
After two closed sessions related to Executive Personnel Matters and Collective Bargaining, the open session was called to order at 12:12 p.m. by Chair Herbert Carter.

Committee on Collective Bargaining – Open Session: (Go to http://calstate.edu/bot/agendas/Nov11/CollBarg.pdf for more detailed information.) A spokesperson for CSUEU presented a petition with 5,000 signatures speaking against parking fee increases, a sentiment reinforced by two other speakers. Also urged working together to get funds restored to the CSU. M/S/P to ratify the Full Agreement with the Union of American Physicians and Dentists (UAPD) (Unit 1).

Committee on Governmental Relations: (Go to http://calstate.edu/bot/agendas/Nov11/GovRel.pdf for more detailed information). Minutes of the September 20, 2011 meeting were approved as presented.

Garrett Ashley, vice chancellor for university relations and advancement, provided a brief introduction followed by a report from Karen Zamarripa, assistant vice chancellor for advocacy and state relations. She highlighted a number of legislative issues including:

- The 2010 legislative year is over and they will return in January for the second year of the legislative session. Noted that 2012 will be an election year and that redistricting and other factors probably will lead to a significant turnover in the legislature.
- Budget will remain a major focal point of the CSU legislative efforts.
- The six CSU sponsored bills are detailed at the above URL. Four have been passed and signed by the governor. Are still working on direct vehicle purchase without going through the Department of General Services (AB 633), and AB 822, a bond bill for K-12/Higher Education although the prospects for the latter are questionable given ongoing budgetary challenges.
- Looking forward to 2012, retirement benefits will remain an important issue. Will continue to develop strategies to engage elected officials and candidates.
regarding the importance of education in general, and higher education in particular.

- In response to a question, noted that have been working with the Trustees in regard to the executive compensation issue. Have had a number of briefings with legislative constituencies, including the LAO, regarding efforts to redefine compensation policies. There has been a positive response, including the process of tiering which takes into consideration issues of size, research focus and other measures.

M/S/P to accept the 2011-2012 Legislative Report #6 as presented.

**Committee on Institutional Advancement:** (Go to [http://calstate.edu/bot/agendas/Nov11/IA.pdf](http://calstate.edu/bot/agendas/Nov11/IA.pdf) for more detailed information). Minutes of the meeting of September 20, 2011 were approved as presented.

Discussion Items: Garrett Ashley, vice chancellor for university relations and advancement offered background on the following:

1. **Recommended Changes to Title 5, California Code of Regulations, Related to Alumni Association, Information:** The proposed amendments would bring the CSU into compliance with changes to the California Corporations Code, Section 5047 that was recently amended and no longer allows nonprofit corporations to have ex officio non-voting directors. Currently, Title 5, Article 15, related to alumni associations states that the campus president or designee serves as an ex officio voting or non-voting member of the alumni association’s governing board. This will be an action item at the January meeting.

2. **Naming of a Facility – California State University, Fresno, Action:** Acknowledges a gift of $3.5 million from the Meyer Family. M/S/P to accept the recommendation.

**Committee on Audit:** (Go to [http://calstate.edu/bot/agendas/Nov11/Audit.pdf](http://calstate.edu/bot/agendas/Nov11/Audit.pdf) for more detailed information).

Larry Mandel, university auditor, presented the Status Report on Current and Follow-up Internal Audit Assignments. He noted that approximately 90 percent of the audits have been completed and anticipated completion of the remaining audits by the January 2012 board meeting. He stated that the campuses are doing exceptionally well with the timely completion of outstanding recommendations. Mandell then reported on the progress of the seven construction audit assignments scheduled for 2011, indicating that all would be completed by the January 2012 board meeting.

**Committee on Educational Policy:** (Go to [http://calstate.edu/bot/agendas/Nov11/EdPol.pdf](http://calstate.edu/bot/agendas/Nov11/EdPol.pdf) for more detailed information.) Minutes of the meeting of September 20, 2011 were approved as presented.
EVC Ephraim Smith reported that significant grants have been received by almost half of the CSU campuses for Latino, Asian American and Native American Pacific Islander students. The aggregate amount for the first year is $9 million, but will total approximately $30 to $40 million over the course of the next five years. These programs are aligned to Access to Excellence priorities such as increasing graduation rates, closing the achievement gaps between ethnic and racial groups, and expanding CSU’s engagement in high-impact educational practices. Many of the funded programs also are aligned with SB 1440 goals through curricular partnerships with community colleges.

Discussion Items:

1. Recommended Changes to Title 5, California Code of Regulations, Related to Post-Baccalaureate Admission and Nursing Programs, Action. Christine Mallon reported on the specific features of this item which is designed to bring the CSU into alignment with Title 5 such that students already possessing a bachelor’s degree cannot be denied access into a nursing program. M/S/P to accept recommendation.

2. Update on the Implementation of the California State University Early Start Program, Information. Ephraim Smith and Eric Forbes provided a power point which updated the trustees on strategies for communicating and facilitating this initiative. Noted the “Smart Page” that will be central to the Early Start program and which will be available early next year.

3. Report on SB 1440: Student Transfer Achievement Reform Act, Information. Ephraim Smith and Eric Forbes offered an update on progress in implementing this initiative. Sixteen TMCs have been approved and nine more are in process. There still is much work to be done by the CCCs in terms of developing the degree programs. Tracking, Evaluating, Communicating and Advising remain the four primary areas of concern and focus.

4. The California State University Affordable Learning Solutions Initiative and the Sony Electronics Faculty Award for Innovative Instruction with Technology, Information. Gerry Handley offered a report on issues related to course material costs and their effect on student experience and success. The Affordable Learning Solutions (ALS) initiative is guided by three principles: choice, affordability and accessibility. There are two approaches to achieving success: Shared System Services and Campus Initiatives.

The Sony Electronics Faculty Awards were presented to Kurt Lindemann (Associate Professor in Communication from SDSU), Jae Paik (Associate Professor in Psychology from SFSU), Philip Janowicz (Assistant Professor in Chemistry and Biochemistry from CSU Fullerton), and Diana Wakimoto (Senior Assistant Librarian from CSU East Bay).

5. Update on the California State University Mathematics and Science Teacher Initiative, Information. Dr. Beverly Young, Assistant Vice Chancellor for Teacher Education and Public School Programs, offered a report regarding this initiative.
6. Summer Arts Celebrates Years of Success, Information. Ephraim Smith and Jim Spalding offered a report on Summer Arts. It was noted that Spalding will be retiring after this year. He reported that CSU Summer Arts is the largest multi-discipline arts experience in the United States and has thus far served over 10,000 students in its 27 years.

Committee on Campus Planning, Buildings and Grounds: (Go to http://calstate.edu/bot/agendas/Nov11/CPBG.pdf for more detailed information). Minutes of the meeting of July 12, 2011 were approved as presented without discussion, including approval of the following consent items:


Discussion items: Elvyra San Juan, Assistant Vice Chancellor for Capital Planning, Design and Construction, offered background information on the following action items:

3. Amend the 2011-2012 Capital Outlay Program, Non-State Funded, Action. Approval was requested for three projects proposed for amendment to the non-state funded capital outlay program as provided in the agenda: (1) Donald P. Shiley BioScience Center Renovation and (2) University Towers Renovation at San Diego State University, and (3) Systemwide Solar3 Photovoltaic Initiative.

4. Certify the Revised Environmental Impact Report (REIR) and Approve the Campus Master Campus Pointe Project at California State University, Fresno, Action. This item seeks certification of the REIR, and approval of the master plan revision and amendment to the non-state capital outlay program for the $171 million mixed-use Campus Pointe project.

5. State and Non-State Funded Five-Year Capital Improvement Program 2012-2013 through 2016-2017, Action. The projected backlog of deferred maintenance is estimated at $1.6 billion based upon a capital renewal statistical model that CSU campuses have been updating for about ten years. Based upon the renewal model, the CSU should invest over $230 million per year to reduce the backlog. Trustees expressed serious concerns over the lack of funds for maintenance and the potential for serious consequences if deferred maintenance needs cannot be addressed over the long term.

6. Approval of Schematic Plans, Action.
   b. California State University, Monterey Bay – Academic Building II.

Items 3-6 above were approved by the Trustees during the plenary.

Committee on Finance: (Go to http://calstate.edu/bot/agendas/Nov11/Fin.pdf for more detailed information. Minutes of the meeting of September 21, 2011 were approved as presented. The agenda was reordered so that items 5-8 were discussed first, and then the Trustees moved to items 1-4.
1. **2011-2012 Student Fee Report, Information.** Robert Turnage, AVC for budget, stated that the 2011-2012 student fee report provides detail on how fees have changed from the prior year. The systemwide tuition fee increased in response to the $650 million cut from the state. The increased revenue did not offset this cut, resulting in an overall loss. The average campus-based mandatory fees increased by $97 (10%) from the prior year. This increase is mostly a result of improvements being made to student recreation centers or student union buildings and also the implementation of a mental health services fee at some campuses.

2. **Report on the 2011-2012 Support Budget, Information.** AVC Turnage stated that the CSU faces the strong possibility of an additional “trigger” cut of up to $100 million (the “trigger”) based on whether, and to what extent, state revenues fall short of budget act assumptions. The Chancellor reported that he has been working with the campus presidents in anticipation of the additional $100 million reduction and therefore there are no plans of raising tuition to cover this cut. The CSU is working with the Department of Finance and the Governor’s office to make this a one-time cut, and not an ongoing cut. The Chancellor added that this is almost a 30% reduction of CSU’s operating budget for 2011-2012.

3. **Approval of the 2012-2013 Support Budget, Action.** Because of the considerable overlap between this item and number 4 below, the discussion dealt with both items simultaneously. AVC Quillian discussed substantial cost reductions in the CSU achieved by increasing use of technology, restricting travel, reductions in hiring, elimination of non-essential purchases of goods and services, organization restructuring and collaborative efforts across the campuses to reduce duplication of effort and increased efficiency. The CSU has also managed down enrollment and limited class offerings. CSU employees were furloughed and have gone without a compensation increase. The magnitude of cuts have resulted in structural deficits on campuses and all but eliminated any fiscal flexibility. He noted that the proposed calls for a $333 million increase in general fund support, which will enable the CSU to address its most critical needs. There was significant discussion regarding the inclusion of a tuition fee increase in the Support Budget, as well as the advisability of voting to increase tuition at this time. It was argued that it is important to provide as much notice as possible to students and families of the potential tuition level, allowing them time to plan. Also, campuses start making admissions decisions at the beginning of December, determining class schedules and ensuring faculty are available to teach those classes. M/S/P to approve the Support Budget (4 ayes, 3 noes).

4. **Tuition Fee Increases—2012-2013 Academic Year, Action.** See number 3 above. M/S/P to approve the tuition fee increases (4 ayes, 3 noes).

5. **2012-2013 Lottery Revenue Budget, Action.** AVC Turnage stated that the lottery budget is stable based on estimates of statewide lottery receipts showing no indication of growth. The biggest change is the $5 million designated to financial aid for the campuses early start programs. M/S/P to approve the budget as presented.
6. Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for One Project, Action. George Ashkar, AVC for financial services, requested board approval to authorize systemwide revenue bonds and the issuance of bond anticipation notes in the aggregate not to exceed $60,570,000 to provide support for the Sonoma University Center. M/S/P to approve the item as presented.

7. California State University, Los Angeles University Development Corporation—Auxiliary Organization Dissolution Approval, Action. EVC Ben Quillian requested that the board approve the dissolution of the auxiliary organization known as the CSU Los Angeles University Development Corporation (UDC). The functions originally established for the UDC have been assumed by other existing auxiliary organizations on campus. The UDC was never fully formed, therefore, has no assets and no liabilities. M/S/P to approve the item as presented.

8. Cal Poly Pomona University Educational Trust (UET)—Auxiliary Organization Dissolution, Action. EVC Quillian reported that due to a potential change in tax status that would discourage large donations to the UET, the Trustees were being requested to dissolve the UET and distribute assets to the Cal Poly Pomona Foundation, Inc. (CPPF). The CPPF had managed university endowment funds until it was transferred over to the UET in July 2000. The UET has no employees and all administrative services are provided through an agreement with the CPPF. M/S/P to approve the item as presented.

PLENARY: The plenary was called to order at 11:05 a.m.

Public Comment

• CSUEU President reiterated the position of no parking fees and reminded the trustees of the petition offered yesterday. Asked that the Board join with them in addressing the serious issues that are confronting the state.
• A CSUEU member from San Marcos noted that “Occupy” and other movements are reflecting significant changes in our societies. Spoke of the loss of income and struggles of workers to make ends meet.
• Another CSUEU representative remarked that when they began at the bargaining table they spoke of “status quo,” but that has changed as the CO now wishes to raise parking fees.
• CFA President spoke of the strike that will occur tomorrow at CSU Dominguez Hills and East Bay, and a Trustee focus upon administrative salaries and other matters that were characterized as being contrary to the best interests of the CSU and the need for a change in the nature of leadership.
• There was a group presentation relative to “We are the 99%.”
• UAW 4013 offered a request on behalf of “Refund California” and asked that the CSU join in that movement, articulating “The Re-Fund California Pledge.”
• There were a number of comments regarding the increasing disparity between the super-rich and the middle and lower classes, with special emphasis on the banks.
When time ran out for the Public Comment portion of the meeting, many of the visitors refused to remain quiet. There was chanting and considerable additional background noise.

**Approval of Minutes of Board of Trustees’ Meeting of July 12, 2011**: Chair Carter asked for approval of the minutes of the September 11, 2011 meeting, which were approved as presented by the Trustees amidst ongoing vocal disruptions from the visitors.

Chair Carter asked that Trustee Hauck present the report of the Committee on Finance out of sequence. Mr. Hauck began to report, but was interrupted at which point the vocal disturbance escalated. Chair Carter called a ten minute recess to clear the room, however, after the recess, many of the visitors still were present and the noise compromised the ability to continue with meeting. Chair Carter adjourned the meeting to the Munitz room. There was discussion regarding the legality of continuing the meeting and the Trustees were advised by General Counsel Helwick that we still were in public session, with members of the public and the press in attendance. Roll was called to ensure that a quorum was present. [It later was determined that members of the press were not present, but that there were a number of members of the “public.”]

**Approval of the 2012-2013 Support Budget (RFIN 11-11-13)**
The item was moved and seconded. An amendment was approved to remove the tuition buyout language from the document. M/S/P unanimously to approve the Support Budget as amended.

**Tuition Fee Increases—2012-2013 Academic Year (RFIN 11-11-14)**
The item was moved and seconded. A lengthy discussion followed in which several trustees voiced their opposition to tuition fee increases. A roll call vote was taken as follows: **Ayes**: Achtenberg, Carter, Chandler, Farar, Hauck, Kung, Linscheid, Mehas, Monville; **Noes**: Cheyne, Glazer, Guzman, Mendoza, Newsom, Torlakson.

**Chair’s Report**
Chair Carter’s complete report can be viewed online at the following URL: [http://www.calstate.edu/BOT/chair-reports/nov2011.shtml](http://www.calstate.edu/BOT/chair-reports/nov2011.shtml)

**Chancellor's Report**
Chancellor Charles B. Reed’s complete report can be viewed online at the following URL: [http://www.calstate.edu/executive/reparchive/111116.shtml](http://www.calstate.edu/executive/reparchive/111116.shtml)

Additional reports were offered by Guy Heston on behalf of the CSU Alumni Council, Gregory Washington for the CSSA, and Jim Postma for the ASCSU.

All other action items, as noted above for the various committees, were approved by the entire Board as presented.