

AGENDA

COMMITTEE ON ORGANIZATION AND RULES

Meeting: **3:30 p.m., Tuesday, September 19, 2017**
 Glenn S. Dumke Auditorium

Thelma Meléndez de Santa Ana, Chair
Jane W. Carney, Vice Chair
Silas H. Abrego
Douglas Faigin
Lateefah Simon

Consent Approval of Minutes of the Meeting of July 19, 2017

1. Approval of Proposed Revisions to Rules Governing the Board of Trustees, *Action*

**MINUTES OF MEETING OF
COMMITTEE ON ORGANIZATION AND RULES**

**Trustees of the California State University
Office of the Chancellor
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California**

July 19, 2017

Members Present

Thelma Meléndez de Santa Ana, Chair
Jane W. Carney, Vice Chair
Silas H. Abrego
Douglas Faigin
Lateefah Simon
Rebecca Eisen, Chair of the Board
Timothy P. White, Chancellor

Trustee Thelma Meléndez de Santa Ana called the meeting to order.

Public Comments

There were no public speakers.

Approval of the Minutes

The minutes of the May 24, 2016 meeting were approved as submitted.

Proposed Revisions to Rules Governing the Board of Trustees

Trustee Meléndez de Santa Ana presented agenda item 1 as an information item. Executive Vice Chancellor and General Counsel Fram Virjee provided background on the proposed revisions. Chair Eisen added that these revisions were drafted based on the discussions during the Board retreat in February earlier this year. The item would come back to the board for approval at the September 19-20, 2017 board meeting.

Trustee Meléndez de Santa Ana adjourned the Committee on Organization and Rules.

COMMITTEE ON ORGANIZATION AND RULES

Approval of Proposed Revisions to Rules Governing the Board of Trustees

Presentation By

Andrew Jones
Associate Vice Chancellor
and Deputy General Counsel

Summary

At the Board of Trustees Retreat held on February 20-21, 2017, Trustee Emerita Roberta Achtenberg led a discussion about trusteeship and presented the Board with a set of guiding principles for effective participation on the CSU Board of Trustees. Trustee Achtenberg's presentation led to a discussion among the Trustees about revising the Trustees' Code of Conduct to include and reflect those guiding principles. Chair Eisen prepared proposed changes to the Code of Conduct to align with the presentation and discussion at the Board Retreat. The current Code of Conduct is attached as Attachment A, and the proposed amended Code of Conduct, including feedback from discussions during the July board meeting, is attached as Attachment B. Attachment C is a redline version showing the current code with the proposed revisions.

The Code of Conduct is part of the Rules Governing the Board of Trustees, and changes to those Rules are brought to this Committee and then to the Board first as an information item and then for action at a subsequent meeting. This item was presented to the Board as an information item at the July 2017 meeting and is now before this Committee and the Board for adoption.

The following resolution is recommended for approval:

RESOLVED, by the Board of Trustees of the California State University, that this board adopt the proposed amendments to the Code of Conduct of the Rules Governing the Board of Trustees as presented in Attachment B, Item 1 of the Committee on Organization and Rules at the September 19-20, 2017 board meeting.

Current Code of Conduct

TRUSTEES' CODE OF CONDUCT

1. A Trustee shall devote time, thought, and study to his or her duties as a member of the Board of Trustees of the California State University.
2. A Trustee shall learn how the California State University functions—its uniqueness, strength, and needs—and its place in postsecondary education.
3. A Trustee shall carefully prepare for, regularly attend, and actively participate in the Board meetings and committee assignments.
4. A Trustee shall accept and abide by the legal and fiscal responsibilities of the Board as specified in federal and state law and the regulations, rules of procedure, standing orders, and resolutions of the Board of Trustees.
5. A Trustee shall base his or her vote upon all information available in each situation and shall exercise his or her best judgment in making decisions which affect the course of the California State University.
6. A Trustee shall vote according to his or her individual conviction, and may challenge the judgment of others when necessary; yet a Trustee shall be willing to support the majority decision of the Board and work with fellow Board members in a spirit of cooperation.
7. A Trustee shall maintain the confidential nature of Board deliberations in closed session. This includes written and verbal communication concerning the closed session. A Trustee shall avoid acting as spokesperson for the Board unless specifically authorized to do so.
8. A Trustee shall understand the role of the Board as a policy making body and avoid participation in administration of that policy unless specifically authorized to do so by the Board.
9. A Trustee shall learn and consistently use designated institutional channels when conducting Board business (e.g., responding to faculty and student grievances, responding to inquiries concerning the status of a presidential search).

10. Trustee shall comply with conflict of interest policies and requirements prescribed in state law. A Trustee shall refrain from accepting duties, incurring obligations, accepting gifts or favors, engaging in private business or professional activities when there is, or would appear to be, a conflict or incompatibility between the Trustee's private interests and the interests of the California State University.
11. A Trustee shall refrain from actions and involvements that may prove embarrassing to the California State University.
12. A Trustee shall act and make judgments always on the basis of what is best for the California State University as a whole and for the advancement of higher education in general.

**Procedure for Responding to Breaches of
the Code of Conduct**

1. Should evidence or allegations of violations of the Code of Conduct by a Trustee of the California State University come to the attention of the Chair of the Board, which after further review by the Chair appears to constitute a breach of the Code of Conduct, the Chair and the Vice Chair shall discuss the matter with the Trustee to obtain additional facts and perspective and to seek a mutually agreeable resolution.
2. Should the Code continue to be violated by the Trustee after discussion with the Chair and the Vice Chair, the Chair, after appropriate consultation, will place the matter on the agenda for appropriate action by the Board of Trustees. The Board shall discuss the matter in open session, allowing the Trustee whose conduct is at issue to provide an explanation of the conduct. The Board may then by majority vote censure the Trustee.
3. Should the Board censure the Trustee, formal notification of the censure shall be communicated to the Governor, as President of the Board, and to any separate recommendatory or appointive authority of the Trustee, e.g., the Academic Senate of the California State University, the California State Student Association, or the CSU Alumni Council.

Proposed Trustees' Code of Conduct

The Board of Trustees is the fiduciary body to which the University is entrusted. Trustees are individual fiduciaries with three overarching duties: care, loyalty and obedience. The duty of care requires Trustees to carry out their responsibilities in good faith and use that degree of diligence, care, and skill that an ordinarily prudent trustee would reasonably exercise. The duty of loyalty requires Trustees to act in good faith and in a manner that is reasonably believed to be in the best interests of the University and its public purposes, and never in their own interests or the interests of another person or organization. The third fiduciary duty, is the duty of obedience, namely to ensure that the University is operating in furtherance of its stated purposes and in compliance with the law.

To fulfill the Board of Trustees' fiduciary obligations and authority to govern the University and support its mission, values and goals, the Trustees operate best as a collegial unit. While each Trustee brings individual perspectives and experiences to the Board, the Trustees act collectively with integrity and civility, and ultimately speak with one voice. In this regard, while votes on matters may at times be split, the outcome (either affirmative or negative) is subsequently 'owned' by the entire Board. The following is the Code of Conduct by which all Trustees agree to abide.

TRUSTEES' CODE OF CONDUCT

1. A Trustee shall become familiar with and committed to the major responsibilities of the Board of Trustees. A Trustee shall devote time, thought, and study to his or her duties as a member of the Board of Trustees, learning how the University functions -- its uniqueness, strengths, and needs -- and its place in postsecondary education.
2. A Trustee shall abide by the legal and fiscal responsibilities of the Board of Trustees as specified in federal and state law and the regulations, rules of procedure, standing orders, and resolutions of the Board of Trustees.
3. A Trustee shall carefully prepare for, regularly attend, and actively participate in Board of Trustee meetings and committee assignments. Trustees commit to be fully engaged and knowledgeable about an issue before commenting thereon at a Board Meeting.
4. A Trustee shall base his or her vote upon all information available in each situation and shall exercise his or her best judgment to make decisions which affect the course and are in the best interest of the University.

5. A Trustee shall vote according to his or her individual conviction, and may challenge the judgment of others when necessary, but shall always do so in a respectful and civil manner and in a way that promotes a collaborative Board culture.
6. Even if an individual Trustee does not initially support a proposal, he or she shall support the majority decision of the Board of Trustees and work with fellow Trustees in a spirit of cooperation.
7. A Trustee shall maintain the confidential nature of Board deliberations in closed session. This includes written and verbal communications concerning the closed session.
8. A Trustee is part of a single whole; no Trustee can, acting alone, commit the institution. A Trustee shall avoid acting as spokesperson for the Board of Trustees unless specifically authorized to do so.
9. Trustees commit to respectful and substantive consideration of the views of the Chancellor, Vice-Chancellors, Presidents and staff who are charged with administration of the University. A Trustee understands the role of the Board of Trustees as a policy-making body and avoids participation in administration of that policy unless specifically authorized to do so by the Board.
10. When providing input and shaping University policy, a Trustee shall recognize not only the need to address the short term, but to assure the long-term viability of the University. A Trustee shall act and make judgments always on the basis of what is best for the University as a whole, including what is best for its students and for the advancement of higher education in general for both the short and long-term.
11. A Trustee shall learn and consistently use designated institutional channels when conducting Board business (e.g., responding to faculty and student grievances, responding to inquiries concerning the status of a presidential search, etc.).
12. A Trustee shall comply with conflict of interest policies and requirements prescribed in state law. A Trustee shall refrain from accepting duties, incurring obligations, accepting gifts or favors, or engaging in private business or professional activities when there is, or would appear to be, a conflict or incompatibility between the Trustee's private interests and the interests of the University. If the Trustee is in conflict or appearance of conflict, the Trustee shall disclose the conflict and recuse him or herself as necessary.
13. A Trustee shall refrain from actions and involvements that may prove embarrassing to the University or compromise its reputation or standing in the community.

14. Trustees are peers and commit to guide and support other Trustees.
15. In the California State University, the people of the State of California have created a most extraordinary institution dedicated to individual educational achievement, economic equality, social progress, and economic development for our state and nation. The Trustees shall act, both individually and collectively, to hold the University in trust now and for future generations.

Procedure for Responding to Breaches of the Code of Conduct

1. Should evidence or allegations of violations of this Code of Conduct by a Trustee come to the attention of any Trustee, he or she shall inform the Chair of the Board, who after further review will determine if there appears to be a breach of the Code of Conduct. The Chair and the Vice Chair shall discuss the matter, to obtain additional facts and perspective as necessary, and seek a mutually-agreeable resolution.
2. Should the Code of Conduct continue to be violated by the Trustee after discussion with the Chair and the Vice Chair, the Chair, after appropriate consultation, will place the matter on the Board of Trustees' meeting agenda for appropriate action. The Board shall discuss the matter in open session, allowing the Trustee whose conduct is at issue to provide an explanation of the conduct. The Board may then by majority vote to censure the Trustee.
3. Should the Board censure the Trustee, formal notification of the censure shall be communicated to the Governor, as President of the Board, and to any separate recommendatory or appointive authority of the Trustee, e.g., the Academic Senate of the California State University, the California State Student Association, or the CSU Alumni Council.

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To fulfill the Board of Trustees' fiduciary obligations and authority to govern the University and support its mission, values and goals, the Trustees operate best as a collegial unit. While each Trustee brings individual perspectives and experiences to the Board, the Trustees act collectively with integrity and civility, and ultimately speak with one voice. In this regard, while votes on matters may at times be split, the outcome (either affirmative or negative) is subsequently 'owned' by the entire Board. The following is the Code of Conduct by which all Trustees agree to abide.

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5. A Trustee shall vote according to his or her individual conviction, and may challenge the judgement of others when necessary, but shall always do so in a respectful and civil manner and in a way that promotes a collaborative Board culture. Trustees commit to addressing an issue, and not a person, program or campus, base his or her vote upon all information available in each situation and shall exercise his or her best judgment in making decisions which affect the course of the California State University.

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9. ~~While Trustees often bring experience to Board discussions and decisions, they often have neither the knowledge nor experience of day-to-day administration of the enterprise. As such, Trustees commit to respectful and substantive consideration of the views of the Chancellor, Vice-Chancellors, Presidents and staff who are charged with administration of the University. A Trustee understands the role of the Board of Trustees as a policy-making body and avoids participation in administration of that policy unless specifically authorized to do so by the Board. A Trustee shall learn and consistently use designated institutional channels when conducting Board business (e.g., responding to faculty and student grievances, responding to inquiries concerning the status of a presidential search).~~
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