

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

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

July 17, 2012—4:00 p.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—David Allison*

Report of the Academic Senate CSU: *Chair—Diane Guerin*

Approval of Minutes of Board of Trustees' Meeting of May 9, 2012

Committee Reports

Committee on Collective Bargaining: *Chair—Lou Monville*

Committee on University and Faculty Personnel: *Chair—Kenneth Fong*

1. Executive Compensation

Committee on Governmental Relations: *Chair—Steven M. Glazer*

2. 2012 Initiatives

Committee on Institutional Advancement: *Chair—Roberta Achtenberg*

1. Naming of a Facility—Sonoma State University

Committee on Audit: *Chair—Henry Mendoza*

Committee on Campus Planning, Buildings and Grounds: *Chair—Peter Mehas*

1. Amend the 2012-2013 Capital Outlay Program, Non-State Funded
2. Amend the 2012-2013 Capital Outlay Program, State Funded
4. Approval of Schematic Plans

Committee on Finance: *Chair—William Hauck*

1. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments

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

1. Recommended Changes to Title 5, California Code of Regulations, Related to Bachelor of Arts Degree Requirements, Residence Requirements, and Special Sessions Credit
2. Recommended Changes to Title 5, California Code of Regulations, Related to Standard Requirements for Nursing Degree Programs

**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**

May 9, 2012

Trustees Present

Bob Linscheid, Chair
Bernadette Cheyne
Steven J. Dixon
Debra S. Farar
Margaret Fortune
Steven M. Glazer
William Hauck
Peter G. Mehas
Lou Monville
Charles B. Reed, Chancellor
Jillian L. Ruddell
Glen O. Toney
Tom Torlakson, Superintendent of Public Instruction

Chair Linscheid called the meeting to order.

Public Comment

The board heard from the following individuals: Mr. Ghassan Bisharat, professor, CSU Los Angeles spoke about complaints he has made at his campus; Mr. Russell Kilday-Hicks, vice president CSUEU spoke against privatization of the CSU; Joseph Dobzynski, vice president, CSUEU expressed concern about executive compensation and rising tuition costs for students; John Orr, vice chair, unit 7 bargaining council, CSUEU; expressed concern about executive compensation and the fact that staff has not received a pay increase for 5 years; Kim Geron, vice president CFA, expressed his support for those Students for Quality Education (SQE) who were on hunger strikes at various campuses; Donnie Besom, teaching assistant at CSU Long Beach and a member of SQE spoke against the privatization of the university; Mathew Delgado, SQE student, CSU Fullerton, talked about the hunger strike; John (no last name given), SQE student on hunger strike talked about the make-up of the board; David Inga, SQE student, CSU Fullerton, stated that he was on hunger strike; Natalie Dorado, SQE student, CSU San Bernardino, stated she was a part of the hunger strike and that the purpose of the strike was to call for a 5 year moratorium on tuition increases, elimination of car and housing allowances

for presidents, reverting administrators' salaries to 1999 levels and the extension of free speech to the entire campus; Nakia Brazier, SQE student, CSU Los Angeles, spoke about the budget cuts and called for the "democratization" of the board; Josh MacAvoy, SQE student at CSU Los Angeles called for a 5 year moratorium on tuition increases, elimination of car and housing allowances for presidents, reverting administrators' salaries to 1999 levels and the extension of free speech to the entire campus; Rich Anderson, president UAW, Local 4123, thanked the chancellor and the board for keeping the Cal Grant program for graduate students in place for this year but expressed his disappointment that Cal Grant cuts were still on the table for possible cuts in future years. He stated that the Cal Grant program is important to helping graduate students reach their goals and that cuts in the Cal Grant program were unacceptable.

Chair's Report

Chair Linscheid's complete report can be viewed online at the following URL:
<http://www.calstate.edu/BOT/chair-reports/may2012.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/120509.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 March 20, 2012 were approved.

Board of Trustees

Conferral of Title of Trustee Emeritus: Hebert L. Carter (RBOT 05-12-04)

Chair Linscheid moved the item; there was a second, The Board of Trustees approved the following resolution:

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

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.

Conferral of Title of Trustee Emeritus: Carol R. Chandler (RBOT 05-12-05)

Chair Linscheid moved the item; there was a second, The Board of Trustees approved the following resolution:

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.

Committee Reports

Committee on Committees

Trustee Hauck reported the committee heard three action items as follow:

Election of the Chair of the Board of Trustees for 2012-2013 (RCOC 05-12-01)

Trustee 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, on recommendation by the Committee on Committees, that the following officer is elected as chair for 2012-2013:

Chair: Bob Linscheid

Election of Vice Chair of the Board of Trustees for 2012-2013 (RCOC 05-12-02)

Trustee 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, on recommendation by the Committee on Committees, that the following officer is elected as vice chair for 2012-2013:

Vice Chair: Lou Monville

Committee Assignments for 2012-2013 (RCOC 05-12-03)

Trustee 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, on recommendation by the Committee on Committees that the following appointments be made to the Standing Committees for the 2012-2013 year:

AUDIT

Henry Mendoza, Chair
Linda Lang, Vice Chair
William Hauck
Steven M. Glazer
Glen O. Toney

COLLECTIVE BARGAINING

Lou Monville, Chair
Debra S. Farar, Vice Chair
Roberta Achtenberg
William Hauck
Linda Lang
Peter G. Mehas
Henry Mendoza

CAMPUS PLANNING, BUILDINGS AND GROUNDS

Peter G. Mehas, Chair
Margaret Fortune, Vice Chair
Kenneth Fong
William Hauck
Lou Monville
Jillian Ruddell
Glen O. Toney

EDUCATIONAL POLICY

Debra S. Farar, Chair
Peter G. Mehas, Vice Chair
Roberta Achtenberg
Bernadette Cheyne
Kenneth Fong
Margaret Fortune
Steven M. Glazer
William Hauck
Lou Monville
Jillian Ruddell
Glen O. Toney

INSTITUTIONAL ADVANCEMENT

Roberta Achtenberg, Chair
Kenneth Fong, Vice Chair
Bernadette Cheyne
Debra S. Farar
Margaret Fortune
Linda Lang
Peter G. Mehas
Jillian Ruddell

FINANCE

William Hauck, Chair
Linda A. Lang, Vice Chair
Roberta Achtenberg
Kenneth Fong
Margaret Fortune
Henry Mendoza
Lou Monville
Jillian Ruddell
Glen O. Toney
Steven M. Glazer

GOVERNMENTAL RELATIONS

Steven M. Glazer, Chair
Henry Mendoza, Vice Chair
Bernadette Cheyne
Debra S. Farar
William Hauck
Linda A. Lang
Peter G. Mehas
Lou Monville
Jillian Ruddell

ORGANIZATION AND RULES

Glen O. Toney, Chair
Roberta Achtenberg, Vice Chair
Debra S. Farar
Kenneth Fong
Margaret Fortune

UNIVERSITY AND FACULTY PERSONNEL

Kenneth Fong, Chair
Lou Monville, Vice Chair
Roberta Achtenberg
Bernadette Cheyne
Steven M. Glazer
William Hauck
Peter G. Mehas
Jillian Ruddell
Glen Toney

Committee on Collective Bargaining

Trustee Monville reported the committee adopted the California State University's initial bargaining proposals for successor contract bargaining with The Stationary Engineers and Trades in Bargaining Unit 10 at the Maritime Academy represented by the International Union of Operating Engineers (IUOE); and the Head Start Employees in Bargaining Unit 12 at San Francisco State represented by the California State Employees Union (CSUEU). The committee heard from CSUEU officers Pat Gantt, president; Russell Kilday-Hicks, vice president; Tessy Reese, unit 2 chair; and John Orr, Unit 7 chair. The committee also heard from Andy Merrifield, chair of CFA Bargaining Committee.

Committee on Organization and Rules

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

Schedule of the California State University Board of Trustees' Meetings, 2013 (ROR 05-12-02)

Trustee Toney moved the item, there was a second, the Board of Trustees approved the following resolution:

2013 Meeting Dates

January 22-23, 2013	Tuesday – Wednesday	Headquarters
March 19-20, 2013	Tuesday – Wednesday	Headquarters
May 21-22, 2013	Tuesday – Wednesday	Headquarters
July 23, 2013	Tuesday	Headquarters
September 24-25, 2013	Tuesday – Wednesday	Headquarters
November 5-6, 2013	Tuesday – Wednesday	Headquarters

Special Committee on Presidential Selection and Compensation Policy

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

Policy on Presidential Compensation (RSCPSC 05-12-02)

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 following is the presidential compensation policy of the California State University:

1. The goal of the CSU continues to be to attract, motivate, and retain the most highly qualified individuals to serve as faculty, staff, administrators, and executives, whose knowledge, experience, and contributions can advance the university's mission.
2. It is the continued intent of the Board of Trustees to compensate all CSU employees in a manner that is fair, reasonable, competitive, and fiscally prudent, in respect to the system budget and state funding.
3. To that end, the CSU will continue to evaluate competitive and fair compensation for all CSU employees based on periodic market comparison surveys.

4. In addition, the CSU will maintain and update annually a tiered list of CSU comparison institutions for Presidential compensation. The list will take into account location, enrollment, budget, percentage of students receiving Pell Grants, six year graduation rates, research funding, and such other subjects as from time to time be deemed appropriate. Presidential compensation will be guided with reference to the mean of the appropriate tier of comparison institutions, together with an individual candidate's reputation for national policy leadership and length and depth of executive experience.
5. Notwithstanding the presidential compensation criteria enumerated in item 4 (above) and until the Board of Trustees of the California State University reexamines this policy in 2014, when a presidential vacancy occurs, the successor president's base salary, paid with public funds, shall not exceed the previous incumbents pay. Salary compensation above the incumbent's base pay deemed necessary to retain the best leader shall be paid from foundations.

Committee on Governmental Relations

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

2011-2012 Legislative Report No. 9 (RGR 05-12-04)

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 2011-2012 Legislative Report No. 9 is adopted.

Committee on Institutional Advancement

Trustee Toney reported the committee heard one information item, Council for Advancement and Support of Education Awards and one action item as follows:

Naming of a Facility—California Polytechnic State University, San Luis Obispo (RIA 05-12-03)

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 Dairy Science building, at California Polytechnic State University, San Luis Obispo, be named the Leprino Foods Dairy Innovation Institute.

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 four action items as follow:

Amend the 2011-2012 Capital Outlay Program, Non-State Funded (RCPBG 05-12-04)

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 \$1,646,000 for preliminary plans, working drawings, and construction for the San Diego State University Aztrack and 600 Field Lighting project.

Amend the 2011-2012 Capital Outlay Program, State Funded (RCPBG 05-12-05)

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 state funded capital outlay program is amended to include \$1,638,000 for preliminary plans, working drawings, and construction for California State University, Sacramento, Folsom Hall Health Services project.

Draft State and Non-State Funded Five-Year Capital Improvement Program 2013-2014 through 2017-2018 (RCPBG 05-12-06)

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:

1. The Draft State and Non-State Funded Five-Year Capital Improvement Program 2013-2014 through 2017-2018 is approved.
2. The chancellor or his designee is requested to explore all reasonable funding methods available and communicate to the governor and the legislature the need to provide funds to develop the facilities necessary to deliver quality educational programs to serve all eligible students.
3. The chancellor or his designee is directed to return to the Board of Trustees for approval of the *final* State and Non-State Funded Five-Year Capital Improvement Program 2013-2014 through 2017-2018, including the 2013-2014 action-year request.

Approval of Schematic Plans (RCPBG 05-12-07)

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:

1. The Initial Study and Mitigated Negative Declaration have been prepared to address any potential significant environmental impacts, mitigation measures, comments and responses to comments associated with approval of the Taylor II Replacement Building, and all discretionary actions related thereto, as identified in the Final Initial Study and Mitigated Negative Declaration.
2. The Mitigated Negative Declaration 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 that the mitigated project as approved will not have a significant effect on the environment and the project will be constructed with the recommended mitigation measures, and the project will benefit the California State University.
4. The chancellor is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
5. The schematic plans for the California State University, Chico, Taylor II Replacement Building are approved at a project cost of \$58,281,000 at CCCI 5732.

Committee on Audit

Trustee Monville 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 Finance

Trustee Hauck reported the committee heard two information items, Report on the Support Budget 2012-2013 and 2013-2014 Fiscal Years; Revenue Enhancement and Cost Reduction Strategies; and two action items as follow:

Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments (RFIN 05-12-03)

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 resolutions presented in Agenda Item 3 of the Committee on Finance at the May 7-9, 2012, meeting of the CSU Board of Trustees for the project at San Diego State University, (San Diego Aztec Shops, Ltd.—University Towers Renovation) that authorize interim and permanent financing. The 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 a not-to-exceed amount of \$11,285,000 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 plan

Proposed Title 5 Revision: Dissolution of Auxiliary Organizations (RFIN 05-12-04)

Trustee 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 under Section 89030.1 of the Education Code, that Article 3, Section 42600 of Title 5 of the California Code of Regulations be amended as follows:

Title 5. Education
Division 5. Board of Trustees of the California State Universities
Chapter 1. California State University
Subchapter 6. Auxiliary Organizations
Article 3. Organization and Operation
§ 42600. Organization

- (a) An auxiliary organization which is not a corporation shall adopt a constitution and file a copy thereof with the Chancellor.
- (b) By ~~July~~ December ~~31, 1982~~ 2012, the articles of incorporation or constitution of an auxiliary organization shall contain a provision that upon dissolution of the organization, net assets, other than trust funds, shall be distributed to a successor approved by the president of the campus and by the ~~Board of Trustees~~ Chancellor.

NOTE: Authority cited: Sections 66600, 66600, 66606, 89030 and 89900, Education Code.
Reference: Section 89900, Education Code.

Committee on Educational Policy

Trustee Farar reported the committee heard five information items, Recommended Changes to Title 5, California Code of Regulations, Related to Bachelor of Arts Degree Requirements, Residence Requirements, and Special Sessions Credit, Recommended Changes to Title 5, California Code of Regulations, Related to Standard Requirements for Nursing Degree Programs, Teacher Preparation Program Evaluation, The California State University Louis Stokes Alliance for Minority Participation (LSAMP) Program, Update on SB 1440 the Student Transfer Achievement Reform (STAR) Act, and one action item as follows:

Academic Planning and Program Review (05-12-01)

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 amended projections to the Academic Plans for the California State University campuses (as contained in Attachment A to Agenda Item 1 of the May 7-9, 2012 meeting of the Committee on Educational Policy), be approved and accepted for addition to the CSU Academic Master Plan and as the basis for necessary facility planning; and be it further

RESOLVED, that those degree programs proposed to be included in campus Academic Plans be authorized for implementation, at approximately the dates indicated, subject in each instance to the chancellor's approval and confirmation that there exists sufficient societal need, student demand, feasibility, financial support, qualified faculty, facilities, and information resources sufficient to establish and maintain the programs; and be it further

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

The meeting was adjourned.