

July 18-19, 2017 CSU Board of Trustees Meeting Faculty Trustee's Report

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My report on the July 18-19, 2017 CSU Board of Trustees meeting held at the Chancellor's Office in Long Beach, California:

1. The Board met Tuesday morning in closed session to discuss executive personnel matters, pending litigation and collective bargaining items.
2. Prior to adjourning for lunch, the Board Committee on Collective Bargaining met in open session. During the open session, the adoption of Initial Proposals for a Successor Collective Bargaining Agreement with Bargaining Unit 3, California Faculty Association (CFA), was approved. Adoption of this set of bargaining positions by the Board, along with the posting of the bargaining positions by CFA, permits the parties to start face-to-face discussions regarding a 2018 successor agreement.

The committee also heard public comments from representatives of CFA and the California State University Employees Union (CSUEU). CFA comments were focused on the pending successor contract negotiations and the recent attempt by CSU Fullerton to dismiss professor Eric Canin for his actions during a campus first-amendment free-speech activity. CSUEU sent more than ten representatives to talk about critical concerns regarding their ongoing successor agreement negotiations.

3. After lunch, the Committee on Institutional Advancement approving a naming request:
 - a. The naming of the Valley Performing Arts Center at CSU, Northridge as "The Younes & Soraya Nazarian Center for the Performing Arts" in recognition of the \$17 million gift by Mr. and Mrs. Younes Nazarian to CSUN.
4. The next standing committee to meet was Campus Planning, Buildings and Grounds. The committee approved the following campus projects:
 - a. The G6 parking structure for CSU, Northridge.
 - b. Phase 2 of the Sacramento State Recreation/Wellness Center expansion project.
 - c. Phase 2 of the CSU, Channel Islands University Glen Housing Project.

The committee also received an update on the proposed transfer of the Lanterman State Hospital facility to Cal Poly, Pomona. Two years ago, the Lanterman facility was declared to be surplus state property and the state proposed transferring the land and its buildings to CSU for use by Cal Poly, Pomona which currently has land adjacent to the facility. The CSU issued a conditional acceptance of the facility subject to agreements being reached with the other state agencies that utilize areas of the Lanterman facility (California Highway Patrol and the California Conservation Corp) and a clarification of the historic significance of various buildings at the facility. Hellmuth, Obata & Kassabaum (HOK) was selected to perform a pre-development feasibility study of the facility. HOK's overall finding was that the property holds great potential for development over time. Although the property is eligible for designation as an historic district, there is sufficient

open space for new construction to support the mission of the university. Its location lends to it becoming an integral part of the campus over time. Based on the board’s May 2015 resolution and the findings in the HOK report, the chancellor will inform the Department of Finance of the university’s intention to retain and develop the Lanterman site.

5. The Committee on Finance convened to hear two informational items and consider two action items. The actions items were:
 - a. The approval to issue Trustees Systemwide Revenue Bonds and related debt instruments to fund the Cal Poly Corporation Vista Grande Replacement Building Project at Cal Poly, San Luis Obispo.
 - b. The final approval of the University Glen, Phase 2 Housing Project at CSU, Channel Islands; authorizing the campus, through the CSU, Channel Islands Site Authority, to enter into a ground sublease and final development agreement with a private developer. No campus or Site Authority funds will be committed to the project and the site development will revert to the Site Authority upon the agreement’s expiration in 80 years.

The first of the two informational items was a presentation on the auxiliary organizations that have been established to assist the CSU in its operations. This report was requested by the board at a previous meeting so trustees would have a better understanding of the purpose and operation of the auxiliary organizations. Auxiliaries exist to provide campuses with essential services and activities, increase student engagement, manage risk, provide investment opportunities and facilitate real estate transactions. Auxiliary organizations include associated student organizations, student unions and recreation facilities, enterprise corporations to run bookstores and food operations, and foundations to manage contracts, grants and gifts. They must not receive CSU operating funds. They are separate legal entities but are subject to CSU policies. They operate in compliance with Title 5, Calif Code of Regulations and are authorized under Education Code Section 89900. Although it varies from campus to campus, a typical campus will have three auxiliaries: Associated Students, Inc., a corporation to run food services and campus stores, and a foundation to handle grants, contracts and gifts. The most common fourth auxiliary is to cover student union operations. Altogether, there are currently 85 auxiliaries within the CSU. A listing of these auxiliaries is contained in the report that is part of the agenda packet for the July 2017 Board of Trustees meeting.

The 2017-2018 final state budget was the second information item. For 2017-2018, the overall CSU operational budget is approximately \$6.4 billion; funded largely from the state budget and student tuition fees. However, since most of that funding is spoken for in terms of salaries, infrastructure and educational support, and other ongoing commitments, the board normally focuses on the annual supplemental funding request to the state. In the most ideal setting, most of the supplemental funding requested is in terms of permanent changes to the base operational budget but at times the state provides one-time funding which means there is no promise of continued funding in future years. The following table shows the supplemental budget requested by the board and what the final budget covers:

Supplemental Funding for 2017-2018	Trustees Request	Final Budget (includes tuition increase)
Graduation Initiative 2025	\$75.0M	\$75.0M
Compensation: current commitments	139.1	141.1
Compensation: potential new	55.1	0.0
Academic Facilities and Infrastructure Needs	10.0	0.0
Mandatory Costs (health, retirement, utilities, ...)	26.0	25.1
Enrollment Growth (1% requested vs. 0.7% received)	38.5	26.5
Total ongoing expenditure increases	\$343.7M	\$267.7M

The coverage of the Graduation Initiative 2025 \$75M includes \$12.5M in one-time state funding and most of the remained is covered by the tuition increase. Not included in the above table is \$2.5M in one-time state funds for the “Hunger Free Campus” Program, and \$3.0M in one-time state funds for the CSU, San Bernardino Palm Desert Campus. Within the state budget bill were three directives for new CSU policies:

- a. Developmental education reform – the board is to change university policies and practices by May 1, 2018 related to placement of freshmen and transfer students in remedial or developmental programs.
- b. Redirection of applicants to non-impacted campuses – by May 1, 2018, the board is to approve a policy to redirect student applications to non-impacted CSU programs or campuses if the applicants have met the minimum systemwide qualifications but were denied admission to impacted programs or campuses of their choice.
- c. Prioritization of local applicants for impacted programs – by May 16, 2018, the board is to approve a policy that requires campuses to provide first priority in admission to impacted programs to local students who meet minimum systemwide qualification; but this is not a requirement to accommodate.

The CSU was also informed that for near future budgetary years to expect less supplemental state funds to the tune of approximately 3% per year rather than the current 4% per year. Discussion of the 2018-2019 proposed supplemental budget request will commence during the September 2017 Board of Trustees meeting. It is estimated that about 31,000 qualified applicants will be turned away during the 2017-2018 admission cycle because the campuses selected by the applicants could not accommodate them.

6. The Committee on Educational Policy had two informational items. The first was an update on Graduation Initiative 2025, which now appears on the agenda of every board meeting. The key points of this update were:
 - a. academic preparation update – mention of draft Executive Order 1100; its multiple rounds of feedback
 - b. student engagement and wellbeing – mention of efforts to address food and housing insecurity challenges; creation of new C.O. position to support the coordination, administration and oversight of programs and services that address student success as it relates to student wellness and basic needs
 - c. the Graduation Initiative 2025 Symposium – announcement of dates for this event: October 11-12, 2017, symposium speaker list and website: calstate.edu/graduationinitiative

The second item was a presentation on the systemwide use of the American College Health Association National College Health Assessment (NCHA) to assess student health, wellness and safety. In particular, this assessment tool was used to gather information for reporting on CSU Alcohol Policies and Prevention Programs as required by board policy. Use of this national assessment tool permitted comparison of CSU results with national results for the first time. A total of 23,568 students participated in the survey. The number of responses represent approximately 5% of the CSU. The demographics closely mirrored those of the CSU general population. Results overview:

Alcohol Use:

24% never used alcohol

56% used alcohol in the last 30 days

Marijuana Use:

17% have used marijuana in the last 30 days

Prescription Drug Use

12% have used prescription drugs in the past year that were not prescribed to them

7. The Committee on Governmental Relations convened to receive an update on the legislative bills being followed by the CSU during this legislative cycle. The state legislators are in summer recess from July 21 to August 21; September 1 is the deadline for fiscal committee

recommendations; September 15 is the last day for each house to pass bills; October 15 is the last day for the governor to sign or veto bills.

8. The Committee on Audit received a status report on current internal audit assignments. There is now a website where the CSU audit reports can be retrieved: <https://www2.calstate.edu/csu-system/transparency-accountability/audit-reports>
9. The Committee on University and Faculty Personnel heard, as an informational item, a first reading of what will be a new board policy on 10 Year Retiree Health and Dental Benefits Vesting Proposal for New Non-Represented Employees. The policy will come before the board again in September 2017 for a vote. Senate Bill 85, signed by the Governor on 6/27/17, made statutory changes necessary to implement postsecondary education-related provisions of the Budget Act of 2017. These statutory changes authorized the board to adopt by action a new 10-year vesting period for retiree health and dental benefits for non-represented employees who are new to the CSU and become new CalPERS members on or after July 1, 2017.
10. The Committee on Organization and Rules heard, as an informational item, a first reading of proposed revisions to the Rules Governing the Board of Trustees. This item will come before the board again in September 2017 for a vote. The clarification of the governing rules and revised Code of Conduct come as a result of the Board of Trustees Retreat held on February 20-21, 2017.
11. The full board convened and approved by consent all the pending resolutions presented during the standing committee meetings plus an amendment to the board's committee assignments for 2017-2018 to accommodate the extension of Faculty Trustee Steven Stepanek's tenure on the board.

There was a lengthy public comment segment during the full board meeting during which approximately 20 individuals spoke on a variety of topics:

- a. Report from William Blischke, President, CSU Emeritus and Retired Faculty Association, on the association's publication of a revised "survival guide" for retirement planning, their million shoe campaign, research grant program for retired faculty and their upcoming council meeting on Oct 21 at CSU Long Beach.
- b. City of Carson Mayor Albert Robles on the use of the StubHub Center at CSU Dominguez Hills as the home field by the LA Chargers during the 2017-2019 seasons and the current request to permit a 3000 seat increase in stadium seating and parking capacity; it does not appear the increase will be in effect for 2017 but will probably occur for the 2018-2019 seasons.
- c. Community feedback regarding the proposed 14-story dorm building at SDSU.
- d. Concerns about textbook adoption policies involving texts authored by a member of the department.
- e. Representatives of CSUEU regarding current collective bargaining issues: lack of respect, low salary offer, outsourcing, importance of staff involvement to achieve student success, and changes in data centers and the need for more IT staff as student populations increase.
- f. Representatives of CFA regarding the start of collective bargaining talks, the attempted dismissal of the CSU Fullerton professor mentioned during the Committee on Collective Bargaining open comment period, and concerns about new campus rules of conduct.
- g. SQE students (Students for Quality Education) regarding CSU stance on certainly pending state legislation, the need for all campuses to have "dreamer centers", the increase in graduate tuition and the need for campuses to provide "safe havens".

Board Chair Rebecca Eisen provided her report. She started by welcoming the San Diego State interim president Sally Roush; the new student trustee, Emily Hinton; the new Alumni Council president, Manolo Morales; and the new Vice Chancellor of Human Resources, Melissa Bard. She spoke of the amazing commencement speakers and honorary degree recipients, the activities of the

General Education Task Force of which she is a member, and that “we are still in” on issues of climate change accords.

The Chancellor Tim White’s report started by also addressing current global climate change issues and the CSU’s commitment to uphold existing commitments. He spoke on the recent approval of year-round Pell Grants and mentioned three examples of leadership by CSU faculty and staff: the research on hate crimes at CSUSB, the commitment to assisting educationally underserved American Indian communities at CSUSM, and the expanded CSUDH project to capture the oral history and activities of Japanese Americans who were placed in interment centers during World War II. Quoting from the chancellor’s report – “[CSU’s] goal of building a modern equitable and prosperous future for all Californians, ensuring that underserved communities still facing the discriminatory policies of the last century are part of the conversation and subsequent successes today. Indeed, our core mission shared by every member of the CSU community is to provide access to hope, opportunity and success through higher education. ... California’s future depends on the success of the California State University.”

Chris Miller gave the ASCSU chair’s report. She had left a fidget finger spinner on the desk of each trustee and related her comments to the three arms of the spinner – the importance of teaching, service and shared governance.

The CSSA president’s report was given by Maggie White. Since this is summer and the start of a year of CSSA activities, she provided background information about herself, and the role and goals of CSSA. The themes that have emerged as being of particular importance are: mental health resources, college affordability, access to basic needs, safe campuses, and closing achievement gaps.

Manolo Morales provided the CSU Alumni Council report. As the new president of that organization, he spoke of the role the organization can have in assisting with the Graduation Initiative 2025 goals. The Council has developed a toolkit to allow campus alumni associations to utilize best practices in providing assistance in career preparation and helping students with basic needs.