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STANISLAUS

Report of the meeting of the Board of Trustees March 14-16, 2005

Kathleen Kaiser, Faculty Trustee

The Board of Trustees (BOT) met at the Office of the Chancellor on March 14-16, 2005. The BOT met in Executive session to select the next president of the California State University Stanislaus (CSU Stanislaus). Dr. Hamid Shirvani was chosen and was introduced at the following BOT public session.

March 15, 2005

8:30-9:30 AM -- **Closed Session:** Recommendations for Honorary Degrees were considered. There was also an executive three review of President James M. Rosser, CSU Los Angeles, which noted his long tenure with the CSU and how much the campus environment has improved in recent years. President Rosser was thanked for his distinguished service.

9:30 AM – **Committee on Finance** approved the minutes of January 25, 2005 by consent. There was a report on the 2005/06 Support Budget, which notes: CSU budget adjustments from 2002-2005 show a net fiscal impact of -\$524.8 million. Retirement costs have gone from 68.1 to 267.6 million in this timeframe. This is a net CSU budget of \$2.6 billion from the state General Fund, about \$1.2 billion from fee revenue, and \$40 million from the Lottery revenue for a budget of \$3.8 billion in 2005-06 with an augmentation of \$211.7 million (\$110.5 million from General Fund and \$101.2 million from increased student fees). The proposed 2005-06 CSU budget then has an enrollment increase of 2.5%=8,103 full-time equivalent students (FTES) at \$63.7 million, student financial aid for 2,700 more State University Grant (SUG) at \$23.3million, and mandatory costs at \$40.7 million. There is a compensation pool of \$88.1 million with a projected 3.5 percent increase for faculty and non-faculty and Long-term needs of \$7.9 million for technology, libraries, and scheduled maintenance. There are a number of significant issues with the Legislative Analyst Office (LAO) recommendations and these are particularly focused on: reduced student enrollment growth to 2 percent, a reduction in the marginal cost for FTES to \$5,999 (rather than \$6,270 which is already a reduction), and a claim that CSU General Fund appropriation should be reduced by \$24.4 million, which they attached to an excess unit surcharge phase-in which was NOT adopted by the CSU. These issues are being addressed on an on-going basis.

There was an explanation of how the BOT has changed its financing programs: Evolution of the Systemwide Revenue Bond (SRB) Program and Update on the Status of the CSU's Debt Program and Debt Capacity. These program developments have improved the credit of the CSU, provided more efficient and provided less expensive access to financing for revenue bond funded

construction projects. There have been significant savings by using the Commercial Paper programs as construction loans and the SRB has been recognized nationally as a model program.

There were three action items: Approval to Issue Trustees of the CSU, SRB and related debt instruments for: 1) San Francisco Stonestown Apartments and Land Acquisition for \$146.5 million (reference in Jan. 2005 BOT report), 2) Funding the first phase of construction at CSU Channel Islands, John Spoor Broome Library for \$60.995 million. Next the BOT approved the Auxiliary Organization Taxable Financing at Cal Poly University, San Luis Obispo for an amount not to exceed \$24 million to finance the construction of sixty-nine attached for sale units for faculty and staff. These are to have long-term leases with the homebuyers that will govern resale and keep prices for home near 80 to 85 percent of current local market rates, and 3) approval of the clarification and amendment of the November 2004 and January 2005 financing resolutions regarding auxiliary organizations refinancing.

10:30 AM – **Committee on Campus Planning, Buildings and Grounds**, by consent, approved the minutes of January 25, 2005 and Amended the 2004/05 Capital Outlay Program, Non-State Funded by: 1) \$1.046 million for preliminary plans, working drawings, and construction for the CSU, Bakersfield, Parking Lot E Replacement project; 2) \$1.021 million for preliminary plans, working drawings and construction for the Humboldt State University, Student housing Fire Alarm Installation project; and 3) \$143.348 million for the acquisition of Real Property and the Stonestown Housing for San Francisco State University.

A Status Report was given on the State Funded Capital Outlay Program and Five-Year Capital Improvement Program 2005/05-2009/10, which had totaled \$602.7 million for 36 projects. The Department of Finance (DOF) considered 20 of those for \$289.1 million based on the priority list and the CSU share of the Prop 55 general obligation bond. The Governor's budget included \$261.5 million for 20 CSU projects with reductions to three projects and not approving \$26 million Capital Renewal program to replace 30-50 year-old building and infrastructure systems. LAO supported 19 of the 20 but recommended that future funds --Peterson Hall 3 Replacement (\$70.743 million) be designated from the remaining 2004 bond funds. The same recommendation was given for CSU East Bay, Seismic Upgrade, Warren Hall for \$28.933 million in future funds. LAO also recommended that approval of the CSU Northridge, Performing Arts Center be contingent upon the CSU committing to fund the completion of the project (WCE) \$52.635 million with nonstate funds if state funds are not available. Two projects wait the May Revise. CSU prioritized the CSU East Bay Seismic Upgrade Warren Hall project but due to construction cost increases and cost-benefit analysis, the project is terminated and replaced by a new request for \$1.651 million in 2005/06 for preliminary and working drawing design of a new Student Services/Administration Replacement Building. Similar issues face the Cal Poly Pomona Library Addition and Renovation, Phase 1 project and \$55.22 million will be requested in 2005/06 to complete the design and construction of the Library Addition and Renovation, Phase 1 project and the prior approved funds will be reverted

Approval of Schematic Plans (RCPBG 03-05-06) to fund the construction for the CSU Dominquez Hills, California Academy of Mathematics and Science, Phase 11 were approved at a project cost of \$5.168 million at California Construction Cost Index CCC1 4100. The schematic plans for the CSU Fresno Library Addition and Renovation were approved at a project cost of \$94.742 million at California Construction Cost Index CCC1 4328.

Given as information was the notification that the Sustainability Committee met on March 4, 2005 looking at the Status of Renewable Energy Study and including sustainability early on in the design phase. The committee is scheduled to meet again in May at Cal Poly University, San Luis Obispo.

11:15 AM -- **Committee on Institutional Advancement:** Minutes from January 25, 2005 were approved by consent. The BOT took the following actions after publicly recognizing the extraordinary contributions of each of these individuals to the campuses, who had requested that facilities be named in their honor. CSU Long Beach was approved to have the Center for Commercial Deployment of Transportation Technologies at CSU LB renamed James Ackerman Center for the Commercial Deployment of Transportation Technologies. Further, CSU LB was approved to have the Center for Ethical Leadership be named the Ukleja Center for Ethical Leadership. The BOT then resolved to adopt the guiding principles for advancement and modify the goal setting and performance review recommendations based on the Ketchum Report. Four guiding principles were given: 1) campuses should ensure that the advancement enterprise has resources sufficient to achieve their goals, 2) campuses should establish and evaluate performance goals annually, 3) campuses should operate a well-rounded development program, and 4) a culture of philanthropy should be nurtured on each campus. Finally there should be recognition of the varying levels of programs maturity on the campuses by a three set classification: Group 1 campuses set fundraising productivity goals of up to 10 percent of net general fund, Group 11 between 10-15 percent and Group 111 of exceeding 15 percent.

12:30 PM -- **Closed Session on Collective Bargaining** to be followed by open session. Minutes of January 25, 2005 were approved. By now you have seen many communications that have flowed from this meeting. I will just give a brief factual accounting. The Collective Bargaining Committee conducts its open session in front of the BOT (as do all other committees) BUT the decisions do not come back to the full BOT for a confirmation vote, which nearly all other committees do. No faculty trustee and now no student trustees are a member of this committee and only committee members may vote. The Status of bargaining with the United Auto Workers (Unit 11), the Academic Professionals of CA (Unit 4) and the Statewide University Police Association (Unit 8) and then the initial proposals for bargaining with the Union of American Physicians & Dentists (Unit 1), the CA State University Employees Union (Units 2,5,7 &9), the CA Faculty Association (Unit 3) the State Employees Trades Council (Unit 6) and the International Union of Operating Engineers (Unit 10) were all addressed in closed session. In open session they ratified five labor union initial proposals. What got introduced on the floor was a motion to reduce the initial CSU bargaining position for Faculty Early Retirement Program (FERP) from two years to zero years and it was passed unanimously. It is fair to say that this was a surprising move. While I was able to offer several arguments in favor of FERP, but my arguments were not supported by the vote. Other trustees spoke against FERP arguing that it reduced the ability to hire tenure track faculty. John Travis did speak for California Faculty Association (CFA) noting that this was a disappointing move, which it detracted from one of the few positive factors for senior faculty, noting that they have a 17 percent salary lag based on California Postsecondary Education Commission (CPEC) figures and FERP had been an enticement. Travis further suggested that the CSU offer was back to a 'battleground' mentality rather than the cooperative approach of the last year. He commented that performance pay would not work in the CSU that two prior models had failed and that fact-finding had agreed.

Pat Gantt, Director of CSEA handed out a flyer showing the increase in students (29 percent), the increase in faculty (25 percent), the increase in management (73 percent) and the increase in staff to be ONE percent.

2 PM -- **Committee on Audit**: approved the minutes of January 26, 2005 by consent. There was one information item: Status Report on Current and Follow-up Internal Audit Assignments. The Office of the University Auditor Charter was adopted as the sole action item.

2:30 PM -- **Committee on Governmental Relations** approved the minutes of January 26, 2005 by consent. Legislative Report #2 was discussed and adopted first in Committee and then by the BOT.

Two thousand new legislative proposals were introduced into Policy committees. While relatively early, Karen Y. Zamarripa, Assistant Vice Chancellor for Advocacy & Institutional Relations, noted the following CSU sponsored bills. Affinity Cards--Information Practices Act, the Whistleblower Protection, Independent Authority for Professional Doctorates, Outside Employment, Community Distributed Generation, and the Dormitory Revenue Fund. With the current concerns over California budgeting, pensions, and financial aid reform along with the responsibility and role of CPEC, there are many issues for the CSU to actively watch as they develop. There was some specific interest reported in the Charter Schools and in postsecondary accountability bills.

3:00 PM – **Committee on Organization & Rules**: the minutes of July 14, 2004 were approved by consent. The proposed Schedule of the 2006 BOT Meetings were presented as information. Also approved was 1) an Experimental Change in Placement of Public Comment at Board Meetings for the next three meetings from May 2005 through September 2005 when the Call to order and Roll Call shall be followed by Public Comments for 30 minutes, 2) reports of the Chair and Chancellor, 3) approval of the Minutes, 4) reports of standing and special committees, and 5) adjournment to next regular meeting. The intention is to allow the public to have a predictable time slot and thus the majority of the trustees present to hear their comments.

3:15 PM -- **Committee of the Whole**: Minutes of November 17, 2004 were approved by consent. Christine Helwick, General Counsel, presented as information, Litigation Report #21 that covered 94 active litigation cases. On the whole the CSU is improving its litigation caseload.

8:30 AM -- **Committee on Educational Policy** met in **closed session** on Nominees for Honorary Degrees. The Committee moved by action this amended list.

3:30 PM -- **open session**- Minutes of January 26 2005 were approved by consent. There were two information items, which were covered on this day, and four additional items that were taken up the following morning. Executive Vice Chancellor Spence presented the 9th Annual Report on Remedial Education Policy Implementation. He and noted the slow progress being made to the trustee goals set for 2007 of 90 percent readiness for college level mathematics proficiency and English proficiency. In 2004 63 percent of first-time freshmen (FTF) were proficient in math and 53 percent in English. In one year, however, 82 percent of those who entered in 2003 needing remediation had been successful. Thus in fall 2003, one year after enrollment, 96 percent of the FTF were fully proficient in both English and mathematics. The Early Assessment Program

(EAP) with 11th grade testing, high school senior year experiences and professional development for those teachers is the primary vehicle by which the CSU hopes to meet its targets.

Facilitating Graduation Progress Report with a summation of campus reports was submitted, relating to campus efforts to identify issues and best practices. Executive Vice Chancellor Spence gave an overview of the CSU's current efforts. Key themes were 1) units to the baccalaureate; 2) clarifying career goals; 3) degree audits and similar strong advisement practices; 4) good class schedules; and 5) repetition of courses and related policies. The Academic Senate CSU (ASCSU) resolution from March 10-11, 2005 was highlighted in a handout to the BOT as demonstrating a best practices consensus.

The Systemwide Evaluation of First Year Teacher Preparation in the CSU was presented which assessed both school principals and first-year teachers from the CSU. In Reading and Language Arts, the 2002-03 cohort was evaluated as 83 percent well or adequately prepared to teach California reading standards and 84 percent to teach math (K-8). In 7-12 grades, 90 percent were at a similar standard for major subjects but only 70 percent were equally prepared to develop student's reading skills. Those prepared to know and understand the subjects of California Standards-Based Curriculum in K-12 were 89 percent, but to teach to student diversity only 76 percent were prepared for English learners, 81 percent for culturally diverse, and 72 percent for special learners. Given a national comparison base in Core Curriculum Subjects the CSU exceeds the national average of 66 percent and in diversity preparation far exceeds the national averages. CSU Preparation in methods of teaching was also improving over three CSU cohorts, but it was very clear that emergency teaching credentials with little on-site support was not nearly as effective as more traditional pathways to a credential.

The Academic Planning and Program Review was presented and adopted as action which 1) approves the updated campus academic plans and specifies the conditions under which projected programs may be implemented; 2) implements alternative processes for review and approval of Academic Programs; 3) reviews existing degree programs; 4) reported on the reduction of total units required for a Bachelor's degree; 5) noted program discontinuations; and 6) summarized Western Association of Schools and Colleges (WASC) visiting team reports.

A Proposed Title 5 Amendment to Expand Bases of Prohibited Discrimination for recognized student groups was introduced which would include: ethnicity, color, age, sex, marital status, citizenship, sexual orientation, or disability. Finally, the role of the CSU and the Hispanic Association of Colleges and Universities was highlighted, especially in the resources available to students.

Wednesday, March 15

10:30 AM -- **BOT was called to order.** Chair Galinson introduced the newly selected President of CSU Stanislaus, Hamid Shirvani. He noted that the BOT retreat involved former trustees Denny Campbell and DeeDee Myers. President Bob Maxwell has announced that he is retiring from CSU Long Beach and the search committee will be chaired by Bob Foster and to include Debra Farar and Ray Holdsworth. The Chair urged that the faculty relationship to CSU and the administration is one family with one goal, to be the best educational system in the country. Essential to maintaining a fine faculty and a good student body is a good budget. We have to

work collaboratively and agree to disagree at times but want to work together. This is the last meeting for Anthony Vitti who has served 16 years and been chair twice. Shailesh Mehta's first term is also ending, but we are hoping for a reappointment.

Chancellor Reed echoed the praise for the Stanislaus search committee and hopes that Trustee Mehta would be reappointed. He announced that Marvalene Hughes would be the new president at Dillard University in New Orleans, a traditionally Black institution. The Chancellor stressed that the CSU is committed to accountability in teacher education. He also noted that Richard West estimated that the CSU in Debt Management since 2002 had saved 2.8 million to issue debt (1.4 million in bonds) and saved on interest rates, being recognized by Wall Street as one of the nation's best programs. Advancement Programs in the CSU are now ready to go to the next level with the three Tiers. The State is only providing a basic amount of dollars but it is never enough to make a great University system. We have to raise our own. Remediation is still our goal for 2007, as well as EAP in all 950 high schools in California, with workshops for teachers to help them have college ready students. All high school students need A-G courses and to be college ready in order to get a good job. The National Governors Summit on Redesigning the American High School had the EAP among the 10 Best Ideas in American. A Report on the Commitment to American's Future notes the crisis in mathematics and science.

Larry Adamson made the report for Bob Linscheid, President of the CSU Alumni Council. On April 10th-11 the Alumni Council will host the CSU Legislative Days bringing all segments of the CSU together.

CSSA reported on California Higher Education Student Summit (CHESS) and thanked the Chancellor and Bob Linscheid for their distinctive contributions. Nicole De Martini from CSU Chico was selected as the Student Advocate of the Year. Marvalene Hughes gave an address on Women Leadership. At the Student Leadership Budget Summit they made higher education a priority and on April 20th will have demonstrations in Sacramento and regionally. They will use the Economic Report on the CSU and ask for above the Compact funding and oppose the fee increase, while asking that the financial aid be returned to a 1/3 percent of the fees, finally that enrollment be increased to 4 percent. AB 700 would eliminate ageism in CALGrant. CALSTATE Cares is focused on Tsunamis Relief. They had a resolution against tobacco sponsorship, pledging to help students find other funding. There is strong interest in sustainability and in wanting to engage the Greeks, not just pass the discrimination policy. Their feedback from the students at CSU, S was in support of the choice of Hamid Shavani as the new president.

The CPEC report was delayed as the interim meeting was by conference call and the next full meeting would be March 22-23 in Sacramento. (At this CPEC meeting the report on Faculty Salaries was tentatively approved and can be found on the CPEC Website.)

Public Speakers: critical presentations were made by a number of groups. COFF is a Campus Organization for Good Health studying the effects of second-hand smoke on campuses. There was a report on the accomplishments of TRIO, a program that prepares underrepresented students for college, is currently under federal attack.

Sustainability: The student environmental leadership representatives gave a strong presentation on sustainability and its global significance. They urged the BOT and Chancellor's staff to expedite the process of having a written draft document so those real standards can be examined

and critiqued. Leadership from several unions noted the strain of merit pay and pension plan reform as harming the CSU. California Faculty Association (CFA) noted in particular the distinct stance and the diversion in approaching as a collective representation of the CSU. Finally Pat Gantt noted the growing workload of the staff. Several students raised personal issues, which the leadership promised to look into.