

AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: 4:50 p.m., Tuesday, January 25, 2011
Glenn S. Dumke Auditorium

George G. Gowgani, Chair
Glen O. Toney, Vice Chair
Roberta Achtenberg
Debra S. Farar
Kenneth Fong
Margaret Fortune
Raymond W. Holdsworth
Peter G. Mehas

Consent Items

Approval of Minutes of Meeting of September 21, 2010

Discussion Items

1. Executive Compensation: California Polytechnic State University, San Luis Obispo President, *Action*

**MINUTES OF THE 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 21, 2010

Members Present

George G. Gowgani, Chair
Roberta Achtenberg
Debra S. Farar
Kenneth Fong
Margaret Fortune
Raymond W. Holdsworth, Jr.
Peter G. Mehas
Charles B. Reed, Chancellor
Herbert L. Carter, Chair of the Board

Chair Gowgani called the meeting to order.

Approval of Minutes

The minutes of July 13, 2010, were approved as submitted.

Annual Updates

In accordance with direction from the trustees requiring annual reports on vice presidential compensation, executive relocation expenses and executive transitions, Chancellor Charles Reed presented three information items.

The annual report on vice presidential compensation was provided as an attachment to Item 1. Chancellor Reed reminded the trustees that in January 2008 he was directed to approve all recommendations for vice president compensation. He reported that 18 vacancies were filled at either slightly less compensation or slightly over and the overall outcome resulted in a salary savings. In addition, one employee received a promotion due to reorganization, and two employees received equity increases. He also noted that any supplemental compensation is paid with non-state funds.

Chancellor Reed commented that he had been asked about faculty compensation and indicated that in 2008-2009 and 2009-2010, 743 faculty received \$4.4 million and 746 faculty received \$4.6 million, respectively, as a result of promotions. Approximately 20 percent received greater than a 7.5 percent increase in their promotion.

The annual report on executive relocation was presented by Chancellor Reed in Item 2. He reported that relocation expenses were being provided for one executive as noted in the information item and that expenses had been slightly underestimated.

Chancellor Reed presented the annual update on individuals in an executive transition program. He reported that one individual continues as a trustee professor, Dr. Barry Munitz at California State University, Los Angeles. He also reported that when Dr. Jeri Echeverria and Dr. Jon Whitmore left their executive positions, neither was eligible to participate in a transition program.

Chancellor Reed continued with an update on the transition of Dr. Warren Baker. He reported that Dr. Baker retired and did not take the rights of a trustee professor. He explained that he asked Dr. Baker to assist him for no more than two years at a salary less than what the trustee professorship would cost. Dr. Baker will assist in the areas of science, technology and engineering (STEM), the Gates Foundation grant, the California MESA program, the U.S.-Mexico Science Foundation, and the California Council on Science and Technology where he represents the university.

Human Resources Strategic Vision and Goals

Chair Gowgani introduced Ms. Gail Brooks, vice chancellor of human resources, to present an overview of Item 4.

Ms. Brooks indicated that rather than repeating the information provided in the agenda item, her presentation would focus on the motivation and process behind it. She stated that the vision and goals came out of a series of discussions with stakeholders over the past three years and was developed with the conviction that the CSU's mission is shared by everyone who works for the CSU and its success depends on the talent and dedicated work of all.

Ms. Brooks went through a brief PowerPoint slide presentation that provided an overview of CSU's demographics. (The slide presentation was provided as a handout.)

Commenting on why a strategic vision and goals are being introduced at this time, Ms. Brooks noted the desire to create a positive employee-focused roadmap that will help the CSU move forward in light of the severe economic challenges being faced. She also indicated that this provides an opportunity to make decisions that support the CSU's mission; it recognizes the contributions of employees and human resources departments throughout the system; and it provides opportunities to work with campus colleagues to share practices.

She explained the process that led to this strategic vision and goals began when the university was engaged in "Access to Excellence." A preliminary version was presented to constituent groups within the university and their input was used to create a white paper, which is provided as Attachment B. Feedback was also sought as key outcomes and measures were developed to monitor progress. The intent was to identify meaningful outcomes that could be accomplished without significant financial investment.

Ms. Brooks noted her expectation to be that the system will collaborate and work together in support of the strategic vision and goals. She stated that the vision and goals are a statement of what is being strived for, not necessarily where we are today. Several benefits of pursuing the vision were noted: greater engagement and a better experience for employees, better use of resources and ultimately, a better experience for students.

Ms. Brooks introduced Dr. Margaret Merryfield, senior director of academic human resources, to provide an overview of the plan's measures moving forward.

Dr. Merryfield began by commenting on the broad nature of the strategic goals and the intent to provide campuses with the flexibility to identify their own needs and priorities. She indicated that when identifying key outcomes and measures, the aim was not to create impossible tasks, but to consider universal applicability, achievability, and the opportunity to partner with campuses and to build on existing successes, all while being mindful of the fiscal climate. Dr. Merryfield proceeded to highlight the outcomes and measures listed in Attachment C.

Ms. Brooks continued the presentation stating she would ask each president to identify an individual who will assume accountability for coordinating and implementing the CSU-wide activities. She indicated that in these uncertain times there is no guarantee all goals will be reached, however, she is committed to giving it our best effort.

Ms. Brooks concluded by expressing her appreciation to the chancellor, the presidents, the trustees, faculty and staff who have offered advice and support during the development process.

Trustee Achtenberg commended Ms. Brooks and her staff on such a comprehensive and positive approach to human resources. She indicated that while there is not always compensation to offer our employees, offering them a structured, sound management approach that contributes to improving their work experience and ultimately the student experience, is very heartening.

Chair Carter also expressed his satisfaction and commended Ms. Brooks stating that it was a clear follow-up to the efforts that went into developing Access to Excellence. He acknowledged an understanding that there will be some things that can and cannot be achieved due to resources. Chair Carter indicated that he looked forward to reports on progress made each year and urged continued collaboration with all constituents in the system.

Trustee Monville thanked Ms. Brooks and followed-up on a point made by Pat Gantt in an earlier conversation, that we ensure future revisions of the report focus on retention of faculty and staff.

Chair Gowgani adjourned the Committee on University and Faculty Personnel.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

**Executive Compensation: California Polytechnic State University, San Luis Obispo
President**

Presentation By

Charles B. Reed
Chancellor

Summary

This item sets compensation for the recently appointed president of California Polytechnic State University, San Luis Obispo.

Executive Compensation

This item recommends that Dr. Jeffrey D. Armstrong receive an annual salary of \$350,000 and an annual housing allowance or a university provided residence effective February 1, 2011, his starting date as president of California Polytechnic State University, San Luis Obispo. Additionally, Dr. Armstrong will receive an annual supplement of \$30,000 from Cal Poly Foundation sources.

In accord with existing policy of the California State University, Dr. Armstrong will receive the following benefits:

- Reimbursement for actual, necessary and reasonable travel and relocation expenses in accordance with CSU policy at an amount to be authorized by the chancellor.
- Relocation of household goods and property from Okemos, Michigan, to California, an amount authorized by the chancellor. The university will provide temporary storage for Dr. Armstrong's household furnishings and goods for 60 days, with the understanding that the chancellor may extend the storage period for an additional 30 days if necessary.
- Reimbursement for brokerage commissions, escrow fees, prepayment penalties, recording fee, grantor's taxes and expenses incurred in the selling of the family residence in Michigan, an amount authorized by the chancellor.
- Temporary housing will be provided by the university for 60 days, and may be extended up to 30 additional days by the chancellor, if necessary, to allow Dr. Armstrong time to secure and occupy a permanent residence.

- Choice of a university-provided vehicle or a vehicle allowance of \$1,000 per month.
- Standard benefit provisions afforded CSU executive classification employees.
- A transition program for university presidents, provided that Dr. Armstrong meets the eligibility requirements described in the Trustees' resolution of November 15, 2006.

Dr. Armstrong will be eligible for appointment as professor of animal science with tenure at the discretion of appropriate faculty bodies of Cal Poly San Luis Obispo.

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that Dr. Jeffrey D. Armstrong shall receive a salary set at the annual rate of \$350,000 and a housing allowance or a university provided residence effective February 1, 2011, the date of his appointment as president of California Polytechnic State University, San Luis Obispo. Dr. Armstrong will also receive an annual supplement of \$30,000 from Cal Poly Foundation sources; and be it further

RESOLVED, Dr. Armstrong shall receive additional benefits as cited in Agenda Item 1 of the Committee on University and Faculty Personnel at the January 25-26, 2011 meeting.