

AGENDA

COMMITTEE ON ORGANIZATION AND RULES

Meeting: **3:40 p.m., Tuesday, March 20, 2018**
 Glenn S. Dumke Auditorium

Thelma Meléndez de Santa Ana, Chair
Jane W. Carney, Vice Chair
Silas H. Abrego
Douglas Faigin
Lateefah Simon

- Consent**
1. Approval of Minutes of the Meeting of January 31, 2018, *Action*
 2. Approval of the California State University Board of Trustees' Meeting Dates for 2019, *Action*
 3. Approval of Proposed Revision of Standing Orders – Delegation of Capital Outlay Project Approval, Schematic Design Approval, and Financing Approval, *Action*

**MINUTES OF THE MEETING OF THE
COMMITTEE ON ORGANIZATION AND RULES**

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

January 31, 2018

Members Present

Silas H. Abrego
Jane W. Carney, Vice Chair
Rebecca D. Eisen, Chair of the Board
Douglas Faigin
Lateefah Simon
Timothy P. White, Chancellor

Trustee Jane Carney called the meeting to order.

Consent Agenda

The minutes of the September 20, 2017 meeting were approved as submitted.

Proposed California State University Board of Trustees' Meeting Dates for 2019

Trustee Carney presented agenda item 2 as a consent information item.

Revision of Standing Orders – Delegation of Capital Outlay Project Approval, Schematic Design Approval, and Financing Approval

The Revision of Standing Orders – Delegation of Capital Outlay Project Approval, Schematic Design Approval, and Financing Approval information item was presented. The item proposes a revision to the May 26, 2016 California State University Board of Trustees Standing Orders to increase authority delegated to the chancellor to approve capital outlay projects, approve schematic designs, and authorize debt financing from the current limit of \$5 million to \$40 million total project cost. Notwithstanding the authority delegated to the chancellor, any project with issues or concerns that should be brought to the attention of the board would be presented to the board for approval. This item will return in March for action.

Trustee Carney adjourned the meeting.

COMMITTEE ON ORGANIZATION AND RULES

Approval of the California State University Board of Trustees' Meeting Dates for 2019

Presentation By

Thelma Meléndez de Santa Ana
Committee Chair

Summary

The following schedule of the CSU Board of Trustees' meetings for 2019 is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that the following schedule of meetings for 2019 is adopted:

2019 Meeting Dates

January 22-23, 2019	Tuesday – Wednesday	Chancellor's Office
March 19-20, 2019	Tuesday – Wednesday	Chancellor's Office
May 21-22, 2019	Tuesday – Wednesday	Chancellor's Office
July 23-24, 2019	Tuesday – Wednesday	Chancellor's Office
September 24-25, 2019	Tuesday – Wednesday	Chancellor's Office
November 19-20, 2019	Tuesday – Wednesday	Chancellor's Office

COMMITTEE ON ORGANIZATION AND RULES

Approval of Proposed Revision of Standing Orders – Delegation of Capital Outlay Project Approval, Schematic Design Approval, and Financing Approval

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Elvyra F. San Juan
Assistant Vice Chancellor
Capital Planning, Design and Construction

Summary

This item presents a revision to the May 26, 2016 California State University Board of Trustees' Standing Orders to increase authority delegated to the chancellor to approve capital outlay project budgets, approve schematic designs, and authorize the issuance of debt financing for all parking structures, and also for projects of an estimated total project cost of up to \$40,000,000. This request is consistent with information item 3 presented at the January 29-31, 2018 meeting of the Committee on Organization and Rules. The proposed changes to the Standing Orders are noted in *italics* on page 1 of Attachment A.

Background

The Board of Trustees has statutory authority to approve the CSU budget, including the capital outlay program and its associated projects. The board annually approves the capital outlay program and the associated Five-Year Facilities Renewal and Capital Improvement Plan as part of the budget request to the state.

The Standing Orders delegate authority from the trustees to the chancellor and other officials in the CSU. The last significant amendment to the Standing Orders as they pertain to capital outlay projects was in May 2016, when the Board of Trustees increased the authorization to the chancellor to approve projects to be added to the capital outlay program and approve the schematic design of projects that are valued at \$5 million or less. The action was taken to reduce the number of small design projects coming forward to the trustees for approval. The chancellor had previously been delegated authority to approve schematic plans on all remodel and utilitarian projects, regardless of cost, unless the design is architecturally significant or the project has unavoidable significant environmental impacts. Examples of utilitarian projects include site development, utilities, outdoor

physical education facilities (excluding stadiums), interior remodels, minor additions, structural strengthening, heating and cooling facilities, landscape projects, and surface parking. Architecturally significant projects as determined by the campus master plan architect have been presented to the board for approval.

During the November 2017 Board of Trustees meeting the trustees requested that staff recommend a further increase in the level of authority delegated to the chancellor for the implementation of capital projects. This increase in delegation would reduce the number of projects presented to the board that are transactional in nature. Given the proposed \$40,000,000 project cost for determining delegation of authority to the chancellor, the authority to authorize the issuance of debt financing for projects is also being added to the delegation of authority to the chancellor. Notwithstanding the proposed increased in authority delegated to the chancellor, any project with issues or concerns will still be presented to the board of trustees for approval.

Proposed Increase in Authority

Consistent with the actions taken in 2016, this proposal clarifies the chancellor's delegation and reduces the number of smaller transactions brought forward to the board for approval. Any item that requires an Environmental Impact Report to comply with the California Environmental Quality Act (CEQA) will continue to come forward for trustee consideration and approval. The proposed changes to Standing Orders Section II (f) includes:

1. *Authorize the chancellor to approve the capital outlay budget and scope of projects with a value up to \$40 million.* Currently, all capital improvement projects with a proposed budget of more than \$5 million come forward to the trustees for approval. The chancellor is delegated authority to approve projects with an estimated value of \$656,000 to \$5 million.
2. *Authorize the chancellor to approve the schematic design of new buildings or additions with a value up to \$40 million and associated CEQA documents.* The chancellor, or designee, was previously authorized to approve the schematic design of new buildings or additions valued up to \$5 million.
3. *Authorize the chancellor to approve the schematic design of all new parking structures and associated CEQA documents.* The chancellor already has the authority to approve the schematic design of all remodel and utilitarian projects, regardless of cost, unless the design is architecturally significant or includes significant unavoidable environmental impacts. This includes projects such as parking lots, photovoltaic structures, central heating/cooling plants, exterior fields and related facilities, etc.

4. *Authorize the chancellor to authorize the sale and issuance of the Trustees of the California State University Systemwide Revenue Bonds, and/or the sale and issuance of related Systemwide Revenue Bond Anticipation Notes, and/or the issuance of related debt instruments for projects approved by the chancellor under delegated authority as outlined in 1-3 above.*

In order to keep the board informed of the results of the proposed delegation, a report on the approved projects will be provided to the board.

Recommendation

The following resolution is presented for approval:

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

1. The revised Standing Orders as presented in Attachment A for Agenda Item 3 of the March 19-21, 2018 meeting of the Committee on Organization and Rules are approved.
2. The reporting of all capital projects, schematic plans and financing approved by the chancellor under the new authority delegated by the Board of Trustees in the Standing Orders will be provided annually to the Board of Trustees.

Proposed changes to the Standing Orders are shown in ~~striketrough~~ for deletions and *italics* for added text. Only Sections I and II of the Standing Orders are included as no other changes to the remaining sections are proposed.

STANDING ORDERS OF THE BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

I. PURPOSE

The Standing Orders delegate authority from the Board of Trustees to the chancellor and others within the California State University.

II. DELEGATION TO THE CHANCELLOR

The chancellor is the chief executive officer of the California State University and has authority and responsibility to take whatever actions are necessary, consistent with trustee policy and applicable law, for the appropriate functioning of the institution, which includes:

- a. Establishment and oversight of all academic programs.
- b. Issuance of degrees.
- c. Operation of educational opportunity programs.
- d. Resolution of claims, settlement of litigation, and discharge from accountability.
- e. Establishment of policies and procedures for acquisition or sale of services, facilities, materials, goods, supplies, and equipment with the authority to sign agreements.
- f. Development and oversight of the budget, including the capital outlay program, approval of capital outlay project scope, budget, ~~and~~ schematic design, *and authorization of debt financing* for projects valued ~~at \$5 million~~ *up to \$40 million; or less*; and approval of schematic design *and authorization of debt financing* for all remodels, *parking structures* and utilitarian projects, regardless of cost, unless the ~~design is architecturally significant~~, *project requires an Environmental Impact Report* or includes significant unavoidable environmental impacts.
- g. Application, receipt, and oversight of grants and loans.
- h. Deposit, control, investment, and expenditure of funds.
- i. Establishment and oversight of campus fees; establishment, adjustment, and oversight of systemwide fees.
- j. Oversight of construction and authority to sign all construction documents.
- k. Purchase, sale, and exchange of any interest in or use of real property.
- l. Approval of minor changes to campus master plans.

Attachment A

O&R – Item 3

March 19-21, 2018

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- m. Appointment of personnel, development, and enforcement of personnel programs and discipline and termination of personnel.
- n. Appointments to various boards and committees.
- o. Development of a legislative program.
- p. Acceptance of gifts.
- q. Permission to use the name of the CSU.
- r. Performance of all acts necessary to qualify for and receive benefits from the federal government.
- s. Oversight of the systemwide advancement program.

This list is not inclusive, and is not intended to limit the necessary actions of the chancellor as the chief executive officer of the institution. The chancellor may delegate his or her authority to others within the California State University. The chancellor may issue executive orders as are necessary or convenient to the performance of his or her office.

The chancellor shall regularly report to the Board of Trustees concerning the performance of his or her functions.