APC noted that more promising meetings were scheduled, although they desired a faster pace. Mr. Pat Gantt, director of California State Employees Association (CSEA) also spoke about on-going mediation and that they were hopeful to close the gap. State budget process was making a very difficult bargaining cycle. Layoffs were still on going at CSU Hayward, CSU Stanislaus, and Humboldt State University.

2:30 PM **Finance:** The minutes of May 19, 2004 were approved by consent.

A *Report on the 2004/05 Support Budget* was given as information item. This status report informed the new trustees of the current situation and of the complications based on still not having a state budget. Outlining what was gained by the BOT action in May to raise student fees, the issues still facing the CSU were: 1) a difference between the Senate and Assembly Budget subcommittee allocations, 2) the elimination of the redirection of first-time freshmen, greater funding for student access, 3) fully funded Outreach, 4) Educational Opportunity Program (EOP) and 5) Academic Preparation and additional funding for Cal-Grant programs. A base budget was established by the Compact and after very strong advocacy on the part of Save the CSU Coalition we are poised to see a greater budget augmentation than originally proposed. Mr. John Travis, president of California Faculty Association (CFA), welcomed the new trustees. Following a report by Patrick Lenz, Assistant Vice Chancellor for Budget Development, Mr. Travis stated his belief that the efforts to rebuild the CSU would lead to the restoration of some of the proposed cuts in the budget. He believed that the public campaign to SAVE the CSU, a coalition of CFA and other unions, faculty, staff, and students had made the crucial role of the CSU in the Master Plan very visible to the legislature, and that it would have positive results.

To update the new trustees, Karen Y. Zamarripa, Assistant Vice Chancellor for Advocacy and Institutional Relations, gave a status on *Report as Information on the Consultation Process to Develop a State Funding and Student Fee Policy Development*. The committee consists of staff, students and faculty and is focused on an Undergraduate Student Fee Policy. There are still issues under negotiation and still legislation in progress, which could impact this policy. Work would then follow on a graduate student fee policy. The question was raised about how many of our students are on some type of financial aid. Requests were made for a profile of financial aid recipients and their family income profiles. Interest was expressed to obtain easy access to the CSU statistical abstract database. The tremendous issues raised by a closely timed set of student fee increases, due to the State's budget crises, was noted by several trustees (including the student trustee). Also noted were issues concerning the effectiveness of any policy in the face of future potential crises. However, a plan was regarded as better than no plan, to paraphrase the Chancellor, and the committee would continue to work on the policy.

The BOT passes as an Action item, *Approval to Issue Trustees of the CSU, Systemwide Revenue Bonds and related Debt Instruments for a Project at CSU, Hayward*, a University Union Expansion, which was voted on by students as an increase in student fees. These are in an amount not-to-exceed \$12,960,000. The facility should open in 2006.

3:15 PM-- **Campus Planning, Buildings and Grounds** is under the guidance of a new Chair, Mr. Kyriakos Tsakopoulos. The minutes of May 18, 2004 were approved by consent and there was one action item: BOT amended the 2004-05 Non-State Funded Capital Outlay Program to include 1) CSU, Sacramento's design and construction of a GSF Foundation/Bookstore Building at \$20,586,000 to be funded from Foundation reserves and systemwide revenue bonds; and 2) Cal Poly SLO's design and construction of a parking lot and access improvements on Mount Bishop Road, at \$2,292,000 funded from the parking reserves.

As an information item, Vi San Juan, Assistant Vice Chancellor for Capital Planning, Design and Construction, provided a status report on the 2004/05 capital outlay budget request. All 22 projects have the approval of the legislature and are in the governor's budget proposal, and await final approval of the state budget. A third information item was the *Annual Report on Completed Capital Projects*. This report covered 23 projects, noted funding, type of project, delivery method, actual total cost, and how close to the percent of original cost and schedule the project was. The new method of Design-Build was noted as improving our ability to have better performance standards but a sample project report was also given of a successful Design-Bid-Award project at CSU, Chico. Recognizing that some external factors are pushing up construction costs, the trustees expressed great interest in continuing to improve our projects' quality, on-time completion and

cost containment. The fourth information item was the *California Environmental Quality Act (CEQA) Annual Report*. Here the BOT bears responsibility for the University's compliance with CEQA, including approving all Environmental Impact Reports (EIRs) for major capital projects sited on Trustee property. While statute prohibits the CSU from funding, and by policy neither pay for nor construct, off-site local infrastructure improvements required as a result of impacts from capital projects, including street, traffic, infrastructure, and mass transit improvements, nonetheless, the CSU continues to face legal challenges from local communities. A case involving Monterey Bay, addressing the issue of off-campus mitigation requirements, is currently pending a hearing before the California Supreme Court. Further issues affecting a capital project can be deemed covered under 'Over-Riding Consideration', in which the educational mission of the CSU is regarded as a more significant benefit than some irresolvable impacts of a capital project. This was an attempt to inform the BOT how the projects are presented and resolved under CEQA, with the notation of potentially significant evolving issues currently before the court.

Three Action items were presented. The first was approval of *the Categories and Criteria for the State Funded Five-Year Capital Improvement Program, 2006/07-2010/2011*, with the note that if the action year (2006/07) requests exceeded available funding expectations, the chancellor is authorized to adjust the number of projects submitted. Particular attention was paid to the criteria for auditoriums (1988) and Critical Infrastructure Deficiencies and Modernization/Renovation, and finally New Facilities/Infrastructure. The BOT then certified the next action item, *Certify a Mitigated Negative Declaration for the Campus Master Plan Revision and Approve the Proposed Campus Master Plan Revision for CSU, San Bernardino*, which will add nonstate improvements at \$54,600,000. The BOT then approved the last action item, *Approval of Schematic Plans*, for the aforementioned CSU, Sacramento Foundation/Bookstore Building at \$20,586,000.

4:15 PM--**Governmental Relations:** The minutes of May 18, 2004 were adopted by consent. Legislative Report #10 was presented by Karen Y. Zamarripa, Assistant Vice Chancellor for Advocacy and Institutional Relations, and adopted first in Committee and then by the BOT. A number of bills are still pending that impact the CSU and several of them focused on student fees and funding, transfer and common core pathways. Once the Budget is passed, there will be an immediate recess and then they will return on August 2, staying in session until midnight August 22. With many facing term limits, a great deal of activity is expected on pending legislation. There appears to be support on both sides of the Legislature for increased augmentation to the CSU budget over that in the January Budget, and Save the CSU Coalition made an impact. Other issues involve municipal facilities fees, and CSU has asked for a proposal to address a proportional sharing of fees. The Trustees were notified they were covered under the Assembly Bill 1969 and it was suggest that information on the online course in Employee Ethics be distributed. Assembly Bill 2339 has been amended to reference only the scheduling of BOT and UC Regents, and the State Board of Education to modify their meetings schedule to avoid conflicting meetings. Senate Bills 1415 Common Course Numbering System and 1785 Dual Admissions Programs were working in partnership and funding was thought to be likely.

4:30 PM--**Committee on Committees:** The minutes of April 19, 2004 were approved by consent. The new trustees were assigned to the following committees for 2004/05: Mr. Jeffrey Bleich to Campus Planning, Buildings and Grounds (CPBG), Governmental Relations (GR), Educational Policy (Ed Policy) and to Organization and Rules (O & R); Dr. Herbert Carter to Audit, (Ed Policy), GR and O & R; Mrs. Carol Chandler to Finance, GR, to Institutional Advancement (IA) and University and Faculty Personnel (UFP); Mr. Moctesuma Esparza to Audit, CPBG, Ed Policy and GR; Mr. George Gowgani to CPBG, Ed Policy, GR and O & R; Mr. Raymond Holdsworth to Audit, CPBG, Finance, and UFP; Ms. Melinda Guzman Moore to Ed Policy, GR, IA and O & R.

8:30 AM Wednesday, July 14, 2004: **Committee on University and Faculty Personnel:** The Minutes of Meeting of May 19, 2004 were approved by consent. Action was taken on the Executive Compensation for Dr. Horace Mitchell, new president of CSU, Bakersfield University. Effective July 12, 2004, salary was set at \$220,008 and a housing allowance of \$30,000 annually.

The BOT also passed the *Proposed Revision of Title 5 Regulations--Amendment of CSU Conflict of Interest Code*. This required a public comment section, however, the only comment was about the BOT wasting the time of public speakers, apparently due to taking BOT Committee business under consideration in the published sequence.

8:45 AM--**Organization & Rules:** The minutes of May 18, 2004 were approved by consent. *The Revision of Trustees' Standing Orders* was passed as an action item, as a complete rewrite of the existing version. There is no change in the substantive authority delegated to any CSU official.

8:50 AM **Audit**--The Committee approved the minutes of May 18, 2004 by consent. A *Status Report on Current and Follow-up Internal Audit Assignments* was introduced as information item on the 2004-audit plan. The follow-up Internal Audit Assignments notes some significant improvements; with several reports still 12 months outstanding. The *Status Report on Current and Follow-Up Construction Audit Assignments* currently only has funding to profile the top six projects (2002/03 and 2003/04 were given), and a query was made to have an assessment of the funding required if all of the big projects were to be audited.

9:00 AM **Committee on Educational Policy**- Approval of minutes of May 18 was by consent. The one action item, *Modification of CSU Admission Policy for Upper-Division Transfer Students* (known in the Academic Senate CSU (ASCSU) parlance as the 45/15 transfer package), involved Title 5 changes and, as a result, had a public comment section. The intention is to design with the ASCSU's leadership two items: 1) a degree-major core transfer pattern that would hold for the entire CSU (i.e. all sociology majors transferring to the CSU would have a specified 45 unit package, including General Education Breadth (GE) which would be accepted as meeting the GE and lower division core requirements at their institution). 2) A degree-major campus specific transfer pattern: this would include up to 15 units which may be campus specific (region) that cover all the requirements up to 60 units that a transfer student would need to achieve to receive the highest priority in transfer to the CSU (i.e. now the student transferring to CSU Chico would know exactly what else was required to achieve parity with native students entering that same major at CSU Chico). An amendment to the earlier language was the inclusion of the statement "*Highest Priority*" as used herein means a guarantee of admission subject to enrollment demands, available space, and satisfactory completion of any impact criteria for that campus and major. This was added in response to issues raised by the California Community College representatives in earlier meetings.

Several of the public speakers were giving prepared remarks and had not received notice of the language change in time to alter their remarks, but all cited this as a welcomed addition. Public speakers were: Marjorie Lewis, Vice President of California Community Colleges, Chief Executive Officers; Dr. Tom Clark, Trustee of Long Beach Community College District; Daniel L. Nannini, President, Transfer Center Directors Association; and Kate Clark, President of the Academic Senate for the California Community Colleges. While their focus varied based on their representative role, as a group they were disturbed about: 1) the designation of the party to be responsible for funding and providing the academic counseling to implement 45/15, 2) the need to increase systemwide articulation particularly through funding (Articulation System Stimulating Inter-institutional Student Transfer (ASSIST) and 3) how the 'high demand' majors, for whom the first efforts to identify the 45/15 transfer pattern would be selected.

The CSU admits 55,000 transfers every year and two thirds of our annual graduates are transfer students. Studies completed by the CSU show 30 excess units on average taken by a transfer student between the two systems, i.e. this is not a singular problem belonging to only one system. Reducing the number of excess units will allow thousands more students access to the CSU, but the pathway has to be clearly defined by faculty so that students who transfer have the same options for a successful and timely completion of their degree as do native students. ASCSU Chair, David McNeil spoke about the faculty's full involvement in establishing the 45/15 processes,

including passing a supporting resolution, which was not unanimous. The BOT passed this resolution unanimously.

The California State Student Association (CSSA) presented the CSSA Strategic Plan as information to the BOT, and gave thanks to Dr. Barbara Kaufman, RIO Consulting Group and to the Chancellor for his financial support and encouragement to draft a plan.

Executive Vice Chancellor David Spence and Dr. John Welty, President of CSU, Fresno and Chair of the CSU Presidents Task Force on Education Leadership Programs in the CSU, gave a report as information. President Welty noted six major areas of concern around principals and their complex and demanding roles: 1) need for comprehensive reform in preparing effective instructional leaders; 2) evolving standards, using the California Professional Standards for Educational Leaders (CPSEL) as a base; 3) partnerships with K-12, higher education, professional educator groups, governmental bodies, and business and community leaders; 4) higher education needs to play a central role in developing programs to prepare and support school leaders; 5) development of programs to prepare site leaders; and, 6) teacher education and preparation of education leaders has to be an All-University responsibility.

This item was followed by a *Report of CSU, Northridge on the Carnegie Corporation-funded Teachers for a New Era Program*. This national effort recognizes student leaders as the most important factor in preparing good teachers and to have pedagogy driven by data, for example, with dual appointments between school district faculty and CSU. Getting matching funds from the Disney Corporation and Eisner Foundation, as well as a strong relationship with the LA School District enhanced the success of Northridge in being selected.

9:45 AM --**Committee of the Whole**: The Minutes of May 18, 2004 were approved by consent. In order to remove outdated language from Title 5 of the California Code of Regulations, amendments to Title 5 were necessitated when the BOT updated its Rules of Procedures and Standing Orders. This was a long item and the only question raised was the #41906 (e) which controls the evidence required for application of statutory exceptions to Non-Resident Tuition Classification, and notes ...A child, natural or adopted, or a spouse...which is the added language. When queried as to why the CSU was not adding, *or domestic partner*, the reply was that this language was dictated by current statute and the law would have to be changed in order for the BOT to change the Title 5 language. BOT approved the revisions to Chapter 1, Division 5 of Title 5 of the California Code of Regulations.

10:00 AM--**Meeting of the Whole was called to order**. Four out of eight of the new trustees were present: Mrs. Carol Chandler, Ms. Melinda Guzman Moore, Mr. George Gowgani, and Mr. Corey Jackson, the new student trustee. Dr. Murray Galinson presided in his first meeting as the new Chair, with Ms. Roberta Achtenberg as Vice Chair. In his Chair's Report, the new trustees were welcomed; and the new Executive Committee of the Statewide Academic Senate CSU was recognized as well as the newly elected Academic Senate CSU Chair, Dr. David McNeil. The new Board of Directors of CSSA was welcomed, and Chair Galinson noted how important the input of faculty and students was to the BOT. Mr. Bob Linscheid was re-elected as the Chair of the CSU Alumni Council, and Dr. Horace Mitchell, in his first meeting as President of CSU, Bakersfield, was recognized. Dr. Paul Yu begins his position as President of San Jose State in a week. CSU, Fullerton was recognized as the NCAA Division 1 National Champions in Baseball and the Trustees received a commemorative hat and T-shirt, modeled by Chair Galinson and Jack O'Connell, Superintendent of Public Instruction and an alumni. CSU, Sacramento received the Star Award for Recycling-Integrated Waste Management and 18 CSU campuses were listed in the top 100 national campuses to graduate Hispanics according to the May issue of *Hispanic Outlook*. From May to June, the CSU graduated 77,000 students, 66,00 with BA/BS and 11,000 with MA or teaching credentials; Chair Galinson congratulated and urged them all to benefit society as they go forth and to remember the CSU. He then submitted his approved 2004/05 budget for the State University House, totaling \$63,365, to the BOT.

Chancellor Reed reported that the new trustees brought a wide variety of experiences and offered great enrichment to the BOT, plus the new leadership of ASCSU and CSSA. CSSA has a 100% turn over every year, and so working on their strategic plan was very important. While the budget is challenging, both Mr. Richard West and Mr. Patrick Lenz felt that there would be a turn around with funding for about 10,000 more students. Planning will take place in August-September, and the BOT will meet in October on the 2005/06 Budget proposal. The Compact Agreement with the governor was a light at the end of the tunnel, which would help our planning process, and he urged everyone to read it. He stated that it would help preserve the assets of the CSU--Quality, faculty compensation and future access. CFA and the Coalition to SAVE the CSU helped to raise the CSU to the forefront in its value to the state. The BOT's conversation and action on Transfer were critical items in his opinion, as no other state relies so heavily on transfer. Priority transfer could potentially create room for 10,000-15,000 more students.

The Chancellor and President Maxson recognized Dr. James Brockman as the major contributor to the CSU, Long Beach President's Scholarship, with over 6 million personally donated. Dr. Brockman's dedication to community service and to the sciences showed in the expectations of the recipients who completed community service. The first group of recipients are now in medical schools and graduate science programs across the country. At the next BOT meeting, Chancellor Reed hopes to introduce the champions from CSU Fullerton. He and Chair Galinson gave a commendation to Jose Solache, past CSSA Chair. Chair Galinson complement the Chancellor, Mr. Richard West, and Mr. Patrick Lenz for continuing to work with ASCSU, CFA and the Coalition in getting more monies for the CSU than the Compact had established as a base.

President Bob Linscheid of the CSU Alumni Council introduced Dana Bezerra, president-elect from Cal Poly University, San Luis Obispo. He will serve one more year, and he welcomed the new trustees. The organization's focus was how to leverage the power of CSU's 2 million alumni. A survey of the membership and system leaders resulted in a new strategic plan focused on 1) playing a significant role in statewide advocacy for the CSU, by forming more effective partnerships with the senior leadership in the Chancellor's staff, the ASCSU, the CSSA. A second focus was to deepen the professional development and support for campus associations, members, and alumni directors and hire an associate director for outreach. Legislative Day will be April 11, 2005.

Mr. Manolo Platin, Chair of CSSA, introduce his new Board, welcomed the new trustees, the new leadership of ASCSU, and the Alumni as all part of the CSU family. They have four main issues: 1) long term student fee policy, 2) campus fee referendum policy and procedures, and 3) accountability, as well as 4) transfer. The Annual CSSA Summit will be in February. They are focused on Election 2004 New Voter Project to increase participation by 5%and urge the campus administration to open their doors to AS. They are working to fill all CSSA committee positions and believing that advising is crucial, they think students with training could serve a useful role. The Campus-Run -Around for 24 hours let everyone know that students are committed to their education. CPEC representative, Trustee Kyriakos Tsakopoulos submitted a written report on the June 8th meeting.

The Minutes of the BOT Meeting of May 19, 2004 were revised and approved. The Title Trustee Emerita was conferred on Ms. Dee Dee Myers, the Title Trustee Emeritus on Mr. Ralph R. Pesqueira, and the Title President Emeritus on Dr. Tomás Arciniega. A Commendation for Service was given to Student Trustee Mr. Alexander Lopez.

A number of speakers addressed the BOT in the public section. However, due to travel schedules many Trustees could not stay for all speakers. Those addressing the BOT included: Mr. Charles Goetzl, APC President; Dr. John Travis, California Faculty Association (CFA) President; Dr. Elizabeth Hoffman, CFA; Dr. Lillian Taiz, CFA; Mr. Pat Gantt, CSEA. A number of students and community members, with issues relating to CSU Dominguez Hills and other items, spoke but my own travel schedule forced me to leave before comments were concluded.