

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

**California State University
Office of the Chancellor
Glenn S. Dumke Auditorium
401 Golden Shore
Long Beach, CA 90802**

May 9, 2012—9:00 a.m.

Presiding: Bob Linscheid, Chair

Call to Order and Roll Call

Public Comment

Chair's Report

Chancellor's Report

Report of the California State University Alumni Council: *President—Guy Heston*

Report of the California State Student Association: *President—Gregory Washington*

Report of the Academic Senate CSU: *Chair—James Postma*

Approval of Minutes of Board of Trustees' Meeting of March 20, 2012

Board of Trustees

1. Conferral of Title of Trustee Emeritus: Herbert L. Carter, *Action*
2. Conferral of Title of Trustee Emeritus: Carol R. Chandler, *Action*

Committee Reports

Committee on Committees: *Chair—William Hauck*

1. Election of the Chair and Vice Chair of the Board of Trustees for 2012-2013
2. Committee Assignments for 2012-2013

Committee on Collective Bargaining: *Chair—Lou Monville*

Committee on Organization and Rules: *Chair—Glen O. Toney*

1. Schedule of the California State University Board of Trustees Meetings, 2013

Special Committee on Presidential Selection and Compensation: *Chair—Lou Monville*

1. Policy on Presidential Compensation

Committee on Governmental Relations: *Chair—Peter G. Mehas*

1. 2011-2012 Legislative Report No. 9

Committee on Institutional Advancement: *Chair—Glen O. Toney*

1. Naming of a Facility—California Polytechnic State University, San Luis Obispo

Committee on Campus Planning, Buildings and Grounds: *Chair—Linda Lang*

1. Amend the 2011-2012 Capital Outlay Program, Non-State Funded
2. Amend the 2011-2012 Capital Outlay Program, State Funded
4. Draft State and Non-State Funded Five Year Capital Improvement Program 2013-2014 through 2017-2018
5. Approval of Schematic Plans

Committee on Audit: *Chair—Henry Mendoza*

Committee on Finance: *Chair—William Hauck*

3. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments
4. Proposed Title 5 Revision: Dissolution of Auxiliary Organizations

Committee on Educational Policy: *Chair—Debra S. Farar*

1. Academic Planning and Program Review

**MINUTES OF THE MEETING OF
BOARD OF TRUSTEES**

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

March 20, 2012

Trustees Present

William Hauck, Acting Chair
Roberta Achtenberg
Carol R. Chandler
Bernadette Cheyne
Steven J. Dixon
Debra S. Farar
Kenneth Fong
Margaret Fortune
Steven M. Glazer
Melinda Guzman
Pete Mehas
Henry Mendoza
Lou Monville
Charles B. Reed, Chancellor
Jillian L. Ruddell
Glen O. Toney

Acting Chair Hauck called the meeting to order.

Public Comment

Acting Chair Hauck called for public comment. The board heard from the following individuals: Pat Gantt, president, CSUEU who stated that he was thankful for contract and that the state budget is a sobering subject and urged everyone to talk to the people of California to keep master plan alive and also urged support of the governor's ballot measure; Russell Kilday-Hicks, vice president, representation, CSUEU spoke about executive compensation and management inefficiencies and noted that everyone should take responsibility to promote the CSU; John Orr, vice chair, unit 7, CSUEU expressed his appreciation to President Zingg and the Chico State administration for the harassment policy that included the topic of bullying and urged all CSU campuses to adopt Chico's policy; Lillian Taiz, president, CFA spoke against on-line education and stated that the CSU was going in the wrong direction; Susan Green, treasurer, CFA spoke against executive pay and stated that money spent on executives could help students;

Donnie Bessom, teaching assistant at CSU Long Beach, SQE spoke against student fee increases and stated that this would send a message to the legislature. He also asked that the governor's tax initiative be supported by the board; Erika Flores, SQE at CSU Long Beach demanded that the board put a 5 year moratorium on fee hikes and reduce executive compensation; Harit Agroia, student, CSU Sacramento COUGH spoke about tobacco use on her campus and applauded the board for support of the tobacco policy; Katie Magnuson, student CSU Sacramento COUGH, stated that her group collected 24,000 cigarette butts in one hour and asked the board to consider strengthening the CSU tobacco policy; Kim Vagadori, alumna, San José State University and Organizer for COUGH asked that the board support campuses to change their tobacco policies and noted that great work was being done at CSU Sacramento with their smoking cessation campaign, promoting health and wellness; Cathy Hurtado, student, CSU Fresno Impact Club asked the board to support CSU Fresno to adopting a smoke free campus; Melanie Rubalcava, American Lung Association Tobacco, spoke about the smoke free policy at CSU Fresno and thanked President Welty for his continuing dialogue with the Impact Club and applauded the CSU and the CSSA for continuing their work in this area; Micah Ehler, Unite Here, expressed disappointment in the board for continuing to contract with the Hyatt and asked that the board honor the boycott; Kayla Crow, student at CSU Long Beach, Unite Here spoke against executive pay and against members of CSU staying at luxury hotels; Hal Steinberg, Clergy and Laity United for Economic Justice spoke against executive pay and against staying at luxury hotels such as the Long Beach Hyatt; Charleen Mikhail, student, CSU Northridge, COUGH urged all CSU presidents to support smoke free campuses.

Chair's Report

Chair Hauck's complete report can be viewed online at the following URL:

<http://www.calstate.edu/BOT/chair-reports/mar2012.shtml>

Chancellor's Report

Chancellor Charles B. Reed's complete report can be viewed online at the following URL:

<http://www.calstate.edu/executive/reparchive/120320.shtml>

Report of the California State University Alumni Council

Guy Heston reported on behalf of the Alumni Council.

Report from the California State Student Association

Gregory Washington reported on behalf of CSSA.

Report of the Academic Senate CSU

James Postma reported on behalf of the Academic Senate CSU.

Approval of Minutes of Board of Trustees Meeting

The minutes of the meeting of January 25, 2012 were approved.

Board of Trustees

Conferral of Title of President Emeritus: Milton A. Gordon (RBOT 03-12-01)

Acting Chair Hauck moved the item; there was a second. The Board of Trustees approved the following resolution:

WHEREAS, Dr. Milton A. Gordon served as president of California State University, Fullerton from August 1990 to January 2012; and

WHEREAS, among numerous noteworthy accomplishments, he oversaw remarkable gains in both student diversity and achievement as underrepresented students increased from 31.15 percent in 1990 to 56.28 percent in Fall 2011 as a percentage of total university enrollment, while the university soared to first place in California and fifth in the nation overall for the number of bachelor's degrees awarded to Hispanic students; and

WHEREAS, responding to growing enrollment and the evolving needs of his students, Dr. Milton A. Gordon transformed the campus during his presidency with a dramatic \$636 million expansion of university facilities—22 building projects in all—adding more than four million square feet of interior space; and

WHEREAS, his leadership was instrumental in the establishment of the Cal State Fullerton Philanthropic Foundation, which since its inception has raised in excess of \$179 million in private support, and increased the university endowment 19-fold, from \$1.67 million in 1990 to \$32.3 million as of June 2011; and

WHEREAS, during his tenure CSUF quadrupled the university's research funding, from \$5.6 million in 1990 to \$26.6 million received in 2011;

WHEREAS, Dr. Milton A. Gordon furthered California State University, Fullerton's recognition of being a regional university with a global outlook by executing 84 international education/exchange agreements with partner universities, up from seven in 1990; and

WHEREAS, It is altogether fitting that the California State University recognize those members who have made fundamental and historic contributions to this system of higher education; now, therefore, be it

RESOLVED, by the Board of Trustees of the California State University, that this board confer the title of President Emeritus on Dr. Milton A. Gordon, with all the rights and privileges thereto.

Conferral of Title of President Emeritus: Jolene Koester (RBOT 03-12-02)

Acting Chair Hauck moved the item; there was a second. The Board of Trustees approved the following resolution:

WHEREAS, Dr. Jolene Koester served as California State University, Northridge's president from July 2000 through December 2011—just the fourth president in Cal State Northridge's 52-year history; and

WHEREAS, She identified and fulfilled key goals for her presidency that included improving graduation rates, creating a user-friendly campus, strengthening the university's connections to the community, championing academic excellence, and increasing fundraising; and

WHEREAS, She made a commitment to make the university more learning-centered and focused on student success, while increasing retention rates, remaining accessible to qualified students, and maintaining the university's historical commitment to diversity; and

WHEREAS, She oversaw and managed the university's remarkable growth in enrollment, from a headcount enrollment of 29,000 students at the time of her arrival to more than 36,000, while investing in faculty and staff in ways that contributed to student success; and

WHEREAS, She accommodated this growth by developing the Envision 2035 Master Plan for the campus, which has guided the university's physical expansion and led to the construction of several academic buildings, parking structures, new student housing, new and renovated food service facilities, and two phases of the renovation and reconstruction of the University Student Union; and

WHEREAS, Her vision and leadership enabled the opening of the Valley Performing Arts Center at California State University, Northridge in January 2011, a state-of-the-art 1,700-seat facility which provided significant new classroom and performance art space for students while providing cultural enrichment and programming to the community; and

WHEREAS, Her success in fundraising brought more than \$175 million in new private support to the University to sustain and enhance academic excellence and student success; and

WHEREAS, She was deeply committed to raising the university's stature as the intellectual, cultural and economic heart of the region and ensuring California State University, Northridge was regionally focused and nationally recognized for its accomplishments; and

WHEREAS, President Koester has earned the respect, affection and support of the entire campus community, including students, faculty, staff and administrative colleagues; and

WHEREAS, President Koester's leadership and exemplary record of achievements have significantly enhanced the reputation and strength of the institution; and

WHEREAS, It is altogether fitting that the California State University recognize those members who have made fundamental and historic contributions to this system of higher education; now, therefore, be it

RESOLVED, by the Board of Trustees of the California State University, that this board confer the title of President Emeritus on Dr. Jolene Koester, with all the rights and privileges thereto.

Election of Five Members to Committee on Committees for 2012/2013 (RBOT 03-12-03)

Acting Chair Hauck moved the item; there was a second. The Board of Trustees approved the following resolution:

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 2012/2013 term:

William Hauck, Chair
Roberta Achtenberg
Debra Farar
Margaret Fortune
Linda Lang
Lou Monville

Committee Reports

Committee on Collective Bargaining

Trustee Monville reported the committee heard from Pat Gantt, president, CSUEU, Russell Kilday-Hicks, vice president CSUEU, Tessy Reese, CSUEU unit 2 chair, John Orr, CSUEU Unit 7 chair, Alisandra Brewer, CSUEU unit 9 chair and, Andy Merrifield, chair of CFA Bargaining Committee.

Committee on Organization and Rules

Trustee Toney reported the committee heard one information item, Proposed Schedule of Board of Trustees' Meetings, 2013.

Committee on University and Faculty Personnel

Trustee Fong reported the committee heard one information item, Human Resources Strategic vision and goals and three action items as follow:

Executive Compensation: President – California State University, East Bay (RUFP 03-12-03)

Trustee Fong moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of the California State University, that Dr. Leroy Morishita shall receive a salary set at the annual rate of \$303,660 and an annual housing allowance of \$60,000 effective January 25, 2012, the date of his appointment as president of California State University, East Bay; and be it further

RESOLVED, Dr. Morishita shall receive additional benefits as cited in Agenda Item 1 of the Committee on University and Faculty Personnel at the March 20, 2012, meeting of the CSU Board of Trustees.

Executive Compensation: President – California State University, Fullerton (RUFP 03-12-04)

Trustee Fong moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of the California State University, that Dr. Mildred Garcia shall receive a salary set at the annual rate of \$324,500 effective June 11, 2012, the date of her appointment as president of California State University, Fullerton; and be it further

RESOLVED, Dr. Garcia shall occupy the official presidential residence located in Fullerton, California, as a condition of her employment as president; and be it further

RESOLVED, Dr. Garcia shall receive additional benefits as cited in Agenda Item 2 of the Committee on University and Faculty Personnel at the March 20, 2012, meeting of the CSU Board of Trustees.

Mentorship of Future California State University Leaders (RUF 03-12-05)

Trustee Fong moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of the California State University, that the Mentorship of Future CSU Leaders timeline be adopted.

Committee on Governmental Relations

Trustee Mehas reported the committee heard one action item as follows:

2011-2012 Legislative Report No. 8 (RGR 03-12-03)

Trustee Mehas moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of The California State University, that the Legislative 2011-2012 Legislative Report No. 8 be adopted.

Committee on Institutional Advancement

Trustee Guzman reported the committee heard one information item, Measuring Advancement.

Committee of the Whole

Acting Chair Hauck reported the committee heard one information item, General Counsel's Report.

Committee on Campus Planning Buildings and Grounds

Trustee Monville reported the committee heard one information item, Status Report on the 2012-2013 State Funded Capital Outlay Program and one action item as follows:

Amend the 2011-2012 Capital Outlay Program, Non-State Funded (RCPBG 03-12-03)

Trustee Monville moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of the California State University, that the 2011-2012 non-state funded capital outlay program is amended to include:
1) \$2,938,000 for preliminary plans, working drawings, and construction for the

California State University, Monterey Bay, Tanimura & Antle Family Memorial Library project; 2) \$1,216,000 for preliminary plans, working drawings, and construction for the San José State University, Moss Landing Marine Laboratories Aquaculture Lab project; 3) \$9,936,000 for preliminary plans, working drawings, construction, and equipment for the California State University, San Marcos, Student Health and Counseling Services Building project; and 4) \$916,000 for preliminary plans, working drawings, and construction for the California State University, Stanislaus Parking Lot 2 Renovation project.

Committee on Audit

Trustee Mendoza reported the committee heard two information items, Status Report on Current and Follow-up Internal audit Assignments and Status Report on Corrective Action for the Findings in the California State University A-133 Single Audit Reports and Auxiliary Organization Audit Reports for the Fiscal Year Ended June 30, 2011.

Committee on Educational Policy

Trustee Farar reported the committee heard three information items, Update on SB 1440: Student Transfer Achievement Reform Act (STAR), Cal State Online: Start Up, Status and Vision and Digital Textbooks: The California State University's Affordability Strategy for Student Success.

Committee on Finance

Trustee Hauck reported the committee heard three information items, Report on the Support Budget 2012-2013 and 2013-2014 Fiscal Years; Report on Governor's 2012-2013 Cal-Grant Budget Proposals; Proposed Title 5 Revision: Dissolution of Auxiliary Organizations; and one action item as follows:

Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for One Project (RFIN 03-12-03)

Trustee Hauck moved the item; there was a second. The Board of Trustees approved the following resolution:

Orrick, Herrington & Sutcliffe LLP, as bond counsel, prepared a resolution as described in Agenda Item 3 of the Committee on Finance at the March 19-20, 2012 meeting of the CSU Board of Trustees for a project at CSU Bakersfield (Bakersfield Student Housing) that authorizes interim and permanent financing. The proposed resolution 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 a not-to-exceed amount of \$36,355,000 and certain actions relating thereto.

2. Provide a delegation to the Chancellor; the Executive Vice Chancellor and Chief Financial Officer; the Assistant Vice Chancellor, Financial Services; and the Senior Director, Financing and Treasury; 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.

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

The meeting was adjourned.

BOARD OF TRUSTEES

Conferral of the Title Trustee Emeritus – Dr. Herbert L. Carter

Presentation By

Bob Linscheid
Chair

Summary

It is recommended that trustee Herbert L. Carter be conferred the title of Trustee Emeritus for his service.

The following resolution is recommended for approval:

WHEREAS, Herbert L. Carter was appointed as a member of the CSU Board of Trustees of the California State University in 2004 by Governor Arnold Schwarzenegger, and since that time has served ably in that position; and

WHEREAS, Trustee Carter has served as a member of the CSU Board of Trustees for eight years, and through his service as Chair and Vice Chair of the board has offered steadfast leadership; and

WHEREAS, Trustee Carter has served as Chair of the Committee on Educational Policy, and in this role was indispensable to the implementation of initiatives including the Student Transfer Achievement Reform Act, the Early Assessment and Early Start Programs, which carry out the System's mission to provide the diverse peoples of California with educational access and success; and

WHEREAS, Trustee Carter has served the California State University system in multiple roles since 1974, including as acting president of California State University, Dominguez Hills; and

WHEREAS, Trustee Carter has steered the University System through a period of enormous growth and budgetary challenges; and

WHEREAS, Trustee Carter is a lifelong champion of civil rights, educational equality, and helping individuals reach their academic potential, and has dedicated his career to the California State University and to serving California's students; and now, therefore, be it

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RESOLVED, By the Board of Trustees of the California State University, that this board confers the title of Trustee Emeritus on Herbert Carter, with all the rights and privileges thereto.

BOARD OF TRUSTEES

Conferral of the Title Trustee Emeritus – Carol R. Chandler

Presentation By

Bob Linscheid
Chair

Summary

It is recommended that Trustee Carol R. Chandler be conferred the title of Trustee Emeritus for her service.

The following resolution is recommended for approval:

WHEREAS, Carol R. Chandler was appointed as a member of the California State University Board of Trustees in 2004 by Governor Arnold Schwarzenegger, and since that time has ably served in that position; and

WHEREAS, Trustee Chandler has served as Chair of the Committee on Institutional Advancement throughout a period of increased growth and donor contributions in spite of budgetary challenges for the University; and

WHEREAS, Trustee Chandler's leadership as Chair of the Committee on Governmental Relations was instrumental in keeping the Board informed of state and national policy and its impact on the California State University; and

WHEREAS, Trustee Chandler has contributed her extensive knowledge of the Central Valley and of agriculture and agribusiness, both of which are critical fields to the California State University; and

WHEREAS, Trustee Chandler has distinguished herself across the state for her civic activism and philanthropic contributions; and now, therefore, be it

RESOLVED, By the Board of Trustees of the California State University, that this board confers the title of Trustee Emeritus on Carol Chandler, with all the rights and privileges thereto.