

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

**Trustees of the California State University
California State University
Office of the Chancellor
401 Golden Shore
Long Beach, CA 90802**

November 19, 2008 – 10:30 a.m.

Presiding: Jeffrey L. Bleich, Chair

Board of Trustees—Open Session

Call to Order and Roll Call

Public Comment

Chair's Report

Chancellor's Report

Report of the California Postsecondary Education Commission: *Melinda Guzman*

Report of the California State University Alumni Council: *President—Ken Stone*

Report of the California State Student Association: *Chair—Tim Snyder*

Report of the Academic Senate CSU: *Chair – John Tarjan*

Approval of Minutes of Board of Trustees' Meeting of September 17, 2008

Reports from Committees

Committee on Collective Bargaining: *Chair—Lou Monville*

Committee on Institutional Advancement: *Chair -- George G. Gowgani*

1. Naming of an Academic Entity – California State University, Fresno

Committee on Finance: *Chair -- William Hauck*

2. Approval of the 2009-2010 Support Budget Request
3. 2009-2010 Lottery Revenue Budget
5. Meeting Quality Standards in State-Supported Professional Business Graduate Programs with Revenue Support Derived from a Per-Unit Fee
6. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects

Committee on Campus Planning, Buildings and Grounds: *Chair – A. Robert Linscheid*

1. Amend the 2008-2009 Capital Outlay Program, Non-State Funded
3. Approval of Schematic Plans

Committee on University and Faculty Personnel: *Chair -- Debra S. Farar*

3. Executive Compensation: Vice Chancellor, Human Resources
4. Executive Compensation: Vice Chancellor, University Relations and Advancement

Committee of the Whole: *Chair – Jeffrey L. Bleich*

1. Accountability Plan for *Access to Excellence*

Committee on Audit: *Chair – Melinda Guzman*

Committee on Governmental Relations: *Chair – Carol R. Chandler*

1. 2007-2008 Legislative Report No. 12

Committee on Educational Policy: *Chair – Herbert L. Carter*

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

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

September 17, 2008

Trustees Present

Jeffrey L. Bleich, Chair
Carol R. Chandler
Debra S. Farar
Kenneth Fong
Margaret Fortune
John Garamendi, Lt. Governor
George G. Gowgani
Melinda Guzman
William Hauck
Raymond W. Holdsworth
A. Robert Linscheid
Lou Monville
Jack O'Connell, Superintendent of Public Instruction
Charles B. Reed, Chancellor
Craig R. Smith
Kyriakos Tsakopoulos

Chair Bleich called the meeting to order.

Public Comment

Chair Bleich called for public comment. The following individuals addressed the Board of Trustees: Pat Gantt, president CSUEU, thanked the chancellor for not reducing employee's wages to minimum wages and thanked everyone in the room for continuing to work together on the state budget; Dennis Dillon, vice president CSUEU spoke in support of keeping the student health center at SJSU on campus, Richard McGee, CSUEU urged the board to reconsider contracting out jobs and keep jobs with CSU employees; Elizabeth Hoffman, associate vice president, CFA stated that the Alliance for the CSU showed the benefit of all CSU constituencies to working together; Lillian Taiz, CFA President, stated that the CFA was concerned that the CSU budget request was sending the wrong message to the governor; Floyd Anscomb, president, Physicians and Dentists Union spoke about the importance of not relocating the student health

center at San José State University to an off-campus location. Tim Manning, Long Beach resident, spoke about an issue he was having with CSULB related to a grant sponsored program.

Chair's Report

Chair Jeffrey L. Bleich's complete report can be viewed on-line at the following url: <http://www.calstate.edu/BOT/chair-reports/sept2008.shtml>

Chancellor's Report

Chancellor Charles B. Reed's complete report can be viewed on-line at the following url: <http://www.calstate.edu/executive/reparchive/080917.shtml>

Report of the California State University Alumni Council

Valorie Vuicich, president, reported on behalf of the Alumni Council.

Report from the California State Student Association

Tim Snyder reported on behalf of the CSSA.

Report of the Academic Senate CSU

John Tarjan reported on behalf of the Academic Senate CSU.

Approval of Minutes

The board approved the minutes of the meeting of July 15, 2008.

Report of Committees

Committee on Collective Bargaining

Trustee Monville reported the committee heard from representatives of the Academic Professionals of California and the CSU Employees Union.

Committee on Finance

Trustee Hauck reported the committee heard four information items, Report on the 2008-2009 Support Budget; Report on the 2009-2010 Support Budget; 2009-2010 Lottery Revenue Budget; Annual Investment Report, and one action item as follows:

Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Various Projects (RFIN 09-08-09)

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 resolutions presented in Agenda Item 5 of the Committee on Finance of the September 16-17, 2008 meeting of the CSU Board of Trustees for the projects at CSU Fullerton (Fullerton Student Housing and Food Service, Phases III and IV); Humboldt State University (Humboldt Student Housing Replacement and Addition, Phase I); CSU Sacramento, (Sacramento Recreation Wellness Center, Phase II); and California Polytechnic State University, San Luis Obispo (Cal Poly Corporation - The Technology Park Pilot Building Project) that authorize interim and permanent financing. The proposed resolutions 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 \$283,685,000, 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 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 project's financing budgets.

Committee on Campus Planning, Buildings and Grounds

Trustee Linscheid reported the committee heard five information items, California Environmental Quality Act Annual Report; California State University Seismic Safety Program Annual Report; Campus Land Acquisitions; Acceptance of Interest in Real Property; Sustainability Overview and three action items as follow:

Amend the 2008-2009 Capital Outlay Program, Non-State Funded (RCPBG 09-08-13)

Trustee Linscheid 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 2008-2009 non-state funded capital outlay program is amended to include: 1) \$35,783,000 for preliminary plans, working drawings, and construction for the California State University, Fullerton, Parking Structure 4, Phase 1 project; 2) \$6,300,000 for preliminary plans, working drawings, construction, and

equipment, for the California Polytechnic State University, San Luis Obispo, Technology Park Pilot Building project; and 3) \$3,000,000 for preliminary plans, working drawings, and construction for the California Polytechnic State University, San Luis Obispo, Simpson Strong-Tie Building project.

Report on 2008-2009 State Funded Program and State and Non-State Funded Five-Year Capital Improvement Program 2009-2010 through 2013-2014 (RCPBG 09-08-14)

Trustee Linscheid 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:

1. The final State and Non-State Funded Five-Year Capital Improvement Program 2009-10 through 2013-14 totaling \$6,177,401,000 and \$4,632,395,000 respectively are approved.
2. The 2009-10 State Funded Capital Outlay Program included in the five-year program distributed with the agenda is approved at \$850,592,000.
3. The 2009-10 Non-State Funded Capital Outlay Program included in the five-year program is approved at \$80,476,000. The chancellor is authorized to proceed in 2008-09 with design documents for fast-track projects in the 2009-10 Non-State program.
4. The chancellor is requested to explore all reasonable funding methods available and communicate to the governor and the legislature the need to provide funds for the CSU state funded plan in order to develop the facilities necessary to serve all eligible students.
5. The chancellor is authorized to make adjustments, as necessary, including priority sequence, scope, phase, project cost and total budget request for the 2009-10 State Funded Capital Outlay Program.

Approval of Schematic Plans (RCPBG 09-08-15)

Trustee Linscheid moved the item; there was a second.

The Board of Trustees approved the following resolution:

1. California State University, Fullerton—Student Housing, Phase 3 and 4, Meeting and Dining Facility

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

1. The board finds that the Categorical Exemption for the California State University, Fullerton, Student Housing, Phase 3 and 4, Meeting and Dining Facility project has been prepared pursuant to the requirements of the California Environmental Quality Act.
2. The proposed project will not have significant adverse impacts on the environment, and the project will benefit the California State University.
3. The schematic plans for the California State University, Fullerton, Student Housing, Phase 3 and 4, Meeting and Dining Facility are approved at the project cost of \$142,779,000 at CCCCI 4890.

2. California State University, Long Beach—Nursing Building Addition

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

1. The board finds that the Categorical Exemption for the California State University, Long Beach, Nursing Building Addition project, has been prepared pursuant to the requirements of the California Environmental Quality Act.
2. The proposed project will not have significant adverse impacts on the environment, and the project will benefit the California State University.
3. The schematic plans for the California State University, Long Beach, Nursing Building Addition are approved at the project cost of \$5,498,000 at CCCCI 4890.

3. California State University, Northridge—Student Recreation Center

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

1. The board finds that the California State University, Northridge, Student Recreation Center project is consistent with the campus master plan revision approved in March 2006 and a Finding of Consistency has been prepared pursuant to the requirements of the California Environmental Quality Act.
2. The Finding of Consistency analysis has determined that no new, previously undisclosed, potential significant impacts have been found, and therefore no additional mitigation measures are required to mitigate impacts disclosed in the previously certified Master Plan FEIR.
3. With the implementation of the mitigation measures set forth in the master plan previously approved by the Board of Trustees, the proposed project will

not have a significant effect on the environment, and the project will benefit the California State University.

4. The mitigation measures shall be monitored and reported in accordance with the requirements of the California Environmental Quality Act (Public Resources Code, Section 21081.6).
5. The chancellor is requested under Delegation of Authority by the Board of Trustees to file a Notice of Determination for the project.
6. The schematic plans for the California State University, Northridge, Student Recreation Center are approved at the project cost of \$69,866,000 at CCCI 4890.

4. San Francisco State University—Children’s Center

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

1. The board finds that the Categorical Exemption for the San Francisco State University, Children’s Center project has been prepared pursuant to the requirements of the California Environmental Quality Act.
2. The proposed project will not have a significant adverse impact on the environment, and the project will benefit the California State University.
3. The schematic plans for the San Francisco State University, Children’s Center are approved at a project cost of \$4,180,000 at CCCI 4890.

5. California Polytechnic State University, San Luis Obispo—Technology Park Pilot Building

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

1. The Initial Study and Mitigated Negative Declaration (MND) has been prepared to address the potential significant environmental impacts, mitigation measures, and project alternatives, comments and responses to comments associated with approval of the Technology Park Pilot Building project, and all discretionary actions related thereto, as identified in the Final Initial Study and Mitigated Negative Declaration.
2. The MND (State Clearinghouse No. 2008061076) was prepared pursuant to the California Environmental Quality Act and the state CEQA Guidelines.
3. This resolution is adopted pursuant to the requirements of Section 21081 of the Public Resources Code and Section 15091 of the state CEQA Guidelines,

which requires that the Board of Trustees make findings prior to the approval of a project and as such the mitigated project as approved will not have a significant effect on the environment and that the project be constructed with the mitigation measures.

4. The schematic plans for the California Polytechnic State University, San Luis Obispo, Technology Park Pilot Building are approved at a project cost of \$6,300,000 at CCCI 5179.

Committee on Institutional Advancement

Trustee Gowgani reported the committee heard one information item, Recognition of Recipients of the 2008-2009 William Randolph Hearst/CSU Trustees Award for Outstanding Achievement, and three action items as follow:

Naming of a Facility – California State University, Fullerton (RIA 09-08-12)

Trustee Gowgani 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 Performing Arts Center for the College of the Arts at California State University, Fullerton be named the Joseph A. W. Claves III Performing Arts Center.

Naming of an Academic Entity – California State University, San Bernardino (RIA 09-08-13)

Trustee Gowgani 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 Adult Re-Entry Center at California State University, San Bernardino, be named the Osher Adult Re-Entry Center.

Naming of an Academic Entity – San Diego State University (RIA 09-08-14)

Trustee Gowgani 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 School of Accountancy at San Diego State University, be named the Charles W. Lamden School of Accountancy.

Committee on University and Faculty Personnel

Trustee Farar reported the committee heard one information item, Executive Compensation: Annual Transition Programs Update, and three action items as follow:

Proposed Title 5 Revision: Amendment to Management Personnel Plan for Athletic Personnel (RUF 09-08-04)

Trustee Farar 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 Section 42723 of Title 5 of the California Code of Regulations be amended as follows:

§42723. Employment Status

(a) A Management Personnel Plan employee serves at the pleasure of the campus President or the Chancellor, as appropriate. A Management Personnel Plan employee shall not serve a probationary period and shall not receive permanent status.

(b) Athletic personnel who are appointed to positions in the Management Personnel Plan may be given appointments for a definite term. Any such appointment must be in writing and contain the initial date of appointment, the date on which the appointment expires, and a statement that the appointment may be terminated by the appointing authority at any time on terms set forth in the appointment document.

~~(b)~~ (c) A Management Personnel Plan employee who had permanent status in a class prior to January 1, 1984 shall retain permanent status in the class despite inclusion as a Management Personnel Plan employee. A Management Personnel Plan employee who prior to January 1, 1984 was serving a probationary period may be awarded permanent status by the appointing power upon the successful conclusion of the probationary period. Upon acquisition of permanent status such an employee shall retain permanent status in the same manner as an employee who has permanent status prior to January 1, 1984.

~~(c)~~ (d) A Management Personnel Plan employee who retains permanent status under subdivision ~~(b)~~ (c) and who is placed in or promoted to a position under the

Management Personnel Plan shall retain retreat rights as described in this subdivision ~~(e)~~ (d) to the former class in which permanent status is held. Should the appointing power terminate the Management Personnel Plan employee's service in a Management Personnel Plan position, the employee shall have the right to return to the former class in which permanent status is held at the salary last received in the permanent class

~~(d)~~ (e) Except in the case of layoff, the President or Chancellor, as appropriate, shall give a Management Personnel Plan employee, with the exception of athletic personnel appointed to definite terms under (b) above, notice of termination at least three months prior to the employee's separation date or shall give a Management Personnel Plan employee, with the exception of athletic personnel appointed to definite terms under (b) above, corresponding salary in lieu of notice.

Proposed Title 5 Revision: Addition of Paid Administrative Leave for Management Personnel Plan Employees (RUF 09-08-05)

Trustee Farar 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 Section 42729 of Title 5 of the California Code of Regulations be added as follows:

Title 5, California Code of Regulations
Division 5 – Board of Trustees of the California State Universities
Chapter 1 – California State University
Subchapter 7 – Employees
Article 2.2 – Management Personnel Plan

It is proposed that § 42729 be added to Title 5 as follows:

§ 42729. Paid Administrative Leave.

A Management Personnel Plan employee may be granted or placed on paid administrative leave by the President at a campus, or the Chancellor at the Chancellor's Office, under either of the following circumstances:

- (a) Up to sixty (60) calendar days of paid administrative leave for reasons related to (1) the safety or health of employees, (2) the prevention of the disruption of programs and/or operations, (3) an investigation of alleged misconduct by the employee or the

employee's significant job performance issues or, (4) the best interest of the University. Such leave may be extended by the President or the Chancellor for up to an additional sixty (60) calendar days in extraordinary circumstances deemed by the President or the Chancellor to warrant such an extension; or

- (b) Up to six (6) months of paid administrative leave to develop, update or improve the employee's management or supervisory skills as part of a program or activity described in §42727 (Professional Development), or to prepare an administrator with retreat rights to a faculty position to assume faculty responsibilities.

Executive Compensation: Vice Chancellor (RUF 09-08-06)

Trustee Farar 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. Benjamin F. Quillian, Jr., shall receive a salary set at the annual rate of \$310,000, effective September 15, 2008, the beginning date of his appointment as vice chancellor, administration and finance.

RESOLVED, Dr. Quillian will receive additional benefits as cited in Agenda Item 3 of the Committee on University and Faculty Personnel at the September 16-17, 2008 meeting.

Committee on Audit

Trustee Guzman reported the committee heard three information items, Status Report on Current and Follow-up Internal Audit Assignments; Report on Construction Auditing in the California State University; and Progress Report on the Corrective Action Plans for the Audit Findings in the Systemwide Audit in Accordance with Generally Accepted Accounting Principles and the Single Audit Reports for the Year Ended June 30, 2007.

Committee on Educational Policy

Trustee Farar reported the committee heard three information items, Teacher Preparation Program Evaluation; The California State University Doctorate of Education (Ed.D.) Programs and California State University Science, Technology, Engineering and Mathematics (STEM) Initiatives and one action item as follows:

Academic Plan Update for Fast-Track Program Development (REP 09-08-05)

Trustee Farar 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 academic plan degree projections for California State University, Dominguez Hills (as contained in Attachment A to Agenda Item 1 of the March 11-12, 2008 meeting of the Committee on Educational Policy) be amended to include a projected Bachelor of Arts with a major in Computer Technology, with implementation planned for fall 2008; and be it further

RESOLVED, by the Board of Trustees of the California State University, that the academic plan degree projections for California State University, Fresno (as contained in Attachment A to Agenda Item 1 of the March 11-12, 2008 meeting of the Committee on Educational Policy) be amended to include a projected Bachelor of Fine Arts with a major in Graphic Design, with implementation planned for fall 2008; and be it further

RESOLVED, by the Board of Trustees of the California State University, that the academic plan degree projections for California State University, Long Beach (as contained in Attachment A to Agenda Item 1 of the March 11-12, 2008 meeting of the Committee on Educational Policy) be amended to include a projected Master of Arts in Psychology, with implementation planned for fall 2008; and be it further

RESOLVED, by the Board of Trustees of the California State University, that the academic plan degree projections for San Diego State University (as contained in Attachment A to Agenda Item 1 of the March 11-12, 2008 meeting of the Committee on Educational Policy) be amended to include a projected Master of Arts in Teaching, with implementation planned for fall 2008; and be it further

RESOLVED, by the Board of Trustees of the California State University, that the academic plan degree projections for California Polytechnic State University, San Luis Obispo (as contained in Attachment A to Agenda Item 1 of the March 11-12, 2008 meeting of the Committee on Educational Policy) be amended to include a projected Master of Arts in Biology, with implementation planned for fall 2008; and be it further

RESOLVED, by the Board of Trustees of the California State University, that the academic plan degree projections for Sonoma State University (as contained in Attachment A to Agenda Item 1 of the March 11-12, 2008 meeting of the Committee on Educational Policy) be amended to include a projected Bachelor of Arts with a major in Applied Statistics, with implementation planned for fall 2008.

Committee on Governmental Relations

Trustee Chandler reported the committee heard one information item, November 2008 Ballot Initiatives, and one action item as follows:

2007-2008 Legislative Report No. 11 (RGR 09-08-06)

Trustee Chandler 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 2007-08 Legislative Report No. 11 is adopted.

Committee of the Whole

Chair Bleich reported the committee heard one information item, Litigation Report.

Chair Bleich adjourned the meeting.