

AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: **4:30 p.m., Tuesday, November 14, 2005**
 Glenn S. Dumke Auditorium

Debra S. Farar, Chair
A. Robert Linscheid, Vice Chair
Jeffrey L. Bleich
Kenneth Fong
George G. Gowgani
William Hauck
Raymond W. Holdsworth
Craig R. Smith
Glen O. Toney

Consent Items

Approval of Minutes of Meeting of September 19, 2006

Discussion Items

1. Provisions for Transition of Executives, *Action*

**MINUTES OF MEETING OF
COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL**

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

September 19, 2006

Members Present

Debra S. Farar, Chair
A. Robert Linscheid, Vice Chair
Roberta Achtenberg, Chair of the Board
Jeffrey L. Bleich
Kenneth Fong
George G. Gowgani
William Hauck
Raymond W. Holdsworth
Charles B. Reed, Chancellor
Craig R. Smith
Glen O. Toney

Chair Debra Farar called the meeting to order.

The minutes of July 18, 2006 were approved as submitted.

Chair Farar introduced an informational item on executive compensation. Dr. Farar emphasized that executive compensation policies have been adopted by the board in public sessions and adhered to in practice.

Chancellor Reed affirmed his commitment to transparency in all executive compensation matters including the Trustee Professor and Executive Transition programs. He welcomed suggestions about policies, practices and communications.

Vice Chancellor McClain introduced Mr. Bob Miller, Principal of Mercer Consulting, who presented Mercer's latest compensation report completed in December 2005. He also discussed the customary practices of executive transition programs.

Chair Farar thanked everyone for the discussion and suggestions. Chair Farar adjourned the committee.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Provisions for Transition of Executives

Presentation By

Charles B. Reed
Chancellor

Jackie R. McClain
Vice Chancellor
Human Resources

Introduction

On November 18, 1981, the Board of Trustees adopted the Trustee Professorship Program. There are six remaining executives (see attachment) who were grandfathered and continue to be eligible for the Trustee Professorship Program.

On November 18, 1992, the Board of Trustees established the Executive Transition Program which enabled the university to continue to profit from an executive's accumulated experience and insights after the executive resigned. Through this program, former executives have been given the opportunity to instruct in the classroom or perform highly specialized duties specific to their expertise to the benefit of the university. Currently, there are 22 executives (see attachment) eligible for participation in the Executive Transition Program and they shall be grandfathered into the existing program. No additional executives shall enter this program.

It is recommended that the Board of Trustees adopt a new program which is significantly narrower and which has more rigorous requirements for participation. This program shall be called Executive Transition II. This program shall not be available to any executive who retires or who accepts non-CSU employment.

Transition II Program

For those individuals appointed as chancellor, executive vice chancellor, vice chancellor, general counsel, or president, hired after November 15, 2006, Transition II will provide a period of transition for executives who separate from their executive position in order to assume other identified CSU employment.

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Eligibility

To be eligible for a transitional program, the executive must:

1. Have served 5 years in an executive position at the California State University (CSU);
2. Be in good standing at the commencement of the program;
3. Have previously identified a position in the CSU to return to upon completion of the transitional program; and
4. Not accept non-CSU employment.

Terms of Transition

Upon notification to the chancellor of the intent to resign the executive position, the chancellor shall negotiate the terms of the transition program. In the case of the resignation of the chancellor, the chair of the Board of Trustees shall negotiate the terms of the transition program on behalf of the Board of Trustees.

The items to be negotiated shall include:

1. Dates of origination and termination;
2. Specific duties and assigned locations; and
3. Compensation and support.

Termination of Transition

If the executive becomes unable to perform the negotiated duties of the transition or should he/she accept non-CSU employment during the term of the transition period, the transition program shall immediately terminate and the executive shall be due no further compensation.

Should the executive and the chancellor (or the chancellor and the chair in the case of the chancellor's resignation) fail to reach agreement on a transition program, there shall be neither a right to any such program nor any right to appeal to the Board of Trustees to obtain such a program.

Communications

The Chancellor shall provide each Trustee with a copy of the final written agreement for each participant in the Trustee Professor, Executive Transition or this transition program.

Following the signing of an individual plan in any transition program, the plan shall be scheduled for discussion as an information item on the agenda of the Committee on University and Faculty Personnel.

Annually in March, the Chancellor shall report on all existing individual transition programs in the open meeting of the Board of Trustees.

The following resolution is recommended for approval:

RESOLVED, By the Board of Trustees of the California State University, that the following provisions shall be effective November 15, 2006. Executives hired prior to November 15, 2006 shall be subject to the Trustee Professorship or the prior Executive Transition Program as indicated on the attached list. Upon mutual agreement of the individual and the Chancellor, these individuals may instead participate in the post November 15, 2006 plan. Executives hired on or after November 15, 2006 will be subject to the new provisions; and be it further

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

- To be eligible for a transitional program, the executive must:
 - have served 5 years in an executive position at the California State University (CSU);
 - be in good standing at the commencement of the program;
 - have previously identified a position in the CSU to return to upon completion of the transitional program, and
 - not accept non-CSU employment.
- Upon notification to the chancellor of the intent to resign the executive position, the chancellor shall negotiate the terms of the transition program which shall include: dates of origination and termination; specific duties and assigned locations; compensation and support. In the case of the resignation of the chancellor, the chair of the Board of Trustees shall negotiate the terms of the transition program on behalf of the Board; and be it further

RESOLVED, By the Board of Trustees of the California State University, that, if the executive and the chancellor (or chancellor and the chair, in the case of the chancellor's resignation) fail to reach agreement on a transition program, there shall be neither a right to any such program nor any right to appeal to the Board of Trustees to obtain such a program, and be it further

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RESOLVED, By the Board of Trustees of the California State University, that, following the signing of an individual plan, the chancellor shall provide each Trustee with a copy of the final written agreement for each participant in any transition program. The executive's plan shall be scheduled for discussion as an information item and placed on the agenda for the Committee on University and Faculty Personnel; and be it further

RESOLVED, By the Board of Trustees of the California State University, that annually, in March, the chancellor shall report on all existing individual transition programs in the open meeting of the Board of Trustees.

EXECUTIVE COMPENSATION
EXECUTIVE TRANSITION
AND
TRUSTEE PROFESSOR PROGRAMS

Trustee Professor Program

- Eligible Executives
 - Dr. Ruben Armiñana, Dr. Warren J. Baker, Dr. Robert A. Corrigan, Dr. Milton A. Gordon, Dr. James M. Rosser, Dr. John D. Welty

Executive Transition Program

- Eligible Presidents
 - Dr. F. King Alexander, Dr. William Eisenhardt, Dr. Alexander Gonzalez, Dr. Dianne Harrison, Dr. Karen Haynes, Dr. Jolene Koester, Dr. Albert K. Karnig, Mr. Don W. Kassing, Dr. James E. Lyons, Dr. Horace Mitchell, Dr. J. Michael Ortiz, Dr. Mohammad Qayoumi, Dr. Rollin C. Richmond, Dr. Richard Rush, Dr. Hamid Shirvani, Dr. Stephen Weber, Dr. Paul Zingg
- Eligible System Executives
 - Dr. Charles B. Reed, Dr. Gary Reichard, Mr. Richard West, Ms. Christine Helwick, Ms. Jackie McClain