

September 19-20, 2017 CSU Board of Trustees Meeting Faculty Trustee's Report

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My report on the September 19-20, 2017 CSU Board of Trustees meeting held at the Chancellor's Office in Long Beach, California:

1. The Board met Tuesday morning in closed session to discuss executive personnel matters, pending litigation and collective bargaining items.
2. Transitioning to open session, the Committee on Educational Policy heard three informational items. Before the first informational item was presented, there was a public comment speaker from The Campaign for College Opportunity who distributed copies of their September 2017 report "The Transfer Maze, The High Cost to Students and the State of California" (<http://collegecampaign.org/portfolio/september-2017-transfer-maze/>) and briefly commented on the issues experienced by students desiring to smoothly transfer from California Community Colleges to the CSU and the UC. The main issues covered by the report are remediation as a barrier to transfer, too many choices in general education, discipline inconsistencies between UC Transfer Pathways and CSU-CCC Transfer Model Curriculum patterns, and issues regarding the availability of CSU and UC transfer requirement courses at the community college level.

Immediately following the public comment speaker, I made a statement in support of the resolutions recently passed by campus senates and the ASCSU regarding EO 1110 (changes in remediation policy) and the revised EO 1100 (general education policy) calling for additional time prior to their implementation for appropriate academic review through faculty governance. I requested that a discussion of these executive orders and the issues surfacing after their release be placed on the committee's November 2017 meeting agenda. The Board needs to start discussing the overall CSU plans (of which EO 1110 and revised EO 1100 are a part of) for academic policy changes the Board is required to approve by May 2018 per statute language in the 2017-2018 State Budget Act.

- a. The first information item on the committee's agenda was on enrollment management. The presentation was background information on current enrollment management policies. I highly recommend reading the written report and its attachment if you wish to gain a better understanding of the complexities of the current enrollment management policies (<https://www2.calstate.edu/csu-system/board-of-trustees/past-meetings/2017/Documents/sept-19-2017-ed-pol.pdf>). There will be a second installment regarding this informational item during the November 2017 committee meeting that will focus on the issue of impact.
- b. The second information item was on student-athlete academic support. The report started with a breakdown of which campuses have athletic programs and under which athletic governing body they run their athletic programs. Channel Islands is the one campus without athletic programs. The Maritime Academy is the one campus under National Association of Intercollegiate Athletics (NAIA) rules. The other 21 campuses run their athletic programs under National Collegiate Athletic Association (NCAA) rules. The

focus of the report was on campus activities to support student-athlete academic achievement with data provided on student-athletic achievement and graduation rates.

- c. The third information item was on research, scholarship and creative activities. This report covered the importance of research, scholarship and creative activities to the CSU and the amounts of external funding these activities generate. In 2015-2016, the total amount of external funding from grants and contract revenue for the CSU was \$579 million. Regarding scholarly publications, it was pointed out that from 2011-2016, CSU faculty authored over 33,000 journal publications, the majority included student coauthors, and 20% of the research publications were based on joint research with the UC.

- 3. A joint meeting of the committees on Educational Policy and Finance occurred to receive as a consent item the 2016 Systemwide Hate Violence Report. The annual report states that for the calendar year 2016, there were 17 reported incidents of hate violence (16 hate crimes and one incident of non-criminal acts of hate violence).

- 4. The next standing committee to meet was Campus Planning, Buildings and Grounds. The committee approved the following campus projects:
 - a. Fermentation Sciences Complex for California Polytechnic University, San Luis Obispo.
 - b. Master Plan revision with enrollment ceiling increase for CSU, San Bernardino.
 - c. New Student Residence Hall Project at San Diego State University.

The Preliminary 2018-2019 Capital Outlay Program and the Preliminary 2018-2019 through 2022-2023 Five-Year Facilities Renewal and Capital Improvement Plan were presented. These two plans will come back to the Board at a future meeting for approval.

- 5. The Committee on Finance had four action items on their consent agenda:
 - a. Approval to issue Trustees Systemwide Revenue Bonds and Related Debt Instruments for the New Student Residence Hall Project at San Diego State University.
 - b. Conceptual approval of a public-private partnership for the Student Housing Development Project at CSU, Sacramento.
 - c. Conceptual approval of a public-private partnership for the Mixed-Use Development Project at CSU Dominguez Hills.
 - d. Approval of CSU Annual Investment Report and Establishment of the Investment Advisory Committee

They also had two information items:

- a. Discussion of CSU Reserve Policy and Summary of Reserves.
- b. Planning for the 2018-2019 Operating Budget.

The 2018-2019 budget planning discussion started with a review of the levels of base budget increases received from the state since 2013. For the 2017-2018 fiscal year, the base budget increase in the Governor’s budget was \$157.2 million; we asked for \$324.9 million; we received \$177.2 million in the final state budget; leaving \$147.7 million unfunded (part of this was indirectly covered by the student tuition increase.)

For fiscal year 2018-2019, the Governor is proposing a \$102.0 million base budget increase for the CSU. As an opening statement for Board discussion, the following was proposed as the 2018-2019 Preliminary Operating Budget Supplemental Request:

Supplemental Funding for 2018-2019 (preliminary)	Trustees Request
Graduation Initiative 2025	\$75.0M
Enrollment Growth	\$40-120M
Academic Facilities and Infrastructure Needs	\$10-25M
Other Mandatory and Compensation Costs	\$131-157M
Total ongoing expenditure increases	\$256-377M

A different approach was used to start the conversation this year as the C.O. asked the members of the Board to provide input on how the potentially unfunded amount of between \$154-275M could be covered (with the mention of a possible tuition increase for next year) and on the priority of the listed items.

With that as the C.O. opening statement, I provided feedback that raising tuition again, just one year after the current tuition increase, was not an acceptable option and should be taken off the table; leaving the problem of how to pare down the costs. My recommendations were to consider the mandatory and compensation costs as an absolute item to be covered; keep the infrastructure needs at the \$25M level if possible; consider having zero enrollment growth in the budget for next year (but welcome the possibility of the governor or state legislators adding a special budget line for enrollment growth if they wish to provide the funding); consider a possible reduction in the Graduation Initiative 2025 amount; attempt to reduce the unfunded amount of the supplemental request to between \$80-150M. Other trustees appeared to show support for both the notion of no tuition increase for next year and no enrollment growth. Over the next several Board meetings, the supplemental funding request for 2018-2019 will evolve and be finalized.

6. The Committee on Governmental Relations convened to receive an update on the legislative bills being followed by the CSU during this legislative cycle. September 15 is the last day for each house to pass bills; October 15 is the last day for the governor to sign or veto bills.
7. The Committee on Audit received a status report on current internal audit assignments.
8. Just before the close of the Tuesday session, the Committee on Institutional Advancement met to present the recipients of the 2017-2018 California State University Trustees' Award for Outstanding Achievement (actually 23 awards recognizing an outstanding student from each campus.) <https://www2.calstate.edu/impact-of-the-csu/support-the-csu/csu-trustees-awards>
9. The Committee on University and Faculty Personnel had three action items:
 - a. Approval of the new policy on 10-Year Retiree Health and Dental Benefits Vesting for New Non-Represented Employees. Senate Bill 85, signed by the Governor on 6/27/17, made statutory changes necessary to implement postsecondary education-related provisions of the Budget Act of 2017. These statutory changes authorized the board to adopt by action a new 10-year vesting period for retiree health and dental benefits for non-represented employees who are new to the CSU and become new CalPERS members on or after July 1, 2017.
 - b. Approval of the revised policy on compensation for all CSU employees which added the following line to the existing policy: "Additionally, as of January 1, 2018, a president's salary can only be funded with state funds." This will eliminate supplementing presidential salaries with non-state funds.
 - c. Approval of an executive compensation action to increase by 2.5% the salaries of executive employees, consistent with the 2.5% increase already approved for Management Personnel Plan (MPP) and Confidential employees. Additionally, a 10% equity adjustment for President Karen Haynes was approved in addition to the 2.5% increase.
10. The full Board convened and approved by consent all the pending resolutions presented during the standing committee.

There was a lengthy public comment segment covering a variety of topics, including:

- a. Report from William Blischke, President, CSU Emeritus and Retired Faculty Association on that group's activities.
- b. Representatives of CSUEU expressing concerns related to current collective bargaining issues: lack of movement in collecting bargaining talks, lack of respect, low salary offer, outsourcing, and the importance of staff involvement to achieve student success.

- c. Representatives of CFA spoke in support of DACA students.
- d. SQE students (Students for Quality Education) spoke about DACA, free speech, hate speech, tuition.

Board Chair Rebecca Eisen's report covered DACA concerns, recent world catastrophes, CSU activities related to the solar eclipse, her campaign against plastic water bottles, and the recently announced retirement of CSU Bakersfield's President Horace Mitchell.

Chancellor Tim White's report focused on current DACA issues and our continued support of "dreamers".

ASCSU Chair Chris Miller reported on the prior week's ASCSU Plenary activities including the passage of a resolution honoring the recent passing of the first chair of the ASCSU, ASCSU support for DACA, support of AB 19, and the need for appropriate amounts of time to discuss important academic issues such as those surrounding EO 1100 revised and EO 1110.

CSSA President Maggie White reported on the importance of partnerships to promote the CSU, the recent CSSA meeting at CSU Fullerton, the importance of DACA, Title IX related conversations, and the release of CSSA's public policy agenda priorities for 2017-2018.

CSU Alumni Council President Manolo Morales reported on their recent meeting at CSU Channel Islands and release of a statement in support of DACA.

11. After the close of the open session on Wednesday, the Board continued to meet in closed session to discuss executive personnel matters.