



THE CALIFORNIA STATE UNIVERSITY

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Report of the Meeting of the Board of Trustees November 17-18, 2004

Kathleen Kaiser, Faculty Trustee

The full Board of Trustees (BOT) met at the office of the Chancellor on November 17-18, 2004. The BOT met for ethics training at 10 AM on November 17th as required by state law. The BOT then met in closed session for the initial report on the 6th year personnel review of Vice Chancellor Dave Spence, who could not be present due to a presentation at a Governor's meeting. The review will conclude at the next BOT meeting. The most significant reports for most faculty were in two major educational policy reports. They have been summarized in my report and the website given. Collective Bargaining is another area of particular interest.

12:45 PM -- **Committee on Institutional Advancement:** Minutes of September 14, 2004 were adopted by consent. The one action item was the *Naming of Warrior Arena – California State University, Stanislaus* and the naming of the university's outdoor playing fields at CSU Stanislaus as DreamLife Financial Arena and the DreamLife Financial Fields, respectively. In one information item, presented as *California State University Impact Study*, ICF Consulting was hired to do a major study, quantifying the impacts of the California State University (CSU) on a state, regional and campus level. Not only was the economic impact identified but also the social and cultural improvements to the quality of life of the communities surrounding our 23 campuses. It can be seen in full at: <http://www.calstate.edu/BudgetCentral/>.

The second information item generated both a significant numbers of letters and speakers, the proposal to change the name of California State University, Hayward (CSU Hayward) to CSU East Bay. As might be expected the letters and speakers were both pro and con in their representation. Those arguing negatively were from the Mayor of Hayward, Roberta Cooper and the City Manager, Jesus Armas and 21 letters against the name change were submitted. President Norma Rees presented the arguments for the name change and was supported by several speakers, including Tim Silva, Chair of the Educational Foundation, Silva Jesuit, Sunny Keyes, Heather Stark, Joe Kayser, Jodi Servatus and seven submitted letters, including the Mayor of Concord, Helen Allen; President of Los Medanos College, Peter Garcia; John Protopappas, President and CEO of Madison Park Financial Corp.; former CSU Trustee, Ted Saenger; Richard Spees, Oakland City Council; and Morgan M. Blair. There were also a series of letters that asked for a delay for greater study or for more time for the campus to consider the research data on which this proposal was based. This proposal will come back before the BOT during the January 25-26, 2005 BOT meeting.

2:15 PM -- **Committee on Collective Bargaining** met first in open session, adjourned to close session, and then reported back to the BOT. Minutes from September 14 and October 28, 2004 were approved. Charles Goetzel, President of Academic Professionals of California (APC) spoke about how the APC had gone 18 months without a contract, while bargaining he felt that mediation was a step backwards. Further, he had gone to every campus in the CSU and noted how unhappy the employees represented by APC were with the atmosphere in the CSU. Pat Gantt, Director of California State Employees Association (CSEA) noted that the number of Arbitration cases and the increase in unfair labor practice charges were disturbing trends and he looked forward towards mutual settlements. California Faculty Association (CFA) consolidated their speakers

to have a more concentrated timeframe in which to speak. Ray Castro noted that John Travis, President of CFA could not be there. Then a lawyer, who was a labor representation specialist for CFA passed out a handout *The CSU Representation Crisis* with four areas of concern: (1) delayed justice with postponed level I & II meetings and too many cases; (2) re-fighting the same issues with non-precedent and no penalties for repeat violations; access to evidence and (3) the procedures regulating it are too slow; and finally (4) the claim was made that CSU fights and loses too many cases (401 cases with CFA winning 55-58 percent) He cited how Article 10: "Prompt and effective resolution" was not happening, arbitration was not treated as final and binding and cited a maternity leave case at San Diego State University (SDSU) as an example of bad practice. The Chair, Bob Foster, said that he looked forward to getting the specifics referred to from CFA in order for the Committee to investigate the claims that had been made.

3:15 PM -- **Committee on Finance** approved the minutes from September 14, and October 28, 2004. The *2004/05 Student Fee Report* was given as an information item. This required annual report shows the 2004/05 Academic Year (AY) Resident Undergraduate Student Fees, Campus Fees, and then three comparisons. Each uses the California Postsecondary Education Commission (CPEC) Comparison Institutions (including CSU), for AY 2004/05 as compared to AY 2003/04 and percent increase CSU Comparison Institution AY Resident Undergraduate Student Fees, Resident Graduate Student Fees, and the AY Non-resident Undergraduate Student Fees.

There were three action items: *Approval for a Real Property Acquisition and Purchase of a Student Housing Project and for the Issuance of Systemwide Revenue Bonds and Related Debt Instruments*, not to exceed \$30,335,000 at San Bernardino. This was the final step of a unique public-private partnership for additional student housing close to campus at California State University, San Bernardino (CSU San Bernardino). The next action item approved the development concept for the expanded public/private partnership to develop and construct a conference center 200-room hotel; a 60,000 square foot athletics training center/office complex; a 50,000 square foot field house/training center; and a 20-bed dormitory facility on a five-acre parcel leased to Anschutz Entertainment Group (AEG). In addition to the new facilities, ADG will provide annual financial considerations, promote certain new or expanded educational programs, and pay for the construction of additional parking for the California State University Dominguez Hills (CSU Dominguez Hills) campus. There were two speakers who praised the past arrangements with AEG and were very enthusiastic about the new development. The final action was the *Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects*. CSU Dominguez Hills was approved for not-to-exceed \$24,425,000 for the Loker Student Union Addition/Remodel project. The California State University Fullerton (CSU Fullerton) campus was approved for not-to-exceed bonds of \$18,485,000 for the Fullerton Parking Structure 2. The last was to acquire the Golden Eagle, a building owned and operated by the Cal State Los Angeles University Auxiliary Services, Inc. (UAS) for \$32,800,000 in order to fund the debt service on the UAS original bonds and to redeem the remaining principal.

5:00 PM -- **Committee on Campus Planning, Buildings and Grounds** approved the minutes of September 14, 2004. We then amended the 2004/05 Capital Outlay Program, Nonstate Funded to include five projects. CSU Dominguez Hills was approved \$6,146,000 to proceed with the design and construction of the California Academy of Mathematics and Science (CAMS), Phase 11 project including \$17,660 GSF on university property leased to the Long Beach Unified School District. Funding is provided by the district and donor funds. California State University, Dominguez Hills (CSU Dominguez Hills) was also approved for \$701,000 to proceed with the design and construction of the Tennis Pavilion adding 2,570 GSF. This project is to be built on university property leased by Home Depot Center. The Anschutz Southern California Sports complex will fund the project. California State University, (CSU San Bernardino) was approved for \$30,335,000 to proceed with real property acquisition of 11.28 acres adjacent to campus. This contains a housing complex with 480 bed spaces, constructed to the CSU's construction standards, and includes parking, a large swimming pool, a sand volleyball court, and a central courtyard. A Due Diligence Review has been completed. Cal Poly University,

San Luis Obispo (Cal Poly SLO) was approved for \$11,578,000 to proceed with the design and construction of a project to improve the Alex G. Spanos Stadium, replacing the utility infrastructure, expanding seating, including restrooms, support facilities, private boxes, and press and coach boxes. Total project budget is \$14,378,000, with \$2,800,000 contingent on 2005/06 state capital renewal funds and \$11,578,000 from donor funds.

Two projects had schematic plans presented and approved: CSU Fullerton had schematic plans for a Parking Structure 2 approved for \$20,700,000. This is to 971 new spaces, promotes sustainable environment with several notable features, however, its construction costs of \$10,312 per space is above the CSU construction guidelines of \$8,394 due to unique site conditions and industry-wide price increases in structural steel and rebar. Upon questioning Assistant Vice Chancellor San Juan noted that they were reconsidering the pricing estimates due to the noted industry changes. She also gave an update on the general progress of the committee that will be making its first initial report to the BOT on energy conservation, Sustainable Building Practices, and Physical Plant Management. A student representative has been appointed. It was not clear whether the faculty member(s) had been appointed. I noted that we look forward to this significant enterprise's first reporting function.

Cal Poly SLO sought to certify the Final Environmental Impact Report (FEIR) for the entire Alex G. Spanos Stadium West Bleacher and Infrastructure Improvements. Issues that were noted were preservation of historical buildings (Jespersen & Heron halls), air quality, traffic, and noise. Certain significant environmental effects of the project are unavoidable even after the incorporation of all feasible mitigation measures and are considered to be outweighed by the benefits under Overriding Considerations. The stadium will be renovated going from 8,500 seats to 15,000, the parking structure will hold up to 1,000 vehicles, and an 11,500 square foot office building built, while portions of the stadium will be demolished, the playing field renovated, and two historic resources, used as office buildings will be demolished for a total of \$14,378,000. These costs are higher than the last stadium expansion in 1994 at CSU Fresno (rising industry costs were already noted). Donor funds of \$11,578,000 and \$2,800,000 proposed state funds (Proposition 55) are anticipated as the funding sources.

The BOT certified the Final Environmental Impact Report and Approved the Campus Master Plan Revisions with Enrollment Ceiling Changes at Humboldt State University. The Master Plan enrollment ceiling was changed from 8,000 Full Time Equivalent Students (FTE) to 12,000 FTE that moves the percent of CSU's total enrollment represented by Humboldt State University from 2.44 percent to 2.62 percent with growth in natural resources, sciences, and arts and humanities and was supported by the Humboldt State University Academic Senate. The key physical elements included: new academic quadrangles, stream restoration on campus, interconnecting pedestrian pathways and open space, removal of vehicles from campus core, conversion of streets to pedestrian malls, creations of a major campus entry with an on-campus transits center. The FEIR identified unavoidable significant impacts relating to Cultural/Historical Resources and Traffic, which were considered to be outweighed by the benefits of the project, and were so noted by the Statement of Overriding Considerations. The fiscal impact would require state funded projects at estimated \$429,000,000 and nonstate projects at an estimated \$109,000,000 in today's dollars and is expect to guide the physical development of the campus through 2030.

The BOT certified the Final Supplemental Environmental Impact Report and approved the Campus Master Plan Revision Enrollment Ceiling Change at California State University, Monterey Bay (CSUMB). This action actually reverses an earlier action by the BOT in 1998 when a master plan enrollment ceiling of 25,000 FTE was approved, with 16,700 FTE intended for off-site via distance learning and 8,300 FTE to be taught in traditional on-campus lecture/laboratory seat count capacity. *This was the only campus in the CSU which had FTE designated in this manner* and so the current action of the BOT reduces the FTE ceiling from 25,000 to 8,500 FTE but calls for FTE to be recognized the same as all other CSU campuses as referring to only on-campus enrollment. Therefore, it constitutes an increase in the on-campus FTE ceiling. The stated goals were to

create a blueprint for implementation based on realistic academic growth for the next twenty years, consolidate academic growth to enable a pedestrian environment, and define sites for campus facilities along an East, West, Central, North grid. The BOT adopted the Findings of Fact, which included specific overriding considerations that outweigh the remaining unavoidable significant impacts specific to water supply and traffic. The implementation of the approved master plan revision is estimated to cost \$400,000,000 in state funded and \$500,000,000 in Nonstate funded projects in current dollars.

The last action item was the approval of the Campus Master Plan Revision for the Villas Parkmerced Lot 42 Property Acquisition for San Francisco State University (SFSU). This allows SFSU to acquire 2.81 acres, next to the campus, which includes 66 garden apartment units (1, 2, and 3 bedrooms), 66 covered parking spaces and a laundry facility. This is intended to assist with housing pressures, in particular with graduate and married student housing, for \$11,000,000 funded through Systemwide Revenue Bonds and a loan from multi-family housing program at SFSU.

8:30 AM Wednesday, November 17, 2004 -- **Committee on Audit:** The Committee approved the minutes of September 15, 2004 and received an information item, *Status Report on Current and Follow-up Internal Audit Assignments*. It was noted that the status of outstanding follow-up reports has improved considerably and now the longest any recommendations have been held without a finalization is 10 months and that was only true of two campuses. There was also a status report on Current and Follow-up Construction Audit Assignments with all of 2002/03 completed and two of the 2003/04 audits finalized, with four others having a wide range of completions in progress. In addition, a report on Construction Auditing in the CSU-2003/04 in regards to our renewing the contract with KPMG was given. This auditing team has been completely reassembled with new members who will be attempting to use the auditing information to formulate advice and suggestions that can assist new projects as well. Trustee Holdsworth, who encouraged them to prepare a set of best practices that could be disseminated to all the campuses, so that we as a system can increase our effectiveness in consistently achieving quality construction projects, asked them about Best Practices.

8:45 AM **Committee on Educational Policy** approved the minutes of September 15, 2004. The Committee heard David Spence, Executive Vice Chancellor and Chief Academic Officer give two information reports: The 3rd Biennial Report on CSU Accountability Process and the 2nd Progress Report on Facilitating Graduation. Cornerstones principle nine establishes Accountability reporting on nine common indicators, from campus to BOT, CSU to BOT, and the CSU to the State Government, with a focus on performance, improvement goals, and progress. Reporting started in September 2000 based on the 1998/99 data and this report is based on 2002/03 data. These are Systemwide data. The campuses are working within their own context and goals and are not compared to one another. You may access this report at www.calstate.edu/AcadAff/accountability.

#1 is *Program Quality, Outcomes and Assessment* and is a part of Cornerstones, WASC accreditation, and a national emphasis in a number of federal and disciplines, as well as ACE. Outcomes and Assessment is integrated into CSU Program Review, with 95 percent of BA programs with established student learning outcomes and 64 percent have completed at least one direct measure.

#2 *CSU Indicators of Access* have been revised to include impact. Upper-Division California Community College (CCC) Transfer Applicants have decreased in admissions in this cycle after a significant increase in the first two reporting cycles. For the changes between 2001/02-2002/03 CSU admitted 322 fewer, while denials increased by 157 percent and, of those denied, 32 percent were admitted to another CSU. First-Time Freshmen Admissions increased by 365 in the same period, with a 217.5 percent increase in denials, and of those denied, 69.9 percent were admitted to another CSU.

#3 *Progression to Degree* has two measures: continuation from First to Second Year & Units completed by Upper-Division Students. First Year continuation rates have been tracked since Fall 1998 to Fall

2003 and they have been steady, 84 percent average for CCC transfers, 79 percent for First-Time freshmen. In measuring units to degree the target goal is half of the units required for degree and similarity among native and transfer students at the upper-division level. From College Year (CY) 1998 to 2002/03 CCC transfers have improved only slightly from 77 to 74, while native students were consistent at 73 upper-division units, which directs attention to the Lower-Division Transfer Patterns (LDTP) Project.

#4 *Graduation Rates* has 2 measures: First-Time Freshmen (FTF) (6 years) and Transfers (3 years) & Categories of Students via their Workloads. Fall 1997 FTF had a 45 percent graduation rate in 6 years at CSU campus of origin (this key indicator is used in federal data), It improves to 61 percent if we extend the timeline and recognize graduation from any CSU. The trend has slightly improved since Fall 1993 from 42 percent to 45 percent in Fall 1997 for 6-year graduation and from 53 percent to 55 percent for extended graduation, and from 59 percent to 61 percent for extended graduation from any CSU campus.

Only 26 percent of FTF attend on a full-load, full-time basis and of those only 33 percent graduate in four years (up from 28 percent in 1993), 69 percent in six years (up from 64 percent in 1993) and 73 percent from original campus (up from 68 percent in 1993). The question is WHY only 33 percent? The majority of FTF (67 percent) are persistent Part-Time and their rates have not changed in 10 years, with 39 percent graduating in 6 years and 50 percent from their original campus and again WHY? The most severe rates are as might be expected in the partial load/stop out seven percent of FTF with no change in 10 years, with a five percent in six years and 25 percent from original campus graduation rate. Again the glaring issue here in each workload category is that the units they are taking would enable them to graduate in four or in six years but they do so at incredibly low rates, despite their unit load.

When we move to CCC Transfers (CCC) for Fall 2000 the three-year graduation rate at campus of origin is 52 percent, the extended rate up to 73 percent and from any CSU to 76 percent. If we look at transfers by workload category, 40 percent CCC are full-time, full-load and 39 percent of those graduate in two years (up from 37 percent in 1996), 73 percent in three years (up from 68 percent in 1996). The persistent Part-Time are 45 percent of CCC and 47 percent of those graduate within three years which has been consistent and the partial load/stop out (15 percent of CCC) have nine percent of those graduate within three years which is up by one percent from 1996. Facilitating Graduation components were highlighted: roadmaps, course scheduling, progress-to-degree audits, and advising and counseling.

#5 *Special State Needs in Teacher Preparation*, was an area in which CSU exceeded its goals: 59 percent of annual new teachers come from CSU, and from 1988/99 to 2002/03 our credentials have grown to 11,456, a 131 percent increase.

#6 *Relations with K-12* had 2 indicators: well over a half a million K-12 students were involved in CSU outreach in 2002/03 but funding has been deleted. Helping K-12 students become proficient in Math and English standards for the CSU resulted in the BOT setting high goals, with a 90 percent goal for Fall 2007. Improvement has occurred, especially in math rates with a gain from 46 percent to 63 percent between Fall 1998 to Fall 2003, but this is far from the 74 percent goal set for Fall 2004 English is a more severe challenge with an actual decrease from 53 percent in Fall 1998 to 52 percent in Fall 2003 and very far from the Fall 2004 goal of 78 percent. These figures point to the critical importance of the Early Assessment Program (EAP), the CSU's work in K-12 professional development in critical reading/writing and mathematics and the senior year experience in those areas.

#7 *Successful Remediation* within one year, in English and Mathematics was a goal set in Fall 1998. CSU is very successful, going from a 79 percent of 19,237 FTF success rate in Fall 1999 to 82 percent of 22,278 FTF in Fall 2003 being remediated within one year.

#8 *Facilities Utilization* is increased by using Off-site areas, Distance-Learning, Summer, weekend and term breaks, Fridays, and finally Monday-Thursday usage with total usage going from 102,566 in CY 1998/99 to nearly 138,873 in CY 2002/03. Non-Traditional Instruction increased by 36,307 FTES and state supported summers accounted for 40 percent.

#9 *University Advancement* saw over \$300,000,000 in voluntary support, and \$530,000,000 in special revenues, with a 125 percent increase in alumni membership, and from 1998 to 2002/03 the private fundraising exceeded the CSU goal of 10 percent over the previous year's net general fund allocation.

The second Progress Report was Facilitating Graduation, which was a brief statement of the history of this initiative and that all campuses are at least close to completing roadmaps and related class scheduling. Mandatory degree-audits and advising have been hampered by PeopleSoft implementation, as this feature has not been implemented yet on most campuses. The conflict over committing reduced fiscal resources to either course offering or advising is difficult to resolve. The CSU Accountability Campus Reports was distributed and it was stated that five campuses would be visited for Assessment of Best Practices & Barriers. Again, it was stressed that each campus is proceeding within its own context and challenges and was to be assessed internally. You may access your own campus report at www.asd.calstate.edu/accountability.

10 AM -- **Committee on Governmental Relations** approved the minutes of September 14, 2004. Karen Y. Zamarripa, Assistant Vice Chancellor, Governmental Affairs gave the 2003/04 Legislative Report No. 12, which was adopted as an action item. Of particular note was SB 1757, which requires all contracts for motor vehicles to go through DGS and this, might represent a 15 percent service charge. SB 1415 (Brulte) Common Course Numbering and SB 1785 (Scott and Alpert) Transfer Requirements are being met by our current transfer initiative LDTP Project AB 2477 (Liu) Pricing of College Textbooks, requires CSU faculty to give preference to practices that result in lower cost textbooks, including campus efforts to make used textbooks available. When the newly elected legislators take office, a strong effort will be made to help them learn about the CSU and its role in higher education, as well as the State's economy.

The -- **Committee of the Whole** approved the minutes of September 15, 2004 and received an information item: *The California State University Quality Improvement Program*. This included recognizing the Quality Improvement (QI) award winners: Sarah Whyte, California State University, Stanislaus, Facilitator of the Year; Stephen Garcia and Katy Rees California State University, San Marcos (CSU San Marcos), QI Distinguished Service; Abbi Stone, CSU San Marcos QI Champion of the Year and Balanced Scorecard Core Team--Abbi Stone, Katy Rees, Bella Newberg, Tanis Brown from CSU San Marcos as Most Valuable Team of the Year.

When the BOT convened, Chair Murray Galinson gave his report: Chancellor Reed has been named as Chair of the National Association of State Universities and Land Grant Colleges. Alumni Trustee Fred Pierce was recognized for his long and distinguished service to the BOT. The impending birth of his new child and his expanding business obligations has led him to resign his position as Trustee. The Chair, the Chancellor and the entire BOT recognized him for his excellence in serving the CSU. He will be honored at a dinner during the January BOT meeting. President Alex Gonzales was made Chair of the Hispanic Association of Colleges and Universities (HACU). President Rollin Richmond has been made a Fellow at the California Academy of Science. California Maritime Academy celebrated its 75th Anniversary and CSU San Marcos its 15th Anniversary. Trustee Melinda Guzman-Moore was named one of the 100 most influential Hispanic Women in the USA. Chancellor Reed's report drew attention to the Cornerstones' goal of Accountability, which is going to be a key component of the Reauthorization of the HEd Act by the Fed. The CSU has accountability with the Governor via the Compact. Dave Spence is reporting on CSU Accountability and EAP to the National Governors Association. The Economic Impact Report will lead to a tool kit that can be used by the CSU and its supporters to demonstrate the CSU's tremendous economic, educational, and social-cultural impact on the State,

graduating over 82,000 professionals each year, an 8 percent increase that was the largest in 30 years. Humboldt State faculty Paul Burgess and Ken Owens received Tech Museum Awards for inventions to remove Land Mines. President Rosser was recognized for California State University, Los Angeles, (CSULA) being in the top 50 Universities for graduating African-American BA. Bruce Richardson, Deputy General Counsel is retiring after serving the CSU since 1969. He received a standing ovation.

President of the CSU Alumni Council, Bob Linscheid reported that he had Bruce Hamilton's assistance while a student leader at CSU Chico in the 1970's. He also praised Fred Pierce's service for over 14 years. The process for nominating the next Alumni Trustee is underway on each campus. Larry Adamson, past president, will be the substitute until the new Trustee is selected. He noted that the new Economic Impact Report will be a major influence in the Advocacy program and that April 11, 2005 is Legislative Day.

Chair of the California State Student Association (CSSA) Manolo Platin noted that Election 2004 was very successful in voter registration and participation, especially in campus precincts. He recognized the Chancellor, campus presidents, faculty, and staff for their work with the Academic Senate on each campus. Enrollment Management and how students who historically qualified for Pell and State Grants are being denied were continuing issues that they were working on. The CSSA is also conducting its beginning steps to select new student trustee nominees. Thus with the Alumni Search and the ASCSU Search, three nominating processes are going on for new trustee nominations. They will recognize Senators Jack Scott as the Outstanding Legislator and John Vasconcellos for a Lifetime Achievement Award (the first ever given by CSSA) at CHESS. Finally they presented the BOT with an analysis of California's "Affordability" rating from Measuring UP: The National Report Card on Higher Education noting California's extremely low placement in family ability to pay at public institutions, student debt load, degree completion and that California was 18th in need based financial aid.

Trustee Kaiser gave CPEC's report of October 20 which delayed action on the Moving the GoalPosts: The Potential Effects of Changes in the UC Admissions Requirements until concerns raised by Commissioner Montoya could be addressed. The report Executive Compensation in California Public Higher Education, 2003-04 was approved with Commissioner Montoya opposed, Commissioner Kaiser abstaining over the conclusion that what was needed was a new methodology and advisory group.

The BOT approved minutes for the September 15 and October 28, 2004 meetings. Donald Wallace was reappointed a commissioner of the California State University Headquarters Building Authority for the term ending November 30, 2008.

The speakers in the public comment section included Charles Goetzel, who spoke about finding new ways to engage constituency groups rather than an open comment period. A CSSA member presented a letter and many petitions signed by over 5,000 students from the Renew CSU Campaign to Declaration of Independence from Dirty Energy as not just an environmental issue but as the 3rd largest cost factor for the CSU.