Report to the ASCSU on the Meeting of the

Board of Trustees, March 20, 2012

Committee Meetings

During the discussion by the *Committee on Collective Bargaining,* several speakers in the audience representing different bargaining units spoke about the tentative agreement that had been reached with the SEIUEU.  In addition, a CFA speaker indicated "collective action" will be pursued "if and when" mediation fails.

The *Committee on Organization and Rules* discussed the proposed schedule of Board of Trustees for next year.

*Committee on University & Faculty Personnel*
 The compensation packages for the presidents of East Bay and Fullerton were discussed.  Trustee Glazer spoke in support of the presidents, but noted that other presidents, faculty, etc. have not received pay increases.  He indicated that, in isolation, the decision might be sound, but in context, the tone of shared sacrifice was important, and pay should be frozen.  Trustee Guzman agreed with Glazer.  Trustee Farar was disturbed about the change of heart since the January meeting, when the policy was adopted.  Trustee Actenberg noted that the CSU was at great risk without adequate executive compensation.  She noted that, in comparison to other institutions, they are inadequately compensated.  She was dismayed that they couldn't be paid more, and that the January Board policy limited the ability of the Board to pay them more.  Trustee Mehas expressed similar sentiments as Actenberg.  He pointed to the success President Hirshmann has had at SDSU.  He said the compensation was minuscule in relation to the total CSU budget, and the problem was more with perception than reality.  Another trustee (couldn't see name) indicated the salaries are within the policy and the Board should not micromanage.  Trustee Fortune gave an impassioned speech laying out all of the issues, in their context.  She thought the compensation level should not be at the upper end of the policy, that it should be no more than the level of the outgoing president.  Trustee Farar thought not approving the proposed compensation package would be allowing politics to influence voting.  Trustee Glazer pointed out that the policy says compensation should be "fiscally prudent" and "guided" by comparable institutions.  He refuted charges that his position was inconsistent with the policy.  Another trustee expressed dismay that the proposal was being questioned because those who came up with the proposal should be trusted and supported.  Trustee Monville pointed to the "return on investment" of presidents and aligned himself with Actenberg.  Trustees Glazer and Fortune voted against the proposal, and the other committee members voted in favor.

Gail Brooks showed a video and summarized the Strategic Vision and Goals of the Human Resources department, including the new Human Resources system that is being developed.  Reference was made to a new HR website called "Moving Forward"; a link will be provided to the Board.

Brooks also summarized an initiative to develop senior leaders, at the dean level and above, to assume greater responsibilities.  July 1, 2012 will be the launch.  Presidents will initiate conversations during performance reviews, and development plans will be instituted.  A coordinator at the Chancellor's Office will help implement.

*Committee on Governmental Relations*

Karen Yelverton Zamarripa provided a report to the Board.  Upwards of 1,900 bills were introduced by the deadline of February 24.  A summary of the written report to the Board was provided.  The following statements were made that do not appear in the report: 1.) there is a CFA-sponsored bill relating to audio/video presentation of Board meetings; 2) there are a couple of bills being considered that essentially re-constitute CPEC; 3) April 2-3 is The Capitol Goes to Campus effort,which asks legislative delegations to go to their local campus.

*Committee on Institutional Advancement*

Campus Advancement Goals, and measurement of meeting those goals, was discussed.  Garrett Ashley and his staff presented a powerpoint presentation that examined gift receipts/commitments and indicated a return on investment as follows: every $1 invested results in $6 raised.  The powerpoint presentation is attached to the email accompanying this report

A *Committee of the Whole* discussion of the General Counsel's Report took place.  Christine Helwick delivered a powerpoint presentation (attached to the email accompanying this report) which summarized the numbers of claims handled by the CSU.  Chancellor Reed mentioned that there were a few claims that open the Board up to a huge liability; one was the 2008 fee increase, and others relate to personal injury (e.g., one suit involving a child).

A *Campus Planning, Buildings and Grounds* powerpoint presentation summarized the status of the 2012-13 state funded capital outlay program.  It is attached to the email accompanying this report.

During the *Committee on Audit* discussion, s*tatus* reports on internal audits, as well as on corrective actions related to  last year's audit findings, were presented by Chancellor's Office staff.

After lunch, A "Working for California" brochure, a flyer and poster on "How to Get to College," and another flyer were distributed to Trustees; they were encouraged by the Chancellor to use them during visits and request additional copies if needed.

*Educational Policy Committee*

Executive Vice Chancellor Smith made some opening remarks recognizing a SJSU faculty member as well as an award received by SFSU.

Ken O'Donnell presented a powerpoint update on SB1440 focusing on curriculum, enrollment and messaging.  An "Area of Emphasis" notion (e.g., a "science" TMC, or "social science" TMC) may be pursued later, but emphasis now is on discrete disciplines.  Chair Postma distributed the link to this powerpoint presentation to the ASCSU in a separate email.

President Welty and Ruth Black made a powerpoint presentation summarizing CalState Online.  The presentation covered history and background, the 10 principles guiding the program, the initial focus of it, its emphasis on service (and the attendant RFP), and the launch timeline.  At the next meeting, the business plan will be presented to the Board.  Chair Postma distributed the link to this powerpoint presentation to the ASCSU in a separate email.

Gerry Hanley made a powerpoint presentation regarding digital textbooks and the new agreement brokered by the CSU. It is attached to the email accompanying this report.

*Committee on Finance*

Robert Turnage made a powerpoint presentation on the CSU Support Budget, which is attached to the email accompanying this report.  Ben Quillian summarized for the Board the impact of the $ 950 million in cuts suffered by the CSU  in the last 18 months.  "Unprecedented actions" are being considered.  Elimination of sports/athletics, decreased student loads, library resource limitations, elimination of low-enrollment academic programs, reorganization of units, enrollment and workforce reductions will all be considered.  A workforce reduction of over 3,000 employees via attrition, layoff, and elimination of faculty positions in eliminated programs will likely occur with the next trigger cut.  Turnage explained why planning and acting now is necessary in anticipation of trigger cuts.  Although admissions will be closed in Spring 2013, the SB1440 pathway will be open at 8 campuses disbursed throughout the state.  Trustee Glazer questioned what the Board's role is in enrollment management decisions, since the Board isn't being presented with options.  Chancellor Reed indicated he can bring alternatives back to the Board in May.  The key alternative likely includes increasing tuition, since enrollment and budget are related.  A one-time only financial aid shift might be one alternative brought back to the Board.  Chair Hauck alleged that the Board will not "stomach" increasing tuition, and two or three trustees nodded in agreement.

Robert Turnage informed the Board about the Governor's proposal to cut Cal-Grants.  Karen Y. Zamarripa announced a joint CSSA-CSU advocacy effort, consisting of bi-weekly meetings to strategize on this and other budget issues.

A bond for CSU Bakersfield student housing was discussed and passed, and the authority to distribute assets when an auxiliary is dissolved was presented as an information item.

Public comments (some speakers’ names were not easy to discern)

Pat Gant--in support of the ballot measure
Russell ?--made note of CSU public image problems
John ?--in support of Chico's violence in the workplace policy, including bullying
Lilian Taiz--brought to Board's attention a CFA white paper on for-profit institutions, that argues CSU is becoming one, especially with CalState Online; support for changes to Board make-up and ability of staffers to attend and cast votes; support for one fee, no matter what branch of CSU offers class
Susan Green--spoke about executive compensation issues
Donnie Bessom--student leader with "demands" to be met by May 1
Erica Flores--student leader with demands: no tuition increases for 5 years; no increases in executive compensation; extension of free speech areas to include entire campuses
Herret--tobacco free initiative supporter
Katie Magnuson--tobacco free initiative supporter
Kim ?--tobacco free initiative supporter
Kathy ?--tobacco free initiative supporter
Melanie ?--tobacco free initiative supporter
Micah Eeler--boycotts of hotels in Long Beach (Hyatt, Hilton) being ignored by CSU
Kayla ?--criticized a myriad of decisions by the Board; general dissatisfaction, not an identifiable focus--Board just doesn't "get it."
Leader of an interfaith campus ministry (CLUE)--critiqued Board use of Hyatt. Chancellor Reed indicated the CSU no longer has an agreement with the Hyatt.
Charlene McHale--tobacco free initiative supporter

Chancellor Reed noted that on Sept. 18, 2002 the Board delegated to the campuses the ability to set campus policy on smoking.

Chair's Report

Chair Hauck reiterated that there is no appetite on the Board to increase tuition.  He expressed profound disappointment regarding the failure of the legislature to confirm Herb Carter's appointment.  He indicated that critiques of the Board, the presidents, etc. are misdirected, and should be directed to the legislature.  He welcomed the two newest presidents, and recognized awards received by other presidents.  He recognized the award received by Chancellor Reed as well.

Trustee Cheyne recognized the letter written by three campus presidents on the issue of academic freedom and free speech.

Chancellor's Report

Chancellor Reed expressed his dismay regarding the legislature's failure to confirm Herb Carter, calling it "incomprehensible."  In terms of budget issues, the outlook is bleak, and planning for the worst-case scenario is under way.

The Alumni Council report was offered by President Heston.  Examples of outstanding contributions by alumni were offered, and advocacy efforts were summarized.

CSSA president Daniel Galvan gave a report on the activities of CSSA, most especially the group's advocacy efforts.

Jim Postma summarized the resolutions passed by ASCSU at its last meeting.  In addition, Postma previewed two resolutions coming in May: one on academic freedom, and one on regularizing communication with the Board with regard to follow-up.  Postma also acknowledged the progress made on the curricular side with respect to SB 1440.

Convening of the Board

The Board conferred Emeritus status on two presidents, and elected 5 members to its committee on committees.

The various committees presented their reports and their recommendations were ratified by the entire Board.  The only items in which the votes were not unanimous were the two executive compensation actions, where Trustee Guzman joined Glazer and Fortune in voting against the compensation packages.

It was noted that this may be the last Board meeting for Trustees Chandler and Guzman, who are up for ratification and may not receive it.