On the January 27-28, 2009 Board of Trustees Agenda:

2009-10 CSU Budget Update
The Governor’s proposed 2009-10 state budget identifies a $14.8 billion deficit in 2008-09 that will grow to $41.6 billion by the end of 2009-10 if solutions are not adopted soon by the legislature. As a result, the course of CSU’s 2008-09 fiscal year has been marked by uncertainties and cuts. In 2008-09, the CSU faces a budget that is $97.6 million below the prior year in terms of state funding, and that is nearly $313 million short of its operational needs. The Governor has proposed a legislative package that would simultaneously solve the state’s budget deficit for both the 2008-09 and 2009-10 years. Under the Governor’s proposal for 2009-10, the CSU would not receive, for the second year in a row, the basic increases in state funding called for by the Higher Education Compact. The Governor’s Budget calls for a net $68.6 million increase in CSU revenue, due entirely to an assumption of a 10 percent student fee increase for 2009-10. This increase would not fully cover mandated cost increases in energy, health care premiums for faculty and staff, and maintenance and operation of new facilities.

The CSU has been taking actions to reduce costs, including limiting the number of new students admitted in fall 2009, travel restrictions for employees, cancellation of all non-critical equipment and supply purchases, a hiring freeze on all positions except those essential to the operation of the university and a salary freeze for all vice president level positions and above including presidents, vice chancellors and the chancellor. The CSU has also been forced to suspend and shut down state-funded design and construction projects on all campuses.

The CSU has been planning how to maintain operations under several different scenarios. CSU’s leaders are committed to do everything possible to protect students, faculty and staff and to preserve the quality of the university.

CSU Halts Construction Following State’s Freeze of Bond Funds
California State University has suspended construction on more than 130 projects including libraries, performing arts centers, lab facilities, classrooms and other major infrastructure as a result of the state’s freeze on disbursement of state General Obligation and Lease Revenue bonds used to finance such projects. A total of $848 million in CSU projects – including five approved as part of the state’s economic stimulus package – have been halted at all 23 CSU campuses. Many of the CSU projects were well underway at every phase of design and construction, and are being suspended for what is hoped to be less than 90 days. The suspension of projects also puts into limbo $135 million in donor and self-support funds currently cofunding the state projects, and jeopardizes the completion of energy efficiency projects that the CSU has secured $4.4 million in grant funds to complete.

MEDIA INFORMATION:
Reporters who cannot attend the meeting may hear any open portion of it by calling 916-278-2663 (password: 080808#)

CSU Receives Record Donations in 2007-08
The trustees will receive a report on the university system’s record $442 million in charitable gift commitments during 2007-08. Gift receipts (new gifts and pledge payments) totaled more than $260 million, up from the previous year’s $234 million.

Alumni and friends of CSU provided more than $19 million for student scholarships, $24 million for public service programs and $92.5 million for academic initiatives, applied research, athletics, and other current university objectives.

In addition to charitable support, the CSU also received more than $1.2 billion in operating grants and contracts, of which $743 million came from the federal government.
**The Trustees will also vote on (Action Items)**

**Tuesday, January 27, 2009**

**Board of Trustees**
- Recommendation from Committee on Committees, *Action*

**Committee on Institutional Advancement**
- Naming of a Campus Facility—California State University, Bakersfield, *Action*
- Approval of Resolution of Commendation—California State Polytechnic University, Pomona, *Action*
- Approval of the 2007-2008 Annual Report on External Support to the California State University, *Action*

**Committee on Campus Planning, Buildings and Grounds**
- Amend the 2008-2009 Non-State Funded Capital Outlay Program, *Action*
- Amend the 2008-2009 State Funded Capital Outlay Program, *Action*
- Certify Final EIR and Approve Master Plan and Enrollment Ceiling for Monterey Bay, *Action*
- Approval of Schematic Plans, *Action*

**Committee on Governmental Relations**
- Adoption of Trustees’ Statement of Legislative Principles, *Action*
- 2009-2011 Legislative Report No. 1, *Action*
- California State University Federal Agenda for 2009, *Action*

**Committee on Audit**
- Assignment of Functions to be Reviewed by the Office of the University Auditor for Calendar Year 2009, *Action*

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**The Trustees will also hear (Informational Items)**

**Tuesday, January 27, 2009**

**Board of Trustees – Closed Session**
- Executive Personnel Matters: Presidential Evaluations

**Committee on Educational Policy - Closed Session**
- Honorary Degree Nominations and Subcommittee Recommendations, *Information*

**Committee on Collective Bargaining—Closed Session**

**Committee on Collective Bargaining—Open Session**

**Committee on Institutional Advancement**
- Council for Advancement and Support of Education Awards, *Information*

**Committee on Finance**

**Committee on Campus Planning, Buildings and Grounds**
- California Environmental Quality Act Annual Report, *Information*

**Committee on Audit**
- Status Report on Current and Follow-up Internal Audit Assignments, *Information*
- Progress Reports on the Corrective Action Plans for the Audit Findings in the Systemwide Audit in Accordance with Generally Accepted Accounting Principles and the Single Audit Report for year-ended June 30, 2007, *Information*

**Wednesday, January 28, 2009**

**Committee on Educational Policy**
- Career Technical Education, *Information*
- Multi-Campus Collaborations: Strategic Language Initiative and Intelligence Community—Center of Academic Excellence, *Information*
- Proficiency in English and Mathematics, *Information*
- San José State University Davidson College of Engineering: Zero Emissions Vehicle, *Information*

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**Schedule of Meetings**
The CSU Board of Trustees will convene at the CSU Chancellor's Office, 401 Golden Shore, Long Beach. Unless noted, meetings take place in the Dumke Auditorium. Times are approximate.

**Tuesday, Jan. 27, 2009**
- 9 a.m.—Board of Trustees (Closed Session), Munitz Room
- Litigation & Executive Personnel Matters
- 10:15 a.m. Board of Trustees, Munitz Room
- 10:45 a.m. — Committee on Collective Bargaining (Closed Session) Munitz Room
- 11:45 a.m. — Committee on Collective Bargaining (Open Session)
- 12 p.m. — Board of Trustees, Dumke Auditorium
- 12:05 p.m. — Lunch Break
- 1 p.m. — Committee on Institutional Advancement
- 1:25 p.m. — Committee on Finance
- 2:25 p.m. — Committee on Campus Planning, Buildings and Grounds
- 3:30 p.m. — Committee on Governmental Relations
- 4 p.m. — Committee on Audit

**Wednesday, Jan. 28, 2009**
- 8 a.m. — Committee on Educational Policy
- 10 a.m. — Board of Trustees