

**January 31-February 1, 2017 CSU Board of Trustees Meeting  
Faculty Trustee's Report**

**Steven Stepanek**

My report on the January 31-February 1, 2017 CSU Board of Trustees meeting held at the Chancellor's Office in Long Beach, California:

1. The Board meeting started in closed session Tuesday morning to review and approve the nominees for honorary degrees to be awarded during calendar year 2017. Most of these honorary degrees will be presented during campus commencements in May-June. At the time the Board approves the list of nominees, the people on the list are unaware that they have been nominated for consideration. With the approval of the nominations, the individuals will now be contacted and, if they accept, the campuses bestowing the honors will make public announcements.
2. Next, the Board considered, in closed session, executive personnel matters, pending litigation and collective bargaining items.
3. After approximately two hours of closed session discussions, the Board moved to open session, starting with the public meeting of the Committee on Collective Bargaining. The committee had one action item on their agenda, the adoption of initial proposals for the successor collective bargaining discussions with Bargaining Units 2, 5, 7 and 9; collectively represented by the California State University Employees Union (CSUEU), SEIU Local 2579. Before approving the action item, there was a public comment period with CSUEU representatives applauding the CSU for requesting \$55 million for future compensation agreements but lamenting that the state is not currently providing the CSU with sufficient funding; expressing that salary and compensation are in the forefront as concerns for the successor talks and that staff positions currently lack salary progression step increases; and time / place / manner issues regarding union rallies and meetings on campuses.
4. The Committee on Finance met next to approve the issuance of Systemwide Revenue Bonds and related debt instruments for the following campus projects:
  - a. The building of a three story building with classrooms, student interaction space and a multi-purpose conference room to centralize the facilities for the College of Continuing and Professional Education (CCPE) at CSU, Long Beach.
  - b. The building at Calif State Polytechnic University, Pomona of the first phase of a planned student housing replacement.

A report on the Implementation of New Investment Authority was received by the committee as part of its consent agenda. Followed by updates on the status of the 2017-2018 CSU Support Budget request and the possible tuition increase for the 2017-2018 academic year. Prior to the discussions of these last two items, the committee held a public comment session that was dominated by CSU students speaking against any increase in tuition; informing the Board of the six campus rallies that were occurring concurrent with the Board meeting; expressing concerns over increasing student debt; demanding the CSU establish full amnesty protection; and expressing concerns over the governor's proposed phasing out of state middle-class scholarships.

The Board discussions of the support budget proposal and the possible tuition increase tended to blend together which was appropriate given that consideration of a tuition increase is contingent on the CSU not receiving the full amount it is requesting from the state. As a reminder, the CSU supplemental Support Budget request for 2017-2018 consisted of the following items:

- Funded enrollment growth – \$19.7 million
- Current employee compensation commitments – \$139.1 million
- Potential new compensation agreements – \$55.1 million
- Facilities and campus infrastructure needs – \$10 million
- Mandatory cost increases – \$26 million
- Graduation Initiative 2025 – \$75 million

In the final support budget request submitted by the CSU to the state, these items came to a total of \$324.9 million. The governor proposed allocating \$157.2 million in new continuing funds to the CSU in his January budget proposal. This leaves \$167.7 million as a supplemental increase request. If the proposed tuition increase was to be approved, it would generate an estimated \$77.5 million after adjusting for the standard one-third set-aside for State University Grants.

The math is simple, if the Board continues its stand that covering current employee compensation and mandatory cost increases are the first priority, those two items total \$165.1 million with the current state budget proposal covering \$157.2 million of that amount. It remains a top priority of the Board that the CSU seek an increase in state funding from the governor and legislature to avoid a possible student tuition increase but the possibility of full funding does not look that promising. Over the past four years, the CSU has each year made supplemental funding requests towards reestablishing state funding levels in the most critical priority areas. Only once in those four years has the CSU funding request been fully funded. Without additional funding, the CSU will be short by about \$8 million just to cover increases in current employee compensation and mandatory costs. Without additional funding, the ability to fund the Graduation Initiative 2025 projects to provide students with the courses and resources for more timely graduations will be at risk; potentially causing some students to need extra semesters/quarters to graduate. During the Board's discussion of the Graduation Initiative as part of these conversations, I pointedly

asked about the ramifications of the Graduation Initiative not being funded – there would be reductions in course offerings, fewer advisors and other student support services, and a reduction in the current plans for tenure-track hiring of faculty.

The governor's state budget proposal is currently adjusted for a possible decrease in state revenue forecast of \$1.6 billion for 2017-2018 with \$1.2 billion to be placed in a restricted rainy day fund and approximately \$1.5 billion to be placed in a discretionary reserve fund for budget emergencies. This is a fiscally conservative budget. But then one needs to also take into consideration potential reductions in federal funding to the state by the new federal administration.

Following the presentation on a possible tuition increase, I read to the Board the following statement I had prepared:

“I wish to bring to your attention the ASCSU resolution contained in your meeting packet regarding a possible tuition increase. The academic senate spent a significant amount of time during last week's plenary and in the months prior, discussing the merits of a variety of stances on this issue. The final form of the resolution passed opposes any tuition increase and takes the stand that the State of California is responsible for properly funding the CSU.

I am now speaking as one who has observed the overall process and the different opinions that ASCSU Senators expressed. This resolution is really speaking to the high level of frustration faculty have felt during the past 10 years towards the state government's demands on the CSU while at the same time not providing sufficient funds for us to carry out our responsibilities to the populous of the state. During the debate over this issue, some senators saw merit to having a multi-year plan of small tuition increases to cover increases in fixed costs, others were willing to support a resolution to endorse the currently proposed increase as a last resort if the state does not provide the funding being requested this year, still others believed the ASCSU needed to take the stand that was eventually approved. There are those who strongly advocate for a total overhaul of the state's tax code, which for some components would require changes to the state constitution, so public higher education can be offered to the top one-third of the state's high school graduates at very low to no cost as initially proposed in the 1960 California Master Plan. There are also academic senators who believe that stance may be overly ambitious and a more realistic proposition would be for the CSU to advocate for a return to the late-1980's ratio of state support to tuition.

The scope of public higher education in California has changed significantly since the release of the 1960 master plan or, for that matter, just in the past 10 years. We now have a higher percentage of high school students desiring a college degree, our student population is significantly more diverse with a

much higher percentage of first generation university students and the shifts in industries in the state now place much higher demands on the need to complete a college education. The past is the past; we need to look forward to the future.

While we discuss the 2017-2018 CSU support budget request today, and contingency plans if it does not receive full funding, we need to start planning now for more comprehensive discussions on the future of public higher education in California, how the state can increase its funding levels of public higher education at the 4-year level, and how we can increase our overall student population to meet the state's needs, besides continuing to improve our graduation rates and time-to-completion while maintaining a quality educational experience. Our current operational model is not sustainable. It is a yearly routine of hoping to receive sufficient funding to make it to the next year. We need a long-term plan with either adequate funding or adjusted expectations. The work of the CSU Sustainable Financial Model task force was a start. The proposals in their report need to be revisited and expanded on. Working with state leadership, we need to establish a realistic, multi-year funding model that allows the CSU to focus on its primary task – the education of the populous of the state.”

The Board vote on a possible \$270/year tuition increase will occur during the March Board meeting. If a tuition increase is approved in March, the Board can review its decision once the state budget is finalized.

At the close of the Finance Committee discussions, Chancellor White expressed that he was “proud of the conversation today” and acknowledged that we are responsible but we are not the decision makers when it comes to state budget issues. He also expressed the importance of quality education, access to campus resources, and affordability.

5. Next up, as the committee chair, I convened the Committee on Campus Planning, Buildings and Grounds. There were three items on the committee's consent agenda:
  - a. Approval for California Polytechnic State University, San Luis Obispo to proceed with the Gold Tree Solar Photovoltaic project. This approval allows the campus to enter into a public-private agreement for the construction of a solar cell electrical generating plant capable of supplying 46% of the campus's peak electrical needs.
  - b. Approval for California State Polytechnic University, Pomona to construct the first phase of a planned student housing replacement.
  - c. Approval for CSU San Bernardino to proceed with the expansion plans of their extended learning building.
  - d. Approval of schematic plans for phase 2 of the Science II replacement building at CSU Sacramento, and for the renovation and expansion of the University Union building at CSU Stanislaus.

6. The Committee on Governmental Relations convened to approve the Statement of State Legislative Principles for 2017-2018. This item had come to the Board in November as a first-reading information item. These principles provide the basic parameters to guide positions taken by the Chancellor and system representatives on matters pending before the California legislature. There are seven core principles which can be summarized as:
  - a. Work with the legislature and governor to allow the CSU to continue its oversight of academic affairs and matters relating to the internal governance of the university.
  - b. Preserve the integrity of the collective bargaining process.
  - c. Remain neutral on matters in which the state seeks to legislate the general public health and safety while not singling out the CSU.
  - d. Preserve the integrity of the CSU's budgetary process, and seek adequate funding to serve current and future students, support the work of faculty and staff, provide for ongoing operations, capital outlay and infrastructure needs, and to meet the workforce demands of the state.
  - e. Seek to influence the outcome of issues which, while not affecting the CSU alone, would have a disproportionate impact on the university's activities.
  - f. Seek to secure representation of the CSU on appropriate boards, commissions, task forces, study groups, etc., whose work may have a significant impact on the system.

The committee also voted to approve the Sponsored State Legislative Program for 2017 and the Federal Agenda for 2017. Two state legislative proposals were approved by the committee:

- a. CSU Doctor of Nursing Practice authority – currently the offering of this degree is on a pilot basis with that authority ending July 1, 2018.
- b. CSU Omnibus proposal – bundles two items that would improve the operational function of the CSU: 1) allow international bank accounts that are not FDIC-equivalent insured for overseas program expenses; 2) permanently extend CSU regulatory authority that is currently set to expire on January 1, 2018; the CSU current has statutory authority to adopt, amend or repeal its own regulations instead of being required to follow the Administrative Procedures Act which governs regulatory processes for state agencies.

At the federal level, the committee approved the following items be pursued:

- a. Improve college access and completion through aid to students
- b. Prepare students for college
- c. Foster degree completion for California's diverse population
- d. Educate students for tomorrow's workforce
- e. Solve societal problems through applied research
- f. Enhance campus infrastructure, health and safety

7. The Committee on Audit convened to receive a status report on current internal audit assignments. The committee also approved the 2017 calendar year plan for audits, advisory services and investigations and heard from external auditors

certifying that appropriate auditing actions were taken by the CSU regarding systemwide financial statements and single audit reports of federal funds.

8. The Committee on Institutional Advancement approved two naming requests:
  - a. The naming of the Patricia A. Chin School of Nursing and the Chin Family Institute for Nursing at CSU Los Angeles.
  - b. The naming of the Clorinda Donato Center for Global Romance Languages and Translation Studies at CSU Long Beach.

The committee also received the Annual Report on Philanthropic Support for 2015-2016; this report is accessible at: <http://www.calstate.edu/philanthropic>

9. The last committee meeting on Tuesday was the Committee on Educational Policy. The action item regarding Title 5 changes regarding admission of veterans was approved. This item had received an informational, first reading during the November Board meeting. The changes update the definition of “eligible veteran” to include National Guard and Reservists and to include all veterans who were discharged or released under conditions other than dishonorable. Language is introduced to permit the CSU to admit eligible veterans regardless of the number of transferable units earned.

The next item was proposed Title 5 changes regarding nonresident determination appeals. This item will come back in March for a Board vote. The purpose of the changes is to provide clarification of the language regarding what constitutes an acceptable appeal and to bring the appeal period more in alignment with other practices (including what the UC allows), providing sufficient time for registration if the appeal is accepted. The time period is currently 120 days and the proposal is to reduce it to 30 days. I asked if 60 days had been considered; it had not been considered but will be as a possible “compromise.”

Lastly, the committee presented the Wang Family Excellence Awards for 2017. These awards recognize four outstanding faculty members and one outstanding staff/administrator who have distinguished themselves by exemplary contributions and achievements. The four faculty awards celebrate the following discipline areas:

Education, and Professional and Applied Sciences  
Visual and Performing Arts and Letters  
Natural Sciences, Mathematical and Computer Sciences and Engineering  
Social and Behavioral Sciences and Public Service

Each recipient receives a \$20,000 award from the family of Trustee Emeritus Wang. The award recipients this year are:

Outstanding Administrator – Dr. Debra Y. Griffith, San Jose State University, Associate Vice President of Transition and Retention Services and Director of the Educational Opportunity Program (EOP)

Natural Sciences, Mathematical and Computer Sciences and Engineering Faculty – Dr. Mariappan Jawaharlal, California State Polytechnic University, Pomona, Mechanical Engineering

Visual and Performing Arts and Letters Faculty – Dr. Anita Silvers, San Francisco State University, Philosophy

Social and Behavioral Sciences and Public Service – Dr. Keith A. Trujillo, California State University San Marcos, Psychology

Education, and Professional and Applied Sciences – Dr. Ruth H. Yopp-Edwards, California State University, Fullerton, Elementary and Bilingual Education

Immediately after the award presentations there was a reception honoring the awardees. The back of the printed program listed all of the 2017 nominees for each category. More information about both the awardees and nominees can be found at: <https://www2.calstate.edu/csu-system/faculty-staff/wang-award>

10. During the full meeting of the Board of Trustees on Wednesday morning, the Board affirmed passage of the committee action items mentioned in this report.

During the public comment session, the Board heard from: Students advocating for a CSU wide tobacco-free policy; against any tuition increase; requesting additional funding for ethnic studies; expressing the need for the governor to provide the CSU with a sustainable budget; thanking the CSULB for its stop smoking program; and expressing campus climate concerns at SFSU. CSUEU representatives distributed information about “The \$48 Fix Reclaiming California’s Master Plan”; expressed opposition to any tuition increase; spoke on the need for a CSU policy regarding abusive conduct; and brought up time / place / manner concerns regarding union meetings and events. William Blischke, President of the CSU Emeritus and Retired Faculty Association remarked on that group’s plans to increase their state advocating activities and expressed concerns regarding the how class sizes have grown making it impractical for seminar style upper division courses.

The Board heard reports from:

- a. The Board Chair – Rebecca Eisen announced the reappointment of former faculty trustee Bernadette Cheyne, CSU Humboldt, as a trustee of the California State Summer School for the Arts; mentioned recent campus achievements, her campus visits, and the upcoming Board retreat meeting on February 20-21.
- b. The Chancellor – Tim White provided his State of the CSU address. You may hear/read his entire address at: <https://www2.calstate.edu/csu-system/chancellor/the-chancellors-communications/pages/state-of-the-csu-feb-2017.aspx> .

Extracting some of the highlights and key components of his address:

“So, not losing sight of any of the important issues surrounding and affecting us, I want to focus on – and magnify – our societal role as a university.

I will apply three lenses to the thoughts I wish you to consider and discuss among your colleagues:

- First, a focus on the forces that pull us apart and draw us together
- Second, a focus on two stories that exemplify the 3 million plus lives that are a part of our CSU community
- Third, and finally, a focus on some eloquent words of encouragement I recently read... words that will help all of us in these times.”

“Our time does feel unusual, somehow strange... and indeed I believe it is.

Yet, throughout history... regardless of the moment or one's ideology... there are always forces that tug at society's fabric and threaten to pull it apart.

These forces may be social, economic, political or environmental. And if we were to allow these forces to divide us, the result can be deadly... either in a figurative or literal sense.”

“Our campuses are great sources of centripetal force. People from different nations, communities, belief systems and academic disciplines are brought together.”

“The California State University is California's State University... we are unwavering in our commitment to inclusive excellence in our environment of learning and discovery, and we share in California's principled stance on women's rights, civil rights, LGBT rights, immigrant rights and religious tolerance among other attributes.

And..... we recognize that individual rights are not divisible alternatives, but rather mutually-reinforcing and essential elements of our shared human rights.”

“Our position is already clear on protecting students without residency documentation.

It is our principled stand that every student has the right to succeed in education and life. And we will go as far as state and federal laws allow to ensure all students have that opportunity.”



“Through Graduation Initiative 2025 we are continuing to expand access to academic opportunity and student support.

An initiative can often sound abstract. So, let me share what I see as our path forward in the coming years...

First, we must ensure all students are able to enroll in the courses they need, when they need them, that means:

- More tenure-track faculty... offering over 3,000 additional courses
- Greater flexibility in course offerings
- Greater access to advisors and better contemporary and traditional tools for advising

Second, we must constantly analyze, through evidence, the efficacy of academic support and development programs – supporting only those with the best return-on-investment – with the goal of going from aggregated data to individualized learning at scale.

Third, we must ensure financial need does not impede student success.

This will continue to be the major focus of our advocacy efforts in Sacramento and Washington, D.C., but this is also the reason we remain committed to funding the State University Grant and to seeking philanthropic support for scholarships.

Additionally, campuses are exploring and implementing micro-grant programs to help students experiencing unpredicted financial hardship... while also reconsidering drop policies tied to non-payment of small outstanding balances.

Fourth, we must relentlessly identify and remove unnecessary administrative barriers that slow or prevent students from progressing toward degree.

We must make conscious choices to give greater weight to student progress as we balance that with operational habits or requirements.

Fifth, and perhaps most revolutionary on a national level, we must provide all CSU students, including those who arrive academically insufficiently prepared, the opportunity and support needed to complete 30 college-level semester units – 45 quarter units – before beginning their second academic year.

We achieve this through:

- Increased collaboration and mutual cooperation with K-14
  - Increased offerings of college-level courses that include supplemental instruction to address knowledge gaps and make progress to degree
  - And a faculty that is empowered to utilize technology and other emerging best practices in course redesign and delivery.”
- c. The ASCSU Chair – Chris Miller reported on recent ASCSU resolutions including opposition to student tuition increases, advise to the tenure density task force, proposed language for an academic freedom policy, support of funding for the CSU Institute for Teaching and Learning Summer Institute, support of the letter to President Trump from the leaders of California’s higher education systems regarding the continuance of DACA, opposition to the appointment of Betsy DeVos as US Secretary of Education, and support of a lactation resource policy in the CSU. She also provided an update on the progress of the formation of the General Education Task Force and stated that the campus feedback period regarding the Quantitative Reasons Task Force Report was coming to a close.
- d. The CSSA President – David Lopez reported on recent CSSA meetings and their resolution opposing student tuition increases.
- e. The Alumni Council President – Dia Poole provided an update on council activities and introduced their guest speaker: San Francisco State University graduate Neda Nobari who recently provided a \$5 million gift to establish the Center for Iranian Diaspora Studies at SFSU.
11. After adjournment of the open session, the Board met in closed session to discuss additional executive personnel matters.
12. The next meeting of the CSU Board of Trustees will be their retreat meeting on February 20-21, 2017.