

Trustees of the California State University

Resolutions

The attached resolutions were adopted by the Board of Trustees at its meeting of March 15-16, 2005 held in the Dumke Auditorium of the CSU Office of the Chancellor, 401 Golden Shore, Long Beach, California

BOARD OF TRUSTEES

Election of Five Members to Committee on Committees for 2005/2006 (RBOT 03-05-02)

RESOLVED, By the Board of Trustees of The California State University, that the following trustees are elected to constitute the board's Committee on Committees for the 2005-2006 term:

William Hauck, Chair
Roberta Achtenberg
Herbert Carter
Debra Farar
Ray Holdsworth

COMMITTEE ON FINANCE

Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects (RFIN 03-05-04)

Resolutions were prepared by Orrick, Herrington & Sutcliffe LLP, as bond counsel, for projects at San Francisco Stonestown Apartment Land Acquisition; CSU Channel Islands, John Spoor Broome Library (Information Resources Center); Approval of the clarification and amendment of the November 2004 and January 2005 financing resolutions regarding auxiliary organization refinancings that will achieve the following:

1. Authorize the sale and issuance of Systemwide Revenue Bond Anticipation Notes and the related sale and issuance of the Trustees of the California State University Systemwide Revenue Bonds in an amount not-to-exceed \$207,495,000 and certain actions relating thereto.
2. Provide a delegation to the Chancellor, the Executive Vice Chancellor and Chief Financial Officer, and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.
3. Restate and clarify the resolutions regarding auxiliary refinancings that are identified in this agenda item.

The resolutions will be implemented subject to the receipt of good bids consistent with the projects' financing budget.

Auxiliary Organization Taxable Financing California Polytechnic State University, San Luis Obispo (RFIN 03-05-05)

RESOLVED, by the Board of Trustees of the California State University, that the trustees:

1. Approve the proposed auxiliary organization financing in an amount not to exceed \$24,000,000 as described and for the purpose indicated in this agenda item.
2. Confirm that the Chancellor, the Executive Vice Chancellor Business and Finance, the Assistant Vice Chancellor, Financial Services, and the Senior Director, Financing and Treasury, are authorized to take any and all actions on behalf of the Board of Trustees and to execute any documents that in their judgment are necessary to assist the auxiliary organization to complete the financing described in this agenda item.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Amend the 2004/2005 Capital Outlay Program, Nonstate Funded (RCPBG 03-05-05)

RESOLVED, By the Board of Trustees of the California State University, that the 2004/05 Nonstate Funded Capital Outlay Program be amended to include: 1) \$1,046,000 for preliminary plans, working drawings, and construction for the California State University, Bakersfield, Parking Lot E Replacement project; 2) \$1,021,000 for preliminary plans, working drawings, and construction for the Humboldt State University, Student Housing Fire Alarm Installation project; and 3) \$143,348,000 for the acquisition of Real Property and the Stonestown Housing for San Francisco State University.

Approval of Schematic Plans (RCPBG 03-05-06)

1. California State University, Dominguez Hills—California Academy of Mathematics and Science, Phase II Project Architect: HMC Architects

RESOLVED, By the Board of Trustees of the California State University, that:

1. The board finds that the Categorical Exemption for the California State University, Dominguez Hills, California Academy Mathematics and Science, Phase II has been prepared in accordance with the requirements of the California Environmental Quality Act.
2. The proposed project does not have the potential for any significant effect on the environment, and the project will benefit the California State University.
3. The schematic plans for the California State University, Dominguez Hills, California Academy of Mathematics and Science, Phase II are approved at a project cost of \$5,168,000 at CCCCI 4100.

2. California State University, Fresno—Library Addition and Renovation

RESOLVED, By the Board of Trustees of the California State University, that the Board of Trustees, upon consideration of the information provided in the Finding of Consistency with regard to the master plan final program EIR approved in September 1994, approves the following action and makes the following findings:

1. The Project is consistent with the CSU Fresno campus master plan revision approved by the Board of Trustees in September 1994 and a Finding of Consistency has been prepared pursuant to the requirements of the California Environmental Quality Act.
2. The project before this board is consistent with the project description as analyzed in the previously certified Final EIR and does not propose substantial changes to the original project description, which would require major revision to the Final EIR or Findings adopted by this board in certifying said Final EIR.
3. The proposed project will not have any new or previously undisclosed significant effects on the environment, and the project will benefit the California State University.
4. The chancellor or his designee is requested under Delegation of Authority by the Board of Trustees to file the Notice of Determination for the project.
5. The schematic plans for the California State University, Fresno, Library Addition and Renovation are approved at a project cost of \$94,742,000 at CCCI 4328.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

**Naming of an Academic Program – California State University, Long Beach
(RIA 03-05-04)**

RESOLVED, By the Board of Trustees of the California State University that the Center for the Commercial Deployment of Transportation Technologies at California State University, Long Beach be renamed the James Ackerman Center for the Commercial Deployment of Transportation Technologies.

**Naming of an Academic Program - California State University, Long Beach (RIA
03-05-05)**

RESOLVED, By the Board of Trustees of the California State University, that the Center for Ethical Leadership at California State University, Long Beach be named the Ukleja Center for Ethical Leadership.

Measuring Advancement (RIA 03-05-06)

RESOLVED, By the Board of Trustees of the California State University, to adopt the guiding principles for advancement and accept the goal setting and performance review recommendations as presented in Item 3 of the March 15-16, 2005 Board of Trustees' meeting of the Committee on Institutional Advancement.

COMMITTEE ON AUDIT

Office of the University Auditor Charter (RA 03-05-03)

THE CALIFORNIA STATE UNIVERSITY

OFFICE OF THE UNIVERSITY AUDITOR CHARTER

RESOLVED, By the Board of Trustees of the California State University, that the following Office of the University Auditor Charter is adopted.

Establishment

Education Code Section 89045, enacted by Chapter 1406 of the Statutes of 1969, provides for the establishment of an internal auditing function reporting directly to the Trustees of the California State University.

Nature

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve operations.

Mission Statement

The mission of the Office of the University Auditor is to assist university management and the Trustees in the effective discharge of their fiduciary and administrative responsibilities by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. This assistance is provided through a series of independent and objective operational and compliance audits, internal control reviews, investigation services, and consulting.

Scope of Work

The Office of the University Auditor provides university management and the Trustees with analyses, appraisals, recommendations, counsel, and information concerning the activities reviewed. Major objectives include evaluating risk exposures relating to governance, operations, and information systems; monitoring the effectiveness and efficiency of controls; and adding value by promoting continuous improvement and effective control at reasonable costs.

The scope of internal auditing includes:

1. Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
2. Reviewing the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations, which could have a significant impact on operations and reports, and determining whether the university is in compliance.
3. Reviewing the means of safeguarding assets and verifying the existence of such assets, as appropriate.
4. Appraising the economy and efficiency with which resources are employed.
5. Reviewing operations and programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
6. Reviewing the governance process with executive management to ensure effective organizational performance management accountability and promotion of appropriate ethics and values.

Responsibility and Authority

The Office of the University Auditor functions under the policies established by the Trustees of the California State University and university management. Additionally, the Office of the University Auditor serves the university in a manner that is consistent with the *International Standards for the Professional Practice of Internal Auditing* and the *Code of Ethics* as promulgated by the Institute of Internal Auditors. In this context, the University Auditor is responsible for:

1. All administrative duties and requirements pertaining to the operation of the Office of the University Auditor, including the establishment of policies for auditing and direction of the Office of the University Auditor's technical and administrative functions, and represents the California State University system in all relationships with external audit agencies.
2. Developing and executing a comprehensive audit program for the evaluation of management controls provided over all university and auxiliary organization activities, although the Board of Trustees reserves the right to assign the Office of the University Auditor to review any area within its jurisdiction.
3. Examining the effectiveness of all levels of management in their stewardship of university resources and their compliance with established policies and procedures.

4. Recommending improvement of management controls designed to safeguard university and auxiliary organization resources and to ensure compliance with government laws and regulations.
5. Reviewing procedures and records for their adequacy to accomplish intended objectives, and appraising policies and plans relating to the activity or function under audit review.
6. Conducting investigations of alleged incidences of fraud, waste and abuse, and improper governmental activities.
7. Authorizing the publication of reports on the results of accepted audit examinations, including recommendations for improvement.
8. Appraising the adequacy of the action taken by operating management to correct reported deficient conditions; accepting adequate corrective action.
9. Conducting special examinations and providing consulting services at the request of management.

The Office of the University Auditor has full, free and unrestricted access to all records (manual and electronic), property, and personnel of the university and recognized auxiliary organizations. The Office of the University Auditor is free to review and appraise all policies, plans, and procedures.

Internal auditing is a staff function and, as such, has no authority to make operating decisions, to direct anyone in operations, or to take action or implement any of its recommendations. These tasks are the responsibility of the university and auxiliary management.

Independence

To permit the rendering of impartial and unbiased judgments essential to the proper conduct of audits, internal auditors will be independent of the activities they audit.

Policies and Procedures

The following general operating statement for direction of all activities of the Office of the University Auditor is adopted consistent with the provisions of Government Code Sections 1236 and 13400 et seq., Education Code Sections 89045 and 89761.

Audit Planning, Direction, and Supervision

1. Oversight of the audit function provided by the Office of the University Auditor, including the priority of work assignments, shall be the responsibility of the Committee on Audit, which shall report on such matters to the Board of Trustees.

2. An audit plan will be prepared annually by the University Auditor and submitted to the Executive Audit Committee for review. Composition of the membership of the Executive Audit Committee shall be determined by the Chancellor. After review by the Executive Audit Committee, the audit plan shall be submitted for approval by the Board through the Committee on Audit. Audit topics will be selected based upon: a detailed risk assessment that is performed triennially; legislatively mandated reviews noted in Education Code §89045 and Government Code §13400 et seq.; and in the action taken by the Trustees' Committee on Audit in agenda item 2 at the January 1999 meeting (currently reflected in the Chancellor's Executive Order 698).
3. Unscheduled audits/investigations of the Office of the Chancellor or of any campus can be requested by the Trustees or the Chancellor. Unscheduled audits/investigations of a campus can also be requested by the campus president but must be approved by the Chancellor.
4. The University Auditor will be responsible for assignment of fieldwork to staff and contracted agencies and the timely completion of, and reporting on, audits.
5. Communication liaison and consultation with the Committee on Audit will be maintained by the University Auditor, through the Chair of the Committee.

Audit Reporting, Follow-Up Procedures, and Program Accountability

1. Copies of all audit reports will be made available electronically to the Joint Legislative Audit Committee, the Joint Legislative Budget Committee, the Department of Finance, the Legislative Analyst, and the library of each campus of the university. The Trustees, each campus of the California State University, and the State Auditor shall receive a hard copy of the audit reports.
2. The President or Chancellor will communicate to the University Auditor in writing the progress made towards implementing the plan of corrective action noted in the response to the audit. The University Auditor will review the responsiveness of the corrective action taken and determine whether additional action may be required. In certain instances, it may be necessary to revisit the campus to ascertain whether the corrective action taken is achieving the desired results. All findings will be tracked until corrective action is taken. Reports of follow-up activity will be made at each meeting of the Committee on Audit.
3. At each meeting of the Committee on Audit, the University Auditor will report the assignment workload showing the status of audits in progress, workload backlog, and disposition taken on completed audit assignments.

4. An external assessment, such as a quality assurance review, will be conducted at least once every five years by a qualified, independent reviewer or review team from outside the California State University. Results of the review will be communicated to the Board through the Committee on Audit.

Coordination of Work

1. The University Auditor is the point of contact for all entrance and exit conferences held with the Office of the Chancellor by external audit agencies.
2. The University Auditor will coordinate all system responses to audits performed by external audit agencies.
3. The University Auditor is the point of contact for questions concerning the reporting of fiscal improprieties to state agencies (currently reflected in the Chancellor's Executive Order 813).
4. The University Auditor will coordinate internal audit effort with the external auditors to reduce the potential for duplication of audit effort.

Budget, Personnel and Operational Procedures for the Office of the University Auditor

1. For purposes of general administration, staff personnel, budget and space, there shall exist an administrative relationship to the Chancellor.
2. Except for certain personnel actions related to the position of University Auditor noted below, the Office of the University Auditor is subject to all the rules and procedures established by the Chancellor's Office.
3. An independent consultant appointed by the Committee on Audit will prepare triennial performance appraisals of the University Auditor. The consultant will solicit the opinions of Trustees, and system and campus personnel necessary to evaluate performance. The Committee on Audit will discuss performance expectations and the results of the appraisal with the University Auditor in closed session.
4. All matters concerning the employment, dismissal, and salary for the position of University Auditor will be initiated by the Chancellor and brought to the Board, through the Committee on Audit for approval.

COMMITTEE ON GOVERNMENTAL RELATIONS

2005/2006 Legislative Report No. 2 (RGR 03-05-04)

RESOLVED, By the Board of Trustees of the California State University,
that the 2005/2006 Legislative Report No. 2 is adopted.

COMMITTEE ON ORGANIZATION AND RULES

Experimental Change in Placement of Public Comment at Board Meetings (ROR 03-05-01)

RESOLVED that the order of business set forth in the Rules Governing the Board of Trustees of the California State University be suspended for the next three meetings, beginning at the May 2005 meeting and continuing through the September 2005 meeting, and the Board shall instead follow the following order of business:

Call to order and Roll Call
Public Comments (30 minutes)
Reports of the Chair and the Chancellor
Approval of the Minutes
Reports of Standing and Special Committees
Adjournment to next regular meeting

COMMITTEE ON EDUCATIONAL POLICY

Academic Planning and Program Review (REP 03-05-02)

RESOLVED, by the Board of Trustees of the California State University, that the amended projections on the Academic Plans for the California State University (as contained in Attachment A to Agenda Item 5 of the March 15-16, 2005, meeting of the Committee on Educational Policy), be approved and accepted as the basis for necessary facility planning; and be it further

RESOLVED, that those degree programs included in the Academic Plans are authorized for implementation, at approximately the dates indicated, subject in each instance to the chancellor's determination of need and feasibility, and provided that financial support, qualified faculty, facilities, and information resources sufficient to establish and maintain the programs will be available; and be it further

RESOLVED, that degree programs not included in the Academic Plans are authorized for implementation only as pilot programs, subject in each instance to conformity with current procedures for establishing pilot programs.