1. Chair’s Report
   a. Chair Guerin made the following announcements.
      i. Steven Stepanek was elected as the “Convener” of the Council of
         Campus Senate Chairs.
      ii. CSUN will be hosting a conference on CSU Futures (finance emphasis)
         on October 11th. Board members, presidents, provosts and elected
         officials will be in attendance. It will be held at the LAX Marriott.
   b. She referred to her written chair’s report.
   c. The Executive Committee and other senators met with Executive Director Ralph
      Wolff and Professor Jackie Donath from WASC yesterday afternoon. They are
      interested in receiving faculty feedback on the new WASC standards. Chair
      Guerin also encouraged senators to provide feedback on the new standards.
   d. The Board item on upper-division GE has been pulled. We expect a substitute
      item on high-unit majors to take its place on the agenda. (see reports below)
   e. Members of the Executive Committee are working on resolution follow-up,
      communications (including a newsletter), new student orientation.

2. Excerpts from Other Reports
   a. SB 1440 (Senator Postma)
      i. Referred us to his written report.
      ii. Reported on the meetings of the oversight committees.
      iii. Volunteered to be available to help campuses and individuals with any
           challenges they may be facing.
   b. Academic Affairs Committee
      i. Had liaison reports.
      ii. Reviewed the CO response to several resolutions.
      iii. Got an update on international programs.
      iv. Has three first reading items on the agenda.
   c. Academic Preparation and Education Programs Committee
      i. Reviewed the committee charge.
      ii. Received a number of liaison reports. They heard about a number of SB
          1440 issues, including the admissions preference. They are concerned
          that appropriate assessment be done for initiatives such as Early Start
          SB 1440, etc.
      iii. Early Start was discussed in depth.
      iv. “Surcharges” are being considered by the BOT for students for
          1. Taking more than 150 semester units / 225 quarter units.
          2. Taking more than 16 units per term.
          3. Repeating a course (first time repeat, $100 surcharge).
      v. Heard about the Greatness by Design curriculum standards.
   d. Faculty Affairs Committee
      i. Received a report on international programs.
      ii. CO HR is working on an FAQ for the pension reforms. They are also
          working on a workplace climate survey for faculty. They are developing a
          report on faculty hiring, compensation, separation, etc.
iii. Considered the new collective bargaining requirement.
iv. Followed up on resolutions from the committee passed last year.
v. Have a resolution on the selection of committee chairs.

e. **Fiscal & Governmental Affairs Committee**
   i. Received reports on developments/climate in Sacramento.
   ii. Will work on early advocacy this year.
   iii. There is a legislative report at the end of this report from our legislative specialist, Tom Krabacher.
   iv. Robert Turnage, AVC for Budget, gave a report on the budget climate. The BOT will have an item on sharing health care benefit costs. This will likely result in changes regardless of the outcome of Prop 30.
   v. Have resolutions on Prop 32 (paycheck protection) and the CSU budget.

f. **Cal State Online**
   i. Online education is here to stay. The faculty on the board is being listened to. Senators Guerin, Benavides, Postma and Ullman are on the board. Cal State Online has signed an agreement with Pearson to provide courses. It was felt that their pricing was straightforward and very competitive.
   ii. It is anticipated that the cost to undergraduate students will be about $400/unit or less.
   iii. The director is soliciting programs to be offered. It appears that there is some reluctance on the campuses, perhaps due to a lack of clarity about the benefits to the campus for participating.
   iv. The initiative is particularly interested in degree completion and graduate programs.
   v. Pearson has a proprietary learning management system that may pose problems for faculty currently using Blackboard or Moodle.

g. **Faculty Trustee Cheyne**
   i. The Board has spent a lot of time discussing budget options.
   ii. Six candidates for the Chancellor position have been interviewed.
   iii. Final interviews will take place on October 3rd. While the final interviews will be closed to the public, it is anticipated that constituencies other than the Board will be invited to participate.
   iv. She referred us to her written report from July.
      [http://www.calstate.edu/AcadSen/Records/Faculty_Trustee/documents/Faculty_Trustee_July_2012_Rept.pdf](http://www.calstate.edu/AcadSen/Records/Faculty_Trustee/documents/Faculty_Trustee_July_2012_Rept.pdf)
   v. The board is open to suggestions for new revenue sources.
   vi. Trustee Cheyne advocates taking a long-term view on fee increases. At this time she is opposed to the 3-tier fee proposal on the Board agenda.

h. **GE Advisory Committee**
   • Addressed action to resolve differences in admission requirements as described in different documents; many of these differences involve General Education and thus constitute the item as appropriate for GEAC.
   • Heard a report on the COMPASS project. There is a renewed focus on assessment and evaluation for COMPASS sponsored projects. There is intention to pursue a pilot efficiencies program with the CCC regarding a more efficient completion of GE.
   • Discussed the evidence we need regarding evaluation of the STATWAY pilot project.
• Are considering the use of C-ID descriptors to potential allow GE certification.
• Have task forces to examine online “oral communication” and “critical thinking.”
• Discussed the unlikely role of Massively Open Online Courses (MOOCs) re: GE certification and the nature of GE assignment for such courses based on the audience for the course.
• Spent an extensive amount of time addressing the proposed Board of Trustees item on Upper Division GE and its substitute commitment to 120 units. A letter from the GEAC chair to Chancellor Reed addressing process and content of the BOT item will be sent this evening.

3. On behalf of ASCSU, the Executive Committee passed the following urgent resolution during the summer after polling the body via e-mail. It was ratified unanimously at the meeting.
   a. **Support of Proposition 30 on the November Ballot: Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding** was passed due to the perceived need for increased public funding of higher education.

4. We passed the following resolutions without a second reading due to their time urgency. Copies of this and other resolutions can be found at [http://www.calstate.edu/AcadSen/Records/Resolutions/](http://www.calstate.edu/AcadSen/Records/Resolutions/).
   a. **Opposition to Proposition 32 Regarding Political Contributions by Payroll Deductions** is self-explanatory. It was felt by the majority that it was appropriate for the Senate to take a position on this proposition due to its potential impact on political voice and democratic participation.
   b. **Budget Reduction Strategies – Contingency Plan for $250m Trigger Budget Cut to the California State University (CSU)** urges the following steps be the first to be considered:
      i. One-time transfer of funds from continuing and/or extended education
      ii. Increase in system-wide administrative efficiencies
      iii. Increase of non-resident tuition fee supplement of 7%, effective Fall 2013
      iv. "Trigger on trigger": $150 per semester ($100 per quarter) tuition increase effective January 2013
      v. Modifications to the schedule of fees – i.e. graduation incentive fee, course repeat fee and third tier tuition fee
      vi. One-time resources
      and advises against further cuts to assigned time or shifting health care costs to employees.

5. We introduced several resolutions at the plenary. These will return as second reading items in November after being reviewed on the campuses.
   a. **ASCSU Support for the Substitution of CSU Board of Trustees’ Committee on Educational Policy’s Agenda Item 3** addresses the substitute Board item that focuses on bringing down the units in high unit majors.
b. **Support for An Executive Order on California State University (CSU) Systemwide Baccalaureate Nursing Policy** supports the proposed executive order addressing legal requirements for nursing programs.

c. **California State University Board of Trustees Proposed 2013-14 Support Budget** is self-explanatory.

d. **Selection of Committee Chairs** would amend our by-laws to have committee chairs elected by the standing committees immediately after our organizational meeting in May.

6. **Chancellor Charles Reed** began by reviewing developments over the summer. We have agreements with all but one small labor group (12 members). The Governor’s pension reform measure was crafted without much participation by constituent groups. The Chancellor believes it will be devastating to the CSU. It caps the benefit at $110k per year. Both administrators and faculty members will be adversely affected. This will pose particular problems in recruitment because retirement cannot be transferred to California. It will be extremely difficult to recruit executives from outside the state. While local agencies can set up their own retirement plans, they will have to fund it out of their operating budgets. The CA congressional delegation has been very supportive of the CSU. Rep. Miller was very helpful in preserving Pell grants. Congressional budget “sequestration” means across-the-board cuts for all items in the budget. Luckily, Pell grants and other federal education assistance programs will be exempt for the first year of sequestration but cuts in subsequent years could be catastrophic. The new SEIU contract prohibits hiring part-time workers. This is devastating for our many CSU, Sacramento students who normally work for state agencies on a part-time basis. President Obama’s education “Attainment” initiative has modeled a number of CSU initiatives. Cal State Online and the efforts on campuses should greatly help student access. Dr. Reed will be making a number of contingent recommendations to the Board next week. Without consultation, Sacramento keeps changing the budget picture for the CSU. We have to plan for multiple strategies depending upon what happens in November. We need to give parents and students sufficient notice of intended fee increases. There was even a class action lawsuit four years ago dealing with notice. Our potential liability could be $80m. We cannot risk giving insufficient notice, even if it means announcing plans on a contingent basis. If Prop 30 passes, we may need to refund $132m to students this year on the promise that our budget will be increased by the Governor by $125m per year in 2013-14 and in future years. This is not a good deal since the loss of tuition income also would continue in future years. Rebating tuition would be a logistical nightmare for us. Not only will we have to write checks but we would need to recover financial aid payments to these students. The UC is threatening to raise tuition 20%. If the initiative fails, our board is likely to approve a modest 5% tuition increase. However, it is unlikely we will be able to continue to have a financial aid set-aside from the increased revenue. The Board is adopting an approach of “shared responsibility” across CSU constituencies. We currently have a $320-325m structural deficit. If Prop 30 fails, we will have a $250m trigger cut. A 5% reduction in compensation was taken out of the contingency planning due to the persuasive arguments of Faculty Trustee Cheyne and others. We continue to have a large number of “super seniors” with more than 150 units. We need to graduate these students to make room for others. If the trigger cut takes place, we will place a surcharge on these students to give them and incentive to complete their degrees. Other states do this with a lower credit hour trigger. We have 40,000 seats
taken by students repeating courses. We will put a $100 surcharge on students repeating a course for the first time. We will put a $100/unit surcharge on students taking more than 16 units. These steps may also be taken if the trigger does not take place. They are good policy. Health care costs for the CSU are out of control. They are approaching $400m next year. This represents 12-14% of our budget. This is a long-term trend. The Chancellor and the Board are very interested in becoming more efficient, graduating students faster, and reducing impediments to graduation. The Chancellor is in favor of converting to semesters, as other universities are doing, and reducing engineering and other programs to 120 units. Our system saved $47m in August due to maintaining a bond rating better than California. Pending Federal Reserve actions, we will attempt to refinance outstanding debt at a lower rate. Cal Grant guidelines do not allow aid to students attending campuses with graduation rates below 30% to receive aid. We had to get a special exemption for two of our campuses this fall. In response to a question about CCSF: they are unwilling to revise how they do business. 94% of their operating budget is taking up in collective bargaining agreements. They have too many branch campuses. They have made poor policy decisions. The state may need to step in. The Maritime Academy will be exempted from the over-16-unit surcharge. When Chancellor Reed arrived, the state paid 80% of the cost of higher education and the students 20%. Now the state pays only 45% and the students 55%.

7. **President John Welty** joined us via teleconference to discuss Cal State Online. The graduate business fee would not apply since the graduate programs would not be offered via state support. (Much of what Dr. Welty covered was already addressed in the report above.) Intellectual property policies will apply on the campuses where the courses are developed. The board is discussing providing professional development and support to faculty wishing to develop new courses to be offered on Cal State Online. There has been a contract signed to provide marketing support.

8. **AVC Christine Mallon** discussed the revision of item 3 from the Committee on Educational Policy Board agenda. The focus on general education was changed to deal specifically with ways to reduce required units in programs currently requiring over 120 units. Mechanisms are provided for exceptions. The policy would apply to all concentrations and options. There was a suggestion that a faculty group be appointed to provide advice to the Chancellor on exceptions.

9. **AVC Karen Yelverton-Zamarripa** reminded us that the Board has taken a support position on Prop 30. State employees, while working, may educate and advocate but not “campaign.” Governmental Affairs is being careful not to cross that line. They are drafting editorials and working with campuses to coordinate local and intersegmental efforts. They are drafting educational materials and helping to educate people about the potential consequences of failure of passage but not telling people how they should vote. They are working with the students on advocacy. They are messaging on Facebook and Twitter. The student and unions can be even more forceful in their messages. They are working with alumni groups and encouraging them and local senates to take a support position.
10. **Andy Merrifield, CFA Liaison**, discussed the contract that was just ratified. We are in the process of implementing the entire contract. CFA has endorsed Prop 30 and Prop 32. CFA is happy to see the withdrawal of the u.d. GE items. It would have negatively impacted our students and perhaps cost faculty jobs. They look forward to working with ASCSU on similar issues. They are monitoring legislative developments to make sure that the CSU does not have to bear more of its health care costs. Trustee Cheyne invited Prof. Merrifield to share any ideas CFA might have regarding health care costs. In regards to a question on reopeners—each side can request a reopener negotiation. If both sides do not agree after all the statutory steps were completed, the status quo remains. The Chancellor’s Office cannot impose its “last best offer”. It appears that the Chancellor signaled a shift in strategy today by taking salary reductions off the list of options being considered. In response to a question about CFA’s role in AB 2123 (service as an RTP factor): when CFA was made aware of the bill, they contacted ASCSU leadership. They supported the bill but did not sponsor nor author the bill. Jim Postma opined that the current version of the bill is compatible with current CSU policies and practices.

11. **CSSA Liaison Jonathon Bolin** indicated that there was leadership training during the summer including over 250 students. CSSA-sponsored AB 970 (6 month waiting period before tuition can be raised) has been passed and is awaiting the Governor’s signature. CSSA will be meeting at CSU, Fullerton this weekend for their normal board meeting. They will also be considering their 2012-13 policy agenda. [http://www.csustudents.org/publicresources/agendas/agenda_0912/Agenda_Sept-2012.pdf](http://www.csustudents.org/publicresources/agendas/agenda_0912/Agenda_Sept-2012.pdf) Jonathan reported on efforts to reach out to all students, to lobby in Sacramento, etc. He urged faculty to support the CSSA voter registration drive. They are discussing funding of CSSA, including a semester $1 fee.

12. **ERFA Liaison William Blischke** reported that ERFA monitors developments in Sacramento and helps members with benefit issues, including long-term care. ERFA leaders attend important meetings, including CalPERS meetings. They are supporting Prop 30 and opposing Prop 32. Their next meeting will be October 27th at CSUDH. They have begun meeting with CO staff. AVC Ron Vogel has been a major contact. You may see their newsletter at [http://www.csuerfa.org/news-views.html](http://www.csuerfa.org/news-views.html)
With the end of the recent California legislative session at the end of August, the following table provides a summary of the final disposition of Senate and Assembly bills that were of interest to the ASCSU during 2011-2012.

<table>
<thead>
<tr>
<th>Bill</th>
<th>Topic</th>
<th>ASCSU action</th>
<th>Disposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB 645 (Davis)</td>
<td><em>Ethnic studies grad requirement</em></td>
<td>Opposed</td>
<td>Died in committee</td>
</tr>
<tr>
<td>AB 970 (Fong)</td>
<td><em>System-wide Fees</em></td>
<td>Opposed AS-3066-12</td>
<td>Sent to governor, awaiting decision</td>
</tr>
<tr>
<td>AB 1561 (Hernandez)</td>
<td><em>Presidential compensation</em></td>
<td>Opposed AS-3055-12</td>
<td>Died in committee</td>
</tr>
<tr>
<td>AB 1564 (Lara)</td>
<td><em>Mandatory abuse reporting</em></td>
<td>Intent to oppose</td>
<td>Withdrawn</td>
</tr>
<tr>
<td>AB 2132 (Lara)</td>
<td><em>Post-secondary tenure criteria</em></td>
<td>Did not oppose but discussed leg. staff</td>
<td>Sent to governor, awaiting decision</td>
</tr>
<tr>
<td>AB 2471 (Lara)</td>
<td><em>eTextbook requirements</em></td>
<td>No action</td>
<td>Died – held under submission</td>
</tr>
<tr>
<td>SB 952 Alquist)</td>
<td><em>Presidential/executive compensation</em></td>
<td>Opposed AS-3055-12</td>
<td>Died in committee</td>
</tr>
<tr>
<td>SB 967 (Yee)</td>
<td><em>Presidential compensation</em></td>
<td>Opposed AS-3055-12</td>
<td>Died in committee</td>
</tr>
<tr>
<td>SB 721 (Lowenthal)</td>
<td><em>Preservation of CPEC data</em></td>
<td>No action, but of interest</td>
<td>Sent to governor, awaiting decision</td>
</tr>
<tr>
<td>SB 1052 (Steinberg)</td>
<td><em>Open-source e-texts, development of</em></td>
<td>Took no position, but consulted with author</td>
<td>Sent to governor, awaiting decision</td>
</tr>
<tr>
<td>SB 1053 (Steinberg)</td>
<td><em>Open-source e-texts, clearing house for</em></td>
<td>Took no position, but consulted with author</td>
<td>Sent to governor, awaiting decision</td>
</tr>
</tbody>
</table>

The Governor has until September 30th to sign or veto those bills that have passed out of both houses (i.e., been “enrolled and enabled”). As of 9/11/12, no he has taken no action on on any of the bills sent to him that appear on this list above.