

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY
California State University
Office of the Chancellor
401 Golden Shore
Long Beach, CA 90802

AGENDA
May 20-22, 2013

Long Beach, CA 90802

Time*	Committee	Place
<u>Monday, May 20, 2013</u>		
7:30 a.m.	Board of Trustees – Closed Session Executive Personnel Matters Government Code 11126 (a)(1)	Long Beach Hilton
<u>Tuesday, May 21, 2013</u>		
8:00 a.m.	Board of Trustees – Closed Session Executive Personnel Matters Government Code 11126 (a)(1)	Munitz Conference Room
9:00 a.m.	Committee on Collective Bargaining—Closed Session Government Code Section 3596[d]	Munitz Conference Room
10:00 a.m.	Committee on Collective Bargaining—Open Session 1. Adoption of Initial Proposals for Successor Contract Negotiations with Bargaining Unit 11 (United Auto Workers), <i>Action</i>	Dumke Auditorium
10:30 a.m.	Committee on Organization and Rules 1. Schedule of California State University Board of Trustees’ Meetings, 2014, <i>Action</i>	Dumke Auditorium
10:35 a.m.	Committee on Audit 1. Status Report on Current and Follow-Up Internal Audit Assignments, <i>Information</i>	Dumke Auditorium
11:00 a.m.	Committee on Governmental Relations 1. Legislative Update, <i>Information</i>	Dumke Auditorium

*The Board of Trustees is a public body, and members of the public have a right to attend and participate in its meetings. This schedule of meetings is established as a best approximation of how long each scheduled meeting will take to complete its business. Each meeting will be taken in sequence, except in unusual circumstances. Depending on the length of the discussions, which are not possible to predict with precision in advance, the scheduled meeting times indicated may vary widely. The public is advised to take this uncertainty into account in planning to attend any meeting listed on this schedule.

- 11:30 a.m. Committee on Campus Planning, Buildings and Grounds Dumke Auditorium**
1. Amend the 2012-2013 Capital Outlay Program, Non-state Funded, *Action*
 2. Status Report on the 2013-2014 State Funded Capital Outlay Program, *Information*
 3. Draft State and Non-State Funded Five-Year Capital Improvement Program 2014-2015 through 2018-2019, *Action*
 4. Approval of Schematic Plans, *Action*
- 12:30 p.m. Luncheon**
- 1:00 p.m. Committee on Institutional Advancement Dumke Auditorium**
1. Naming of an Academic Entity – San José State University, *Action*
 2. Alumni Attitudes Study, *Information*
- 1:45 p.m. Committee on Finance Dumke Auditorium**
1. Report on the 2013-2014 Support Budget and Multi-year Funding/Performance Plan, *Information*
 2. Granada State University House—Major Repairs and Funding Plan, *Action*
 3. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for a Project, *Action*
- 2:45 p.m. Committee on University and Faculty Personnel Dumke Auditorium**
1. Chancellor’s Doctoral Incentive Program Update – 25th Anniversary, *Information*
- 3:15 p.m. Committee on Educational Policy Dumke Auditorium**
1. Solution Strategies for Enrollment Bottlenecks and Student Success, *Information*
 2. Update on SB 1440: Student Transfer Achievement Reform Act, *Information*
 3. Amendment to the Constitution of the Academic Senate California State University to Include a Statement Upholding Academic Freedom, *Action*
 4. The ‘Campus as a Living Lab’ Initiative, *Information*

Wednesday, May 22, 2013

- 8:00 a.m. Committee on Educational Policy Dumke Auditorium**
1. Solution Strategies for Enrollment Bottlenecks and Student Success, *Information*
 2. Update on SB 1440: Student Transfer Achievement Reform Act, *Information*
 3. Amendment to the Constitution of the Academic Senate California State University to Include a Statement Upholding Academic Freedom, *Action*
 4. The ‘Campus as a Living Lab’ Initiative, *Information*

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8:30 a.m. Board of Trustees

Dumke Auditorium

Call to Order and Roll Call

Public Comment

Chair's Report

Chancellor's Report

Report of the Academic Senate CSU: *Chair—Diana Guerin*

Report of the California State University Alumni Council: *President—Guy Heston*

Report of the California State Student Association: *President—David Allison*

Approval of Minutes of Board of Trustees' Meeting of March 20, 2013

Board of Trustees

1. Conferral of Title of Trustee Emeritus on Glen O. Toney, *Action*
2. Conferral of Title of Trustee Emeritus on Kenneth Fong, *Action*

Committee Reports

Committee on Committees: *Chair—William Hauck*

1. Election of the Chair and Vice Chair of the Board of Trustees for 2013-2014
2. Committee Assignments for 2013-2014

Committee on Collective Bargaining: *Chair—Lou Monville*

Committee on Organization and Rules: *Chair—Roberta Achtenberg*

1. Schedule of California State University Board of Trustees' Meetings, 2014

Committee on Audit: *Chair—Henry Mendoza*

Committee on Governmental Relations: *Chair—Steven M. Glazer*

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Committee on Campus Planning, Buildings and Grounds: *Chair—Peter Mehas*

1. Amend the 2012-2013 Capital Outlay Program, Non-state Funded
3. Draft State and Non-State Funded Five-Year Capital Improvement Program 2014-2015 through 2018-2019
4. Approval of Schematic Plans

Committee on Institutional Advancement: *Chair—Roberta Achtenberg*

1. Naming of an Academic Entity – San José State University

Committee on Finance: *Chair—William Hauck*

2. Granada State University House—Major Repairs and Funding Plan
3. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for a Project

Committee on Educational Policy: *Chair—Debra S. Farar*

1. Amendment to the Constitution of the Academic Senate California State University to Include a Statement Upholding Academic Freedom

Committee on University and Faculty Personnel: *Chair—Lou Monville*

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Addressing the Board of Trustees

Members of the public are welcome to address agenda items that come before standing and special meetings of the board, and the board meeting. Comments should pertain to the agenda or university-related matters and not to specific issues that are the subject of collective bargaining, individual grievances or appeals, or litigation. Written comments are also welcome and will be distributed to the members of the board. The purpose of public comments is to provide information to the board, and not to evoke an exchange with board members. Questions that board members may have resulting from public comments will be referred to appropriate staff for response.

Members of the public wishing to speak must provide written or electronic notice to the Trustee Secretariat two working days before the committee or board meeting at which they desire to speak. The notice should state the subject of the intended presentation. An opportunity to speak before the board on items that are on a committee agenda will only be provided where an opportunity was not available at that committee, or where the item was substantively changed by the committee.

In fairness to all speakers who wish to speak, and to allow the committees and Board to hear from as many speakers as possible, while at the same time conducting the public business of their meetings within the time available, the committee or board chair will determine and announce reasonable restrictions upon the time for each speaker, and may ask multiple speakers on the same topic to limit their presentations. In most instances, speakers will be limited to no more than three minutes. The totality of time allotted for public comment at the board meeting will be 30 minutes, and speakers will be scheduled for appropriate time in accord with the numbers that sign up. Speakers are requested to make the best use of the public comment opportunity and to follow the rules established.

Note: Anyone wishing to address the trustees who needs any special accommodation, should contact the Trustee Secretariat at least 48 hours in advance of the meeting so appropriate arrangements can be made.

Trustee Secretariat
Office of the Chancellor
401 Golden Shore, Suite 620
Long Beach, CA 90802
Phone: 562-951-4022
Fax: 562-951-4949
E-mail: lhernandez@calstate.edu

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AGENDA

COMMITTEE ON COLLECTIVE BARGAINING

Meeting: 9:00 a.m., Tuesday, May 21, 2013
Munitz Conference Room—Closed Session

10:00 a.m., Tuesday, May 21, 2013
Glenn S. Dumke Auditorium—Open Session

Lou Monville, Chair
Debra S. Farar, Vice Chair
Roberta Achtenberg
William Hauck
Peter G. Mehas
Henry Mendoza

Closed Session – Munitz Conference Room
(Government Code Section 3596[d])

Open Session – Glenn S. Dumke Auditorium

Consent Items

Approval of Minutes of Meeting of March 19, 2013

Discussion Items

1. Adoption of Initial Proposals for Successor Contract Negotiations with Bargaining Unit 11 (United Auto Workers), *Action*

**MINUTES OF MEETING OF
COMMITTEE ON COLLECTIVE BARGAINING**

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

March 19, 2013

Members Present

Lou Monville, Chair
Debra S. Farar, Vice Chair
Edmund G. Brown, Jr., Governor
William Hauck
Peter G. Mehas
Henry Mendoza
Gavin Newsom, Lt. Governor
Timothy White, Chancellor
Bob Linscheid, Chair of the Board

Trustee Lou Monville called the Committee on Collective Bargaining to order.

Approval of Minutes

The minutes of the January, 22 2013 meeting were approved as submitted.

Action Item

The Committee ratified the Tentative Agreement for a successor Collective Bargaining Agreement with Bargaining Unit 10 (International Union of Operating Engineers). Vice Chancellor Gail Brooks presented the item.

Public Speakers

The Committee then heard from the public speakers.

Mike Geck (CSUEU), John Orr (CSUEU) and Alisandra Brewer (CSUEU) spoke about the issue of staff compensation and the compensation system. Tessy Reese (CSUEU) spoke about the potential impact of the Affordable Care Act at the healthcare centers. Rich McGee (CSUEU), recommended systemwide bargaining for policies currently bargained at several campuses. And, Andy Merrifield (CFA) spoke about the decision to fund a faculty equity program in July 2013.

The Committee on Collective Bargaining was then adjourned.

AGENDA

COMMITTEE ON ORGANIZATION AND RULES

Meeting: 10:30 a.m., Tuesday, May 21, 2013
Glenn S. Dumke Auditorium

Roberta Achtenberg, Chair
Douglas Faigin
Debra S. Farar
Margaret Fortune
Hugo N. Morales

Consent Items

Approval of Minutes of March 19, 2013

Discussion Items

1. Schedule of the California State University Board of Trustees' Meetings, 2014, *Action*

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

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

March 19, 2013

Members Present

Glen O. Toney, Chair
Douglas Faigin
Debra S. Farar
Kenneth Fong

Chair Toney called the meeting to order.

Approval of the Minutes

The minutes of the May 7, 2012 meeting were approved as submitted.

Discussion Item

Chair Toney introduced one discussion item on the agenda, proposed Schedule of Meetings for 2014 and commented that this item will come back as an action item at the May meeting, and that these dates do not conflict with any of the meetings with the UC Board of Regents.

Chair Toney adjourned the meeting.

COMMITTEE ON ORGANIZATION AND RULES

Schedule of California State University Board of Trustees' Meetings, 2014

Presentation By

Andrew Jones
Interim General Counsel

Summary

The following schedule of the CSU Board of Trustees' meetings for 2014 is presented for approval:

RESOLVED, By the Board of Trustees of The California State University, that the following schedule of meetings for 2014 is adopted:

2014 Meeting Dates

January 28-29, 2014	Tuesday – Wednesday	Headquarters
March 25-26, 2014	Tuesday – Wednesday	Headquarters
May 20-21, 2014	Tuesday – Wednesday	Headquarters
July 22, 2014	Tuesday	Headquarters
September 9-10, 2014	Tuesday – Wednesday	Headquarters
November 12-13, 2014	Wednesday – Thursday	Headquarters

AGENDA

COMMITTEE ON AUDIT

Meeting: 10:35 a.m., Tuesday, May 21, 2013
Glenn S. Dumke Auditorium

Henry Mendoza, Chair
William Hauck, Vice Chair
Lupe C. Garcia
Steven M. Glazer
Hugo N. Morales

Consent Items

Approval of Minutes of Meeting of March 19, 2013

Discussion Items

1. Status Report on Current and Follow-Up Internal Audit Assignments, *Information*

**MINUTES OF THE MEETING OF
COMMITTEE ON AUDIT**

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

March 19, 2013

Members Present

Henry Mendoza, Chair
William Hauck, Vice Chair
Edmund G. Brown, Jr., Governor
Lupe C. Garcia
Steven M. Glazer
Bob Linscheid, Chair of the Board
Hugo N. Morales
Glen O. Toney
Timothy P. White, Chancellor

Chair Mendoza called the meeting to order.

Approval of Minutes

The minutes of the meeting of January 22, 2013, were approved as submitted.

Status Report on Current and Follow-up Internal Audit Assignments

Mr. Larry Mandel, university auditor, presented the Status Report on Current and Follow-up Internal Audit Assignments, Agenda Item 1 of the March 19-20, 2013, Board of Trustees agenda.

Mr. Mandel reminded everyone that updates to the status report are displayed in green numerals and indicate progress toward or completion of outstanding recommendations since the distribution of the agenda. He noted that the campuses are continuing to make good progress in this process. He reported that a few of the subject areas include long-outstanding recommendations. However, as per discussions with senior management at each of the campuses, the recommendations will be completed by the May Board meeting, except for a couple that will be completed by the end of the fiscal year due to resource requirements. In addition, Mr. Mandel stated that the audit assignments, including the construction projects, from the 2013 audit plan are currently in progress.

Status Report on Corrective Action for the Findings in the California State University A-133 Single Audit Reports and Auxiliary Organization Audit Reports for the Fiscal Year Ended June 30, 2012

Mr. George V. Ashkar, assistant vice chancellor/controller, financial services, provided a status report on the corrective actions plans for the audit findings noted in the A-133 Single Audit Reports. He reminded the trustees that there were a total of six audit findings for fiscal year ended June 30, 2012. One of those findings was included in the university systemwide A-133 Single Audit Report and was related to verification control procedures in the administration of federal financial aid programs. He added that the other five audit findings involved auxiliary organizations at three campuses. Mr. Ashkar reported that corrective action plans for all findings have been completed, and supporting documentation has been reviewed by the Office of the University Auditor and the Financial Services Internal Control staff at the CSU Chancellor's Office.

Mr. Ashkar indicated that hard copies of all of the audit reports pertaining to the CSU Financial Statements for fiscal year ended June 30, 2012, had been forwarded to the Board members, along with executive summaries, providing comprehensive data as requested at the January Board meeting. He added that three short presentations prepared by KPMG were also forwarded to the committee members in order to assist in understanding the full scope of the CSU audit, including the various required financial statements, audits, and agreed-upon procedures. In addition, he stated that all of the reports related to the audit and the KPMG presentations have been posted to the CSU Business and Finance website.

Mr. Mendoza thanked Mr. Mandel, Mr. Ashkar, and their staffs for the great job in ensuring the timely and accurate completion of the corrective actions plans pertaining to the findings noted in the A-133 Single Audit Reports and Auxiliary Organization Audit Reports, specifically noting the value of Mr. Mandel's oversight in this process.

Mr. Ashkar reiterated that he and Mr. Mandel work very closely as it relates to the clearing of the audit findings. He also clarified that although the CSU does not have findings, there are adjustments from an accounting standpoint; however, they do not rise to the level of a materiality that would indicate a finding. He emphasized that the work that has been done, relative to staffing, training and planning, over the years to improve the integrity of the financial statements has been extremely successful and important to the CSU.

The meeting adjourned.

COMMITTEE ON AUDIT

Status Report on Current and Follow-up Internal Audit Assignments

Presentation By

Larry Mandel
University Auditor

Summary

This item includes both a status report on the 2013 audit plan and follow-up on past assignments. For the current year, assignments have been made to conduct reviews of Auxiliary Organizations, high-risk areas (International Programs, Sensitive Data Security, Centers and Institutes, Hazardous Materials Management, Student Health Centers, and Conflict of Interest), high profile area (Sponsored Programs – Post Awards), core financial area (Credit Cards), and Construction. In addition, follow-up on past assignments (Special Investigations, Auxiliary Organizations, ADA Compliance, Academic Personnel, Cost Allocation, Title IX, Data Center Operations, Facilities Management, Identity Management, International Programs, and Police Services) is currently being conducted on approximately 25 prior campus/auxiliary reviews. Attachment A summarizes the reviews in tabular form. An up-to-date Attachment A will be distributed at the committee meeting.

Status Report on Current and Follow-up Internal Audit Assignments

Auxiliary Organizations

The initial audit plan indicated that approximately 305 staff weeks of activity (29.7 percent of the plan) would be devoted to auditing internal compliance/internal control at eight campuses/30 auxiliaries. One campus/five auxiliaries are awaiting a response prior to finalization, report writing is being completed for two campuses/six auxiliaries, and fieldwork is being conducted at one campus/four auxiliaries.

High-Risk Areas

International Programs

The initial audit plan indicated that approximately 43 staff weeks of activity (4.2 percent of the plan) would be devoted to a review of program approvals, fiscal administration and controls; risk

management processes; curriculum and credit transfers; utilization of third-party providers; compliance with U.S. Department of State and other regulatory international travel requirements; and processes used to recruit international students, verify student credentials, and provide support on campus. Six campuses will be reviewed. Two reports are awaiting a campus response prior to finalization, report writing is being completed for three campuses, and fieldwork is being conducted at one campus.

Sensitive Data Security

The initial audit plan indicated that approximately 43 staff weeks of activity (4.2 percent of the plan) would be devoted to a review of policies and procedures for handling confidential information; communication and employee training; tracking and monitoring access to sensitive data; and retention practices of key records. Six campuses will be reviewed. Report writing is being completed for three campuses, and fieldwork is being conducted at one campus.

Centers and Institutes

The initial audit plan indicated that approximately 43 staff weeks of activity (4.2 percent of the plan) would be devoted to a review of campus policies and procedures for establishing, operating, monitoring, reviewing, and discontinuing centers, institutes, and similar entities; fiscal administration and controls; faculty workload including the potential for conflicts of interest; policies and procedures for identifying and reporting allegations of misconduct in research and other related activities; and campus processes for reporting entity activities including the implementation status of campus policies and procedures to the CSU Chancellor's Office. Six campuses will be reviewed. Fieldwork is being conducted at three campuses.

Hazardous Materials Management

The initial audit plan indicated that approximately 43 staff weeks of activity (4.2 percent of the plan) would be devoted to a review of the systems and procedures for controlling the purchase, generation, storage, use and disposal of hazardous materials and wastes; employee training; emergency response plans; reporting requirements; and compliance with federal and state regulations. Six campuses will be reviewed. Report writing is being completed for one campus, and fieldwork is being conducted at one campus.

Student Health Centers

The initial audit plan indicated that approximately 43 staff weeks of activity (4.2 percent of the plan) would be devoted to a review of compliance with federal and state laws, Trustee policy, and CSU Chancellor's Office directives; establishment of a student health advisory committee;

accreditation status; staffing, credentialing and re-credentialing procedures; safety and sanitation procedures, including staff training; budgeting procedures; fee authorization, cash receipt/disbursement controls and trust fund management; pharmacy operations, security and inventory controls; and the integrity and security of medical records. Six campuses will be reviewed.

Conflict of Interest

The initial audit plan indicated that approximately 43 staff weeks of activity (4.2 percent of the plan) would be devoted to a review of the process for identification of designated positions; monitoring, tracking and review of disclosures relating to conflicts of interest, such as research disclosures; faculty and CSU designated officials reporting; employee/vendor relationships; ethics training; and patent and technology transfer. Six campuses will be reviewed.

High Profile Area

Sponsored Programs – Post Awards

The initial audit plan indicated that approximately 43 staff weeks of activity (4.2 percent of the plan) would be devoted to a review of contract/grant budgeting and financial planning; indirect cost administration including cost allocation; cost sharing/matching and transfer processes; effort-reporting, fiscal reporting, and progress reporting; approval of project expenditures; sub-recipient monitoring; and management and security of information systems. Six campuses will be reviewed.

Core Financial Area

Credit Cards

The initial audit plan indicated that approximately 43 staff weeks of activity (4.2 percent of the plan) would be devoted to a review of credit card administration; compliance with campus policies and procedures; approval to use credit cards; monitoring and review of credit card purchases; enforcement of sanctions for misuse; and processes to deactivate credit cards upon employee termination or transfer. Six campuses will be reviewed. Two reports are awaiting a campus response prior to finalization, report writing is being completed for three campuses, and fieldwork is being conducted at one campus.

Construction

The initial audit plan indicated that approximately 44 staff weeks of activity (4.3 percent of the

plan) would be devoted to a review of design budgets and costs; the bid process; invoice processing and change orders; project management, architectural, and engineering services; contractor compliance; cost verification of major equipment and construction components; the closeout process and liquidated damages; and overall project accounting and reporting. Six projects will be reviewed. One report awaits a campus response prior to finalization, report writing is being completed for one project, and fieldwork is being conducted for one project.

Advisory Services

The initial audit plan indicated that approximately 171 staff weeks of activity (16.7 percent of the plan) would be devoted to partnering with management to identify solutions for business issues, offer opportunities to improve the efficiency and effectiveness of operating areas, and assist with special requests, while ensuring the consideration of related internal control issues. Reviews are ongoing.

Information Systems

The initial audit plan indicated that approximately 45 staff weeks of activity (4.4 percent of the plan) would be devoted to technology support for all high-risk and auxiliary audits. Reviews and training are ongoing.

Investigations

The Office of the University Auditor is periodically called upon to provide investigative reviews, which are often the result of alleged defalcations or conflicts of interest. In addition, whistleblower investigations are being performed on an ongoing basis, both by referral from the State Auditor and directly from the CSU Chancellor's Office. Forty-three staff weeks have been set aside for this purpose, representing approximately 4.2 percent of the audit plan.

Committees

The Office of the University Auditor is periodically called upon to provide consultation to the campuses and/or to perform special audit requests made by the chancellor. Seven staff weeks have been set aside for this purpose, representing approximately 0.7 percent of the audit plan.

Special Projects

The Office of the University Auditor is periodically called upon to provide non-investigative support to the CSU Chancellor's Office/campuses. Fifty-five staff weeks have been set aside for this purpose, representing approximately 4.9 percent of the audit plan.

Follow-ups

The audit plan indicated that approximately 11 staff weeks of activity (1.1 percent of the plan) would be devoted to follow-up on prior audit recommendations. The Office of the University Auditor is currently tracking approximately 25 prior audits (Special Investigations, Auxiliary Organizations, ADA Compliance, Academic Personnel, Cost Allocation, Title IX, Data Center Operations, Facilities Management, Identity Management, International Programs, and Police Services) to determine the appropriateness of the corrective action taken for each recommendation and whether additional action is required.

Annual Risk Assessment

The Office of the University Auditor annually conducts a risk assessment to determine the areas of highest risk to the system. Four staff weeks have been set aside for this purpose, representing approximately 0.4 percent of the audit plan.

Status Report on Current and Follow-Up Internal Audit Assignments
 (as of 5/1/2013)

	2013 ASSIGNMENTS										FOLLOW-UP PAST/CURRENT ASSIGNMENTS						
	Aux Orgs	Int'l Prog	Credit Cards	Sen Data Security/Protection	Ctrs and Instit	Haz Mat Mgmt	Spon Prog	Health Ctrs	Conflict of Interest	Special Investigations	Auxiliary Organizations	ADA Compliance	*No.	**Mo.	*Recs	**Mo.	
BAK			RW										4	16/16	-		
CHI		AI							1/8	4			3	0/25	2		
CI				RW		FW							3	15/15	-	4/4	
DH				RW									3	22/22	-		
EB					FW								3	21/21	-		
FRE				FW									6	25/25	-		
FUL													4	28/28	-		
HUM		FW											4	25/25	-		
LB		RW		FW									3	16/27	4	3/3	
LA	FW												4			4/4	
MA													2	2/4	13		
MB													2	16/16	-		
NOR													5	22/22	-		
POM	RW												3				
SAC		RW											6	36/36	-		
SB				RW		FW							3	28/28	-	5/5	
SD		RW											4	24/24	-	6/6	
SF							RW						5	19/19	-		
SJ	AI												5		#		
SLO													4	12/12	-		
SM	RW												3			4/4	
SON		AI											4	5/5	-		
STA													4	18/18	-		
CO													2	0/0	-		
SYS																2/3	14

* The number of recommendations satisfactorily addressed followed by the number of recommendations in the original report.
 ** The number of months recommendations have been outstanding.
 • The number of auxiliary organizations reviewed.
 # Represents recommendations that are being held in abeyance pending compliance with new systemwide policies.

FW = Field Work In Progress
 RW = Report Writing In Progress
 AI = Audit Incomplete (awaiting formal exit conference and/or campus response)
 AC = Audit Complete

Status Report on Current and Follow-Up Internal Audit Assignments
 (as of 5/1/2013)

FOLLOW-UP PAST/CURRENT ASSIGNMENTS																
	Academic Personnel		Cost Allocation		Title IX		Data Center Operations		Facilities Management		Identity Mgmt/Comm Access		International Programs		Police Services	
	*Recs	**Mo.	*Recs	**Mo.	*Recs	**Mo.	*Recs	**Mo.	*Recs	**Mo.	*Recs	**Mo.	*Recs	**Mo.	*Recs	**Mo.
BAK									5/5	-						
CHI			2/2	-	1/2	7										
CJ					1/7	7			4/4	-						
DH					4/4	-								7/7	-	
EB	6/6	-			5/6	8								1/12	3	
FRE			4/4	-										6/6	-	
FUL					3/3	-						1/4	6			
HUM	4/4	-	2/2	-							1/1	-				
LB	4/4	-				8/8	-									
LA					1/1	-						4/4	-			
MA									3/6	9						
MB											1/1	-				
NOR	5/5	-	2/2	-								0/8	2			
POM					0/8	7			4/4	-						
SAC			0/0	-					3/4	8						
SB												0/13	3			
SD					3/3	-					2/2	-		0/9	2	
SF														8/8	-	
SJ	4/4	-			7/7	-			4/4	-						
SLO			2/2	-												
SM	4/4	-			2/2	-					0/0	-		0/5	3	
SON			0/0	-												
STA													3/5	7		
CO																
SYS	2/3	13	1/1	-	0/3	4										

* The number of recommendations satisfactorily addressed followed by the number of recommendations in the original report.

** The number of months recommendations have been outstanding.

● The number of auxiliary organizations reviewed.

Represents recommendations that are being held in abeyance pending compliance with new systemwide policies.

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 11:00 a.m., Tuesday, May 21, 2013
Glenn S. Dumke Auditorium

Steven M. Glazer, Chair
Henry Mendoza, Vice Chair
Bernadette Cheyne
Rebecca D. Eisen
Douglas Faigin
Debra S. Farar
Lupe C. Garcia
William Hauck
Peter G. Mehas
Lou Monville
J. Lawrence Norton
Ian J. Ruddell

Consent Items

Approval of Minutes of Meeting of March 19, 2013

Discussion Items

1. Legislative Update, *Information*

**MINUTES OF THE MEETING OF
COMMITTEE ON GOVERNMENTAL RELATIONS**

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

March 19, 2013

Members Present

Steven M. Glazer, Chair
Henry Mendoza, Vice Chair
Edward G. Brown, Jr., Governor
Bernadette Cheyne
Rebecca Eisen
Douglas Faigin
Debra S. Farar
Lupe C. Garcia
William Hauck
Peter G. Mehas
Lou Monville
Gavin Newsom, Lieutenant Governor
J. Lawrence Norton
Timothy P. White, Chancellor

Approval of Minutes

The minutes of January 22-23, 2013 were approved as submitted.

2013-2014 Legislative Report No. 1

Garrett Ashley, vice chancellor for university relations and advancement and Karen Y. Zamarripa, assistant vice chancellor advocacy and state relations, presented this item. Mr. Ashley provided an overview of legislation introduced this year and gave a brief report on some of the changes in the State Capitol as a result of the elections last November and earlier this month.

Mr. Ashley reported that February 22, 2013 was the last day to introduce measures for this year and as a result over 2100 bills were introduced, which is almost 400 less than this time last year. He reported that staff analyzed bills, attended hearings and walked the halls of the State Capitol. Mr. Ashley also provided the following examples:

- January 2013, leaders of the CSU Hospitality Advisory Council partnered with CSU campus leaders to meet with legislators to promote the economic impact of CSU hospitality programs and CSU hospitality graduates.
- April 2013, CSU partners in the agriculture industry will be doing the same thing as the Hospitality Advisory Council, meeting with legislators.
- February 2013, Chancellor White, CSU campus presidents, staff and students spent the day in Sacramento advocating for the CSU and will advocate again in May for the CSU budget.

Mr. Ashley concluded his comments by stating that an aggressive agenda has begun to promote the CSU in Sacramento and informed members that Ms. Zamarripa will talk about how the State Capitol has changed with the influx of new legislators.

Ms. Zamarripa changed the order of her discussion items and spoke about the elections and new players in Sacramento. She reported that there are 39 new members, there have been a series of special elections that will lead to more special elections and people are leaving office. As a result, there is a significant cadre of freshman members, now with term limit reform of 12 years, to impact California, the CSU and public policy.

Ms. Zamarripa stated that unfortunately the CSU has fewer members in the legislature, that only about 35 percent of the elected members of the legislature are CSU graduates. She stated we have some education to do about the role the CSU plays in the state.

Ms. Zamarripa reported the following:

- There is a supermajority in both houses
- There are many new players who consider higher education a priority
- There is a policy committee in the Assembly that has 13 members which is five members greater than the Policy Committee in the past; ten of the 13 are freshman members.
- Leaders termed out in 2014 includes Democratic and Republican leaders in the Assembly
- For the four CSU Trustees that will be before the Senate Rules Committee on April 10 for confirmation, the Senate has the two-thirds votes necessary to confirm members of the CSU Board, the State Board of Education and the Community Board of Governors.
- Chair of the Budget Committee, Bob Blumenfield will leave and take a seat at the L.A. City Council.

Ms. Zamarripa reported that with the world of change in Sacramento, this provides the CSU with opportunities and challenges in creating new friends and nurturing old friends to help push forward the agenda and ensure that institutional support is obtained.

Ms. Zamarripa stated the CSU is trying to be more proactive as it relates to advocacy on a direct or indirect basis, that there is a new Advocacy Plan to guide the CSU over the next four years that includes a series of measures of success.

Ms. Zamarripa provided the following report on legislation. February 22 was the deadline date to introduce measures and those bills have 30 days before considered by policy committee. The first committee meeting on higher education is today and she relayed the process in which her office reviews bills and their impact to the CSU and how her office redirects these bills to specific departments within the CSU. She reported that we have a series of bills that provide waivers for the military, their spouses and veterans. There are bills dealing with the restoration of financial aid programs. The CSU will be engaging in conversation of how it can participate after this fiscal year 13/14 in using Proposition 39 funds. Ms. Zamarripa reported that there are 12 bills dealing with online learning, including one that was amended by the Pro Tem last week.

Ms. Zamarripa reported that her office has identified bills that were of a serious nature in the sense of intruding on academic curricular decision. She reported there are four bills that have the most possibility of moving:

- AB 386 and 387 by Assembly Member Mark Levine
- SB 547 by Marty Block
- SB 520 by Darrell Steinberg

Ms. Zamarripa concluded her report and inquired if there were any questions. Trustee Faigin expressed concern about bottleneck courses, the ability to graduate within five years, let alone four and the cost of tuition. Dr. Faigin expressed his disappointment in the memo he received from CSU staff regarding the efforts to overcome the bottleneck, particularly as it relates to online courses. Dr. Faigin reported that Senator Steinberg announced a bill requiring up to 50 courses be approved by a nine-member committee made up of all Academic Senate people. Trustee Faigin stated this would not solve the CSU bottleneck problem but would provide an alternative toward offering courses that students could take.

Trustee Faigin stated online courses are a possible solution and that the Governor is advocating significant funds toward new technology. Dr. Faigin requested that a report containing the following be prepared and provided by CSU staff at the next CSU Board of Trustees meeting:

- Where are we specifically on the number of online courses that are either existing or going to exist soon to deal with the bottleneck?
- Provide a timeline
- Where is the CSU in its cooperation with Senator Steinberg and other legislators?

Trustee Faigin concluded by saying that he would like to see aggressive direction and some reports at the next meeting.

Governor Brown stated that being the leader is very important and if the backlog could be solved in a relatively short period of time that would be very impressive. Governor Brown communicated that San José State University is leading the way and requested that Dr. Mo Qayoumi, president, San José State University, report on how they are doing.

Dr. Qayoumi reported the following:

- Three online courses are on the remedial math course, the first college Algebra course, and a statistics class with limited enrollment to 100 students per course.
- Success rate of the students is similar to what is seen in regular classes and face-to-face.
- In the statistics class, all of the students completed the program and their average was half a grade above.
- 20,000 students are taking classes on the MOOC
- At the end of the course (end of spring) the data will be collected and through funds provided by NSF to do the analysis and implementation of the program on a larger scale in the summer and next fall.
- By next fall, hopefully three additional courses will be added in computer science, psychology and human genome.

Dr. Elliott Hirshman, president, San Diego State University, provided the following regarding online courses at San Diego State University:

- Over 5,000 students are enrolled in online programs during the summer session
- There are several hundred courses already and five full online masters programs

Trustee Monville thanked Trustee Faigin for his comments, he requested CSU staff provide a report and that CSU staff include in the report the bottleneck courses as it relates to the four-year degree.

Trustee Hauck directed his comments to Dr. Ephraim Smith that a broader perspective and a broader set of comments of what the CSU is currently doing in this area and then specifically deal with the bottleneck issue.

Lt. Governor Newsom expressed his concerns about where the CSU is going with online courses, that we have this centralized strategy as was discussed at the last CSU Board of Trustees meeting. That left the Lt. Governor wondering what the purpose of that is in the context of all this decentralized work being done at the campus level. The Lt. Governor expressed his concern that additional funds would be spent on yesterday's ideas. He recommended that before a dollar is spent:

- There is a need for a real back and forth conversation to get on the same page
- Organization is needed
- Get more people on board
- Technology is a dangerous place to make big bets, if wrong you are wrong in mass
- It is time to do a step back

Trustee Faigin thanked everyone for their comments but stated he was only interested in the bottleneck issue.

Dr. Smith followed up on Trustee Hauck's comments by stating the CSU has 84 online programs, two-thirds of them are through extended education and about 13,000 courses. Dr.

Smith addressed Dr. Faigin's comments by stating that budgets cuts of the last few years and the decrease in the number of sections in the CSU provides a challenge in offering sufficient sections to students be they online or face-to-face sections. Dr. Smith stated that he believes that with the Governor's \$10 million specifically dedicated to bottlenecks, the problem can be attacked to see if there is a push through of students especially in lower division/high demand courses and looking at a multi-campus approach rather by just campus to campus.

Dr. Eduardo Ochoa, president, CSU Monterey Bay, addressed Dr. Faigin's comments of how we can help our students to graduate faster. He stated it is not just the bottleneck that holds students back; it could be courses throughout the degree program. Online education is a cost-reducing solution. Dr. Ochoa further stated that if we can find a way to deliver instruction in a more cost-effective way, the first place to apply this would be to the large volume bottleneck courses.

Governor Brown reported that he is hearing confusion. He stated we need:

- A clear assessment
- A check-in linked to where the CSU might be going in one, two or three years
- What are the implications, not just money?
- What about enrichment?
- Does the CSU have courses from MIT, Harvard, etc.?
- Will the courses be creditworthy and completely substitutable for normal classes?
- Perhaps provide a discount if a student takes online courses (less tuition)
- Where is the CSU and where can it go?

Governor Brown stated that the CSU can only go to this new dimension if it is very clear on where it is not. As outlined above, Governor Brown hoped that is the report that the trustees get to Trustee Faigin's request.

Chancellor White stated in closing that part of the issue is a handful of courses that number in the area of 30 courses across the system that have a very high frequency of failing grades. In those courses we could redesign the courses to determine what is it pedagogically that is getting in the way of the rate of success. Chancellor White stated that some of the resources that we will be using in dealing with these issues Trustee Faigin has started us in discussing are not only the infusion of technology, but a reassessment and redesign of courses that seem to be sticking as well. Chancellor White wanted the record to show his deep awareness and concern of the heterogeneity of our students, that a student coming from a low economic background probably has a four or five-year old laptop with respect to its hardware and software. We have to be mindful of those students where geography works against them.

Chancellor White stated we need to look at first generation success, the lifeline that a student has at home versus those who do not. Finally looking at lower division courses discussed today versus some of the upper courses. There is a very interesting and exciting opportunity ahead and not to lose track of the beauty and diversity of the CSU student body and the families that have been marginalized to those who come from the private sector.

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Gov. Rel.

Chair Linscheid added one comment after the closing that pertained to veteran bills. Mr. Linscheid would like to see how CSU veteran programs work.

Trustee Glazer adjourned the committee.

COMMITTEE ON GOVERNMENTAL RELATIONS

Legislative Update

Presentation By

Garrett Ashley
Vice Chancellor
University Relations and Advancement

Karen Y. Zamarripa
Assistant Vice Chancellor
Advocacy and State Relations

Summary

This item contains bills of interest for the California State University (CSU) introduced during the first year of the 2013-14 legislative session. The status for each bill is stated as of April 30, 2013.

Background

May 3, 2013, was the first policy deadline for measures introduced this year. Approximately 2,000 legislative measures are now moving into the fiscal evaluation period. Even with the potential influx of new revenue for California, many policymakers remain cautious in regards to the state's fiscal health. Whether this new revenue is one-time or continuing remains a key question. Given this uncertainty, it is expected that the legislature will exercise fiscal restraint on measures that propose new mandates or expenditures.

Accountability

SB 195 (Liu) California Postsecondary Education: State Goals: This is the fifth attempt by the Legislature to establish statewide goals for California's higher education systems and associated metrics to help make future policy and budget decisions. Senator Liu has reintroduced her measure with notable changes and a clear signal that the Legislature wants to be party to any goals and measures developed between the CSU and University of California (UC), and Governor Brown as part of the 2013-14 budget.

CSU Position: SUPPORT
Status: The CSU was part of the initial team that developed the first version of this measure over a decade ago working with former Senators Vasconcellos, Alpert and Scott. The measure is much different today and it is clear that performance measures, whether in this bill or in the budget, are a reality for California. The bill passed out of the Senate Education Committee and is now headed for the Senate Appropriations Committee.

Executive Compensation and Other Salary Measures

SB 8 (Yee) Public Postsecondary Education: Executive Officer Compensation: This measure is a reintroduction from the previous session, which would prohibit the CSU and discourage the UC from increasing compensation for executive officers within two years after the mandatory systemwide fee has been increased, or in a year when the system receives the same or less revenue from the state. It would also prohibit a newly hired executive (including system leaders, campus presidents and vice presidents) from earning more than 105 percent of their predecessor's pay. All of these provisions would apply to an employee hired between 2014 and 2024.

CSU Position: OPPOSE
Status: The measure was set to be heard by the Senate Education Committee but the author pulled it from the hearing. The measure is now a two-year bill. CSU and UC oppose this measure, which is sponsored by the California Faculty Association (CFA).

SB 495 (Yee) Postsecondary Education Employees: Physicians: The measure as amended encourages the CSU and the UC to increase funding for health centers and, as part of that effort, increase funding for doctors.

CSU Position: OPPOSE
Status: The measure was heard in the Senate Education Committee on May 1st.

Financial Aid Disclosure

AB 330 (Chau) Student Financial Aid: Disclosures: This measure would require an institution participating in the state's Cal Grant Program to provide their net price calculator and the average student loan debt of graduates to the California Student Aid Commission (CSAC) so that they could post this information on their website, duplicating federal requirements and processes.

CSU Position: NO OFFICIAL POSITION
Status: The measure was set to be heard in the Assembly Higher Education Committee, but that hearing was cancelled. The measure is now dead for the year.

AB 534 (Wieckowski) Postsecondary Education: Institutional and Financial Assistance Information for Students: This bill would require most institutions of higher learning, including for-profits, to provide entrance and exit counseling for any student receiving institutional or state-funded loans offered or recommended to the student by the institution or segment.

CSU Position: NO OFFICIAL POSITION
Status: The measure was passed out of the Assembly Higher Education Committee on a partisan vote of 8-4. The cost of these efforts would be reimbursed to the segments by the private lender.

Governance

AB 46 (Pan) California State University: Trustees: This measure has been reintroduced on behalf of the California Faculty Association (CFA) and would allow ex-officio members of the Board of Trustees to designate an alternate to attend and vote in their absence. It also includes the one provision sought by students last year – to allow the student designee to vote should the current voting student Board of Trustee member be unable to attend a meeting.

CSU Position: OPPOSE UNLESS AMENDED
Status: The measure passed out of the Assembly on a partisan vote, but freshman Democratic member and former CSSA leader, Marc Levine voted in opposition to the measure. The CSU would remove its opposition if the measure was amended to only deal with the student Trustee issue as the author agreed to do last year.

AB 736 (Fox) California State University: Antelope Valley Campus: This measure would require the CSU to conduct a feasibility study for a campus in the Antelope Valley using non-state funds.

CSU Position: NO OFFICIAL POSITION
Status: The CSU has discouraged the author from pursuing this measure given the fiscal constraints of the system and state. At a minimum the CSU has requested that any costs for a study be funded by the state to reflect its actual commitment to the development of another off-campus center or campus. The measure passed out of the Assembly Higher Education

Committee but will face a more serious challenge of advancing out of the Assembly's fiscal committee.

AB 1348 (Pérez) Postsecondary Education: California Higher Education Authority: This measure would establish a 13 member panel called the California Higher Education Authority (Authority) to replace the California Postsecondary Education Commission (CPEC), which has not been funded by the state in the last two years. This entity would be responsible for developing, presenting and monitoring postsecondary education goals for the state. Unlike CPEC, this new entity would not include segmental representatives which can be important to the coordination and collaboration between segments and the Authority.

CSU Position: NO OFFICIAL POSITION
Status: While the CSU does not have an official position on the measure, there is concern about the lack of representation of the segments on the body. The governor's administration has not expressed any interest in recreating a higher education coordinating board since deleting funding for CPEC two years ago. The measure passed out of the Assembly Higher Education Committee and will next be heard in the Assembly Appropriations Committee.

SB 325 (Block) Trustees of the California State University: Student Members: This measure expands the opportunity for students to serve as a CSU trustee by allowing those who are a sophomore in good standing, instead of the now required junior year, to seek appointment through the California State Students Association (CSSA) and to the Governor. The bill also waives systemwide mandatory tuition fees for student trustees so they can focus on their academic studies and work as a board member and student representative.

CSU Position: SUPPORT
Status: The measure is sponsored by CSSA and was approved by the Senate with bipartisan support and is now in the possession of the Assembly.

Proposition 39/ Energy Efficiency

AB 29 (Williams) Proposition 39 Implementation: This proposal would provide \$152 million of the Clean Energy Job Creation Fund for the three segments of public education for energy efficiency retrofit projects, clean energy installations, and other energy system improvements.

CSU Position: SUPPORT
Status: The Assembly Natural Resources Committee voted the measure out on a vote of 7-0 and will be heard next in the Assembly Utilities and Commerce Committee. This is one of three measures that recognizes the

value of higher education receiving these funds to reduce energy usage, increase use of renewable energy, create new jobs and reduce energy costs.

AB 39 (Skinner) Proposition 39: Implementation: This bill would require the Energy Commission to administer grants, loans, or other financial assistance to an eligible institution, defined as a K-12 public school or a community college, in order to reduce energy demand and consumption at eligible institutions and to create jobs in California. At this point, the CSU and the UC are not specifically mentioned; however, language was inserted to provide that 25 percent of the funds available could be used for public buildings and public universities.

CSU Position: SUPPORT

Status: The Assembly Natural Resources Committee voted the measure out on a vote of 9-0 and it will be heard next in the Assembly Utilities and Commerce Committee.

SB 39 (de León) Energy: School Facilities: Energy Efficiency Upgrade Projects: This measure directs the Energy Commission to allocate grants to school districts for energy efficiency upgrade projects. The proposal would also require the development of a financing program to fund energy efficiency programs at K-12 schools, community colleges, UC and CSU using matching funds, low interest loans or other financing methods.

CSU POSITION: SUPPORT

Status: Senate Education Committee passed this measure out on a vote of 8-0 and the bill will be heard next in the Senate Energy Utilities and Commerce Committee.

SB 497 (Walters) California Global Warming Solutions Act of 2006: Fees: This year, the California Air Resources Board (CARB) has started the process of selling credits to those entities in California who are producing greenhouse gases, as a way to offset the potential damage caused to the earth's climate, under the "Cap and Trade" requirements established by AB 32 in 2006. SB 497 would require CARB to allocate greenhouse gas emissions credits to the CSU and UC for purposes of this compliance. The bill would also prohibit CARB from assessing a fee on both institutions.

CSU Position: NO OFFICIAL POSITION

Status: The Senate and Environmental Quality Committee will hear the measure on May 1st. The CSU and UC are still working with CARB on their regulations to address our concerns regarding the new program. Few expect that this measure will be enacted given the Governor's advocacy

for AB 32 and “Cap and Trade” in the first place and reliance on funds from credit sales in his budget proposal.

Tuition Fees/Affordability

AB 51 (Logue) Public Postsecondary Education: Baccalaureate Degree Pilot Program: The measure states legislative intent that K-12 schools, community colleges and CSU campuses in up to seven regions work together to develop a pilot program to give students a chance to complete a “\$10,000 degree.”

CSU Position: NO OFFICIAL POSITION
Status: The measure was made a two-year bill by the author, and will not have a hearing this year.

AB 67 (Olsen) Public Postsecondary Education: Funding: This measure would prohibit the CSU and UC from increasing mandatory systemwide tuition fees until 2017 as long as the state abides by the Governor’s multi-year funding proposal.

CSU Position: CONCERNS
Status: The measure passed out of the Assembly Higher Education Committee with bipartisan support and then placed on the Assembly Appropriation Committee’s Suspense File due to cost pressures associated with the proposal. The measure is a result of negotiations between the committee chair and Republican Caucus members who are interested in making the point that Proposition 30 proponents falsely represented that student fees would not be increased if the initiative was approved by the voters.

AB 138 (Olsen) Public Postsecondary Education: Undergraduate Tuition and Mandatory Systemwide Fees: This measure would require the CSU and request the UC to set tuition fees for students at the same rate for the next four years.

CSU Position: NO OFFICIAL POSITION (see AB 67)
Status: The author has dropped this measure for the year deferring to the joint effort with AB 67.

AB 159 (Chavez) Public Postsecondary Education: Tuition and Mandatory Systemwide Fees: This measure would require the CSU and request the UC to set tuition fees for students at the same rate for six years.

CSU Position: NO OFFICIAL POSITION (see AB 67)
Status: The author has dropped this measure for the year deferring to the joint effort with AB 67.

SB 58 (Cannella) Public Postsecondary Education: Funding: This measure is almost identical to AB 67, as introduced by Assembly Member Olsen. Just as AB 67 states, this measure would prohibit tuition fee increases for the CSU, UC, and CCC systems until 2018-19, when the taxes associated with Proposition 30 expire and states their intent to maintain funding levels for the systems.

CSU Position: CONCERNS (see AB 67)
Status: Senate Education Committee will hear this measure on May 1st, but at this point, the measure does not provide the system with any automatic increases or outs should the state not be able to fund the system at those levels. The measure does not provide any guarantees for added state funding either to address current and future costs and needs.

Financial Aid

AB 1085 (Gaines) Cal Grant Program: Maximum Award Amounts: Private Institutions: This measure increases the size of Cal Grants for for-profit and non-profit institutions to \$4,000 and \$9,084, respectively. The current caps were developed in budget and legislative negotiations in the last two years to ensure that financial aid resources support student success.

CSU Position: NO OFFICIAL POSITION
Status: The measure passed out of the Assembly Higher Education Committee and will next be heard in the Appropriations Committee on May 1st and will go to the suspense file.

AB 1241 (Weber) Student Financial Aid: Cal Grant Program: This proposal allows a high school student an additional three years after high school graduation to seek a Cal Grant entitlement award.

CSU Position: NO OFFICIAL POSITION
Status: The measure passed out of the Assembly Higher Education Committee and will next be heard in the Appropriations Committee on May 1st and will go to the suspense file. Eligibility for Cal Grant would be greatly expanded by this measure resulting in significant future costs.

AB 1285 (Fong) Student Financial Aid: Cal Grant Program: Current law allows only two percent of Cal Grant B recipients to receive their full aid package in the first year of college. This

proposal would delete the two percent limitation thus expanding the amount of aid available to all students.

CSU Position: NO OFFICIAL POSITION
Status: The measure passed out of the Assembly Higher Education Committee and will next be heard in the Appropriations Committee on May 1st and will go to the suspense file.

AB 1287 (Quirk-Silva) Student Financial Aid: Cal Grant Eligibility: This measure would remove statutory provisions requiring renewing Cal Grant recipients to meet annual income and asset criteria to maintain eligibility. This requirement was enacted as part of the 2011 budget. CSAC estimated that as many as 19,000 students lost eligibility due to this change, including many CSU students.

CSU Position: SUPPORT
Status: The measure passed out of the Assembly Higher Education Committee and will next be heard in the Appropriations Committee on May 1st and will go to the suspense file.

AB 1318 (Bonilla) Student Financial Aid: Cal Grant Program: This measure would link the Cal Grant award amount for students attending private nonprofit colleges and universities to the average cost of educating students in the public sector.

CSU Position: NO OFFICIAL POSITION
Status: The measure passed out of the Assembly Higher Education Committee and will next be heard in the Appropriations Committee on May 1st and will go to the suspense file.

AB 1364 (Ting) Student Financial Aid: Cal Grant Program: This proposal creates a statutory formula to adjust the maximum Cal Grant B awards by the percentage increase, if any, in California per capita personal income.

CSU Position: NO OFFICIAL POSITION
Status: The measure passed out of the Assembly Higher Education Committee and will next be heard in the Appropriations Committee on May 1st and will go to the suspense file.

SB 285 (De León) Student Financial Aid: Cal Grant Program: This proposal would increase the award size from \$1,551 per student to almost \$5,000 per year using funds established in a companion measure, SB 284, by the same author.

CSU Position: NO OFFICIAL POSITION
Status: The Senate Education Committee passed this measure out on a vote of 9-0 and now the measure will be heard next in the Senate Appropriations Committee.

Online Learning/Alternative Pathways

AB 386 (Levine) Public Postsecondary Education: Cross-Enrollment: Online Education at California State University: As proposed to be amended, this measure will require the CSU to create a convenient means by which students can find and enroll (including cross enrollment within the system) in online courses that assist students in completing their academic objectives.

CSU POSITION: SUPPORT
Status: The Assembly Higher Education Committee passed this measure on a vote of 13-0 and the bill will be heard next in the Assembly Appropriations Committee. The CSU has been working with the author on both measures to reinforce the CSU's interest and current use of online learning and what the CSU would like to do for students in the future.

AB 387 (Levine) Public Postsecondary Education: California State University: Online Education: This measure has several provisions with regard to online education including: (1) the adoption of a uniform definition of online education on or before January 1, 2015; (2) require online education performance data be completed before January 1, 2017, and every two years after until 2021; and (3) requires the CSU to report to the Legislature, on or before January 1, 2015, on the feasibility of developing an accelerated bachelor's degree completion program consisting of distance learning courses, aimed at students who started college but never obtained a degree.

CSU POSITION: SUPPORT
Status: The Assembly Higher Education Committee passed this measure on a vote of 13-0 and the bill will be heard next in the Assembly Appropriations Committee.

AB 895 (Rendon) Postsecondary Education: Online Education Task Force: This measure would establish the California Postsecondary Online Education Task Force, consisting of 11 members to examine online education programs in other states and analyze methods to implement online education programs in California postsecondary institutions.

CSU POSITION: NO OFFICIAL POSITION
Status: The Assembly Higher Education Committee passed this measure on a 10-3 vote with most of the Republican members voting "NO." The measure

now goes to the Appropriations Committee where it will be placed on the suspense file.

AB 944 (Nestande) Distance Learning: This measure would require the CSU and CCC, and request the UC, to report to the Legislature by 2016, and every two years thereafter, on workload and key performance data on distance learning courses.

CSU POSITION: NO OFFICIAL POSITION
Status: The Assembly Higher Education Committee passed this measure 13-0 and it now goes to the Appropriations Committee where it will be placed on the suspense file. The committee staff raised issues about the number of different study bills in this area and urged authors and proponents to come together on a final proposal.

AB 1025 (Garcia) Postsecondary Education: College-level Examination Programs: This bill would require the segments to increase awareness of the opportunities to use college-level examination program (CLEP) credits.

CSU Position: NO OFFICIAL POSITION
Status: The measure passed out of the Assembly and is now in the Senate awaiting referral to a policy committee for further action.

AB 1306 (Wilk) Public Postsecondary Education: New University of California: This proposal would create a fourth public higher education segment known as the “New University of California” which would not provide instruction, but would issue college credit and baccalaureate and associate degrees to any person capable of passing examinations after taking courses from any source, such as Massive Open Online Courses (MOOCs). The exams would be created by the new segment, which would have the authority to contract out the formulation of peer-reviewed examinations.

CSU Position: NO OFFICIAL POSITION
Status: The measure, which was in the jurisdiction of the Assembly Higher Education Committee, is reportedly now a two-year bill.

SB 520 (Steinberg) California Virtual Campus: Leadership Stakeholder Meetings: Representatives: This bill, as heard before the committee, requires a nine member panel appointed by the three Academic Senates of public education to identify the 50 lower division bottleneck courses. The entity would then be required to endorse MOOCs that they agree would be acceptable for those courses and could be used for course credit.

CSU Position: PENDING
Status: The measure was heard in the Senate Education Committee on April 24th but a vote was not taken. Labor organizations, faculty and students were opposed to the measure in committee. The author agreed to significant amendments for the measure including the removal of the requirement that 50 courses be created, the removal of the stipulation that the public institutions must work with a private company (simply allowing the systems to work with private companies instead), and the prohibition of the use of state dollars for a private cause. The bill will be considered by the committee on May 1st for vote only.

SB 547 (Block) Public Postsecondary Education: Online Courses: This bill would require the Academic Senates of the three public segments to jointly develop and identify online courses that would be made available to all students by the fall of 2014, focusing on high demand transferable lower division courses under the Intersegmental General Education Transfer Curriculum (IGETC). The bill would also require the CCC to create an internet portal through the California Virtual Campus that facilitates enrollment in the online courses.

CSU Position: SUPPORT
Status: The measure passed out of the Senate Education Committee with a vote of 9-0 and will be heard next in the Senate Appropriations Committee.

Revenues

SB 241 (Evans) Oil Severance Tax Law: This proposal would establish an oil severance tax of 9.9 percent. Of the revenues raised by this tax, seven percent would be directed towards California's state parks, while the remaining 93 percent would be divided up between the CSU, UC and CCC equally.

CSU Position: SUPPORT
Status: The measure will be heard in the Senate Governance and Finance Committee on May 1st.

SB 284 (De León) Income Tax: Contribution to Education Fund: This proposal would allow an individual taxpayer or corporate donor to contribute a tax credit towards the College Access Tax Credit Fund, with a total annual cap of \$500 million. These funds would then, per SB 285, be tied to increased Cal Grant B awards.

CSU Position: NO OFFICIAL POSITION
Status: The measure passed out of the Senate Governance and Finance Committee on a vote of 7-0 and will be heard next in the Senate Appropriations Committee.

Transfer

SB 440 (Padilla) Public Postsecondary Education: Student Transfer Achievement Reform Act: This measure is intended to serve as the legislative vehicle for any clean up legislation that may be needed related to the implementation of SB 1440 - the CCC-CSU AA Transfer Degree pathway.

CSU Position: PENDING
Status: Senate Education Committee has set the measure for a hearing on May 1st. As introduced, the measure was a “spot bill” pending further reflection by the author of what, if any, further statutory changes are necessary to make the CSU-CCC transfer pathway more successful for students. The measure as amended would require: (1) the CCC to create transfer degrees for specific majors; (2) the CSU to develop admission redirection policies; and (3) require the two systems to develop a marketing strategy to ensure students can take advantage of this streamlined pathway.

Veterans Services

AB 13 (Chavez) Nonresident Tuition Exemption: Veterans: This measure would allow any member of the military who was discharged or released from active duty in California, but is not a California resident, to receive a waiver for the non-resident fee regardless of whether they were stationed in the state or not. Current law only provides this waiver for members of the military who were stationed in California while on active duty.

CSU Position: NO OFFICIAL POSITION
Status: The bill passed out of Assembly Veterans Affairs Committee on April 16th and will be heard in the Assembly Appropriations Committee on May 1st. Consistent with all other waiver measures, the CSU is requesting that the loss of revenue be reimbursed by the state. All waivers today result in over \$60 million in lost revenue to the system.

AB 409 (Quirk-Silva) Student Veteran: Services: This measure would encourage the CSU, CCC, and the UC to convene a taskforce which would develop a report related to student veteran transitions, including a look at some of the best practices for meeting the needs of this population.

CSU Position: NO OFFICIAL POSITION

Status: The measure passed out of the Assembly Veteran Affairs and Higher Education Committee and is now before the Assembly Higher Education Committee.

SB 290 (Knight) Nonresident Tuition Exemption: Veterans: This proposal would allow all members of the military who were discharged honorably from paying the nonresident fee if they enroll at a California public institution two years after completing their service. Current law offers this benefit to those members of the military who were stationed here in California.

CSU Position: NO OFFICIAL POSITION
Status: Senate Appropriations Committee will hear this measure in the month of May. This measure will have a cost if enacted, and the CSU would request a backfill of lost revenue should the measure become law.

SB 420 (Walters) Public Postsecondary Education: Resident Classification: This bill would require the CSU to consider all members of the military and the reserve, as well as their dependents, as residents of California for the purposes of determining tuition fees regardless of when they served, where they were stationed or currently reside.

CSU Position: NO OFFICIAL POSITION
Status: The hearing of this measure in Senate Education Committee was cancelled at the request of the author. The measure is now a two-year bill.

AB 303 (I. Calderon) Student Financial Aid: Cal Grant Program: Members and Former Members of the Armed Forces of the United States: This measure would provide a student a Cal Grant A Entitlement Award or a Cal Grant B Entitlement Award regardless of income if they are a member or former member of the Armed Forces of the United States, and meet certain requirements, including being enrolled in a qualifying undergraduate certificate or degree program.

CSU Position: NO OFFICIAL POSITION
Status: The author has decided to make this measure a two-year bill.

AGENDA

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Meeting: 11:30 a.m., Tuesday, May 21, 2013
Glenn S. Dumke Auditorium

Peter G. Mehas, Chair
Margaret Fortune, Vice Chair
Lupe C. Garcia
William Hauck
Lou Monville
J. Lawrence Norton
Ian J. Ruddell

Consent Items

Approval of Minutes of Meeting of March 19, 2013

1. Amend the 2012-2013 Capital Outlay Program, Non-state Funded, *Action*

Discussion Items

2. Status Report on the 2013-2014 State Funded Capital Outlay Program, *Information*
3. Draft State and Non-State Funded Five-Year Capital Improvement Program 2014-2015 Through 2018-2019, *Action*
4. Approval of Schematic Plans, *Action*

**MINUTES OF MEETING OF
COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS**

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

March 19, 2013

Members Present

Peter Mehas, Chair
Edmund G. Brown, Jr., Governor
Lupe C. Garcia
William Hauck
Bob Linscheid, Chair of the Board
Lou Monville
Gavin Newsom, Lieutenant Governor
J. Lawrence Norton
Ian J. Ruddell
Glen Toney
Timothy P. White, Chancellor

Approval of Minutes

The minutes for the January 2013 meeting were approved as submitted.

Status Report on the 2013-2014 State Funded Capital Outlay Program

With the use of a PowerPoint presentation, Assistant Vice Chancellor Elvyra F. San Juan presented a report on the 2013-2014 State Funded Capital Outlay Program. The governor's budget for capital outlay supports equipment funding for four projects totaling \$3.6 million compared to the trustees' \$520 million program request. The CSU will request Department of Finance to include these four projects in the fall 2013 general obligation bond sale.

Ms. San Juan reported on the governor's proposed budget bill as it relates to debt service for state issued general obligation and State Public Works Board lease revenue bonds for the capital outlay program. The proposal includes a one-time increase in the CSU's support budget in 2013-2014 to pay for the existing capital financing debt service, shifting the obligation from the state to the CSU to pay the current and future capital outlay costs for academic and instructional support facilities.

Additionally, Ms. San Juan reported on the Trailer Bill Language released from the Department of Finance on March 4. While staff analysis is underway, initial review identifies proposed changes to the Education Code (State University Revenue Bond Act of 1947) expanding the

CSU's authority to issue debt based on general fund and other revenues. While this increased authority would enable the CSU to manage its own program for state facilities and provide a financing mechanism to address critical infrastructure needs, there are concerns. The proposed increase to the support budget to cover debt payments is flat-lined based upon the 2013-2014 debt service level; this would be insufficient to cover increased debt service costs for projects previously approved by the legislature but that have not proceeded to bond sale. The shortfall is at least \$50 million in 2016-2017. The first hearings are scheduled in late April.

Trustee Mehas asked when staff will bring forward recommendations on these complex issues. Ms. San Juan responded an update will be provided at the May board meeting based upon the outcome of the April hearings and further staff research and analysis.

Trustee Monville mentioned the report doesn't address the \$1.7 billion needed for reinvestment to address capital renewal and critical needs to address aging facilities that we can no longer use.

Executive Vice Chancellor Quillian stated capital funding is one of the CSU's most critical issues, and noted there are facilities with a failing infrastructure. Mr. Quillian has requested a report on the most serious issues and has been discussing possible options.

Governor Brown understands the serious infrastructure concerns and commented the intent of the budget bill was to provide the CSU with one budget to manage both capital outlay and operating expenses. His proposal is to prompt the CSU to make decisions based on the totality of university expenses now and over time.

Approval of Schematic Plans

With a PowerPoint presentation, Presidents Harrison, Wong, and Armiñana, respectively, along with Ms. San Juan presented the item for approval of schematic plans for California State University, Northridge—Student Housing, Phase II, San Francisco State University—Recreation and Wellness Center, and Sonoma State University—Joan and Sanford I. Weill Commons/MasterCard Pavilion. CEQA requirements for the three projects have been completed and staff recommends approval.

Trustee Ruddell commented CSU Northridge's student leadership is in favor of the Student Housing, Phase II project.

Trustee Linscheid asked how many campuses allow alumni the use of their recreation centers. The presidents responded by show of hands, indicating that many campuses endorse usage by alumni.

The committee recommended approval by the board of the proposed resolution (RCPBG 03-13-03).

Trustee Mehas adjourned the meeting.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Amend the 2012-2013 Capital Outlay Program, Non-State Funded

Presentation By

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

Summary

This item requests approval to amend the 2012-2013 non-state funded capital outlay program to include the following four projects:

**1. California State University, Long Beach
Data Center Consolidation**

PWC \$1,500,000

California State University, Long Beach wishes to renovate an existing telecommunications building to consolidate two existing data centers that contain critical systems for the campus. The existing facilities lack backup generators, proper fire protection systems, and have poor energy efficiency. Additionally, the current data storage capacity is expected to be exceeded in the next five years.

The new data center space will be designed to perform as a Tier-3 facility in terms of backup power, cooling, and systems reliability, and will provide data storage and processing capacity for 10 years of projected campus growth. The tier rating system ranks data centers 1-4, with Tier 3 being considered very good and Tier 4 being considered acceptable for mission-critical applications. A Tier 3 facility is built to achieve an uptime reliability of 99.982%.

The project will be funded from service charges assessed to auxiliaries, outside agencies, special funds and other campus departments.

**2. California State University, Long Beach
Residence Commons Dining Facility Renovation**

PWCE \$7,500,000

California State University, Long Beach wishes to proceed with the design and construction of renovations to its existing Residence Commons Dining Facility (#62J). The 19,000 GSF building was built in the 1980s and serves approximately 990 students on the west side of campus. The proposed project will provide students with an enhanced dining and social experience, bring the building into current code compliance, increase energy efficiency, and meet student and parent

expectations for modern food service facilities. This project is scheduled for completion in fall 2014.

The project will be funded from housing reserves.

**3. California State University, Monterey Bay
Otter Bay Restaurant** **PWCE** **\$1,206,000**

California State University, Monterey Bay wishes to proceed with the renovation of Otter Bay Restaurant within the existing University Center (#29). This 32,387 GSF building is an original Fort Ord structure that is leased to the University Auxiliary as a restaurant with a full food service kitchen, dining area, bar/counter service, and office space. The kitchen and back of house area will not be renovated at this time. To make effective use of the dining space, the project will remove most of the existing interior partitions and bar area to create two new dining rooms and increase total seating capacity to 180. The interior walls will be refinished and the 3,640 GSF space will be updated to accommodate different types of seating choices for students and other restaurant patrons.

The project will be funded from University Corporation funds.

**4. San José State University
Spartan Stadium End Zone Building** **PWCE** **\$38,577,000**

San José State University wishes to proceed with the design and construction of Spartan Stadium End Zone Building (#142) located at the South Campus site, between Simpkins Stadium Center (#125) and Spartan Stadium, replacing the locker room building (#130). The 61,000 GSF facility will house sports medicine and athletic training space, a football team locker room, football coaching staff offices, meeting rooms, a hall of fame, and auditorium. The new facility will serve the day-to-day operations of the athletic department, and provide hospitality space on game days. Approximately 1,700 existing seats on the north side of the stadium will be removed and replaced with 1,350 premium and loge seating. The project will provide a new entry plaza, including new ticket windows, on the west side of the stadium, and replace the concession and restroom facilities on the north side of the stadium.

This project will be funded from donor funds.

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that the 2012-2013 non-state funded capital outlay program is amended to include:
1) \$1,500,000 for preliminary plans, working drawings, and construction for the California State University, Long Beach Data Center Consolidation;

2) \$7,500,000 for preliminary plans, working drawings, construction, and equipment for the California State University, Long Beach Residence Commons Dining Facility Renovation project; 3) \$1,206,000 for preliminary plans, working drawings, construction, and equipment for the California State University, Monterey Bay Otter Bay Restaurant project; and 4) \$38,577,000 for preliminary plans, working drawings, construction, and equipment for the San José State University Spartan Stadium End Zone Building project.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Status Report on the 2013-2014 State Funded Capital Outlay Program

Presentation By

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

Summary

An update on the outcome of legislative hearings regarding the CSU's 2013-2014 state funded capital outlay program will be provided at the meeting.

Trustees' Request

The trustees approved the 2013-2014 capital outlay program at the September 2012 board meeting. The entire state funded priority list (38 projects) totaled \$520 million. Of that amount, program documentation for 21 projects totaling \$390.3 million was submitted to the Department of Finance (DOF).

The trustees approved the program even though capital funding is uncertain and relies upon the governor's and legislature's approval of lease revenue bond financing, and the use of remaining general obligation (GO) bond funds.

Governor's Budget

The governor's January budget proposed the use of remaining GO bonds to fund:

Campus	Project	Phase	Amount
Bakersfield	Art Center and Satellite Plant	E	\$533,000
Fresno	Faculty Office/Lab Building	E	\$383,000
Maritime Academy	Physical Education Replacement	E	\$1,295,000
San José	Spartan Complex Renovation (Seismic)	E	\$1,428,000
Total			\$3,639,000

The governor also proposed a change to the CSU support budget under the description "Fiscal Incentives," whereby the current practice of the state to separately budget and annually adjust the debt service for GO bond and lease revenue bond financing for CSU capital

improvement projects would change and no longer be funded as discrete items. The governor proposes to fold these appropriations into CSU's base budget to provide a fiscal incentive to factor these costs into the CSU's fiscal outlook and decision-making process.

Legislative Analyst's Office

The Legislative Analyst's Office (LAO) has taken no position on the four projects included in the governor's proposed capital program for the CSU. However, the LAO recommends rejecting the governor's proposal to combine universities' capital and support budgets in its report, *The 2013-14 Budget: Analysis of the Higher Education Budget*.

Trustees' April Technical Letter Requests

Of the CSU requests for funding reconsideration, the DOF included one additional equipment project and one seismic safety project as an amendment to the governor's 2013-2014 budget bill via their April Technical Letter sent to the legislature. Both projects will be funded from state GO bond funds which were appropriated in 2012-2013 to leverage federal grant matching funds from the Federal Emergency Management Agency (FEMA) to perform critical seismic renovations. The Federal matching funds were never awarded and the remaining GO funds will be reverted in the 2013-2014 budget, reducing the CSU's spending authority by that amount.

Campus	Project	Phase	Amount
Channel Islands	West Hall	E	\$2,258,000
Bakersfield	Seismic Upgrade, Dore Theater	PWC	\$1,784,000
Total			\$4,042,000

Legislative Hearings

On April 24, 2013 the Assembly Budget Subcommittee No. 2 on Education Finance approved the six CSU projects noted above to total \$7,681,000. The Senate Budget and Fiscal Review Subcommittee No. 1 on Education also approved the projects on April 25, 2013.

The Subcommittees also heard testimony on the governor's proposal to increase the CSU's authority to manage the combining of the capital and support budgets and restructuring of the lease revenue bond debt. Both committees rejected the governor's proposal. The Senate Subcommittee further requested the administration to return with a five-year infrastructure plan, including a proposal to address the capital outlay needs for the CSU, UC, and Hastings College.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Draft State and Non-State Funded Five-Year Capital Improvement Program 2014-2015 through 2018-2019

Presentation By

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

Background

The Board of Trustees adopted the categories and criteria to be used in setting project priorities for the CSU state funded five-year capital improvement program at the November 2012 meeting. The trustees have approved limiting campuses requests to one project in the action year and three projects in the remaining four years of the Five-Year Capital Program due to limited state funding. Projects are categorized as either Existing Facilities/Infrastructure or as New Facilities/Infrastructure with the majority of funding being targeted to existing facilities. Projects are prioritized based on the strategic needs of the system in consideration of existing deficiencies in the type, amount and/or condition of campus space or infrastructure to serve the academic master plan.

Summary

This action item seeks the Board of Trustees' approval of the draft state and non-state funded five-year capital improvement program 2014-2015 through 2018-2019. Due to the state of campus infrastructure, the program proposes to focus funding on the Statewide Minor Capital Outlay and Infrastructure Improvements (formerly Capital Renewal) programs to promote a broad distribution of funds across all campuses to address priority infrastructure needs and utility management projects.

While the scope and budget of campus projects are still being revised, the board's approval will support the submittal of programs due to the Department of Finance (DOF), July 1, 2013, based on the current status of project review.

The draft book that describes the proposed capital improvement program can be viewed at: http://www.calstate.edu/cpdc/Facilities_Planning/majorcapoutlayprogram.shtml. The Draft 2014-2015 State Funded Capital Outlay Program priority list of 35 projects totals over \$481 million and the Non-State Funded Program is just under \$23.4 million for five projects at four campuses.

The projects are currently indexed at the projected July 2013 Engineering News-Record California Construction Cost Index (CCCI) 6077. The CCCI is the average Building Cost Index for Los Angeles and San Francisco. It is updated monthly and is required by the Department of Finance. We anticipate returning to the board in September 2013 for approval of the final five-year program including the 2014-2015 action-year request.

The state funded capital program has typically been dependent upon either legislative approval of lease revenue bond (LRB) financing or voter approval of a general obligation bond measure. The funding for the state capital outlay program for 2014-2015 remains uncertain.

The non-state capital outlay program will be funded through campus auxiliary organizations, donations, grants, student union, student health center and parking programs. The latter three programs primarily rely on user fees to repay Systemwide Revenue Bonds issued by the Board of Trustees.

The following resolution is presented for approval:

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

1. The Draft State and Non-State Funded Five-Year Capital Improvement Program 2014-2015 through 2018-2019 is approved.
2. The chancellor or his designee is requested to explore all reasonable funding methods available and communicate to the Governor and the Legislature the need to provide funds to develop the facilities necessary to deliver quality educational programs to serve all eligible students.
3. The chancellor or his designee is directed to return to the Board of Trustees for approval of the *final* State and Non-State Funded Five-Year Capital Improvement Program 2014-2015 through 2018-2019, including the 2014-2015 action-year request.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Approval of Schematic Plans

Presentation By

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

Summary

Schematic plans for the following project will be presented for approval:

San José State University—Spartan Stadium End Zone Building *Project Architect: Gensler*

Background and Scope

San José State University proposes to design and construct a new athletic facility replacing the current locker room building (#130) just north of Spartan Stadium, located on the South Campus. The stadium was originally constructed in 1933, and while it has undergone some major expansions, in 2010, the San José State Athletic Department determined that the current athletic facilities were inadequate, and an upgrade would be necessary to bring the facilities on par with similar facilities in the Western Athletic Conference and the Mountain West Conference.

The project will provide increased space for athletic offices, locker rooms, equipment rooms, training rooms, hospitality spaces, a hall of fame, and a 140-seat auditorium which will function as a large group instructional space and viewing gallery during home games. Approximately 1,700 existing seats on the north side of the stadium will be removed and replaced with 1,350 premium and loge seats, and a plaza upgrade will provide a new entry to the west of the stadium. The project includes an addition (1,600 GSF) and renovation (2,400 GSF) to the dining facility in the Simpkins Stadium Center (#125) located just north and west of the new building. The demolition of the locker room facility (2,880 GSF) is included in the scope of this project.

The proposed two-story 61,000 GSF Spartan Stadium End Zone Building (#142) will be constructed of structural steel with a cement plaster envelope and aluminum metal panels at the auditorium. Precast concrete panels will clad the base of the building on the north, east, and part of the west elevations.

The project is designed to achieve Leadership in Energy and Environmental Design (LEED)

Silver certification or equivalent. Sustainable design features include retention and treatment of stormwater on-site, minimization of heat island effect, use of innovative wastewater technologies, water efficient fixtures, and efficient HVAC and electrical systems. Renewable materials, natural ventilation to communal spaces, and natural daylighting will be incorporated into the design.

Timing (Estimated)

Preliminary Plans Completed	October 2013
Working Drawings Completed	March 2014
Construction Start	May 2014
Occupancy	September 2015

Basic Statistics

Gross Building Area	60,931 square feet
Assignable Building Area	45,643 square feet
Efficiency	74.91 percent

Cost Estimate – California Construction Cost Index 5950

New Building Cost (\$396 per GSF)	\$ 24,121,000
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<i>Systems Breakdown (includes Group I)</i>	(\$ per GSF)
a. Substructure (Foundation)	\$ 14.00
b. Shell (Structure and Enclosure)	\$ 139.99
c. Interiors (Partitions and Finishes)	\$ 57.08
d. Services (HVAC, Plumbing, Electrical, Fire)	\$ 115.44
e. Equipment and Furnishings	\$ 18.12
f. General Conditions	\$ 51.24

Simpkins Center Addition/Renovation (\$261 per GSF)	1,043,000
Stadium Seating Renovation (\$238 per GSF)	1,288,000

Site Development (includes Plaza Entry Upgrade)	<u>2,715,000</u>
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Construction Cost	\$ 29,167,000
Fees, Contingency, Services	<u>7,890,000</u>

Total Project cost (\$608 per GSF)	\$ 37,057,000
Group II Equipment	<u>1,500,000</u>

Grand Total \$ 38,557,000

Cost Comparison

The project's building cost of \$396 per GSF is comparable to the San José Student Health and Counseling Facility at \$401 per GSF at the July 2012 Engineering News-Record California Construction Cost Index (CCCI) 5950, and slightly more costly than the Fresno Sports Medicine Building at \$368 per GSF adjusted to CCCI 5950. The CCCI is the average Building Cost Index for Los Angeles and San Francisco and is updated monthly. The higher building cost is due in part to the use of precast concrete for the exterior enclosure.

Funding Data

The project will be entirely donor funded. Construction will not proceed until funds or the appropriate development agreements are executed.

California Environmental Quality Act (CEQA) Action

An Initial Study/Mitigated Negative Declaration was prepared to analyze the potential significant environmental effects of the proposed project in accordance with the requirements of CEQA and state CEQA Guidelines. The Final Mitigated Negative Declaration is presented to the Board of Trustees for review and certification as part of this agenda item. The public review period began on February 20, 2013 and closed on March 22, 2013. One comment letter was received from the City of San José relating to connection to the city storm water and sanitary systems, traffic study analysis, and native species. A letter from San José State University was prepared in response which conveyed that the project will not connect to the city storm and sanitary systems. The project will result in a decrease in stadium capacity as compared to existing conditions, and will not significantly impact traffic. It was determined the site does not contain habitat for the species in question. The final documents are available online at: <http://www.sjsu.edu/fdo/ceqa/>.

The following resolution is presented for approval:

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

1. The Final Initial Study/Mitigated Negative Declaration has been prepared to address any potential significant environmental impacts, mitigation measures and comments associated with approval of the San José State University Spartan Stadium End Zone Building, and all discretionary actions related thereto, as identified in the Final Initial Study/Mitigated Negative Declaration.

2. The Final Initial Study/Mitigated Negative Declaration was prepared pursuant to the California Environmental Quality Act and state CEQA Guidelines.
3. This resolution is adopted pursuant to the requirements of Section 21081 of Public Resources Code and Section 15091 of the state CEQA Guidelines which require that the Board of Trustees make findings prior to the approval of a project that the mitigated project as approved will not have a significant impact on the environment, that the project will be constructed with the recommended mitigation measures as identified in the mitigation monitoring program, and that the project will benefit the California State University. The Board of Trustees makes such findings with regard to this project.
4. The chancellor is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
5. The schematic plans for the San José State University Spartan Stadium End Zone Building are approved at a project cost of \$38,557,000 at CCCI 5950.

AGENDA

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Meeting: 1:00 p.m., Tuesday, May 21, 2013
Glenn S. Dumke Auditorium

Roberta Achtenberg, Chair
Bernadette Cheyne
Rebecca D. Eisen
Douglas Faigin
Debra S. Farar
Margaret Fortune
Peter G. Mehas
Hugo N. Morales
Ian J. Ruddell

Consent Items

Approval of minutes of meeting of March 19, 2013

Discussion Items

1. Naming of an Academic Entity – San Jose State University, *Action*
2. Alumni Attitudes Study, *Information*

**MINUTES OF THE MEETING OF
COMMITTEE ON INSTITUTIONAL ADVANCEMENT
Office of the Chancellor
Glenn S. Dumke Auditorium
401 Golden Shore
Long Beach, California**

March 19, 2013

Members Present

Kenneth Fong, Vice Chair
Bernadette Cheyne
Rebecca D. Eisen
Douglas Faigin
Debra S. Farar
Bob Lincheid, Chair of the Board
Peter G. Mehas
Gavin Newsom, Lt. Governor
Ian J. Ruddell
Timothy P. White, Chancellor

Trustee Fong called the meeting to order.

Approval of Minutes

The minutes of January 22, 2013 were approved by consent.

Measuring Advancement

Garrett P. Ashley, vice chancellor university relations and advancement stated that campus presidents develop annual fundraising goals and performance review recommendations based on guiding principles set forth by the Board of Trustees. Those principles emphasize the development of comprehensive advancement programs and recognize that performance is correlated to investment.

Advancement has coped with budget reductions and preserved jobs by holding off on filling vacancies. This year's report from campuses noted that 90 positions out of 974 were vacant. Vice Chancellor Ashley commended staff for performing admirably to maintain service to students, alumni and donors. He requested that Lori A. Redfearn, assistant vice chancellor, advancement services provide an overview of the campus university advancement goals.

Ms. Redfearn compared investments in Advancement to national peers that participated in the Council for Advancement and Support of Education (CASE) Advancement Investment Metrics Study. She noted a slight underweight in investment in Fundraising and a slight overweight in

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Advancement Services. This is partially due to our smaller programs having difficulty scaling up but also indicates opportunity to see if discounting is available through enterprise contracts for technology purchases.

The cost to raise a dollar remains an average 16 cents. Half of CSU campuses achieve a return on investment between four and eight dollars. This is on average \$1 better than national peers. The CSU continues to demonstrate a strong correlation between dollars invested to dollars raised at a ratio of one dollar invested raising six dollars.

Ms. Redfearn ended her presentation by stating that overall the CSU fell short of goal in two of the last three years. The aggregated goal of \$340 million remains aspirational considering the current investment supports an average return of \$306 million. The CASE Fundraising Index forecasts a fundraising increase of 6% in 2012-2013 over the prior year.

Council for Advancement and Support of Education (CASE) District VII Awards

Vice Chancellor Ashley congratulated everyone who received awards from CASE District VII. Each year, CASE honors superior achievement in the field of university advancement. This year, the CSU made an impressive showing with eleven CSU campuses and the Chancellor's Office receiving recognitions.

He highlighted gold award recipients: CSU Chico, *125th Anniversary Visual Identity System*; CSU Fullerton, *Vision & Visionaries Distinguished Alumni Campus Visits 2012*; CSU Channel Islands, *Alumni & Friends Dodger Day*; CSU Fresno, *Re-branding Program*; and San Francisco State, *SF State Magazine*. Other campuses to earn awards were CSU Long Beach, CSU Monterey Bay, California State Polytechnic University Pomona, CSU Sacramento, CSU San Bernardino, San José State University, and the Chancellor's Office.

Trustee Fong adjourned the meeting.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Naming of an Academic Entity – San José State University

Presentation By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

Summary

This item will consider naming the College of Business and the Lucas Graduate School of Business at San José State University as the Lucas College and Graduate School of Business.

This proposal, submitted by San José State University, meets the criteria and other conditions specified in the Board of Trustees Policy on Naming California State University Academic Entities, including approval by the system review panel and the campus academic senate.

Background

The proposed naming of the facility recognizes the \$11 million commitment from the Donald Lee and Sally Steadman Lucas Foundation to San José State University, the College of Business, and its students and faculty. The Lucas family's generous investment in San José State University's College of Business reflects their recognition of the importance of recruiting and cultivating top-level graduates and professors who will stand out as thought leaders in a global economy. The funding from this gift will support a number of initiatives designed to further this mission, including endowed professorships, fellowships and visiting scholar programs.

Donald and Sally Lucas are esteemed graduates of San José State University as well as successful business and philanthropic leaders in the Silicon Valley. Mr. Lucas co-founded the Lucas Dealership Group, one of the first multiple franchise automobile companies in the country, and is currently the head of Lucas Trust Ventures. He has played a leadership role in the Spartan Foundation and the Alumni Association, and is currently a member of the Tower Foundation Board of Directors.

Mrs. Lucas is a former teacher in the Campbell School District, and has maintained a lifelong dedication to education and active participation in her community. A business leader and philanthropist, she co-founded the Lucas Dealership Group, and also owned and operated SL

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Interior Designs for 34 years. She is a longtime trustee for the nonprofit Montalvo Arts Center, where she was the motivating force behind the establishment of the Sally and Don Lucas Artists Residency Program. Mr. and Mrs. Lucas are well known for their philanthropic work through The Donald Lee and Sally Steadman Lucas Foundation.

Recommended Action

The following resolution is recommended for approval:

RESOLVED, By the Board of Trustees of the California State University, that the College of Business and the Lucas Graduate School of Business at San José State University be named the Lucas College and Graduate School of Business.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Alumni Attitudes Study

Presentation By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

Aaron Moore
Director
Alumni Relations

Summary

The California State University (CSU) participated in a nationally normed Alumni Attitudes Study in 2012. The results compare to both universities across the nation and the CSU's results from 2008. In total, 200 universities across the nation participated.

Overall CSU alumni feel they were well prepared by the CSU and it was a great decision to attend. They had positive student experiences and are interested in continuing engagement with the university as volunteers and donors.

Background

Nineteen CSU campuses participated with over 20,000 responses. Key results include:

- 60% say their experience as an alumnus is good or excellent. However, they want to be communicated with and engaged in more personalized ways.
- They want to know the equity of their degree is increasing and be told about the accomplishments of faculty and students.
- 30% of young alumni are interested in volunteering for the university and participating in advocacy activities—an untapped market
- Top areas to enhance alumni services:
 - Career services—including continued professional development opportunities
 - Mentoring students
 - Networking with other alumni

The CSU Alumni Council will be updating its strategic plan to begin aligning systemwide focus on key areas of opportunity.

AGENDA

COMMITTEE ON FINANCE

Meeting: 1:45 p.m., Tuesday, May 21, 2013
Glenn S. Dumke Auditorium

William Hauck, Chair
Roberta Achtenberg, Vice Chair
Rebecca D. Eisen
Douglas Faigin
Margaret Fortune
Steven M. Glazer
Henry Mendoza
Lou Monville
Ian J. Ruddell

Consent Items

Approval of Minutes of Meeting of March 19, 2013

Discussion Items

1. Report on the 2013-2014 Support Budget and Multi-year Funding/Performance Plan, *Information*
2. Granada State University House—Major Repairs and Funding Plan, *Action*
3. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for a Project, *Action*

**MINUTES OF THE MEETING OF
COMMITTEE ON FINANCE**

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

March 19, 2013

Members Present

William Hauck, Chair
Rebecca D. Eisen
Douglas Faigin
Kenneth Fong
Steven M. Glazer
Henry Mendoza
Lou Monville
Gavin Newsom, Lt. Governor
Ian J. Ruddell
Glen O. Toney
Timothy P. White, Chancellor

Approval of Minutes

The minutes of January 22, 2013 were approved by consent as submitted.

Report on the 2013-2014 Support Budget

Dr. Benjamin F. Quillian, executive vice chancellor and chief financial officer, reported on the CSU's proposed reduced expenditure plan to align 2013-2014 expenditures with the governor's budget proposal.

The committee discussed the proposed expenditure plan presented in Finance Committee agenda Item No. 1 of March 2013, which included the following components:

- Using Technology to Address Curricular "Bottlenecks" \$10 million. Funding earmarked in the governor's budget proposal to increase the number of courses available to matriculated undergraduates through the use of technology. The CSU campuses are working on plans with strategies to re-design courses with high failure rates, thus reducing the need for repeating courses and time to degree, and to scale up hybrid teaching, web-based virtual laboratories, electronic textbook use and online teaching. The plans will also include upgrading student systems to provide electronic advising, optimized scheduling and clearer degree pathways.
- Mandatory Costs \$48.2 million. Funding to cover employee health care benefits, energy, and the operation and maintenance of newly constructed space. These increases are

beyond the CSU's control and without additional funding, campuses will need to redirect resources from other areas. The funding of mandatory costs preserves the integrity and quality of CSU programs.

- Employee Compensation Pool \$38.0 million. Funding to address the pressing need to compensate employees fairly and enhance CSU's ability to recruit and retain top quality faculty and staff. General compensation increases have not been provided since 2008 for faculty and since 2007 for all other employees. It is not anticipated that all employee categories will receive raises or receive the same amounts due to all factors that need to be considered.
- Enrollment Growth \$21.7 million. New state funding to support a 1.45% growth in state-assisted enrollment, which will allow enrollment of 5,700 additional students. Dr. Smith reported that the CSU has received a record number of applications for Fall 2013.
- Student Access and Success Initiatives \$7.2 million. Funding to address key factors that impact student access and success such as reducing time to degree, closing the achievement gap and improving graduation rates.

Trustee Hauck inquired if re-designing a course is making the course easier for students to pass? Dr. Smith clarified that CSU's goal is to keep students engaged in class with more interaction with faculty and access to virtual laboratories and classes. Mr. Edmund G. Brown, Jr., governor of California, stressed that making courses more interactive is key to ensuring students are learning. Dr. Mohammad H. Qayoumi, president, San Jose State University, added that the model their campus is using in keeping the lectures short and engaging students to respond and solve problems have been quite successful. Trustee Hauck suggested that CSU present the chancellor with an explicit plan of how the \$10 million will be used. Dr. Timothy P. White, chancellor of California State University, stated that the CSU will present the board with a coherent proposition at the next board meeting.

In response to a query from Trustee Hauck, Mr. Robert Turnage, assistant vice chancellor for budget, confirmed that of the anticipated \$48.2 million increase, \$36.2 million will cover a one-year increase in health care rates negotiated through the California Public Employees' Retirement System (CalPERS).

Mr. Len Pettis, chief of plant energy and utilities, added that the CSU achieved a 50% reduction on energy use with successful, long-standing energy-efficiency programs. With an increase in demand for technology and the operation and maintenance of newly constructed space, the campuses face a significant challenge in funding these increased costs.

Public Speaker

Carol Shubin, professor of mathematics, California State University, Northridge, commented that a partial virtual university will not destroy academia as some fear.

With no further questions, Trustee Hauck proceeded to the next item on the agenda.

List of Factors for Future Considerations of Fee Changes per AB 970

Mr. Turnage reported that Assembly Bill (AB) 970 took effect on January 1, 2013, which requires the respective university boards, on or before April 2, 2013, to adopt a list of factors that shall be taken into consideration when developing recommendations to adjust mandatory systemwide fees. CSU is requesting board approval to adopt the list of factors developed in consultation with the California State Student Association (CSSA).

The committee discussed adopting the list of factors presented in the Finance Committee agenda Item No. 2 of March 2013, that CSU will take into consideration when developing recommendations to adjust mandatory systemwide fees.

With no questions, Trustee Hauck called for a motion on the resolution, which was approved.

California State University Annual Debt Report

Mr. George Ashkar, assistant vice chancellor for financial services, reported on the debt of the CSU Systemwide Revenue Bond (SRB) program. The SRB portfolio as of June 30, 2012 and December 31, 2012, consisted of an outstanding debt of \$3,543,000,000 and \$3,605,000,000 respectively, with a debt rating of Aa2 from Moody's and an A+ with Positive Outlook rating from Standard and Poor's. In August 2012, the CSU issued \$452,920,000 of SRBs, \$122,350,000 of which is slated to new money projects and \$330,570,000 in bonds to refund existing SRB and auxiliary debt, resulting in yearly savings of \$3 million in combined cash flow for 17 campuses.

With no questions, Trustee Hauck proceeded to the next item on the agenda.

Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for a Northridge Student Housing Phase II project at California State University Northridge

Mr. George Ashkar, assistant vice chancellor for financial services, requested board approval to authorize the issuance of systemwide revenue bonds and the issuance of Bond Anticipation Notes (BANS) to support interim financing under the commercial paper program of the CSU. The total cost is \$24,075,000 to provide financing for a student housing project. The board is being asked to approve resolutions relating to this project.

The Northridge Student Housing Phase II project (the “Project”) was approved by the board in May 2011. The proposed 400 bed facility will consist of double occupancy rooms, study lounges, social/community rooms and laundry facilities totaling 88,000 square feet. In addition, a 6,000 square foot community center comprised of multipurpose spaces, administration space, learning center, recreation space, and coffee house will be constructed. The project will be located within the University Park student housing complex, in the northeastern quadrant of the campus, currently occupied by an underutilized 900 space parking lot.

The not-to-exceed par value is \$24,075,000, based on a total project cost of \$34,416,000, with a housing program reserve contribution of \$12,705,950. Additional financing costs of \$2,364,950 are to be funded from bond proceeds. Based on the financial plan, debt service coverage is projected at 1.72 for the Project in the first full year of operations in 2015-2016, which exceeds the CSU benchmark of 1.10. The campus’ overall debt service coverage is projected at 2.20, which exceeds the CSU benchmark of 1.35.

In response to Lieutenant Governor Newsom, Mr. Ashkar clarified that SRB revenues are restricted funds for enterprise operations and debt service, which can only be used within the parameters of the bond.

With no further questions, Trustee Hauck called for a motion on the resolution, which was approved.

With no further questions, Trustee Hauck adjourned the Committee on Finance.

COMMITTEE ON FINANCE

Report on the 2013-2014 Support Budget and Multi-year Funding/Performance Plan

Presentation By

Benjamin F. Quillian
Executive Vice Chancellor and
Chief Financial Officer

Robert Turnage
Assistant Vice Chancellor
Budget

Background

The Governor's Budget released last January provides a programmatic increase of \$125.1 million from the state General Fund for support of the CSU. At the March 19-20, 2013 meeting of the Board of Trustees, the board reviewed and discussed the following revised spending plan tied to that amount:

- \$48.2 million for mandatory cost increases (health benefits, new space, and energy)
- \$38.0 million for a compensation increase "pool"; equivalent to an average increase of 1.2 percent.
- \$21.7 million for enrollment growth, averaging 1.45 percent systemwide.
- \$10.0 million, requested specifically by the Governor, to address course "bottlenecks" through innovative use of technology and online courses.
- \$7.2 million for various campus efforts in support of the Graduation Initiative and student success.

Legislative Hearings

The budget subcommittees for education finance in the Assembly and the Senate have held several hearings this spring on the Governor's higher education budget proposals. So far, they have focused more on policy changes contained in proposed budget bill or budget trailer bill language than on the proposed appropriation amounts. They have given particular attention to the \$10 million to address the problem of course "bottlenecks," yet have postponed action pending further development of details by the CSU (and the University of California and the community colleges). Many of the proposed policy changes are encountering resistance. For example, both

subcommittees have voted to reject trailer bill language that would conform provisions of collective bargaining law for the CSU related to employer/employee shares of health benefit premiums to the provisions governing this issue for the state Department of Human Resources and state unions. Subcommittee members have acknowledged that the CSU faces extraordinary cost pressures in this area, yet the majority believe the issue should be left to bargaining under current law.

The Governor's proposal to merge CSU and UC support and capital outlay budgets into the same appropriation, and to make future debt service on state bonds payable from the university appropriations, is also encountering legislative resistance. Both subcommittees have rejected the proposal and called on the Administration to provide a revised approach to meeting university capital outlay needs in the May Revision, specifically in the context of a statewide infrastructure plan that is due to the legislature under current law.

Multi-year Funding and Performance Plan

As part of his January budget proposal, the Governor called for a stable multi-year funding plan for the university systems under which state General Fund appropriations to the UC would grow in the following year by year sequence--5 percent, 5 percent, 4 percent and 4 percent—and appropriations to the CSU would grow by annual dollar amounts equal to the UC's growth. Under this plan, annual appropriations to each university system would grow by an estimated \$511 million by the fourth year (2016-2017). The Governor's Administration indicated that it would develop performance expectations tied to the annual funding increases for consideration by the Legislature during budget hearings.

In late April, the Department of Finance released an initial "long term funding and performance plan" to the budget subcommittees. The initial plan ties annual funding increases for each university system to the attainment of specified percentage improvements in seven outcome measures. Ultimately, the universities would be required to improve outcomes by 10 percent on each measure by the 2016-2017 fiscal year (relative to the outcomes attained in the designated base year of 2011-2012). The outcomes to be measured (systemwide, not campus by campus) are as follows:

- Four-year graduation rate for freshmen.
- Two-year graduation rate for transfers.
- Number of newly enrolled community college transfer students.
- Number of degree completions by students who entered CSU as freshmen.
- Number of degree completions by students who entered CSU as transfers.
- Number of degree completions by low-income students (both freshmen and transfers), with Pell grants as proxy for determining low-income.

- Number of undergraduate degree completions per 100 enrolled full-time equivalent students (FTES).

The 2014-2015 fiscal year would be the first year for which a funding increment would be “at risk,” given the unavoidable lag in the universities being able to report actual outcomes. Moreover, as initially proposed, funding increments for all four years are contingent on a tuition fee “freeze” for the entire period.

At the time this agenda item was prepared, the funding/performance plan had received an initial hearing in the Assembly budget subcommittee at which multiple concerns were expressed. In addition, the Chancellor and staff have been engaged with the Department of Finance in discussions aimed at assuring that an adopted funding/performance plan have measures and targeted rates of improvement that are appropriate to the CSU’s mission, the realities faced by many students who work full or part-time or who come to college in need of additional preparation, and the need to match ambitious performance goals with commensurate resources. Based on these discussions and the discussions in budget subcommittee, the May Revision may include a formal plan with revisions to address various expressed concerns.

May Revision

To date, the budget subcommittees have refrained from taking action on appropriation amounts for the higher education segments, based on an expectation that the May Revision will identify a substantially altered state revenue picture for the 2012-2013 and 2013-2014 fiscal years. Based on personal income tax collections during the month of April, it was apparent that the state will likely end the 2012-13 fiscal year with \$4.5 billion of revenue above the January budget forecast. At the time this agenda item was prepared, however, major uncertainties still existed, including:

- The extent to which higher revenue collections in 2012-2013 were due to lasting effects, such as economic recovery, or to one-time effects such as accelerations in tax payments by rich taxpayers in response to recent federal tax changes.
- Forecast economic growth and estimated revenues for the 2013-2014 fiscal year.
- The extent to which the state’s constitutional spending guarantee for K-12 schools and community colleges (Proposition 98) would claim additional state revenues.
- The extent to which the federal Affordable Care Act could increase state expenditures on health programs.

Summary

At the May 21-22 meeting the board will receive a full update on the May Revision and changes affecting the CSU budget and the Administration’s multi-year funding/performance plan.

COMMITTEE ON FINANCE

Granada State University House— Major Repairs and Funding Plan

Presentation By

Benjamin F. Quillian
Executive Vice Chancellor and
Chief Financial Officer

Summary

The Granada State University House restricted endowment is managed through a Trust account established in 1991 per resolution of the Board of Trustees RSUH 07-91-03. The Trust account has been used for the repair and ongoing maintenance of the asset. Recent significant repairs have facilitated the need for a Facility Condition Assessment to be commissioned in order to understand the scope and nature of repairs and maintenance necessary to address safety and accessibility issues and maintain the full value of the house. Currently, it has been determined, further repair to the house is needed and an ongoing maintenance/repair schedule over a ten year period has been established to be the most practical and cost effective method going forward. This item requests approval to rescind the existing spending rule for determining the annual operating budget for the State University House.

Background

The original State University House was located in Bel-Air California. The Bel-Air home was donated by Mr. and Mrs. John Brown Cook in 1972 and was sold by the Trustees to Mr. David Maimon for \$3.61 million dollars in March, 1991. The Granada State University House in Long Beach, California was purchased for \$1.3 million dollars in July 1991. The balance of the proceeds from the sale of the Bel-Air home was used to set up an endowment for the operation and maintenance of the new State University House.

The 4,600 square foot Granada State University House located at 275 Granada Avenue in the Belmont Heights area of Long Beach is a mission style, single family residence with two bedrooms and three bathrooms in the private living quarters, and one bedroom and two bathrooms located in the public area on the first floor of the house. In August 1992, the house was remodeled to provide general renovation and adapt the formal dining room and kitchen to accommodate public gatherings.

The Granada State University House is the official residence for the Chancellor of the California State University System. The Chancellor is required to live in the home, which is utilized for cultural, fundraising and social activities in support of the 23 campuses of the CSU. Chancellor Timothy P. White and family moved into the Granada State University House in late December 2012 when he became the seventh Chancellor of the California State University system.

In July 2000, the board adopted a revised spending rule for determining the maximum spending level that should be spent annually for operating and maintaining the Granada State University House. The new spending rule was based upon two basic assumptions—one regarding the long-range total average annual return for the endowment and one regarding inflation to protect the earning power of the endowment corpus. For the long-range total average annual return, the new spending rule assumed 6 percent, based on high quality fixed income securities only, since the CSU is not allowed to invest in equity securities. For inflation, the new spending rule assumed a rate of 3 percent per annum.

From these assumptions, the board based its annual maximum spending level on two factors. The first factor was an amount based upon the ongoing earning power of the endowment corpus after accounting for inflation. Under the new spending rule, the board labeled this first factor the “target spending rate” and calculated it at 3 percent—the long-range total average annual return assumption of 6 percent less the assumed rate of inflation of 3 percent. The second factor was an amount based upon an increase for inflation, and therefore was calculated by adjusting the prior year’s budget for the assumed 3 percent rate of inflation. Based upon these two factors and assigning weights to each, the board established a maximum spending level for fiscal year 2001 of \$73,368.

Current Condition of State University House and Funding Requirements

In late January of this year, after heavy rain storms, the roof of the residence began leaking into the living room. Several contractors were called out to assess the roof condition and the water damage. It was determined that repairs were necessary to the Spanish tile roof and that without these repairs the roof would continue to leak extensively causing mold and water damage to the house. Estimates for the repair were competitive and, due to necessity, the repair was made to the roof in early April relatively soon after the estimates.

Prior to the repair, a Facility Condition Assessment was conducted on March 12, 2013 to assess the need to repair or replace the roof as well as multiple hazards in and around the home. The assessment done by ISES Corporation detailed the multiple repairs and maintenance necessary over the next ten years to bring the house to a reasonable living standard as well as protect the future value of the asset. The report classified repairs into four priority categories ranging from health and safety issues (immediate needs) to ongoing maintenance over a ten year life cycle to keep the value of the investment consistent.

This item will detail the necessary repairs and costs associated with the repairs in order to inform the Board of pending expenditures made from the Trust fund on behalf of the asset. Additionally, this item is to recommend a change in the expenditure rules to address needed repairs over the next ten years.

Notwithstanding the basic assumptions regarding the long-range total average annual return and inflation used by the board in setting the new spending rule in July 2000, actual results have been significantly less in recent years. Over the five year period ending March 31, 2013, the CSU's investment portfolio has generated an average annual return of 1.17 percent, considerably less than the 6 percent assumption made by the board in 2001; not enough to cover the actual rate of inflation—about 1.74 percent—over the same period. As a result, investment returns in recent years have not been sufficient to meet the annual operating budget for the Granada State University House, which has remained unchanged at the maximum spending level of \$73,368 set for fiscal year 2001. As a result, a portion of the endowment corpus has been spent to meet the annual budget shortfalls. Furthermore, given the significant repairs needed over the next ten years, an additional portion of the endowment corpus will need to be expended.

As a way to partially offset the impact of these developments on the endowment corpus, the possibility of moving the endowment from the CSU back to the CSU Foundation is being recommended. (The endowment was originally established in the CSU Foundation and moved to the CSU in 1973.) The CSU Foundation, an approved systemwide auxiliary in good standing, has the ability to invest in equity securities, providing the ability to earn a potentially higher long-range total average annual return on the Granada State University House endowment. As an example, over the last three fiscal years, the CSU Foundation has averaged a return of 10.88 percent per annum. By comparison the earnings on the endowment have averaged less than 2 percent.

Exhibit A outlines the estimated expenditures and funding plan over the next ten years.

RESOLVED, By the Board of Trustees of the California State University, that the spending rule adopted by resolution of the board in 2000 (RFIN 07-09-00) be rescinded.

A current year budget augmentation for fiscal year 2012-2013 in the amount of \$48,000, an annual operating budget of \$74,000 for fiscal year 2013-2014, along with expenditures required to address the significant repairs required to maintain the value of the Granada State University House in an amount of \$88,835 for fiscal year 2013-2014 (all per schedule A), are hereby approved by the board. The board authorizes the chancellor or his designees to transfer the Granada State University House endowment from the CSU Trust to the CSU Foundation to take

advantage of potentially greater investment returns as described in the item, and upon review and approval of General Counsel. Revisions to increase or decrease the annual budgets or expenditures for significant repairs in a given year shall be approved by the board or its designee. The board hereby designates the chair of the board as its designee to approve the annual budgets and such expenditures.

Exhibit A
State University House
2012/2013 Budget Augmentation and Proposed 2013-14 Budget
10-Year Facility Improvement Plan

Project Year	Proposed Budget										
	1	2	3	4	5	6	7	8	9	10	11
Maintenance and Repair Component	2012-2013 Augmented Budget	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Balance Forward	2,172,996	2,067,821	2,067,821	2,172,141	2,068,275	2,138,205	2,344,455	2,480,555	2,650,455	2,837,855	3,030,255
Revenue											
Investment Income ¹	15,824	225,000	225,000	236,300	225,000	232,600	255,100	269,900	288,400	308,800	329,700
Expenses											
0 1 Emergency Services / Contingency		10,000	10,000	10,000	10,000	20,000	20,000	20,000	20,000	20,000	20,000
0 2 Roof Repair	30,800										
0 3 Site Paving Upgrades		5,581									
0 4 Exterior Window and Door Systems	10,000			112,191							
0 5 Exterior Painting		9,664					10,000				10,000
0 6 HVAC System Replacement					68,289						
0 7 Renovate Bathrooms		20,825		22,047							
0 8 Garage Area Restoration			17,322								
0 9 Flooring Restoration		3,537		1,226							
0 10 Interior Ceiling Restoration		8,324									
0 11 Accessibility Conversion		21,934									
0 12 Exterior Lighting Replacement		2,543									
0 13 Electrical Service and Distribution Work		2,702		23,061							
0 14 Hot Water Circulation Energy Savings											
0 15 Drain Pipe Replacement		3,725	10,949								
0 16 Tree Replacement and Restoration			5,561		4,246						
0 17 Pool Finish and Equipment Restoration											
0 18 Awning Replacement				6,558							
0 19 Interior Lighting Efficiency Upgrade						858					
0 20 Interior Wall and Trim Restoration			21,508			2,317				7,200	
0 21 Water Heater Replacement											
0 22 Site Fencing Refinishing											
Facility Condition Report	7,200										
Subtotal Facility Improvement Plan Expenses	48,000	88,835	65,340	175,083	82,535	23,175	30,000	20,000	20,000	27,200	30,000
Operating Budget ²		74,000	75,000	76,000	77,000	78,000	79,000	80,000	81,000	82,000	83,000
Total Expenditures	121,000	162,835	120,680	340,166	155,070	26,350	119,000	100,000	101,000	116,400	123,000
Ending Endowment Balance	\$ 2,067,821	\$ 2,129,986	\$ 2,172,141	\$ 2,068,275	\$ 2,138,205	\$ 2,344,455	\$ 2,480,555	\$ 2,650,455	\$ 2,837,855	\$ 3,030,255	\$ 3,236,955

0 Identified in Facility Condition Analysis, March 2013
 1 - Investment Income¹ = Return on Investment of 10.88% once Endowment is transferred to the Foundation
 2 - Operating Budget² - includes escalation CPI @ 2.5%

COMMITTEE ON FINANCE

Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for a Project

Presentation By

George V. Ashkar
Assistant Vice Chancellor
Financial Services

Summary

This item requests the Board of Trustees to authorize the issuance of Systemwide Revenue Bonds of the California State University in an aggregate amount not-to-exceed \$3,140,000 to provide funds for an auxiliary refunding. The board is being asked to approve a resolution relating to this refunding. The long-term bonds will be part of a future Systemwide Revenue Bond sale and are expected to bear the same ratings from Moody's Investors Service and Standard and Poor's Corporation as the existing Systemwide Revenue Bonds.

The project is as follows:

California State University, East Bay Foundation, Inc. – Campus Bookstore Refunding

California State University, East Bay Foundation, Inc. (the "Foundation"), a recognized auxiliary organization in good standing at California State University, East Bay, seeks Board of Trustees approval for the refunding of an existing stand-alone auxiliary organization bond issue. On April 19, 2013, the Foundation's board of directors adopted a resolution authorizing the refunding of the auxiliary bonds through Systemwide Revenue Bonds.

The project will be the current refunding of \$3,470,000 in outstanding principal on the Foundation's Auxiliary Organization Refunding Revenue Bonds, Series 1998, which refunded the original series 1994 bonds. Proceeds from the original bonds were used to fund the construction of the campus bookstore. The size of the proposed refunding is at a not-to-exceed par amount of \$3,140,000, and is estimated to generate a net present value savings of approximately \$548,370, or 15.8% of the refunded bonds. The not-to-exceed

amount and the net present value savings are based on a current all-in true interest cost of 2.57%, which is reflective of market conditions as of April 2013, and an average remaining bond maturity of slightly over 6 years.

The loan agreement for the refunding of the stand-alone auxiliary organization bonds will be secured by a general obligation pledge of the Foundation's unrestricted revenues. This refunding will have a minimal impact on systemwide debt capacity, as this auxiliary debt is already included in overall CSU debt capacity calculations.

Trustee Resolutions and Recommended Action

Orrick, Herrington & Sutcliffe LLP, as bond counsel, is preparing a set of resolutions to be presented at this meeting for the refundings described in this agenda item. The proposed resolutions will be distributed at the meeting and will achieve the following:

1. Authorize the sale and issuance of Trustees of the California State University Systemwide Revenue Bonds in an amount not-to-exceed \$3,140,000 and certain actions relating thereto.
2. Provide a delegation to the Chancellor; the Executive Vice Chancellor and Chief Financial Officer; the Assistant Vice Chancellor, Financial Services; and the Senior Director of Financing and Treasury; and their designees to take any and all necessary actions to execute documents for the sale and issuance of the revenue bonds.

Approval of the financing resolutions for the projects as described in this Agenda Item 2 of the Committee on Finance at the May 21-22, 2013, meeting of the CSU Board of Trustees is recommended for:

California State University, East Bay Foundation Inc. – Campus Bookstore Refunding

AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: **2:45 p.m., Tuesday, May 21, 2013**
 Glenn S. Dumke Auditorium

Lou Monville, Chair
Roberta Achtenberg
Bernadette Cheyne
Steven M. Glazer
William Hauck
Peter G. Mehas
Ian J. Ruddell

Consent Items

Approval of Minutes of Meeting of March 19, 2013

Discussion Item

1. Chancellor's Doctoral Incentive Program Update – 25th Anniversary,
Information

**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**

March 19, 2013

Members Present

Kenneth Fong, Chair
Lou Monville, Vice Chair
Bernadette Cheyne
Steven M. Glazer
William Hauck
Peter G. Mehas
Ian J. Ruddell
Glen O. Toney
Bob Linscheid, Chair of the Board
Timothy P. White, Chancellor

Trustee Fong called the meeting to order.

Approval of Minutes

The minutes of January 22, 2013, were approved as submitted.

Executive Compensation

Agenda Item 1 was an action item which recommended compensation for the interim general counsel of the California State University. Chancellor Timothy P. White presented the item.

With the imminent retirement of General Counsel Christine Helwick, Chancellor White introduced Mr. G. Andrew Jones as interim general counsel. He is currently university counsel to California State University, Long Beach, in addition to being team leader of the business and finance unit in the Office of General Counsel. The chancellor noted that Mr. Jones is “made in the CSU” having graduated from CSU Long Beach; he went on to earn his law degree at the University of California, Davis.

Chancellor White indicated that while the proposed salary of \$208,000 is below that of the current incumbent, the salary for the permanent replacement would be determined based on current market conditions and the experiences and skills of the new incumbent. He emphasized that the permanent replacement would most likely be brought in at a higher salary.

Chancellor White concluded by recommending approval of compensation for the interim general counsel as stated in the agenda item. A motion was called and approved by the committee. Trustee Fong adjourned the meeting. (RUF 03-13-02)

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Chancellor's Doctoral Incentive Program Update—25th Anniversary

Presentation By

Gail Brooks
Vice Chancellor
Human Resources

Margaret Merryfield
Senior Director
Academic Human Resources

Alison Wrynn
Professor of Kinesiology
California State University, Long Beach

Summary

This year the California State University celebrates the 25th anniversary of the CSU Chancellor's Doctoral Incentive Program (CDIP). This report will provide a brief history and description of the CDIP as well as program outcomes and directions for the future. The program is designed to build the pool of potential faculty with the qualifications, motivations, and skills to teach the diverse student population of the CSU by providing loans to support graduate study, forging connections to current CSU faculty, and offering loan forgiveness to those who obtain teaching positions in the CSU. The second commitment of the university's strategic plan, Access to Excellence, calls for the CSU to "plan for faculty turnover and invest in faculty excellence." By investing in the development of CSU faculty, CDIP supports this goal.

Background

The Chancellor's Doctoral Incentive Program emerged from a 1985 proposal from Dr. James Rosser, president of California State University, Los Angeles, and the late Dr. Stephen Horn, former president of California State University, Long Beach. Dr. Robert Suzuki, who later became president of California State Polytechnic University, Pomona, was also instrumental in its formation. Following approval by the Board of Trustees, the program began in 1987-88 as the CSU Forgivable Loan Program, funded by the California Lottery. Its purpose has been to enhance the quality of the CSU by promoting the diversity of the faculty.

The shape of the program has remained constant over its 25 year history. Program participants are eligible for loans for doctoral study of up to \$10,000 per year, to a maximum of \$30,000 over a five-year period. If the recipient is hired into a full-time instructional faculty position in the CSU, the loan is cancelled at a rate of 20% of the principal, plus interest, for each year of full-time teaching in the CSU. If the individual obtains faculty employment on at least a half-time basis, he/she may qualify for forgiveness of 10% of the principal plus interest per year. Individuals who do not complete the doctorate, or do not end up working for the CSU, must repay the loan.

To build stronger ties between program participants and the CSU, each participant must have a collaborative plan of support with a CSU tenure-track faculty member who agrees to provide professional mentoring and other support to enhance the student's academic experience. Since 2009, active participants have also been able to apply for mini-grants to support activities identified in the collaborative plan; these mini-grants have funded travel to professional conferences for participants and their CSU mentors, research collaborations, and other activities that enhance the professional development of participants. In addition, the CDIP Community Commons (<http://teachingcommons.cdl.edu/cdip/index.html>) is a unique resource with advice on how to succeed in all aspects of faculty work; it is open to anyone with an interest in becoming a faculty member in the CSU.

The program now considers two primary factors in selecting participants. The first is the candidate's *potential as a doctoral student* interested in teaching a diverse student population, as determined by his/her academic record and professional qualifications, the quality of the proposed doctoral program, the applicant's relevant background, experience, skills, and motivation for educating the diverse student body in the CSU, and the quality of the collaborative plan of support. The second is the *academic discipline*, with preference given to proposed areas of study where CSU campuses anticipate the greatest difficulty in filling future faculty positions.

Program Outcomes

From its inception in 1987 through August of 2012, the CSU has provided well over \$46 million in loans to 1,965 individuals through the program. Of these recipients, 1,154 (59%) completed the doctorate, and 56% of those (646) obtained employment as instructional faculty members in the CSU. An additional 42 individuals have worked for the CSU in non-faculty positions. Of students who have not completed the doctorate, roughly half are still active and making progress in doctoral programs.

Every campus in the CSU has now sponsored CDIP participants; California State University, Los Angeles leads the way with 176 participants sponsored (including 105 who have completed their doctorates). Every campus in the system also now employs, or has employed, program

participants who received the doctorate. Of these faculty members, close to two-thirds hold or have held tenure-track positions. As of 2011-2012, California State University, Sacramento employed the largest contingent of CDIP recipients (68), followed by 51 faculty members employed by California State University, Long Beach.

The following table indicates the gender and ethnicity of program participants, participants who completed the doctoral degree, and participants with a doctorate who obtained CSU faculty employment, through 2011-12.

Gender and Ethnicity Profile of CDIP Participants

	% Female*	% Non-White*
All Participants	67	66
Received doctorate	69	66
Obtained CSU faculty position	70	62

*% of those reporting their gender and ethnicity.

By comparison, for fall 2012, among all current full-time faculty who reported their gender and ethnicity, 46% were female, while 30% were non-white.

Program participants come from nearly every academic area, with the largest group of doctoral recipients from education (28%), followed by the social sciences (21%). In recent years the selection process has placed considerable weight on identifying candidates in fields where the anticipated need for faculty is especially high; for example, five of the 54 individuals successful in this year's selection cycle come from nursing, one of the areas where campuses report the greatest difficulty in recruiting faculty with doctorates. Based on an agreement with the California Faculty Association (CFA), approximately one fourth of awards in a given year are expected to be made to individuals who worked for the CSU as lecturers within the prior two years. For the group selected in the 2012-13 cycle, 30% of recipients are currently CSU lecturers.

The program works closely with the California Pre-doctoral Program, which also seeks to build the CSU faculty pipeline by supporting the doctoral aspirations of current CSU students who have experienced economic and educational disadvantages; students selected to participate are designated as Sally Casanova Scholars. In the 2012-13 CDIP selection cycle, 31% of recipients were Sally Casanova Scholars.

Since 2007, the Chancellor's Doctoral Incentive Program has employed a Faculty Director, currently Dr. Alison Wrynn, Professor of Kinesiology at Long Beach. Dr. Wrynn's focus includes: (1) using technology to communicate more effectively with participants and campus coordinators, through the Community Commons website, webinars for applicants and online meetings of campus coordinators; (2) enhancing the quality and quantity of applications, through recruitment activities, an enhanced relationship with the California Pre-Doctoral program,

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sharing best practices from the campuses, and increased communication with campus coordinators; and (3) increasing opportunities for professional development among program recipients, as well as strengthening linkages to their CSU mentors and campuses, in order to better prepare recipients to successfully compete for tenure-track positions in the CSU.

AGENDA

COMMITTEE ON EDUCATIONAL POLICY

Meeting: 3:15 p.m., Tuesday, May 21, 2013
Glenn S. Dumke Auditorium

8:00 a.m., Wednesday, May 22, 2013
Glenn S. Dumke Auditorium

Debra S. Farar, Chair
Peter G. Mehas, Vice Chair
Roberta Achtenberg
Bernadette Cheyne
Margaret Fortune
Lupe C. Garcia

Steven M. Glazer
William Hauck
Lou Monville
J. Lawrence Norton
Ian J. Ruddell

3:15 p.m., Tuesday, May 21, 2013
Glenn S. Dumke Auditorium

Consent Items

Approval of Minutes of Meeting of March 19, 2013

Discussion

1. Solution Strategies for Enrollment Bottlenecks and Student Success, *Information*
2. Update on SB 1440: Student Transfer Achievement Reform Act, *Information*
3. Amendment to the Constitution of the Academic Senate California State University to Include a Statement Upholding Academic Freedom, *Action*
4. The 'Campus as a Living Lab' Initiative, *Information*

8:00 a.m., Wednesday, May 22, 2013
Glenn S. Dumke Auditorium

Consent Items

Approval of Minutes of Meeting of March 19, 2013

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4. The 'Campus as a Living Lab' Initiative, *Information*

**MINUTES OF MEETING OF
COMMITTEE ON EDUCATIONAL POLICY**

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

March 19, 2013

Members Present

Debra S. Farar, Chair
Peter G. Mehas, Vice Chair
Bernadette Cheyne
Kenneth Fong
Lupe C. Garcia
Steven M. Glazer
William Hauck
Lou Monville
J. Lawrence Norton
Ian J. Ruddell
Glen O. Toney
Chancellor Timothy P. White
Bob Linscheid, Chair of the Board

Trustee Debra S. Farar called the meeting to order.

Approval of Minutes

The minutes of January 23, 2013, were approved as submitted.

Christine Mallon, assistant vice chancellor, academic programs and faculty development, gave the annual planning presentation to the board, explaining that campuses submit proposed projections for new programs. After the trustees approve the projections, campuses then are authorized to develop a degree proposal, which is sent to the Chancellor's Office for review. Once approved, the campus can launch the degree program and enroll students. There is also a fast-track process that lets campuses develop and implement programs more swiftly. This year, 26 programs have been proposed, compared to the 40 annual new projections before the budget was drastically cut. Fifteen of the projections are at the graduate level and 11 at the undergraduate level. Thirteen program discontinuations also were noted in her presentation, which was characteristic. Program discontinuations are in response to diminished demand from employers and Lower student enrollment. Dr. Mallon also spoke of efforts to reduce bachelor's

programs to the 120-unit minimum that was instituted in 2000. Currently, 82 percent of programs require no more than 120 units. She showed the degree database that lists campus programs and the number of units required, which can differ by campus. By April 30, 2013, campuses will report to the Chancellor's Office the number of bachelor's programs that require between 121-129 units and will specify which can be reduced to 120 units by fall 2014. Dr. Mallon also presented information on the accreditation activities by the Western Association of Schools and Colleges (WASC) at CSU campuses.

Trustee Bernadette Cheyne asked about the 495 degree programs above 120 units, and if those include programs under Title 5 that are exempt from the 120-unit limit. Dr. Mallon said there are programs that are allowed to go to a higher maximum, such as those specifically listed in Title 5. She said that she will send an updated report to the trustees' office for distribution to the board, adding that the report presented at this meeting was about the minimum, not the maximum number of units.

CSU Troops to College and Veterans Affairs Efforts

Executive Vice Chancellor and Chief Academic Officer Ephraim Smith reported that Mr. Bucky Peterson, special consultant to the chancellor for veterans programs, has led CSU's efforts on veterans' affairs since 2006 and has done a tremendous job moving the system down this important pathway. The CSU has unquestionably improved its efforts for the men and women of the various branches of the military, Dr. Smith said. Mr. Peterson, who is retiring this year, reminded the audience that 10 years ago on March 19, 2003, the U.S. invaded Iraq, and since that time, more than 5,300 servicemen and women have been killed in action, 50,000 wounded, and more than 3 million have served. Showing a PowerPoint, Mr. Peterson said the country began to meet the needs of a new generation of veterans shortly after 9/11. In March 2006, the effort began in California under former Governor Schwarzenegger's launch of Troops to College, with assistance from CSU Trustee Margaret Fortune, then a senior adviser to the governor.

Mr. Peterson said Troops to College is not about education; rather it is about careers, and using education as a pathway to opportunity. Veterans want to attend college to find a rewarding career so they can take care of their family and continue to serve their communities, state and country. Former Chancellor Charles B. Reed fully committed resources in 2007 and said the veterans programs must endure and go beyond consultants and the presidents. Chancellor Reed and the 23 presidents visited Camp Pendleton in 2008 to meet the servicemen and women and listen to their educational aspirations. Also in 2008 veterans support teams, veteran centers and student veterans' organizations were created on campuses. A veterans' admissions program was developed in which 115 admission slots across campuses are dedicated to young veterans coming out of the service to go to a CSU campus with a fast-track admissions process. Universities across the country have followed the CSU's lead. All CSU campuses now have veteran support teams that meet periodically to discuss and deal with issues that affect veteran students. Websites have been enhanced so veterans can start the application process while they are still on active duty.

Casey Roberts, the incoming consultant to the chancellor, said he has been to the campuses and Chancellor's Office and complimented the committed people dedicated to taking care of veterans. He said no one takes better care of veterans in California than the CSU. Chair Linscheid thanked Mr. Peterson for his service to the country and for helping CSU understand veterans' needs. He asked if there is anything he wished he could have done before leaving. Mr. Peterson said he wished we could have built a core careers' program because walking out of the door with a degree in hand and having an opportunity for a great career is most important to a young veteran. Trustee Cheyne asked how many veterans are taking advantage of this program, either currently or over the course of the years. Mr. Peterson estimated the number at about 8,000 veterans in the CSU, and another 8,000 dependents receiving benefits.

CSU Fullerton President Millie Garcia said the campus has a dedicated veterans' center that opened in the spring, and has had more than 4,500 recorded visits of veteran students. They also held a conference solely on women veterans. CSU San Bernardino President Tomás Morales talked about the campus' recent ceremony honoring veterans. CSU Channel Islands President Dick Rush said their veterans' center provides counseling on various levels, academic as well as personal, family counseling and transitioning counseling into civilian life. They have established a good relationship with the nearby Naval base. The goal is to provide broad support on several levels to facilitate the veteran's return to civilian life with an educational base that prepares them personally and professionally to enter civilian life successfully. CSU Sacramento President Alex Gonzalez said the success of the CSU programs is that they have been institutionalized. It has become a very important part of what the campuses do daily. CSU Bakersfield President Horace Mitchell had a special program last year for veterans at which they honored the graduating veterans, and gave them red, white and blue cords to wear with their gowns, so when they went across the stage at commencement they were acknowledged in a special way. Chancellor White said the confluence of two large organizations, the U.S. military and the California State University, being able to come together in a way to serve veteran students and serve society is a point of pride for California and the CSU. He thanked Mr. Peterson and welcomed Mr. Roberts.

AB 1899 Title 5 Changes (REP 03-13-03)

Dean Kulju, director of financial aid, said the amendment will modify Title 5 by adding a section bringing CSU regulations into compliance with the new law extending eligibility for in-state tuition fees and state financial aid programs to students who hold T and U non-immigrant visas. To qualify, students must have attended high school in California for three or more years; graduated from a California high school or attained the equivalent; and registered as an entering student or be currently enrolled at a CSU campus.

Update on SB 1440, the Student Transfer Achievement Reform Act

Executive Vice Chancellor Smith said the CSU continues to work with the community colleges to approve programs for students who receive an associate's degree and then transfer to a CSU

campus, complete their required 60 units and receive their bachelor's degree. Ken O'Donnell, senior director for Student Engagement and Academic Initiatives and Partnership, said there are considerable advantages for students to take the associate's degree pathway because it provides clear guidance on what they need to do to earn their degrees, and the state realizes savings that free up access and slots for additional students. He presented a PowerPoint with the latest majors for students to take and complete. The list showed the CSU campuses and how many matches they have made with the Transfer Model Curricula (TMC) templates from the community colleges. For the first time, Mr. O'Donnell said there is a new category: degree programs accepted by the campus faculty but are not yet available for students to enroll. He used business as an example of a program that is available at many CSUs but when students are counted the picture is less clear. The CSU campuses will look closer at the business programs and their concentrations. What also will help students, he said, is continuing to bring down the number of academic programs to 120 semester units or 180 quarter units. Additionally, Marc Siegel, professor at CSU Chico, is available to help campuses review their business offerings. There is legislation in the state Senate that could impact the current program, but Mr. O'Donnell said the CSU is speaking to staff members on the details of the measure, including the CSU's recommendation for advising, guidance counselors and support for communication to students that would encourage more to take the associate's degree pathway.

Trustee Lou Monville asked Academic Senate Chair Diana Guerin to comment on the challenges and opportunities that faculty face with this program. She said each discipline that ties to a TMC takes a tremendous amount of effort on the part of faculty to agree on the courses. The lack of electronic student records from the community colleges is an issue for the staff and also is very time-consuming. She said the faculty are moving forward very successfully with the TMCs, and work with the community college faculty is going well. She said CSU faculty have really stepped up and made every effort to find degree matches. The test will be in a few years after students complete the associate degrees to see how they do once they arrive at CSU campuses. Trustee Monville thanked the Senate for their work, and said his major concern is the lack of advising the community college students are getting, which is hampering how many enter the program. He suggested that maybe the CSU create some kind of online advising system.

Trustee Steven Glazer asked about an English program that Sacramento State identifies as a match and whether that could be from Sacramento City College or Long Beach City College. Mr. O'Donnell said the real value of the TMC system is that it produces a template followed by both the CSUs and the community colleges, so that associate degree for transfer in English will be a TMC-based associate degree transfer that could go to any CSU. Every community college in California now would have the course that would meet the rigorous academic tests. Commenting on the progress of the community colleges, Trustee Glazer said that the statewide chancellor's office identified 25 transfer programs to have at every one of their community colleges. However, progress has been very slow in many cases, Dr. Smith said. When SB 1440 was originally passed, it said each community college would have two model curricula, which is definitely not enough for students wanting to transfer. For example, the Los Angeles Community College District (LACCD), the largest in California, has very few matches.

Trustee Glazer suggested inviting the LACCD leadership to attend a trustees meeting for a discussion. Dr. Smith said one of the CSU's challenges is reaching students in high school. Currently, the CSU has been trying to convince students at the community college to enter one of the SB 1440 associate degrees for transfer pathways. The need is to get to the high schools and convince students to attend a community college on a SB 1440 degree path and then transfer to the CSU. Communication is a challenge, particularly since the grant that fostered the radio ads and other communications vehicles has expired. The need, he said, is for a full-blown marketing plan. Mr. O'Donnell said the community colleges realize curriculum on their side is thin but they are working on it and have set targets and deadlines to create curriculum. It is the marketing and advising side where the urgent need lies currently, he added.

Apple Distinguished Program Presentation to CalStateTEACH

Executive Vice Chancellor Smith said the CalStateTEACH program began in 1999 and has prepared more than 3,000 credentialed teachers. Its online program was very innovative when it began, and it has continued to adapt the latest technology to serve CSU teacher candidates. Sharon Russell, director of CalStateTEACH, showed a video that captured the launch of CalStateTEACH and introduced recent work completed with the iPad mobile learning initiative. The video highlighted the pioneering way the CSU encouraged more people to go into the teaching profession and complete all their class work online. The program has regional offices on four CSU campuses. Jay Mathison, development executive from Apple Education, said CalStateTEACH has been named an Apple Distinguished Program for its innovative design and implementation of a one-to-one iPad mobile learning initiative. The Apple program recognizes outstanding schools and programs that are centers of innovation, leadership and educational excellence. There were fewer than 200 programs identified nationally this year and CalStateTEACH is the first CSU program to be recognized. Dr. Russell said the award is shared by Beverly Young, CSU assistant vice chancellor for teacher education and public school programs, for her guidance in developing the program from the beginning, and Fresno State President John Welty and former CSU Chancellor Reed for their vision and leadership in launching the program.

Center for Community Engagement

Executive Vice Chancellor Smith said the CSU is committed to improving learning and success for all students, and has made high-impact practices a part of that strategy. Those practices include international experiences, undergraduate research, peer mentoring, learning communities and service learning and community engagement. Judy Botelho, CSU director of community engagement, said practices such as service learning are a key strategy in the CSU's Graduation Initiative, particularly for first-generation students, students of color and students from other historically underrepresented groups. A study conducted by the California Community Colleges' Research and Planning group identified six aspects of high-impact practices that indicate student success. Ms. Botelho presented a PowerPoint illustrating those points. The CSU Center for

Community Engagement is celebrating its 15-year anniversary this year. The Board of Trustees' commitment in 2000 has brought educational experiences to millions of CSU students, transforming lives and families by strengthening California's communities. She noted that all trustees had a copy of the center's annual report at their desks.

Ms. Botelho introduced Jorge Uranga, director of community engagement at Cal State Los Angeles. The university's EPIC (Educational Participation in Communities) program was created in 1966 to address some of the problems that were articulated during that period of unrest. Cal State L.A. created the EPIC program and utilized students by placing them in community agencies to assist community partners in delivering services to their constituents. The benefit for students was to expose them to numerous opportunities for educational and career opportunities. Belief in the importance of students giving back to the community, and connecting their experiences to what they were learning in the classroom became a critical component of EPIC. Mr. Uranga recognized Cal State L.A. President Jim Rosser for his support and program leadership.

Adal Osman, an EPIC student learning coordinator, is a first-generation college student who emigrated from Africa. In his freshman year, he searched for opportunities to be involved and have a positive impact on student life. Now, a junior, he said EPIC has given him the opportunity to work directly with service-learning faculty in the classroom. He helps connect students and community partners; the students then share the meaningful experiences that they have working in the community. He participates in the Cal State L.A. toy and food drive started by EPIC students years ago, and the youth employment program working with community partners. He plans to pursue a master's and doctoral degree as a result of his EPIC work.

Marcella Salazar graduated from Cal State L.A. in 1999 with a bachelor's in social work and in 2002 graduated from UCLA with a master's degree in social work. She had a troubled childhood involving homelessness, domestic violence and other challenges that caused her to run away at age 15. She managed to stay in high school and was accepted to CSULA. She decided to volunteer and was placed with an agency that worked with pregnant teenagers; the experience changed her life and she realized she wanted to be a social worker. At EPIC, she was able to help develop the intercultural certificate program as a student coordinator.

Trustee Peter Mehas asked how many students have participated in the program and how many hours of community service have been given to the community. Ms. Botelho said students provide 1.2 million hours annually, with 85,000 students doing service learning. For community service overall, it is 32 million hours of service with a \$697 million economic impact. Trustee Mehas called the program transformative, and complimented it and the presentations on the Troops to College and CalStateTEACH programs and all the people who make them happen. Ms. Botelho also said that the center receives \$1 million annually and brings in nearly \$4 million through external grants, both federal and private. Since its beginning, the center has received \$15 million from the state and brought in \$38 million. The CSU is recognized nationally as a leader, she said.

Trustee Farar adjourned the meeting.

COMMITTEE ON EDUCATIONAL POLICY

Solution Strategies for Enrollment Bottlenecks and Student Success

Presentation By

Ephraim P. Smith
Executive Vice Chancellor
and Chief Executive Officer

Gerry Hanley
Senior Director
Academic Technology Services

Bottleneck Courses, Enrollment Solutions and Student Success

The Governor's proposed 2013-2014 budget allocates \$10 million to the California State University to reduce the number of bottleneck courses using innovative online technologies. CSU Chancellor Timothy P. White has set aside an additional \$7.2 million to promote student success initiatives tied to the CSU Graduation Initiative. Enrollment bottlenecks have many causes and solutions and sometimes are unique to each campus. Demand often exceeds supply because public universities are constrained by funding; academic programs requirements; student readiness and their academic program choices; limited facilities and course requirements; faculty, staff and student schedules; and resources. Significant funding reductions the last few years have challenged campuses to work within growing constraints and growing demands for courses aligned with pathways for students to graduate.

Bottlenecks and Campus Facilities

Campus facilities limitations can play a role in bottlenecks. Enrollment demands can outpace the physical capacity of a campus to offer laboratory sections in safe, well equipped facilities, especially in the science, technology, engineering and math (STEM) disciplines. Limited facilities are one of the key factors determining program impact for programs such as biology labs for biology majors. One strategy is to create hybrid laboratory courses for general education or pre-requisite STEM requirements that do not require students to have advanced wet-lab experience. If 50 percent of STEM wet labs during a semester could be virtual, and the number of lab sections are doubled and filled, a campus will have a 100 percent increase in the capacity of their facilities.

For 10 years, the CSU Academic Technology Services, in partnership with Pearson, has provided the award-winning "Biology Labs Online" (<http://www.biologylabsonline.com/>) to educators and

[students around the world](#). Faculty at CSU Los Angeles and CSU Chico were leaders in designing these virtual labs and have the expertise and experience using these and other free Open Education Resources virtual labs. In addition, the CSU Noyce Scholars programs for six years have been training pre-service teachers to use virtual labs in high-need schools that have poor-to-no wet-lab facilities (<http://teachcommons.cdl.edu/noyce>). The use of virtual labs and the redesign of courses with technologies are strategies that improve the CSU's capabilities to teach the 21st century learner.

Place-bound Bottlenecks

Another impediment to students progressing arises as a result of place-bound bottlenecks. Students are considered place-bound when they cannot leave their geographic area to take a course if that course is unavailable when they need it on campus. A strategy is underway to enable students to concurrently enroll in selected, high demand, proven, fully online courses in the CSU. The CSU will leverage current policies and processes and streamline the services with technology. In the first phase of this project, CSU campuses submitted 24 candidates of high-demand, proven fully online courses that they would open for any CSU student to enroll concurrently. The first systemwide list of these courses will be published early this summer and we anticipate more courses will be added to the list. The goal is to set up a system in which students from other CSUs would take these courses once articulated. Funding will be made available for the campus offering the courses to meet demand for new sections based on enrollment demand from other CSU campuses. These fully online courses will be supported with quality assurance services, such as the CSU's Quality Online Learning and Teaching program (QOLT at <http://ecatalst.org/our-services/qolt>) and services to improve the accessibility of the course materials for students with disabilities.

Student Readiness-Curriculum-Pedagogy Bottlenecks

Another cause of bottlenecks is the combination of student readiness, course curriculum and pedagogy that results in low grades and high numbers of students repeating the course. For example, a third of a current CSU course could be composed of students repeating the course to achieve a grade of C or better, as required for the major. In fall 2012, there were almost 1.8 million state-supported CSU course enrollments. More than 1.5 million (87 percent) course resulted in As, Bs, and Cs—passing, non-repeatable grades. About 225,000 (13 percent) resulted in repeatable grades. The single term FTES associated with repeatable grades is almost 50,000. The Chancellor's Office staff conducted an analysis of courses in which more than a fifth of the grades were repeatable. The table below provides the 22 high demand-low success courses by discipline, rank ordered by the potential impact on improving access through course redesign.

Sciences Courses

1. General Education Biology (with labs)
2. General Education Chemistry (with labs)
3. General Chemistry (usually for STEM majors)
4. General Biology (usually for STEM majors)
5. Organic Chemistry (STEM majors)
6. Cellular Biology (STEM majors)

Math and Statistics Courses

1. Developmental Math
2. College Algebra
3. Statistics

4. Business Calculus/Math
5. Pre-Calculus/Trigonometry
6. Calculus

Business and Social Sciences

1. Microeconomics
2. Macroeconomics
3. Financial Accounting
4. Psychology
5. Marketing
6. Operations Management
7. Managerial Accounting
8. Business Finance
9. American Government/Politics
10. US History (all periods)

Redesign Courses with Exemplary CSU Practices

The CSU will implement a program providing professional development and support strategies for campuses, departments and faculty to enhance instructional processes, lessen the percentage of repeatable grades and reduce the number of students repeating the course. If 35 percent of course enrollment is caused by repeat-delete enrollments, reducing the D, F and W (withdrawal) grades to 15 percent would provide a 20 percent increase in access. In 2007, the CSU began a systemwide course redesign program (Attachment A), but the program was terminated in 2009 because of budget cuts.

Scaling Proven Practices in Course Redesign

The CSU requested that campuses submit bottleneck courses that have been redesigned to reduce repeatable grades. Thirteen campuses submitted 53 courses as proven course redesign models that could be scaled to other CSU campuses. Forty-four courses have been selected and are listed on the Proven Course Redesign website <http://groups.csuprojects.org/redesign>. Models include fully online, hybrid, flipped, supplemental instruction services and technology-enhanced delivery methods. Campuses have been asked to review the list of redesigned courses and indicate which courses they wish to adopt to increase access and/or improve student-learning outcomes in 2013-2014. The Chancellor's Office then will identify the courses for which there is multiple campus interest and high-enrollment demand. These courses will be featured in hands-on summer institutes led by CSU faculty who led the proven redesign effort. The summer institutes will support CSU faculty learning to adopt exemplary curricular, pedagogical, and accessibility practices from their colleagues and experts. Ensuring academic standards for the quality of student work and achievement of student learning outcomes will be important elements of the course redesign project. The Chancellor's Office will host summer institutes for as many

redesign models as possible, and will coordinate smaller working groups for courses to which fewer campuses respond. After the institutes, faculty and staff from the lead and adopting campuses will continue professional development and support services throughout the academic year with regular webinars, discussion forums and evaluation activities to enable the timely and successful implementation of redesign strategies.

Awards will be provided for lead campuses to serve as mentors to adopting campuses. Adopting campuses will be awarded funds based on the increase in enrollments in the redesigned sections. Future funding may be awarded based on measured improvement in the number of non-repeatable grades earned each term. Campuses will be required to develop evaluation plans showing student success. Attachment B provides an overview of one proven practice for introductory statistics – the Statway program. Campuses that demonstrate and commit to institutionalization of exemplary practices and mentoring of other campuses adopting these practices can become candidates for CSU Centers of Excellence, with ongoing funding to support their systemwide services.

Scaling Promising Practices in Course Redesign

Campuses also will have the opportunity to continue their own course redesign efforts that show promise of improving student success. These include:

- Courses that have been redesigned but not yet been taught
- Courses that have shown success for a small number of students and could be scaled
- New candidates for course redesign in areas of high-demand and low-student success

Highest priority will be given to the 22 systemwide high-demand and low-success courses mentioned earlier, but all redesign efforts will be considered. Awards will be made based on budgets submitted and will include faculty release time and one-time requests for technology. Campuses will be required to develop evaluation plans. The Chancellor's Office and the campuses will arrange fall and winter course redesign institutes to support these course redesign efforts. The professional development and support for faculty participating in these proven and promising practices programs will be provided through "faculty learning communities" across the campuses, complemented with systemwide training and professional development programs to support the adoption of exemplary curricular, pedagogical, and accessibility practices from their colleagues and experts. Attachment C provides the initial principles to guide the course redesign projects.

The goals of the promising and proven course redesign projects are to:

- Significantly reduce repeatable grades without compromising academic standards and enrollment
- Increase student access to courses needed for progress toward degree
- Improve student learning outcomes
- Establish and sustain collaboration within and across campuses to course redesign improvements and outcomes

e-Advising and Scheduling Bottlenecks

Advising and scheduling bottlenecks also can slow the path to degree. Students often lack timely guidelines on the courses available to meet their graduation needs. Campus scheduling staff frequently do not have required information about students' plans and choices of courses needed for graduation. Campuses have been asked to focus on leveraging technology to improve advising services. The basic e-advising tool for new, continuing and graduating students is the degree audit. Campuses that have not fully maintained a robust degree audit system or campuses that are heavily challenged with providing degree audits to transfer students have been requested to concentrate the first year of their proposal on improvement in the reliable and pervasive deployment of a degree audit system.

Campuses with fully functioning degree audit systems may be in position to consider the development of multi-term planning tools that enable students to connect a preferred campus road map to the degree with their own personalized path. With high utilization of planning tools, academic departments will be in a strong position to anticipate actual course demand several terms in advance to then schedule a corresponding set of classes. Other campuses may be interested in introducing term scheduling tools to provide students with an array of possible schedules based on the set of courses they want to take that term. Another improvement in the area of advisement is the opportunity to engage those services that provide predictive information about the likelihood of student success in a program based on their performance in key courses or other critical performance indicators. Advisers then can be proactive in engaging students who might want to reconsider their degree objectives or path to the degree. By engaging students early, advisers are in a better position to prevent failure and to improve overall retention and graduation rates.

Campus submissions will include a readiness assessment including a one-to-four year strategy to implement and institutionalize the new technology tools. The Chancellor's Office and campuses will review the third-party products and services during the summer that then can be selected by

campuses to implement their strategies. Campuses will be required to develop an evaluation plan. Each CSU campus is encouraged to submit an advising-related proposal.

Implementation Schedule for Bottleneck Solution Strategies

Each of the bottleneck solution strategies is at a different stage of readiness to implement and deliver the benefits for the CSU students and institutions. The CSU will develop appropriate project management plans that develop capabilities to deliver cost-effective, scalable and sustainable solutions in a timely, yet realistic schedule.

SOLUTION STRATEGIES	2013-14	2014-15	2015-16	2016-17
Course Redesign with Proven Practices	Prototyping and Implementation	Prototyping and Implementation	Implementation Assessment and Improvements	Sustainable and Scalable Implementation
Course Redesign with Proven Practices	Planning and Design	Prototyping and Implementation	Implementation Assessment and Improvements	Sustainable and Scalable Implementation
Virtual Labs and Online Courses	Prototyping and Implementation	Implementation Assessment and Improvements	Sustainable and Scalable Implementation	Sustainable and Scalable Implementation
Online Courses	Prototyping and Implementation	Prototyping and Implementation	Implementation Assessment and Improvements;	Sustainable and Scalable Implementation
E-Advising	Planning, Design, Prototyping, and Limited Implementation	Prototyping and Implementation	Implementation Assessment and Improvements;	Sustainable and Scalable Implementation

With the \$10M baseline funding, the CSU will be able to develop and institutionalize programs that will improve the effective and efficient delivery of high quality academic programs and guide students to complete their courses and graduate successfully in a timely manner.

Student Success: Supporting the Graduation Initiative

As a system, the CSU graduates just over 50 percent of its students in six years. The CSU Graduation Initiative was launched in 2009 and strives to raise the freshman six-year graduation rate by eight percentage points. In 2015, the graduation rate is expected to be 54 percent and will

cut in half the existing gap in degree attainment by CSU's under-represented minority (URM) students. Each campus has a six-year graduation rate target along with an achievement gap improvement goal.

The \$7.2 million allocation by the Chancellor for this initiative is expected to improve academic and student success on campuses. Campuses have been analyzing their student success data, determining areas for improvement, identifying potential solutions, and planning to implement and/or scale their solutions. Funding will support campuses' programs that include but are not limited to implementing or expanding nationally-identified high-impact practices supporting student success and engagement, acquiring and/or implementing technological solutions which support academic and student success, or addressing institutional needs or impediments to retention and graduation. High impact practices being examined include summer bridge, freshman seminars and learning communities, collaborative projects, undergraduate research and writing intensive courses.

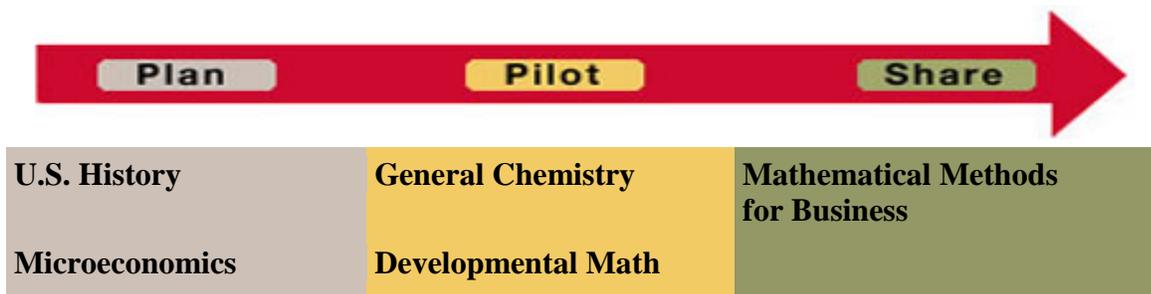
CSU Background On Implementing Course Redesign Programs

The CSU launched a systemwide course redesign program in 2007 to improve student learning that included the reduction of unsuccessful course grades and improved retention. The approach addressed instructional challenges in high-impact courses by maximizing student engagement, emphasized active learning and used technology to enable quality faculty and student interaction. After consultation with the presidents and academic technology advisory groups, the Transforming Course Design (TCD) project included three features:

- **High enrollment:** For example, courses that are in the top 10 percent in enrollment on a campus; or large lecture or multiple section courses deemed ready for TCD work.
- **Unsatisfactory rates of success:** courses with a high proportion of D, F and W grades.
- **Faculty commitment** to participate in and implement the redesign of the course selected.

After receiving a list of high-enrollment and low-success courses from campus provosts, the Chancellor's Office Academic Technology Services facilitated the multi-campus projects to redesign developmental mathematics and general chemistry in fall 2008, and microeconomics and U.S. history in spring 2009. Faculty from each discipline work together to understand student learning challenges and develop strategies for improving learning outcomes while reducing instructional costs. Three phases helped guide the implementation:

- **Plan** – Faculty worked together to identify ways to improve student learning. Individually they committed to implementing some redesign elements in their courses.
- **Pilot**– Faculty taught and evaluated their redesigned course.
- **Share** – Successfully redesigned course models are shared with CSU system faculty, department chairs, deans and provosts. Successful models were presented as adaptable to meet needs on other campuses.



The chart shows the status of TCD implementation in 2009 at the CSU. With the budget crisis in 2009, funding for the program was eliminated and the Chancellor's Office captured the progress made and lessons learned within the [Transforming Course Design website](#) so campuses and faculty could continue benefitting from the progress achieved.

Proven Practices for Introduction to Statistics: Leveraging the Carnegie Statway Project

The Carnegie Foundation for the Advancement of Teaching's newly developed community college mathematics pathway in statistics, Statway™, has achieved dramatic results in the initial implementation, tripling the success rate for developmental mathematics students in half the time. Statway is designed to replace a sequence of courses that typically can take as long as two or more years once students are placed into developmental mathematics at entry to a community college. Recent studies report that between 60 and 70 percent of students either do not successfully complete the sequence of required courses or avoid taking math altogether and therefore never graduate.

The program has been explicitly designed to capitalize on research-based findings about powerful mathematics instruction. These include an emphasis on:

- *Productive struggle.* It is not about guessing what the teacher wants to hear or about finding a particular answer. It is about the *process of thinking*, making sense, and persevering in the face of not knowing exactly how to proceed or whether a particular approach will work.
- *Explicit connections to concepts.* Research suggests making explicit connections among mathematical or statistical facts, ideas and procedures can improve both conceptual and procedural understanding.
- *Deliberate practice.* Deliberate practice avoids rote repetition for carefully sequenced problems developed to guide students to a deeper understanding of core concepts.

These learning opportunities are embedded in the specific lessons, online assessments and out-of-class resources that form the curriculum. The program includes both intensive, face-to-face learning and engaging, online learning.

Working with institutional researchers at the network institutions, Carnegie established baseline data for the percentage of developmental mathematics students who successfully completed a college-level mathematics course. Only 5.9 percent of those developmental mathematics students received credit for college-level mathematics in one year; only 15.1 percent achieved the goal after two years; 20.4 percent after three years; and 23.5 percent after four years. After a full year of Statway, 51 percent of Statway students had successfully completed the full pathway (receiving a grade of C or better in the final term).

In response to a request from the Board of Trustees, the Chancellor's Office met with the Carnegie Foundation about launching a CSU first-time freshman cohort. Carnegie expressed interest in inviting CSU participation, both as a destination for Statway community college students on the alternative pathway to the baccalaureate and as the founding four-year institutional partner. The CSU institutions would be the founding and flagship members of the

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Carnegie Collaboratory of Universities. Because collaboration is key to this initiative, outreach was made to CSU Sacramento, the destination for most American River transfer students; to CSU Northridge for Pierce Community College; and San Diego State for San Diego City College. CSU Fullerton and Cal Poly Pomona draw about equal transfers from Mt. San Antonio, and San Francisco and San José State are neighbors to Foothill Community College.

In fall 2011, San José and Sacramento launched inaugural Statway course sections. In fall 2013, San Francisco and East Bay will launch Statway course sections. CSU Northridge's institutional research office has agreed to act as an arm of the CSU to support the teaching and learning consortium of CSU Statway campuses.

At Sacramento, successful completion of intermediate algebra (or its equivalent) is required prior to registration in statistics. Thus, the Statway mathematics/statistics faculty members from Sacramento decided to focus attention on students in need of only a semester of developmental mathematics (3 to 4 semester units). The typical pathway of such a student would require 9-to-10 semester units. If Carnegie Statway in six semester units could remediate the students and have them complete the GE Quantitative Reasoning requirement, as well as meet any baccalaureate degree program's statistics requirement, that would accelerate the student's accumulation of credits and degree requirements. In fall 2011, eighty-nine percent of the 35 Sacramento State students in Carnegie Statway completed the first term – essentially completing their developmental mathematics requirement. Of the 25 who continued in spring 2012, eighty-four percent successfully completed the entire sequence and received credit equivalent to Sacramento's Introduction to Statistics where the equivalent indicator was 60 percent.

San José's inaugural cohort had similar results. Practically all of the 74 students in the Carnegie Statway first semester received credit for the course. Of the 60 who continued to the spring term, 95 percent successfully completed the course, compared with 74 to 77 percent in the comparison group statistics classes.

Summary

Carnegie Statway for developmental students reduces the courses they need to take and the time they need to complete GE Quantitative Reasoning. They also are accelerating their time to degree especially if they are non-STEM majors. The Carnegie Statway model can be expanded on existing CSU Statway campuses (San José, Sacramento, San Francisco and East Bay). The model also could be expanded, if the campuses are interested, with relative ease at CSU Northridge and Cal Poly Pomona because faculty and administration already have been introduced to Carnegie Statway at one or more pathway.

Principles of Course Redesign Programs

The Course Redesign Projects will be guided by the following principles. These principles will be revised continuously as the CSU learns from the implementation of its course redesign projects.

- Recognize and support existing expertise and proven methods for course redesign within the CSU by establishing CSU “centers of excellence” whose responsibilities will be to share, mentor, and support the evaluation of the exemplary practices
- Ensure a focus on department implementations which support communities of faculty and the institutionalization of the innovations within their academic programs
- Support systemwide networks of faculty and staff committed to improve student learning by faculty transforming course designs and the publication of scholarship of teaching and learning
- Innovate course designs by integrating new pedagogical approaches with technology to provide interactive learning activities and student engagement
- Leverage open educational content, lowering costs for student and increasing available contemporary content for students to use to support their learning
- Leverage vendors and professional organizations who can provide services that support building the CSU capabilities in course redesign
- Provide a wide range of cost-effective supplemental instruction services with a focus on new technologies, targeted to improve student readiness and success, including tutoring, basic skills development, MOOCs, online communities, and other high impact practices, available to students 24/7

COMMITTEE ON EDUCATIONAL POLICY

Update on SB 1440: Student Transfer Achievement Reform Act

Presentation By

Ephraim P. Smith
Executive Vice Chancellor
and Chief Academic Officer

Eric Forbes
Assistant Vice Chancellor
Student Academic Support

Ken O'Donnell
Senior Director
Student Engagement and
Academic Initiatives and Partnerships

Summary

Implementation of the Student Transfer Achievement Reform Act (SB 1440) continues to focus on curriculum development in the California State University (CSU) and California Community Colleges (CCC). Since the last report to the Board of Trustees in March 2013, both segments have published additional transfer pathways in the most popular majors:

	<u>March 2013</u>	<u>May 2013</u>
• Two-year degrees at California Community Colleges:	593	673
• Four-year programs at the CSU found "similar":	784	843

In the CSU, recent focus has been on programs in business, the most popular transfer major. Marc Siegall, professor of business at CSU Chico, has been working with 10 campuses to assist their faculty with identifying additional concentrations, options and emphases that may align with the Transfer Model Curriculum (TMC), making more degree pathways available to students who hold these degrees.

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Contact began with a letter to the affected campuses from Executive Vice Chancellor Ephraim P. Smith, and has continued in late April and early May with email and telephone conferences from Professor Siegall. The review of business programs will culminate with a report of programs that converted from “not similar” to “similar,” and any observed patterns in the reasons that the curriculum did not fit. This report will be detailed at the July meeting of the Board of Trustees.

In spring 2013, the CSU admitted around 400 students who hold Associate Degrees for Transfer, from a possible 600 who earned the degrees according to data from the California Community Colleges Chancellor’s Office.

In the last two months, CSU staff have been working with legislators in Sacramento to strengthen proposed Senate Bill 440 (Padilla). SB 440 would bring welcome attention to some aspects of the transfer degree work, in particular to marketing and outreach. Both systems continue to work with the relevant offices; the board will be informed as changes develop.

COMMITTEE ON EDUCATIONAL POLICY

Amendment to the Constitution of the Academic Senate California State University to Include a Statement Upholding Academic Freedom

Presentation By

Ron Vogel
Associate Vice Chancellor
Academic Affairs

Diana W. Guerin
Chair
Academic Senate CSU

Summary

This item recommends approval of an amendment to the Constitution of the Academic Senate of the California State University (ASCSU). This amendment revises Article I, Section 1. (a) “Purposes” to include principles of academic freedom.

Background

Chapter VII, Section 2, of the Standing Orders of the Board of Trustees states: “Amendments to the Constitution of the Academic Senate of the California State University shall become effective when ratified according to its provisions and approved by the Board of Trustees.”

The Preamble of the Constitution of the Academic Senate of the California State University specifies that the Constitution is adopted by CSU faculty “in order to exercise its rights and fulfill its responsibilities in the shared governance of the University.” In setting forth these rights and responsibilities in subsequent articles, at no point does the Constitution reference the important role of the ASCSU in safeguarding and preserving the principles of academic freedom for the faculty it serves throughout the CSU system. The purpose of this amendment is to remedy this omission.

In 1966, the American Association of University Professors (AAUP), the American Council on Education, and the Association of Governing Boards of Colleges and Universities jointly formulated a Statement on Government of Colleges and Universities that was formally recognized by the executive bodies of each group. That statement incorporates by reference the 1940 Statement of Principles on Academic Freedom and Tenure. In addition Section 3561(c) of the Higher Education Employer-Employee Relations Act (HEERA) encourages the free

exchange of ideas among faculty, students and staff, and goes on to state: "All parties subject to this chapter shall respect and endeavor to preserve academic freedom in the...California State University." Given the recognized importance of preserving and safeguarding academic freedom within higher education, this principle must be articulated within the Constitution of the ASCSU and regularly monitored as circumstances generate new interpretations

As required by the Constitution, this proposed amendment was submitted to the individual campus academic senates for faculty ratification. At the conclusion of the voting, with all 23 campuses reporting, the total vote in favor was 2,535 to 200. Twenty-two campuses voted in favor of the change.

The following resolution is recommended for approval:

RESOLVED, By the Board of Trustees of the California State University, that the proposed amendment to Article I, Section 1. Purposes of the Constitution of the Academic Senate of the California State University be adopted: "(a) It shall be the purpose of the Academic Senate of the California State University (ASCSU) to promote academic excellence in the California State University; to advance the principles of academic freedom and freedom of inquiry as generally recognized in the American Association of University Professors 1940 Statement of Principles on Academic Freedom and Tenure with 1970 Interpretive Comments when faculty carry out their responsibilities; to serve as the official voice of the faculties of The California State University in matters of systemwide concern; to be the formal policy-recommending body on systemwide academic, professional and academic personnel matters; to ensure the joint responsibility of the Academic Senate and the Trustees in criteria and standards to be used for the appointment, promotion, evaluation, and tenure of academic employees; to be the primary consultative body on the academic implications of systemwide fiscal decisions; and to assume such other authority and other responsibilities and to perform such functions as may be delegated to it by the Chancellor or the Trustees of The California State University.

COMMITTEE ON EDUCATIONAL POLICY

The ‘Campus as a Living Lab’ Initiative

Presentation By

Ken O’Donnell
Senior Director
Student Engagement and
Academic Initiatives and Partnerships

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

Summary

In July 2012, the National Socio-Economic Synthesis Center (SESYNC) convened a meeting of delegates from five states: California, Colorado, Maine, Maryland, and New Mexico. The purpose of the meeting was to help representatives from each of the five states determine policy and state level strategies to effect changes in offering science education. Meeting goals also included connecting initiatives on climate change and educational change, and partnering with the National Academies and the National Science Foundation. State policy structures were identified as important in the work to change university systems.

The California delegation, made up of staff from the Divisions of Business and Finance, Academic Affairs, and members of the Systemwide Academic Senate, chose to focus on the California State University system. On the surface it may seem like a narrow focus, but with a university system of over 420,000 students and 40,000 faculty and staff, this is an opportunity to infuse sustainability across a large population—even more influential when partnerships with the California Community Colleges are considered—adding an additional two million students.

During the July meeting, there were discussions regarding current research that demonstrates when real world problems are infused into basic science education, students become more engaged, learn more effectively, and solutions are generated to address some of the more difficult planetary problems. With the amount of climate change and sustainability-related work taking place on CSU campuses, the team decided to create a program that allowed for the integration of curriculum and the physical campus, leading to the creation of the ‘Campus as a Living Lab’ initiative.

The 'Campus as a Living Lab' initiative is a unique opportunity to partner faculty and facilities management staff in using the campus as a forum for the exploration of sustainability concepts and theories. The program aligns the California State University's long-standing commitment to sustainability with the fundamental goal of preparing students for the workforce.

After holding two regional symposia on the concept of 'the campus as a living lab' for CSU faculty and staff this spring, the CSU has put out a call for proposals to ignite creativity and collaboration to fund:

- a. The development or redesign of a course that ties elements of sustainability into opportunities for learning using the campus physical plant. Funds of up to \$12,000 will be awarded to support the preparation of the proposed course.
- b. The creation of an interdisciplinary learning community, focused on campus sustainability. The learning community may be comprised of faculty, staff, students, and community college partners. Funds of up to \$12,000 will be awarded to support the activities of the proposed learning communities.

Students in every discipline can benefit from general education courses that introduce theories and concepts in sustainability and environmental responsibility, including but not limited to STEM disciplines. Proposals that incorporate at least one high-impact practice such as for-credit internships, service-learning courses, undergraduate research opportunities, student learning communities, and first year or capstone programs, are strongly encouraged.

Details of the program can be found in the 'Campus as a Living Lab' Grant Program Request for Proposals at <http://www.calstate.edu/cpdc/sustainability/liv-lab-grant/>

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

**California State University
Office of the Chancellor
Glenn S. Dumke Auditorium
401 Golden Shore
Long Beach, CA 90802**

May 22, 2013—8:00 a.m.

Presiding: Lou Monville, Acting Chair

Public Comment

Chair's Report

Chancellor's Report

Report of the Academic Senate CSU: *Chair—Diana Guerin*

Report of the California State University Alumni Council: *President—Guy Heston*

Report of the California State Student Association: *President—David Allison*

Approval of Minutes of Board of Trustees' Meeting of March 20, 2013

Committee Reports

Committee on Committees: *Chair—William Hauck*

1. Election of the Chair and Vice Chair of the Board of Trustees for 2013-2014
2. Committee Assignments for 2013-2014

Committee on Collective Bargaining: *Chair—Lou Monville*

Committee on Organization and Rules: *Chair—Roberta Achtenberg*

1. Schedule of California State University Board of Trustees' Meetings, 2014

Committee on Audit: *Chair—Henry Mendoza*

Committee on Governmental Relations: *Chair—Steven M. Glazer*

Committee on Campus Planning, Buildings and Grounds: *Chair—Peter Mehas*

1. Amend the 2012-2013 Capital Outlay Program, Non-state Funded
3. Draft State and Non-State Funded Five-Year Capital Improvement Program 2014-2015 through 2018-2019
4. Approval of Schematic Plans

Committee on Institutional Advancement: *Chair—Roberta Achtenberg*

1. Naming of an Academic Entity – San José State University

Committee on Finance: *Chair—William Hauck*

2. Granada State University House—Major Repairs and Funding Plan
3. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for a Project

Committee on Educational Policy: *Chair—Debra S. Farar*

1. Amendment to the Constitution of the Academic Senate California State University to Include a Statement Upholding Academic Freedom

Committee on University and Faculty Personnel: *Chair—Lou Monville*

**MINUTES OF THE MEETING OF
BOARD OF TRUSTEES**

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

March 20, 2013

Trustees Present

Bob Linscheid, Chair
Lou Monville, Vice Chair
Bernadette Cheyne
Rebecca Eisen
Douglas Faigin
Debra S. Farar
Kenneth Fong
Lupe C. Garcia
Steven M. Glazer
William Hauck
Peter G. Mehas
Henry Mendoza
Hugo N. Morales
J. Lawrence Norton
Ian J. Ruddell
Glen O. Toney
Cipriano Vargas
Timothy P. White, Chancellor

Public Comment

The board heard from several individuals during the public comment period. Tessy Reese, chair, Bargaining Unit 2, CSUEU spoke about the need for presidents to set aside funding for in-range progressions for healthcare staff at the campuses. Rich McGee, chair, Bargaining Unit 9, CSUEU also spoke about providing in-range progressions for staff on the campuses. Alisandra Brewer, vice president CSUEU Representation spoke about the need for staff to move forward through in-range progressions and asked the presidents and the board to address this matter. The following students from CSU Long Beach thanked the board for making students a priority, and expressed their growing concern over the unit caps proposed by Governor Brown and submitted a resolution passed by the CSULB Associated Students: Samie Blasingame, Jonathan Bolin, Agatha Gucyski, John Hamerstroh, and Joe Phillips. The following students representing COUGH spoke about the need for a systemwide smoking and tobacco ban: Irsa Ahmad, SJSU,

Pete Cadano, SJSU, Eric Kenoyer, CSU Sacramento, Marleni DePhillips, CSU Northridge, Charleen Mikail, CSU Northridge.

Chair's Report

Chair Linscheid's complete report can be viewed online at the following URL:
<http://www.calstate.edu/BOT/chair-reports/mar2013.shtml>

Chancellor's Report

Chancellor Timothy P. White's complete report can be viewed online at the following URL:
<http://www.calstate.edu/bot/chancellor-reports/130320.shtml>

Report of the Academic Senate CSU

CSU Academic Senate Chair, Diana Guerin's complete report can be viewed online at the following URL:
http://www.calstate.edu/AcadSen/Records/Chairs_Reports/documents/March_2013_Chairs_BO_T_Rept.pdf

Report of the California State University Alumni Council

Alumni Council President, Guy Heston's complete report can be viewed online at the following URL: <http://calstate.edu/alumni/council/bot/20130320.shtml>

Report from the California State Student Association

CSSA President David Allison's complete report can be viewed online at the following URL:
<http://www.csustudents.org/publicresources/reports/March-2013-%20Report-by-CSSA-to-CSU-Trustees.pdf>

Approval of Minutes of Board of Trustees Meeting

The minutes of the meeting of January 23, 2013, were approved.

Board of Trustees

Election of Five Members to Committee on Committees for 2013-2014 (RBOT 03-13-02)

Chair Linscheid moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the following trustees are elected to constitute the board's Committee on Committees for the 2013-2014 term:

William Hauck, Chair
Roberta Achtenberg
Debra Farar, Chair
Peter G. Mehas
Lou Monville

Appointment of Member to the California State University Headquarters Building Authority (RBOT 03-13-03)

Chair Linscheid moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that Ms. Lenore Rozner be re-appointed a commissioner of the CSU Headquarters Building Authority to the four-year term of November 30, 2012 through November 30, 2016.

Appointment of Three Members to the Fullerton Arboretum Commission (RBOT 03-13-04)

Chair Linscheid moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the following appointments are made, effective immediately:

Dr. José Cruz is appointed Commissioner of the Fullerton Arboretum Authority for term March 1, 2013 to March 1, 2017.

Mr. Greg Saks is appointed Commissioner of the Fullerton Arboretum Authority for term March 1, 2013 to March 1, 2015.

Mr. Frank Mumford is appointed Commissioner of the Fullerton Arboretum Authority for term March 1, 2013 to March 1, 2015.

**Conferral of Title of General Counsel Emerita: Christine Helwick
(RBOT 03-13-05)**

Chair Linscheid moved the item; there was a second. The Board of Trustees approved the following resolution:

WHEREAS, Christine Helwick served as General Counsel of The California State University from April 1996 to April 2013; and

WHEREAS, during her 17 years as General Counsel, Ms. Helwick has skillfully managed a vast array of complex legal issues and has employed a proactive problem-solving philosophy to dramatically reduce the systemwide litigation caseload during her tenure; and

WHEREAS, Ms. Helwick has reorganized and revitalized the Office of General Counsel and has implemented technological innovations to increase the efficiency of the legal staff; and

WHEREAS, Ms. Helwick has led by example and has brought the CSU Office of General Counsel to the forefront of professionalism; and

WHEREAS, Ms. Helwick has provided service to the higher education legal community on a national level, and has been honored with the Distinguished Service Award by the National Association of College and University Attorneys; and

WHEREAS, Ms. Helwick has devoted her career to public service and higher education, and in view of her contributions, it is fitting that she be recognized by the California State University; now therefore, be it

RESOLVED, by the Board of Trustees of the California State University, that the board confers the title of General Counsel Emerita on Christine Helwick, with all the rights and privileges pertaining thereto.

Committee Reports

Committee on Collective Bargaining

Trustee Monville reported the committee ratified the Tentative Agreement for a successor Collective Bargaining Agreement with Bargaining Unit 10 (International Union of Operating Engineers). He also reported, the committee heard from CSUEU members Mike Geck, John Orr, Alisandra Brewer and Tessy Reese; and also from Andy Merrifield of the CFA.

Committee on Audit

Trustee Mendoza reported the committee heard two information items, Status Report on Current and Follow-up Internal Audit Assignments and Status Report on Corrective Action for the Findings in the California State University A-133 Single Audit Reports and Auxiliary Organization Audit Reports for the Fiscal Year Ended June 30, 2012.

Committee on Governmental Relations

Trustee Glazer reported the committee heard one information item, 2013-2014 Legislative Report.

Committee on Campus Planning Buildings and Grounds

Trustee Mehas reported the committee heard one information item, Status Report on the 2013-2014 State Funded Capital Outlay program and one action item as follows:

Approval of Schematic Plans (RCPBG 03-13-03)

Trustee Mehas moved the item; there was a second. The Board of Trustees approved the following resolution:

1. California State University, Northridge—Student Housing, Phase II

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

1. The board finds that the March 2006 California State University, Northridge Master Plan Final EIR and the Addendum completed in June 2012 for the California State University, Northridge, Student Housing, Phase II project, have been prepared in accordance with the requirements of the California Environmental Quality Act.
2. The project before this board is consistent with the project description as analyzed in the Addendum to the previously certified Final EIR and does not propose substantial changes to the original project description, which would require major revision to the Final EIR or Findings adopted by this board in certifying said Final EIR.
3. With the implementation of the mitigation measures set forth in the master plan previously approved by the Board of Trustees, the proposed project will not have a significant effect on the environment, and the project will benefit the California State University.
4. The mitigation measures shall be monitored and reported in accordance with the requirements of the California Environmental Quality Act (Public Resources Code, Section 21081.6).
5. The schematic plans for the California State University, Northridge Student Housing, Phase II are approved at a project cost of \$34,416,000 at CCCI 5950.

1. San Francisco State University—Recreation and Wellness Center

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

1. The Final Initial Study/Mitigated Negative Declaration has been prepared to address any potential significant environmental impacts, mitigation measures and comments associated with approval of the San Francisco State University Recreation Wellness Center, and all discretionary actions related thereto, as identified in the Final Initial Study/Mitigated Negative Declaration.
2. The Final Initial Study/Mitigated Negative Declaration was prepared pursuant to the California Environmental Quality Act and state CEQA Guidelines.
3. This resolution is adopted pursuant to the requirements of Section 21081 of Public Resources Code and Section 15091 of the state CEQA Guidelines which requires that the Board of Trustees make findings prior to the approval of a project that the mitigated project as approved will not have a significant impact on the environment, that the project will be constructed with the recommended mitigation measures as identified in the mitigation monitoring program, and that the project will benefit the California State University. The Board of Trustees makes such findings with regard to this project.
4. The chancellor is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
5. The schematic plans for the San Francisco State University Recreation Wellness Center are approved at a project cost of \$80,486,000 at CCCCI 5950.

2. Sonoma State University—Joan and Sanford I. Weill Commons/MasterCard Pavilion

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

1. The May 2000 Master Plan Final EIR and the February 2013 Addendum to the EIR, prepared for the Sonoma State University Master Plan Revision and Joan and Sanford I. Weill Commons/MasterCard Pavilion, has been prepared in accordance with the requirements of the California Environmental Quality Act.
2. The project before this board is consistent with the previously certified May 2000 Master Plan Final EIR as well as with the February 2013 Addendum to the EIR prepared for the Sonoma State University Master Plan Revision and Joan and Sanford I. Weill Commons/MasterCard Pavilion.
3. With implementation of the mitigation measures set forth in the master plan previously approved by the Board of Trustees, the proposed project will not have a significant adverse effect on the environment beyond those described in the May 2000 Master Plan Final EIR, and the project will benefit the California State University.

4. The schematic plans for the Sonoma State University, Joan and Sanford I. Weill Commons/MasterCard Pavilion project are approved at a project cost of \$15,700,000 at CCCCI 5950.

Committee on Finance

Trustee Hauck reported the committee heard two information items, Report on the 2013-2014 Support Budget, California State University Annual Debt Report and two action items as follow:

List of Factors for Future Considerations of Fee Changes per AB 970 (RFIN 03-13-01)

Trustee Hauck moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of the California State University, the adoption of the following:

List of Factors Considering Adjustments to CSU Mandatory Systemwide Fees

- The legislature in 2010 reaffirmed “access, affordability and high quality” as “...the essential tenets of the master plan...” [Education Code Section 66002 (d)] Adjustments to mandatory systemwide fees at the CSU should always be considered with these three master plan goals in mind.
- The state has a historic commitment to fund the master plan. State law affirms this commitment specifically with regard “...to provide an appropriate place in California public higher education for every student who is willing and able to benefit from attendance.” [Education Code Section 66201] State law affirms this commitment specifically with regard to providing “...adequate resources to support enrollment growth...” and that the annual state budget act contain appropriations necessary to accommodate all California residents who are continuing undergraduate students or eligible for admission as freshmen or sophomores or transfers from community colleges. [Education Code Section 66202.5] Adjustments to mandatory systemwide fees should be based on consideration of the extent to which the state is meeting the above commitments.
- Consideration shall be given to whether a fee adjustment is necessary, in combination with existing levels of state support, to assure adequate resources to admit all California resident CSU-eligible undergraduate applicants, and to provide all students with necessary courses, high-quality programs and support services that lead to improved student success and timely graduation.

- Adjustments to mandatory systemwide fees shall take into consideration the level of state support the university receives, total costs of student attendance, potential impacts on underrepresented and low to middle-income students, as well as efforts to mitigate impacts. [Education Code Section 66028.4 (a)]
- Consideration shall be given to the percentage of CSU baccalaureate recipients who graduate with education loan debt, the average amount of that loan debt, and how these measures compare with state and national averages. Consideration also shall be given to the availability of financial aid, including work-study, tax credits and institutional financial aid. [Education Code Section 66028.2 (a)]
- Consideration shall be given to the extent to which fee rates and institutional financial aid practices are maximizing the availability of federal financial aid, including tax credits, for CSU students and families.
- Consideration shall be given to comparisons of fee rates, as well as net costs of attendance, with other public higher education institutions in the state and the nation.
- Consideration shall be given as to whether adjustments to the fee structure would promote improvements in access to necessary courses, successful course completion, improved time to degree and graduation rates.
- Consideration shall be given as to whether the fee structure maintains adequate differentials between undergraduate and graduate/postbaccalaureate fees, in recognition of longstanding Board of Trustees policy, state priorities for access to baccalaureate education, typically higher costs of graduate/postbaccalaureate programs and typically higher benefits accruing to master's and doctoral degree recipients.
- If the state provides stable and predictable increases in funding, consideration shall be given to fee increases that are moderate, gradual, predictable and with ample notice to students.

The Board of Trustees shall consider adjustments to mandatory systemwide fees and amendments to principles governing consideration of these fees only after appropriate consultation with the designated student association has taken place, as required by state statute and CSU fee policy. [Education Code Sections 66028.3 and 66028.4 (b)]

Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for a Student Housing Project at California State University Northridge (RFIN 03-13-02)

Trustee Hauck moved the item; there was a second. The Board of Trustees approved the following resolution:

Orrick, Herrington & Sutcliffe LLP, as bond counsel, prepared resolutions presented in agenda item 4 of the Committee on Finance at the March 19-20, 2013 meeting of the CSU Board of Trustees for a project at California State University Northridge (Northridge Student Housing Phase II) that authorize interim and permanent financing for the project described in this agenda item. The proposed resolutions will achieve the following:

1. Authorize the sale and issuance of Systemwide Revenue Bond Anticipation Notes and the related or stand-alone sale and issuance of the Trustees of the California State University Systemwide Revenue Bonds in an aggregate amount not-to-exceed \$24,075,000 and certain actions relating thereto.
2. Provide a delegation to the Chancellor; the Executive Vice Chancellor and Chief Financial Officer; the Assistant Vice Chancellor, Financial Services; and the Senior Director, Financing and Treasury; and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

The resolutions will be implemented subject to the receipt of good bids consistent with the projects' financing plans.

Committee on Educational Policy

Trustee Farar reported the committee heard four information items, Update on California State University Troops to College and Veterans Affairs Efforts, Update on SB 1440: Student Transfer Achievement Reform Act, Presentation of Apple Distinguished Program to the CalStateTEACH Program, The Center for Community Engagement: Inquire. Practice. Reflect and two action items as follow:

Academic Planning (REP 03-13-02)

Trustee Farar moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of the California State University, that the amended projections to the Academic Plans for the California State University campuses (as contained in Attachment A to Agenda Item 1 of the March 19-20,

2013 meeting of the Committee on Educational Policy), be approved and accepted for addition to the CSU Academic Master Plan and as the basis for necessary facility planning; and be it further

RESOLVED, that those degree programs proposed to be included in campus Academic Plans be authorized for implementation, at approximately the dates indicated, subject in each instance to the chancellor's approval and confirmation that there exists sufficient societal need, student demand, feasibility, financial support, qualified faculty, facilities and information resources sufficient to establish and maintain the programs; and be it further

RESOLVED, that degree programs not included in the campus Academic Plans are authorized for implementation only as pilot programs, subject in each instance to current procedures for establishing pilot programs.

Proposed Addition to Title 5, California Code of Regulations, Bringing the California State University into Compliance with AB 1899 (REP 03-13-03)

Trustee Farar moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED by the Board of Trustees of the California State University that the following section be added to Title 5 of the California Code of Regulations:

Title 5. Education

Division 5. Board of Trustees of the California State Universities

Chapter 1. California State University

Subchapter 5. Administration

Article 4. Nonresident Tuition

§ 41906.6. Nonresident Tuition Exemption for Crime Victims.

Students who are victims of trafficking, domestic violence, and other serious crimes who have been granted T or U visa status under Title 8, U.S.C. Sections 11101(a)(15)(T) or (U), are exempt from paying nonresident tuition if they (1) attended high school in California for three or more years; (2) graduated from a California high school or attained the equivalent; and (3) registered as an entering student or are currently enrolled at a CSU campus.

Committee on University and Faculty Personnel

Trustee Fong reported the committee heard one action item as follows:

Executive Compensation: Interim General Counsel (RUF 03-13-02)

Trustee Fong moved the item; there was a second. The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of the California State University, that Mr. G. Andrew Jones shall receive a salary set at the annual rate of \$208,000 effective April 6, 2013, the date of his appointment as interim general counsel of the California State University; and be it further

RESOLVED, Mr. Jones shall receive additional benefits as cited in Agenda Item 1 of the Committee on University and Faculty Personnel at the March 19-20, 2013, meeting of the CSU Board of Trustees.

Committee on Organization and Rules

Trustee Toney reported the committee heard one information item, Proposed Schedule of Board of Trustees' Meetings, 2014.

Committee on Institutional Advancement

Trustee Fong reported the committee heard two information items, Measuring Advancement and Council for Advancement and Support of Education Awards.

Committee of the Whole

Chair Linscheid reported the committee heard one information item, General Counsel's Report.

The meeting was adjourned.

BOARD OF TRUSTEES

Conferral of Title of Trustee Emeritus—Glen O. Toney

Presentation By

Lou Monville
Acting Chair of the Board

It is recommended that Trustee Glen O. Toney, whose term expired on March 31, 2013, be conferred the title of Trustee Emeritus for his service.

The following resolution is recommended for approval:

WHEREAS, Glen O. Toney was appointed as a member of the Board of Trustees of the California State University in 2006 by Governor Arnold Schwarzenegger, and since that time has served ably in that position; and

WHEREAS, Trustee Toney has served on the selection committees for presidents of San José State University in 2008, California Polytechnic State University, San Luis Obispo in 2010, and California State University, Northridge in 2011; and

WHEREAS, Trustee Toney was elected by his board colleagues to serve as chair of the Committee on Organization and Rules, and University and Faculty Personnel; and

WHEREAS, Trustee Toney offered his expertise in human resources and communications to guide these committees with invaluable insight and confidence; and

WHEREAS, Trustee Toney has contributed his extensive knowledge of education and business industries, both of which are critical fields to the California State University; and

WHEREAS, He has also, through his service on the Board of Trustees, made a personal contribution to the advancement of higher education in California; and

WHEREAS, It is fitting that the California State University recognize those members who have made demonstrable contributions to this public system of higher education and the people of California; now, therefore, be it

RESOLVED, By the Board of Trustees of the California State University that this board confers the title of Trustee Emeritus on Glen O. Toney, with all the rights and privileges thereto.

BOARD OF TRUSTEES

Conferral of Title of Trustee Emeritus—Kenneth Fong

Presentation By

Lou Monville
Acting Chair of the Board

It is recommended that Trustee Kenneth Fong, whose term expired on March 31, 2013, be conferred the title of Trustee Emeritus for his service.

The following resolution is recommended for approval:

WHEREAS, Kenneth Fong was appointed as a member of the Board of Trustees of the California State University in 2006 by Governor Arnold Schwarzenegger, and since that time has served ably in that position; and

WHEREAS, He has served as a member of the Board of Trustees for eight years and offered a valuable perspective to the deliberations of the board in a range of matters; and

WHEREAS, Trustee Fong has served on the selection committees for the presidents of San José State University in 2008 and 2010, and San Francisco State University in 2012; and

WHEREAS, Trustee Fong was elected by his board colleagues to serve as chair of the Committees on Institutional Advancement, and University and Faculty Personnel, with his leadership contributing to the advancement of the California State University and of higher education in California; and

WHEREAS, Trustee Fong's background and expertise in science and biotechnology was an asset to the Board as these fields play an important role in the California State University and to the future of California; and

WHEREAS, Trustee Fong established an endowment to fund a scholar that will be recognized through the William Randolph Hearst/CSU Trustees' Award for Outstanding Achievement; and

WHEREAS, Trustee Fong's current and past service to California's higher education demonstrates that his dedication to the mission of the California State University extends beyond his role as a Trustee; and

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WHEREAS, It is fitting that the California State University recognize those members who have made demonstrable and dedicated contributions to this public system of higher education and the people of California; now, therefore, be it

RESOLVED, By the Board of Trustees of the California State University, that this board confers the title of Trustee Emeritus on Kenneth Fong, with all the rights and privileges thereto.