

Faculty Trustee Report

CSU Board of Trustees Meeting: January 24-25, 2023

On January 24 and 25, the meeting of the Board of Trustees of the California State University was held in Long Beach at the Chancellor's Office.

On Tuesday, January 24, at 7:30 am,

1. the **Committee on Educational Policy – Subcommittee on Honorary Degrees** convened in **Closed Session** to review and approve the slate of this year's candidates for an honorary degree.
2. At 8:00 am the **Committee on Educational Policy and the Board of Trustees** convened in **Closed Session** to discuss and approve the candidates for honorary degrees.
3. Subsequently, the **Board of Trustees** convened in **Closed Session** to discuss Executive Personnel Matters and to receive a report on Pending Litigation and Anticipated Litigation.
4. The **Committee on Collective Bargaining** deliberated in **Closed Session**.
[Note: According to California Education Code § 66602 (c2) the Faculty Trustee "shall not participate on any subcommittee of the board responsible for collective bargaining negotiations."]

The **Public Meeting** of the **Board of Trustees** started at 12:15 pm.

5. At the beginning of the meeting of the **Board of Trustees**, Chair Fong announced the appointment of Rachel Corell as Deputy Chief of Staff and Director of Operations in the Office of the Board of Trustees.
 - a. **Public Comment.**

More than 60 speakers provided their input in person or live via audio, and each was given one minute to relay their remarks. Additionally, comments were submitted in writing.

Almost 30 speakers voiced their opinion about the plan of CSU San Marcos to remove the name of late Senator Craven from its administrative building due to various remarks he made in the past that are deemed racist and derogatory. The proponents of the name removal outnumbered the opponents by roughly 10 to 1 [see also item 13.a].

Michele Siqueiros, President of the Campaign for College Opportunity, shared her "incredible gratitude" and complemented the Board for planning to abandon the proposed requirement of a 4th year of quantitative reasoning for admission to the CSU. These sentiments were amplified by Denise Castro, Policy Analyst for The Education Trust-West, and by several students.

Two speakers opposed the use of glyphosate and other toxic pesticides on campuses.

Various labor representatives asked for an eventual follow-up to questions posed during public comment, demanded salary-step reform, lamented salary compression, and opposed the hiring of temporary employees in lieu of filling permanent positions.

Several representatives of the CSUEU (Employee Union) expressed their concern about high employee turnover, which “nearly tripled” in recent times.

Charles Toombs, President of the California Faculty Association (CFA), called on the Chancellor “to immediately convene the task-force/workgroup to address alternative responses to emergencies and conflicts on the 23 campuses.” [President Toombs was cut off after approximately three minutes of speaking].

As at previous Board meetings, several instructors and students (some being members of Students for Quality Education) demanded more full-time mental health counselors, and they opposed the outsourcing of mental health counseling to an online provider located in Texas (Timey MD).

After the public comment period, Trustee Sabalius suggested that designated representatives of institutionalized stakeholder groups, both internal such as e.g., CFA, CSUEU, and ERFSA, as well as external such as for example the Campaign for College Opportunity and The Education Trust-West be given more time to express the opinion of their constituents. Chair Fong affirmed that she charged the staff to explore ways to improve how public comments can be delivered to the Board.

After a brief break, the **Board of Trustees** received the following

b. **Reports**

Wenda Fong, *Chair of the Board of Trustees* announced that Trustees Firstenberg (Chair), Kimbell, Clarke, Lopez, and Steinhauser have been selected to serve on the Committee on Committees, which will recommend committee assignments and the Chair and Vice Chair of the Board for the next academic year. The committee’s recommendation must be approved by the full Board during its May meeting.

The Chair welcomed Cynthia Teniente-Matson, the new President of San José State University, to her first Board meeting.

Chair Fong gave an update on the Title IX assessment by the law firm Cozen O’Connor of all 23 of our campuses and the Chancellor’s Office. So far, over 2,200 completed feedback surveys were received. In order to “ensure that the Cozen O’Connor assessment is as robust and impactful as possible,” she encouraged “every member of our extended community to share their valuable insights.”

Lastly, Chair Fong outlined the process to select the new Chancellor for the CSU, which begins with three open fora across the state in the second week of February at the Chancellor’s Office, at CSU Bakersfield, and at San Francisco State.

Beth Steffel, *Chair of the Academic Senate CSU (ASCSU)*, echoed Chair Fong’s call to fill out the assessment surveys from Cozen O’Connor.

Chair Steffel reported that the ASCSU discussed with Interim Chancellor Koester, Executive Vice Chancellor for Academic and Student Affairs Sylvia Alva, and Trustees

Fong and Faigin the legislation [AB927] that allows the California Community Colleges to offer baccalaureate degrees. Uniform concern was expressed about duplication of existing degree programs in the CSU.

Chair Steffel further shared that during its January plenary, the ASCSU considered 26 resolutions in first reading and it passed a total of nine resolutions, some of which she briefly highlighted.

Trustee Sabalius asked Chair Steffel whether the ASCSU reconsidered its support for a 4th year of quantitative reasoning as a requirement for admission to the CSU. She reported that a standing committee proposed a resolution to change the ASCSU's position from requiring to recommending a 4th year of quantitative reasoning course. That would have been in support of the Board's intentions. However, a waiver to accept this new resolution as a second reading item failed (it requires a $\frac{3}{4}$ majority), and only at its March meeting will the ASCSU be able to pass or reject that resolution. Trustee Sabalius expressed his regret that the trustees cannot benefit from the guidance of the faculty in that matter.

On a positive note, Trustee Sabalius acknowledged that the entire elected Executive Committee of the ASCSU is present at today's Board meeting, which he believes is "a historic first." Chair Fong welcomed the members of the ASCSU Executive Committee, and she looks forward to seeing them at future Board meetings.

Krishan Malhotra, *President of the California State Student Association (CSSA)*, reported that CSSA is very concerned about the minimal input that students were able to provide to Cozen O'Connor's Title IX assessments. "Students expressed a need for more investment to support Title IX and DHR staff and outreach efforts, clearly designated and visible Title IX offices that are accessible to students, a process to report anonymous Title IX and DHR incidences, and developing processes for incidences that may not rise to a formal Title IX or DHR investigation issue, but still are inappropriate and not in alignment with our values as a university system." Additionally, "students worry that while these assessments are being conducted, no meaningful change will actually occur." He expressed CSSA's "sincerest hope that campus and system assessments be made publically available to the campus community, and that any implementation groups or task-forces created as a result of these assessments have students included in them."

President Malhotra is proud of an award CSSA received from the Campaign for College Opportunity for exemplary advocacy, especially for CalGrant reform, and he is "thrilled and grateful that CalGrant reform was included in the budget act."

Jeremy Addis-Mills, *President of the Alumni Council*, reported that the Alumni Council continues to explore more programming to support current students and graduates on their path to graduation and in their career development. To that end, collaboration and partnerships were established with key institutional partners such as Career Services, Student Affairs, CSSA, ASCSU, Marketing and Communications and others.

Furthermore, the Special Committee on Mentorship has met three times since its launch last November. The goal is to strategically engage students and alumni in "meaningful networking connections."

Jolene Koester, *Interim Chancellor*, provided an unusually long report (25 minutes). She first thanked Presidents Cropper (Maritime), Junn (Stanislaus), and Virgee (Fullerton) –who have announced their retirement– for their remarkable and long-time service to the CSU and especially their respective campuses. [That brings the current and pending presidential searches to seven – including the search for the Chancellor, it will constitute a turnover of 1/3 of our leadership].

Interim Chancellor Koester announced that Juneteenth will be established as a CSU-wide annual holiday beginning June 19, 2023.

For the 18th year, Super Sunday events will be held at more than a hundred predominantly African-American faith-based organizations, where presidents and other campus leaders will convey the message “that the California State University provides an education for all, and that the students and their families are going to be warmly and enthusiastically welcomed and supported on our campuses. [...] Since Super Sunday’s inception more than one million aspiring Black and African-American college students have heard the message directly from the leadership of the California State University: college is for you, and –yes– college matters.”

Interim Chancellor Koester provided “an update on the last remaining Chancellor’s Strategic Workgroup that we have established, and that is the Faculty and Staff Excellence Workgroup. It is going to be led by Vice Chancellor Leora Freedman with support and work from Presidents Cropper, Junn, Quiñones, and Zelezny. [...] The California State University aspires and works diligently to recruit, hire, and retain an exceptional and inclusive workforce. Our continued aim is to build and sustain a world-class and richly diverse team essential to advance the mission. [...] The group is going to look at three different areas: first, expanding professional opportunities for faculty and staff to optimize the efficacy of our organization and to ensure opportunities for growth and fulfillment for our valued employees; two, explore creative solutions and partnerships to overcome the economic barriers unique to California to provide affordable housing for faculty and staff [see also item 16.b]; and three, to better promote the personal and professional benefits of working for the CSU and within the state of California to recruit exceptional, student-focused leaders from outside of this state to augment and complement the CSU’s outstanding homegrown talent.”

Interim Chancellor Koester is “deeply appreciative” that the Governor plans to honor the compact deal between the state and the CSU despite an anticipated state deficit of over \$20 billion and the fact that the CSU will not be able to grow its enrollment by 1% as stipulated by the compact. She underscored that the \$227 million augmentation the CSU stands to receive can be considered “as an important safety net to protect the CSU from economic fluctuations like those the state and nation currently face, and they are not going to meet all of our needs. We will advocate assertively and continuously for the trustee’s budget request, but we must also prepare for the reality that we are going to face formidable constraints in our on-going efforts to advance some of our most important priorities, like expanding the work of GI 2025; addressing critical, physical facility and infrastructure

needs; and addressing critical human resource infrastructure needs in the form of competitive salaries and benefits to our outstanding faculty and staff.”

The Interim Chancellor is “deeply concerned” that “systemwide, our fall numbers suggested that we would be more than 25,000 full-time equivalent students or 7% below our funded 2022-23 California resident target at the conclusion of spring 2023. Should this enrollment decline become sustained, it will present a fundamental and significant threat to our mission, to the fundamental viability of our universities, and the future of the communities we serve. [...] What was once a campus issue, is now clearly a system issue. It is an issue that demands a strong, coordinated, systemwide response. Difficult choices must be made – difficult choices must be clearly communicated.”

6. The **Joint Committee on Educational Policy and Finance**

- a. received as an information item an *Overview of CSU Enrollment and Resource Alignment*.

This item is a continuation of the Interim Chancellor’s report on declining enrollments nationwide [pandemic effects], in California [regressive demographics], and in the CSU [regional imbalance of population growth] and the planned budgetary consequences.

“Beginning in 2024-25 and no sooner, the plan calls for no more than 5% of any university’s enrollment targets and associated resources to be permanently reallocated from universities that have had sustained enrollment declines to those universities that are meeting or exceeding their state-funded resident FTES targets.

The plan also calls for the ‘below-target’ threshold triggering reallocation to be reduced each year through 2026-27, aligned with the state compact, to incentivize growth and increases in student access and enrollment across all of the CSU’s 23 universities. Allocations of new enrollment would only be provided to universities meeting or exceeding their prior college year target, based on actual enrollment. While this is a systemwide plan, implications for each of the 23 universities will vary based on individual university enrollment trends and budget circumstances.”

A 20-minute discussion ensued, during which trustees asked questions and expressed concern about cutting the budgets of struggling campuses, but in essence, they expressed their support for the anticipated resource alignment. Based on the presentation and discussion of strategies to secure a stable enrollment, Trustee Sabalio expressed his optimism that the CSU will weather this crisis better than other institutions of higher learning across the US. The CSU is “facilitating access, opening our programs to adult learners, improving our marketing, engaging in closer cooperation with high schools and community colleges,” and our campuses also draw students from other states and nations.

7. The **Committee on Audit**

- a. received as an information item in consent the *Status Report on Audit and Advisory Services Activities*.

“Audit and Advisory Services continues to make progress on the 2022-23 audit plan. Thirteen audits have been completed and twenty-two audits are currently in process. [...]

Audit and Advisory Services is periodically called upon to provide investigative reviews, which are often the result of alleged misappropriations or conflicts of interest. Investigations are performed on an ongoing basis, both at the request of an individual campus or the chancellor's office and by referral from the state auditor. Additionally, Audit and Advisory Services assists with tracking external audits being conducted by state and federal agencies, offers assistance to campuses undergoing such audits, and acts as a liaison for the California State University system throughout the audit process when appropriate. The California State Auditor (CSA) began its audit of the California State University's handling of sexual harassment complaints (Title IX) on November 1, 2022. The CSA audit team is conducting fieldwork at the Chancellor's Office and three campuses: Fresno, San Jose, and Sonoma."

8. The **Joint Committee on Institutional Advancement and Educational Policy**

- a. announced as an information item *The Wang Family Excellence Awards*.

All awardees were present and given the opportunity to deliver comments. This prestigious recognition—which comes with a \$20,000 stipend—was awarded in the following categories:

- Outstanding Faculty Innovator in Student Success – William J. Hoese (CSU Fullerton)
- Outstanding Faculty Scholarship – David Blekhman (Cal State LA)
- Outstanding Faculty Service – Steve Alas (Cal Poly Pomona)
- Outstanding Faculty Teaching – Alyssa Goldstein (CSU San Marcos)
- Outstanding Staff Performance – Joy Stewart-James (Sacramento State)

Right after the award ceremony, the recipients and their family and friends were invited to a reception in the Chancellor's Office.

The Board of Trustees adjourned for the day at 5:00 pm. It reconvened on Wednesday, January 25 at 8:00 am.

9. The **Joint Committee on Finance and Campus Planning, Buildings and Grounds**

- a. approved as an action item the *San Francisco State University West Campus Green Student Housing and Health Center*.

"San Francisco State University (SFSU) proposes to design and construct the West Campus Green Student Housing and Health Center project located on the west side of campus on the site of the existing West Campus Green, a recreational sports field. The existing 2.5-acre is ideal for first-year student housing as it is close to the Village at Centennial Square housing complex and the Mashouf Wellness Center. The 120,000 gross square foot (GSF) six-story housing building will include 750 beds. As part of this project, a second three-story 49,900 GSF building will be constructed next to the housing building to provide space for dining and allow for replacement of the Student Health Center, located in the center of campus."

The total project cost including fixtures, furniture, and moveable equipment will be \$178,991,000 million.

“The housing and dining/health center project was awarded funding from the State’s Higher Education Student Housing Grant Program (\$116,300,000) and will be co-funded with CSU Systemwide Revenue Bonds and campus designated capital reserves.”

Trustee Gilbert-Lurie inquired about the demand for students housing. Lynn Mahoney, President of SFSU, replied that “we typically have over 2,000 students on the waitlist for housing.” Given the high cost of construction and the scarcity of land, Trustee Simon wondered whether acquiring existing buildings has been taken under consideration. Vy San Juan, Assistant Vice Chancellor for Capital Planning, Design, and Construction, affirmed that this possibility has been explored and that other campuses have exercised such an option (Chico and Maritime [as well as Sonoma for employee housing]).

Lieutenant Governor Kounalakis expressed her surprise that the construction cost per square footage (\$760) for the student housing is relatively low. AVC San Juan attributed this to the concrete construction design and the overall scale of the six-story building. Trustee Arambula stated that affordable student housing will also be one component in trying to mitigate the system’s enrollment crisis. Trustee McGrory inquired whether a public-private partnership was considered for this project. AVC San Juan clarified that the significant student housing grant from the state [of over \$600 million for the entire system] does not provide an option for a PPP. Trustee Aguilar-Cruz asked if beds for emergency housing will be included in this project. President Mahoney explained that “with the state support, we have been able to create 750 affordable beds for freshmen,” and “we already have 16 beds of emergency housing for students.”

10. The **Committee on Campus Planning, Buildings and Grounds**

- a. approved as an action item the California State University, Dominguez Hills Affordable Student Housing, Phase 4 and Dining Commons.

“California State University, Dominguez Hills (CSUDH) proposes to design and construct a six-story residence hall and a one-story dining facility. [...] The student housing portion of this project was included in the State’s Higher Education Student Housing Grant Program for 2022-2023 [\$48.75 million], and the dining portion was included in the State’s One-Time funding program for 2021-2022 [\$20 million]. In addition, the campus will seek future Board of Trustees approval of Systemwide Revenue Bond financing.”

The total project cost including fixtures, furniture, and moveable equipment will be \$104,486,000 million.

Chair Fong supports this project because CSU Dominguez Hills does not have a dining hall on its campus. In response to a question by Trustee Gilbert-Lurie, Thomas Parham, President of CSUDM, shared that the campus of approximately 16,000 students has only 1153 existing beds. He further explained that the campus was renting extra housing from California Marymount, but the university has closed, UCLA has bought the property, and it will no longer be available. He also stated that the lack of campus housing is a reason for many students to choose other universities over CSUDM. AVC San Juan added that the

state's student housing grant allows the campus to offer the accommodations at a lower price point.

In reference to forceful critique from CSUDM students during public comment at the last Board meeting, Trustee Linares inquired whether Aramark will be the food provider for the new dining hall. President Parham confirmed that to be the case and explained that the campus just signed a contract with Aramark that has a duration of ten years.

- b. approved as an action item the California State Polytechnic University, Humboldt Student Housing.

“Cal Poly Humboldt proposes to design and construct a 303,000 gross square foot (GSF) student housing complex on a site located approximately one mile north of the main campus and immediately west of Highway 101. [...] The project site will be developed following acquisition of the site by the campus from the Cal Poly Humboldt Foundation. A revision to the 2004 Cal Poly Humboldt Master Plan is requested as part of this project approval to reflect inclusion of the project site.

The project will construct two buildings, with a seven-story building on the east side of the site and a six-story building on the west, organized along a central promenade and providing a total of 964 apartment-style beds. Shared community spaces include study rooms, student lounge and multipurpose rooms, fitness space, café/retail space, indoor bicycle parking, and residential laundry. The project includes administrative offices and apartments for housing staff. Exterior site features include green space, recreational facilities, and outdoor barbecue area. The project will also include 340 surface parking spaces and covered bicycle parking.”

The total project cost including fixtures, furniture, and moveable equipment will be \$215,998,000 million.

“The project will be funded by 2021-2022 State Appropriation (\$118,991,000), Higher Education Student Housing Grant Program funds (\$27,107,000) and CSU Systemwide Revenue Bonds (\$69,900,000). The board will be asked at a future meeting to consider the approval of the CSU Systemwide Revenue Bond financing proposed for the project.”

President Jackson, Cal Poly Humboldt, reported that over the last year, the campus has seen a significant increase in applications and a 140% increase in demand for student housing. He called the lack of sufficient housing “the number one barrier to our Poly Tech transformation, [...]”

Trustee Sabalius acknowledged that the campus wants to encourage “sustainable transportation solutions;” yet, he fears that “the noble ideal will not be the lived reality of students,” and 340 surface parking spaces will not be enough for a housing complex with 964 beds. President Jackson assured that there are plans to make more parking spaces available at alternative locations in the future. However, currently, “we need housing more than parking.”

Trustee McGrory commended the presidents and the Chancellor's Office for the expedient realization of student housing projects, and he wondered how much of the aforementioned state grant of over \$600 million is left. AVC San Juan responded that

approximately \$160 million are still available, but the CSU intends to request additional funds from the grant program.

- c. received as an information item a *Report on the Cost of Construction*.

“Given the increasing cost of construction, it was noted at a Board of Trustees meeting that an Advisory Committee would be helpful to better review project development practices and further the stewardship of state, self-support, and CSU funds. [...]

The committee met several times over the last year to review the CSU project development process. Capital Planning Design and Construction (CPDC) staff presented information on the planning and initial budget development of projects, design management and construction delivery methods. [...]

There are opportunities for campuses and the system to reduce costs. The Advisory Committee recommendations are intended improve project planning, enable earlier input on the proposed design, further streamline process, support shared services and administrative efficiencies, and reduce the time to delivery.”

Trustee Kimbell wondered whether it is worth to obtain a LEED certification, which can cost about \$300,000, even when a building actually fulfills required efficiency standards.

Chair Fong asked for the required amount to address the CSU’s total deferred maintenance needs. AVC San Juan replied that at this point, we need over \$6 billion, and the CSU has asked for \$1.3 billion in one-time funds as well as for reoccurring base funds for facilities and infrastructure. The system needs \$300,000 million annually just to not fall further behind. In total, the CSU would need \$1.3 billion each year over the next 10 years to eliminate the deferred maintenance and facility needs backlog.

Trustee Arambula wishes that adjustments to CEQA (California Environmental Quality Act) guidelines could be made for projects of high need such as campus housing. The suggestion generated some desperate laughter, and AVC San Juan noted that the master plan revisions for CSU East Bay and San Diego State required a ten-year process to clear related litigation.

Trustee Adamson shared that it was already a major accomplishment to bring Fire Marshall approvals in-house, which previously could take six to nine months to obtain, with construction run-rates in the hundreds of thousands of dollars a month.

11. The **Committee on Governmental Relations**

- a. approved as an action item the *Statement of State Legislative Principles for 2023 and 2024 and Sponsored State Legislation for 2023*.

The following constitute the core principles guiding recommendations on legislation:

1. Continue CSU oversight of academic affairs and internal governance matters.
2. Preserve the integrity of the collective bargaining process.
3. Neutrality on general public health / safety matters that do not single out the CSU.
4. Preserve the integrity of the California State University’s budgetary process.
5. Influence issues which would impact the university’s activities.
6. Secure CSU representation on appropriate boards, commissions, task forces, etc.
7. Recognize the chancellor as spokesperson for the California State University.

The following is recommended for adoption as sponsored legislation for 2023:

1. Doctorate expansion.
2. Alcohol sponsorship Expansion.

Nathan Dietrich, newly appointed Assistant Vice Chancellor for Advocacy and State Relations, announced the CSU Advocacy Day in Sacramento on March 8.

Trustee McGrory inquired whether there was engagement with the University of California (UC) in our attempt to expand the CSU's independent doctoral authority. AVC Dietrich confirmed such a collaboration and that there would be no duplication of doctorate programs offered in the UC.

Trustee Rodriguez wondered whether our sponsored legislation to expand alcohol sponsorship does not run counter to our universities' efforts to prevent substance abuse. AVC Dietrich clarified that the ability of campuses to sell alcohol is governed by separate CSU executive orders and that this legislative proposal only relates to sponsorships at our facilities.

Living up to his nickname "Billion Dollar Trustee," Sabalius felt that missing in our sponsored legislation is a bill that would call for a referendum to provide major state funding to address our deferred maintenance issues. AVC Dietrich responded that the CSU will stay engaged on such a bond bill. [Eric Bakke, Director for State Relations, clarified in a follow-up email that the CSU will support, but not sponsor bond bill SB 28 by Senator Glazer].

The Trustees, the Interim Chancellor, and the Lieutenant Governor engaged in further strategic discussions of Board involvement in legislative advocacy and pondered judicious decisions regarding sponsored legislation.

- b. approved as an action item the *Federal Agenda for 2023 and 2024*.

The system's top federal priorities for 2023 and 2024 are:

- support and protect Dreamers, including providing them with a clear pathway to citizenship
- invest in student success by doubling the maximum Pell Grant and restoring annual cost-of-living increases to the program.

A full list of CSU system priorities for 2023 and 2024 follows:

- improve college access and timely completion through aid to students
- prepare students for college success
- foster degree completion for California's diverse population
- educate students for tomorrow's workforce
- solve societal problems through applied research
- enhance campus health, safety and infrastructure.

George Conant, Assistant Vice Chancellor for Federal Relations, announced that advocacy in Washington, D.C. would take place in the week of April 17, and the Interim Chancellor and the Chair of the Board will assemble a CSU delegation that would include trustees.

12. The **Committee on Organization and Rules**

- a. discussed as an information item the *Proposed CSU Board of Trustees' Meeting Dates for 2024.*

Trustee Sabalius removed the item from the consent calendar for questions and discussion. He lamented that the proposed May meeting dates fall on days when many of our campuses celebrate their commencements. This would prevent several campus presidents from attending the Board meeting, and trustees will not be able to participate in those commencement ceremonies. He also noted that –over time– the meeting dates have shifted from mid-month toward the end of the month. Michelle Kiss, Associate Vice Chancellor and Chief of Staff to the Board of Trustees, explained that these meeting dates take into account official holidays, major CSU events, and the schedules of the other two systems of higher education in California to avoid overlap.

- b. received as an information item the *Recommended Procedures for Selection of Board Committees.*

Following the presentation by Jane Wellman, Special Consultant to the Board, and Roberta Achtenberg, Senior Advisor for Board Governance and Relations [and former Chair of the CSU Board of Trustees], Trustee Linares and other trustees thanked the Chancellor's Office for their efforts to secure financial support in the form of a scholarship for future Student Trustees.

Trustee Sabalius lamented that the recommendations do not propose that the Chair and the Vice Chair should be elected by all trustees, rather than being nominated by the current Chair to the Committee on Committees. While the entire Board has to approve those nominations, there is a reluctance to discuss the proposed future leadership, because it would appear as if the opposition is directed against the nominated candidates and the discussion is likely to become personal. He also would like to see it “codified” in Board policy whether or not the Vice Chair automatically succeeds the Chair.

Strong opposition to Sabalius' request was articulated by several trustees and the Interim Chancellor. Among the many arguments were [“quoted” and ‘paraphrased or summarized’] “it would divisive” ‘because it would create competition among trustees,’ “democracy creates rifts,” “elections do not guarantee competent outcomes, elections do not guarantee transparency,” “elections would not foster diversity,” ‘meetings of the Committee on Committees are open meetings and every trustee can make recommendations including self-nominations,’ Chairs should be able to work with a Vice Chair “who is on the same page,” “the Board is an organic entity [...] and making it more rule-bound gets in the way” of its effectiveness.

- c. received as an information item the *Recommended Best Practices for Board Planning, Goal Setting and Self-Evaluation.*

“Regular processes for board planning and evaluation are increasingly seen as a best practice for public and private university governing boards in the United States. The Association of Governing Boards (AGB) promotes regular assessments of board performance as a foundational element of good governance, and several of the regional

accrediting commissions promote such regular reviews for single-institution governing boards. [...]

We request feedback from the committee as to whether they want to see a proposal to establish a regular process for board goal-setting and self-evaluation. Should that be the case, we request guidance on the following:

- Which board committee should be responsible for designing and conducting the review?
- Should the review be done annually, biannually, or every three years?
- Should the review be (a) relatively simple, as in the North Carolina example, or (b) slightly more detailed focus on key areas? [...]

Following direction from the committee, and if necessary, an action item on this topic will be presented for consideration at the March meeting.”

Trustee Adamson supports a regular evaluation because all other boards that he has served on engaged in productive self-assessment.

13. The **Committee on Institutional Advancement**

- a. approved as an action item in consent the *Renaming of Craven Hall at CSU San Marcos*.

“William A. Craven Hall was dedicated to Senator William A. Craven in spring 1993 in honor of the Senator’s efforts to win fiscal and public support of the founding of CSUSM. In spring 2021, CSUSM’s academic senate passed a resolution supporting the renaming of Craven Hall in light of statements and actions he made in the early 1990s related to undocumented individuals and those of Hispanic/Latin-x descent that are incongruent with the values of CSUSM. The 2021 resolution affirms resolutions previously passed in 1994 and 1995 to remove Craven’s name on the building.

At the request of CSUSM President Ellen Neufeldt, a Taskforce comprised of a diverse membership of CSUSM students, faculty, staff and community members undertook the work of discovering, documenting and analyzing the historical record of Senator Craven’s statements and actions as they relate to his past leadership roles and affiliations with CSUSM. The Taskforce developed opportunities for open and informed discussion with campus constituents and articulated the potential impacts of retaining, replacing or contextualizing the name and representation of Senator Craven at CSUSM. Their report is available to the public on the university’s website. Based on their work, the vast majority of the Taskforce endorsed the removal of Senator Craven’s name from the building at CSUSM [...]

- b. received as an information item the *Annual Report on Donor Support for 2021-2022*.

“In 2021-2022, the California State University secured over \$567 million in new gift commitments and over \$473 million in gift receipts. [...]

Though 2021-22 totals are a year-over-year decrease in gift commitments of \$64 million, it is important to acknowledge the extraordinary gift of \$135 million received from McKenzie Scott and Dan Jewett in the previous year.

Twelve campuses had increases in giving. The CSU’s total endowment market value remains strong at over \$2.3 billion.

Donors' generosity in 2021-22 resulted in more than \$473 million in assets received by the university. Most contributions were designated by donors to support specific areas of interest. Unrestricted giving –generally acquired through small donations in annual giving campaigns– reached \$16.2 million representing about 3% of the total.

Donors designated \$260.4 million for current use, which included:

- \$85.3 million for faculty support and academic enrichment
- \$38.7 million for academic and athletic scholarships
- \$18 million for research
- \$13.2 million for athletic programs
- \$5.2 million for student affairs and student life
- \$100 million for additional university priorities

Donors contributed an additional \$83.6 million to support academic, athletic and student services facilities.

Gifts to endowments of \$108.2 million support a variety of priorities in perpetuity. On average, campuses distribute four percent of the endowment market value annually. This permits distributions to grow at the rate of inflation thus preserving intergenerational equity.

The \$4.6 million in irrevocable deferred gifts are capitalized as assets to the university but will be realized over time from the donors' estates.

Performance Benchmarking

Gift receipts are the global data reporting standard used by the Council for Advancement and Support of Education to compare fundraising results across universities. National peer groups are based on classification groups developed by the Carnegie Commission on Higher Education.

Among public master's institutions across the nation, CSU campuses in the top ten for fundraising include: San Luis Obispo (first), Sacramento (second) and Northridge (seventh). San Diego State ranked third among high research activity (R2) public doctoral institutions. Cal Maritime ranked first among maritime academies."

After a 30-minute lunch break, the Board reconvened at 1:15 pm.

14. The Committee on University and Faculty Personnel

- a. approved as an action item in consent the CSU Salary Schedule.

"The salary schedule includes updates implemented due to collective bargaining agreements previously ratified by the CSU Board of Trustees for the following units:

	Bargaining Unit	BOT Ratified
Unit 3	California Faculty Association	January 2022
Unit 1	Union of American Physicians and Dentists	May & Sept 2022
Units 2, 5, 7 & 9	California State University Employees Union	July 2022
Unit 6	Teamsters Local 2010	July 2022
Unit 8	Statewide University Police Association	July 2022
Unit 10	International Union of Operating Engineers	July 2022
Unit 4	Academic Professionals of California	July 2022

- b. approved as an action item the Executive Compensation Update: Interim President at San José State University.

“In December 2022, Interim Chancellor Jolene Koester requested that Dr. Perez extend his interim presidency from January 2, 2023 to January 15, 2023.

Due to the planned maintenance of the University House, the interim president was required to move out of the presidential residence in December 2022. While the presidential residence is unavailable, the university will provide a temporary housing allowance while Dr. Perez continues to serve as interim president and carry out his official university duties.

It is recommended that a temporary monthly housing allowance of \$5,000 be provided from the time Dr. Perez vacates the University House through the end of his appointment as interim president on January 15, 2023. Additionally, the university will reimburse reasonable actual and necessary moving and relocation expenses at the end of his interim appointment in San José.”

- c. approved as an action item the Executive Compensation: Triennial Performance Review – Equity Adjustments.

In accordance with the Board’s policy on compensation, an equity adjustment will be recommended resulting from a presidential triennial performance review.

“President Coley’s [Cal Poly Pomona] six-year performance review was completed in 2021. The president’s salary remains below the peer group median. Therefore, an equity adjustment is recommended for year three, the final year of the salary assessment period.”

The Year 3 Equity Adjustment amounts to 2%, which will bring her salary from \$440,544 to \$449,355. This is still below the peer group median of \$476,015.

- d. approved as an action item the Executive Compensation for the Vice Chancellor for Human Resources of the CSU.

“Ms. Freedman has been appointed to this position for a term of two years. This item recommends that Leora D. Freedman receive an annual salary of \$327,925 effective January 24, 2023, the date of her appointment as vice chancellor for human resources. Ms. Freedman has been serving as acting vice chancellor for human resources since July 2022 and there is no change to her compensation as vice chancellor.

In accordance with existing policy of the California State University, the vice chancellor will receive an auto allowance of \$1,000 per month and standard benefit provisions afforded CSU Executive classification employees.”

15. The **Committee on Educational Policy**

- a. approved as an action item decisions regarding Academic Preparation.

“Academic preparation matters. To earn a bachelor’s degree, students must demonstrate acquisition of broad knowledge through general education and focused knowledge in their discipline of choice. To that end, the California State University continues to strongly recommend all incoming first year students complete, in addition to the current “a-g” high school course requirements, an additional college preparatory course supporting quantitative, scientific and data literacy. The system will not pursue a change to current admission requirements regarding quantitative reasoning.”

The impactful decision not to establish a 4th year of quantitative reasoning as a CSU admission requirement was intensively discussed and supported by the trustees at the November Board meeting. Hence, there was no additional discussion at this meeting.

- b. approved as an action item the *Recommended Amendments to Title 5 Regarding the Doctor of Public Health.*

“Recent changes in legislation [...] grants the California State University (CSU) the authority to offer the doctoral degree in public health, called the Doctor of Public Health (DrPH) degree effective January 1, 2023. This proposal outlines additions to Title 5 to reflect this legislation [...] A separate item to establish tuition for DrPH programs will be presented in the Committee on Finance” [see item 16.c].

- c. received as an information item a report on *Graduate Education in the CSU.*

“This information item presents the role of graduate education in the California State University (CSU) and the state of California. The Master Plan for Higher Education in California codified the role of graduate education in the CSU; however, in the intervening years this role has expanded and diversified and workforce demands and professional expectations evolved. Graduate education is vital to the CSU as it supports regional and statewide workforce needs for the expanding California 21st century economy. The CSU’s cost-effective, high-quality graduate programs provide opportunities for California’s diverse population to achieve upward mobility. Strong graduate programs also support undergraduate success and enhance CSU faculty work. Finally, robust master’s degree programs in the CSU help prepare future faculty members for doctoral programs.

Graduate programs are taking on greater significance in California and the nation. An increasing number of careers require an advanced degree, and graduate degrees are often required to keep knowledge, training and skills current. According to the National Association of Colleges and Employers (2022), the average starting salary for an individual with a master’s degree will net an additional 22% or more per year than individuals with only a bachelor’s degree. Those with professional or doctoral degrees, on average, earn even higher wages. [...]

Doctoral degrees, the highest earned terminal degree, can be professional or academic in nature. Academic doctoral degrees (e.g., Doctor of Philosophy) focus on advancing knowledge through original research in a given academic field. Professional doctoral degrees (e.g., Doctor of Education) stress the practical application of knowledge and skills. Doctorate degrees typically take three to six years to complete.

The CSU has sought legislative authority to offer independent professional doctoral degrees in areas where there is an identified workforce or accreditation need that may not be fulfilled through existing educational opportunities in California. Currently, the CSU is authorized to offer the following independent doctoral degrees:

- Doctor of Education (Ed.D.)
- Doctor of Nursing Practice (DNP)
- Doctor of Physical Therapy (DPT)
- Doctor of Audiology (AuD)
- Doctor of Occupational Therapy (OTD)

[...]

Additionally, the CSU is finalizing authority to offer an independent Doctor of Public Health (DrPH) to cultivate experts in community public health in light of the global pandemic and the greater realization of workforce disparities in public health.

In addition to select independent professional doctoral degrees, the CSU is authorized by California Education Code to offer joint doctoral programs with other accredited California universities. Joint doctoral programs are created when there is a demonstrated need for a degree that is not being met by an existing Ph.D. program, or, in the case of the juris doctor, to create an accelerated pathway for eligible students to complete their advanced coursework simultaneously. Currently, there are 23 active joint Ph.D. programs, four joint J.D. programs and one joint Ed.D. available with the CSU.”

Furthermore, “the CSU currently offers 27 distinct types of master’s degrees [and] within these 27 distinct master’s degrees, there are 934 individual master’s degree programs—and options within those programs— across the 23 CSU campuses. [...] The discipline with the highest enrollment is education, demonstrating the CSU’s role in educating the future teachers and educational leaders for the state.”

“Reflective of the CSU mission, the vast majority of students enrolled in fall 2022 were enrolled as undergraduates. [...] 407,146 students were enrolled in a baccalaureate program, 39,613 were enrolled in a master’s program and 2,508 were enrolled in a doctoral program.

In addition, 8,725 post-baccalaureate credential-seeking students were enrolled at the CSU in fall 2022. These students may also be reflected in the enrollment count for the master’s degrees, depending on if they were simultaneously enrolled in a CSU graduate program.”

Trustee Sabalius appreciates the data on upward mobility that illustrates the fiscal benefits and increased employment security for holders of graduate degrees. He is also pleased to see a “post-pandemic rebound in graduate enrollment by international students.”

Trustee Lopez noted that approximately half of all students earning Master’s degrees in California do so at private, for-profit universities, whereas a quarter of them attain their degrees in the CSU. She suggested that the CSU should consider to compete for these students to grow our own enrollment. Brent Foster, Assistant Vice Chancellor and State University Dean for Academic Programs, pointed to “the growth of our online offerings.” Jody Cormack, Vice Provost for Academic Programs and Dean of Graduate Studies at CSU Long Beach, explained that currently, the CSU “cannot accept the majority of the students that apply to our graduate programs due to resource allocations.” Yet, she mentioned that the CSU is engaged in “building stackable credentials that could lead to graduate degrees.”

Trustee Gilbert-Lurie suggested that under-enrolled campuses could try to absorb a greater share of graduate students and focus on blended programs and on strengthening their reputation in graduate studies.

- d. received as an information item a report on *Student Financial Aid*.

“The California State University is committed to providing access and opportunity to California students, regardless of their financial circumstances. To that end, the CSU

continues to offer one of the most affordable educations in the nation with 56% of students graduating with a bachelor's degree and zero student loan debt.

[...] Financial aid is a critical element that enables students to continue their education at the CSU and ultimately earn a college degree. The CSU disbursed over \$4.2 billion in financial aid funds during the 2020-21 academic year, the most recent financial aid period for which final federal data is available. Without this assistance, a college education would likely not be an option for many students. Based on data for 2020-21, 81% of all CSU students received some form of financial aid. What's more, 60.5% of all undergraduates had the full cost of tuition covered by non-loan aid in the form of grants, scholarships or waivers.

As the cost of living, housing and inflation are of increasing concern to students and families, college affordability and financial aid are often the differentiator between students attending college or going straight into the workforce. The CSU continues to offer robust financial aid packages and the state has introduced new financial aid programs, but more funding is needed to reflect the increased cost of living," which ranges between approximately \$20,000 to \$30,000 depending on whether students live at home (44%), on campus (11%), or off campus (45%).

Trustee Lopez expressed her astonishment that so many CSU students have their tuition fully covered (60%) and that over half of them graduate without student debt. But she bemoans that the financial aid application process is much too complex, and she wonders whether there are ways to simplify the process and to better inform the students about the availability of financial aid. Sylvia Alva, Executive Vice Chancellor for Academic and Student Affairs, said that it is key to inform students about financial aid options as soon as possible after their admission to our campuses. April Grommo, Assistant Vice Chancellor for Strategic Enrollment Management, regretted that staffing levels are not sufficient and Noelia Gonzalez, Systemwide Director for Financial Aid Programs, added that the required bureaucratic processes cannot be automated, because each student's case is unique.

Trustee McGrory wanted to know if we inform students about financial aid possibilities and eligibility after they have committed to enroll, or if we use this information as a recruiting tool already at the point when we admit them. AVC Grommo explained that "it varies by campus; but campuses are making a concerted effort to get their estimated financial awards to student at least 30 days prior to the national intent deadline, which is May 1st."

Trustee Gilbert-Lurie is cognizant that the cost of attendance varies among our campuses, and she asked if an overview of the costs by campus could be provided. Director Gonzalez informed the Board that this information is available campus by campus on the CSU website.

Trustee Ortiz-Morfit is puzzled that the cost of attendance for on-campus students is almost as high as for off-campus students [merely an 11% difference], especially in light of our intense efforts to provide affordable student housing. Director Gonzalez acknowledged that meal plans –which are mandatory on several campuses– drive up the on-campus costs.

16. The **Committee on Finance**

- a. received as an information item in consent the 2023-2024 Lottery Budget and Report.

“To date, the CSU has received \$1.57 billion in lottery funds from the state. Over the past five years, annual CSU Lottery Fund receipts have averaged \$66.7 million.

Approximately 89.2 percent of lottery resources are expended directly for campus instructionally-related programs & activities and the Electronic Core Collection. The remaining 10.8 percent supports systemwide programs, such as the Summer Arts, Pre-Doctoral, Doctoral Incentive, DREAM Loan, system partnerships and memberships, and program administration and reporting requirements. [...]

The System Budget Office estimates total lottery receipts available to the CSU in 2023-2024 will be \$67 million. After setting aside \$5 million as a contingency to assist with cash-flow variations in quarterly lottery receipts and other economic uncertainties, the \$62 million 2023-2024 lottery budget proposal remains principally designated for campus-based programs. The proposed budget increases campus-based allocations by approximately \$4 million and maintains support for administration and reporting responsibilities of the Lottery Fund at 1.15% of the proposed budget.”

- b. approved as an action item the Conceptual Approval of a Public-Private Partnership for Redevelopment of the Alquist Site at San José State University.

“This agenda item requests conceptual approval to pursue a public-private partnership for redevelopment of the Alquist site, including, but not limited to, several potential uses, including housing and mixed-use development. If housing is ultimately developed at the site, the possible development could be for a new housing apartment complex, including affordable workforce housing, at San José State University (SJSU). [...]

San José is one of the most expensive environments in which to own, rent, or build housing in the United States. Housing rents in San José have risen at an average rate of six percent per year over the last decade. [...] The widening gap between rent and pay substantially impacts the ability to attract, recruit, hire, and retain the full range of talent that makes SJSU the top public university in Silicon Valley. The Alquist site’s location, one block west of the main campus, provides an ideal opportunity for potential redevelopment of the site to provide affordable workforce housing, among other uses, for the campus.

[...] The market demand study will inform the number of units to be developed [which – according to President Teniente-Matson– could be between 750 and 1,000 apartments]. The expectation is that market-rate housing would help subsidize a portion of workforce housing construction, maintenance, and operations in order to preserve affordability of workforce units. Any development plan will take advantage of extensive public transportation and pedestrian living attributes already in place surrounding the site, thereby encouraging sustainable lifestyles for tenants and reducing construction costs by limiting onsite parking. The redevelopment of the site may also include neighborhood-serving ground-floor retail space and SJSU academic programmatic use of building space, with an urban, public-facing component. The campus expects that the project would be operational in five to seven years.

[...]

The project will also provide an affordable housing option for graduate students. Financial return to the campus is expected to be minimal – the benefit to the campus will be in the form of strengthening recruitment and retention of faculty and staff, and expanding reach to graduate students.”

- c. approved as an action item the CSU Doctor of Public Health Tuition.

“On September 30, 2022, Governor Newsom signed into law SB 684, which [...] allows the CSU to independently offer a doctoral degree in public health. Prior to the passage of the bill, the CSU could only offer DrPH programs in partnership with the UC or a California private institution of higher education. CSU DrPH degree programs were authorized to focus on preparing public health professionals in areas such as community health administration, health education and promotion and public health advocacy.

Based on program-cost analysis conducted in consultation among the Chancellor’s Office and CSU campuses planning to offer the DrPH, the CSU Doctor of Public Health tuition rate is recommended to be set at \$9,450 per term. [...]

The recommended tuition is at the University of California, Los Angeles rate. Also, the recommended tuition is comparable to other allied health doctoral programs in the CSU. Per semester, the Doctor of Audiology (AuD) is \$7,371, the Doctor of Nursing Practice (DNP) is \$7,635, the Doctor of Occupational Therapy is \$8,598, and the Doctor of Physical Therapy is \$8,598.”

The first DrPH program is scheduled to start at San Diego State in the fall of 2023.

Responding to question by trustees how these doctorate programs are financed, EVC Alva stated that “the legislation is clear that these professional doctorate programs should not in any way impact our investment in undergraduate education.” That said, obviously these doctorate programs “build on existing resources” such as the current faculty and available infrastructure. Nonetheless, Trustee Lopez deems it imperative “–in a time of tight resources– that the choices that the institutions make to build out these doctoral programs do not in any way detract from our core fundamental mission as a comprehensive university.”

- d. received as an information item the 2022-2023 Student Fee Report.

Student tuition and fees (\$7,520 undergraduate and \$8,954 graduate CSU average) constitute approximately 40% of the CSU operating budget, with most of the difference provided by the state. According to this level of funding, the tuition for non-residents of California is about 2.5 times higher (\$19,400 undergraduate average). Tuition was only increased once in 11 years (\$270 in 2017/18), and it is universal across the CSU (\$5,742 for undergraduates).

However, campus-based mandatory fees differ significantly from campus to campus, with CSU Fresno charging the lowest (\$921) and Cal Poly San Luis Obispo the highest (\$5,023), and a systemwide average of \$1,778.

- e. received as an action item the 2023-2024 Operation Budget Update.

“The CSU 2023-2024 operating budget plan calls for continued and increased state investment in the CSU. This budget plan, which totals \$529.8 million in new resources, would address necessary new investments in the CSU and build on the momentum of recent years. The budget plan is comprised of a request of \$513.7 million from the state general

fund and \$16.1 million of tuition revenue from enrollment growth. The six areas of investment are:

- \$55 million for Graduation Initiative 2025
- \$20 million for student basic needs
- \$311.4 million for workforce investments
- \$50 million for academic facilities and infrastructure
- \$50.6 million for strategic resident enrollment growth
- \$42.8 million for required operational costs

Through the budget proposal, the governor demonstrated his continuing commitment to the university. Governor Newsom's January proposal totals \$227.3 million in new, ongoing funding, all of which is not categorized for specific uses (i.e., new, unallocated, ongoing funding) and is available to address some of the Board of Trustees' budget priorities. If approved in the final budget act, this would fulfill the multi-year compact commitment to increase the CSU's state general fund by five percent for 2023-2024."

Under these conditions, the CSU would have a funding gap of \$286.4 million. After covering mandatory cost increases and required spending, about \$100 million would be available for unallocated spending, which includes items of high priority such as the Graduation Initiative 2025, student basic needs, academic facilities and infrastructure, as well as the faculty and staff compensation pool.

Additionally, the trustees' budget request included \$1.3 billion in one-time funds to address the system's deferred maintenance and infrastructure needs [see also item 10.c]. Regrettably, no one-time funding was provided in the Governor's January budget proposal for 2023-2024.

Trustee Gilbert-Lurie wondered if it even makes sense to include such high demands in our budget request if the state decides to fund none at all. Ryan Storm, Assistant Vice Chancellor for Budget, reminded trustees about the time-lag in our budget process, in which the trustees submit their request in September, yet the state budget is only finalized in the following summer. In that period of time, "the way the state's tax structure is set up, there is a lot of one-time money that can arrive and a lot of one-time money that can disappear very quickly." In reference to "Billion Dollar Deferred Maintenance Trustee Sabalius," he deems it prudent to let the legislators know our needs, because it is hard to predict the ultimate availability of state funds.

"Another proposal would revise the financial structure of several campus facility and infrastructure projects. The state's 2022-2023 budget agreement included one-time funding for projects at eight CSU campuses. The financial restructuring proposed by the governor's administration replaces \$404.8 million of one-time funding in 2022-2023 with \$27 million ongoing base funding beginning in 2023-2024. These projects would instead be financed through the CSU Systemwide Revenue Bond Program and the \$27 million would be necessary to pay the annual debt service on these bonds. This proposal would help the state with its fiscal challenge and shows the administration's continuing commitment to these projects."

Trustee McGrory expressed his concern that the Board is asked to approve a \$430 million bond before the final state budget will be approved, in which the funds to service the bond ought to be included. Robert Eaton, Assistant Vice Chancellor for Financing, Treasury, and Risk Management, clarified that the CSU does not have to act on this matter before the state budget will be finalized. He also added that “it is not unique that we get debt authorization for projects before the revenues come in.” Trustee McGrory still deems it “very risky” to assume debt based on a state budget that has not passed yet. Steve Relyea, Executive Vice Chancellor and Chief Financial Officer, conceded that there is a slight risk, despite the assurances from the Governor and legislators, but he reminded the trustees that stalling construction will significantly escalate the costs.

Interim Chancellor Koester recommended delaying action on this item until the Board’s March meeting. The motion was made and approved.

At 16:10 pm, Chair Fong called the full **Board of Trustees Meeting** to order.

Chair Fong removed the item 2023-2024 Operation Budget Update from the consent agenda. It will be brought back as an action item at the March meeting of the Board.

Subsequently, **the Board of Trustees**

- a. approved as an action item in consent all other previously passed Committee Resolutions.

The **Public Meeting** of the **Board of Trustees** was adjourned on January 25, at 16:20 pm.

---- The next regular meeting of the Board of Trustees will be on March 20-22, 2023 ----