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## Faculty Trustee's Report

### CSU Board of Trustees Meeting – May 15-16, 2018

Hereby I respectfully submit a summary of the Board of Trustees meeting. My report is largely based on the preparatory materials provided to the trustees, on my personal notes from the meeting, and on my memory.

I tried my best to accurately reflect the deliberations, and I hope to have quoted correctly and paraphrased in the spirit of the speakers' and presenters' intentions. If you notice any inaccuracy or misrepresentation, please let me know ([Romey.Sabalius@sjsu.edu](mailto:Romey.Sabalius@sjsu.edu)).

Since the primary audience of this report is the faculty of the statewide academic senate (ASCSU), the focus is stronger on educational policies, legislative matters, state appropriations, and comments from the public than on other BoT agenda items.

If you do not have enough time to digest the full report, you can just review the activities of the committees that interest you. Alternatively, you can merely read my bold highlights, which try to emphasize the most pertinent issues.

Romey Sabalius  
Faculty Trustee

San José, CA – May 30, 2018

# Faculty Trustee's Report

## CSU Board of Trustees Meeting: May 15-16, 2018

On May 15 and 16, the CSU Board of Trustees meeting was held at the Chancellor's Office of the California State University at 401 Golden Shore in Long Beach, California.

1. The **Board of Trustees** met on Tuesday morning in **Closed Session** to
  - a. review Pending Litigation. The cases discussed in detail involve lawsuits by cities over disagreements about environmental studies (EIRs) and mitigation costs (usually for increased traffic or use of public transportation) due to changes in the campuses' master plans and the projected growth in student enrollment.

2. The **Committee on Collective Bargaining** met in **Closed Session**.

Note: The Faculty Trustee is excluded from deliberations of the Collective Bargaining Committee.

The **Public Meeting** started on Tuesday, May 15 at 10:00.

3. The **Committee on Finance** began with Public Comments. There were only two speakers. One asked of the Board not to re-evaluate staff levels if there will be a budget deficit, but to consider cuts among management and administration. The other speaker lamented the lack of modern technology on campuses.
  - a. The committee approved to Issue Trustees of the California State University Systemwide Revenue Bonds and Related Debt Instruments for Projects at CSU Dominguez Hills and Los Angeles for student housing projects.
  - b. The committee approved the Tuition Rate for the Doctor of Audiology Program. The first program will start at Cal State LA in fall 2018, followed by Northridge and Sacramento in fall 2019, and San José in fall 2020. **The proposed tuition rate is \$7,371 per term. The total program cost over 4 years and 11 terms (including three summer terms) would be \$81,081. It is the same price as the current SDSU-UCSD AuD program and considerably cheaper than the three-year program at the University of the Pacific (\$123,390), the only two currently existing AuD programs in California.**
  - c. The committee received a report on the Implementation of Investment Authority for the CSU. Legislation effective January 1, 2017, allows the CSU to invest funds more profitably. An Investment Advisory Committee was formed and an initial TRP (Total Return Portfolio) investment of \$33.5 million was made in March 2018. Investment policies and procedures were presented. Trustee Taylor thanked the legislators for providing the CSU with greater flexibility in the management of public funds.
  - d. The committee received the 2018-2019 Operating Budget Update. On May 11, Governor Brown released his May Revise of the budget. The state received \$9 billion



more in revenues than expected in January. Nevertheless, the governor did not add to the \$92 million augmentation of the CSU's base budget. He did, however, allocate \$100 million in one-time money for deferred maintenance. These funds are not only welcomed, but sorely needed, since the CSU has an estimated backlog of \$2 billion in deferred maintenance. The funding gap for the year 2018-2019 remains at \$171 million, which is \$61 million short of our obligated cost increases. Strong and persistent joint advocacy by students, faculty, presidents, the Chancellor's Office, and trustees have created a great awareness among legislators about the financial need of the CSU. In late May, the Assembly and the Senate will present their respective budgets and in early June, a joint legislative budget plan will be presented to the governor. Support for the CSU is broad and bi-partisan, and the governor indicated that he would not veto an augmentation for the CSU.

As expected, a long and lively debate ensued. Chancellor White mentioned that California has overtaken the UK to become the 5<sup>th</sup> largest economy (if it were an independent nation), and that the state has a multi-billion budget surplus. Trustee Nilon appreciates the concerted lobbying efforts of students, faculty, administrators, and trustees. Trustee Eisen noted that last year, the BoT was accused of taken the burden off legislators by closing the funding gap with a tuition increase. Lieutenant Governor Newsom complimented the Board for "pushing back against the legislators" and "holding them accountable." He opined that also the UC Regents followed the BoT's lead to refrain from a tuition increase. Trustee Sabalius decried the fact that in a year with a massive budget surplus (a projected \$8.8 billion), "the CSU needs to fight to merely make ends meet," when instead we should be funded not only for our mandatory cost increases, but also for innovation, investment in faculty and facilities, upgrade of technology, and enrollment growth to meet the demand for graduates to supply the California economy. "When, if not now, can we progress and invest in our future," he asked, pointing out that "by remaining stagnant, the CSU will fall behind."

4. The Committee on Governmental Relations began with a few *Public Comments*. Jennifer Eagan, CFA President, thanked the chancellor and trustees for joining the CFA in their advocacy efforts in Sacramento. Tessy Reese (CSUEU) spoke to four BoT committees over the two days of the meeting about insufficient health services on campuses and especially about the lack of mental health counselors. Several students expressed their opposition to proposed SB 320 (Leyva), which would mandate the availability of abortion by medication on campuses, citing health risks to the students and an increased liability to the CSU.
  - a. The *State Legislative Update* presented Senate bills and Assembly bills that may have an impact on the CSU, and it outlined the CSU's position towards these proposed bills. Over 2,000 new bills have been introduced in the legislature, and the "Office of Advocacy and State Relations continues to monitor approximately 450 bills." The CSU would welcome a bill like SB 968 (Pan) that would require all campuses to

have a mental health counselor for each 1,500 students (changed from 1,000) if it was funded. However, Trustee McGrory cautioned that the legislation may include funding now, but that it might be withheld in future economic downturns. The controversial bill AB 2408 (Weber), to make an ethnic studies course a graduation requirement throughout the CSU, is no longer active. Bills that expand the eligibility for students to obtain financial support (summer terms, Cal Grant duration, foster youth, etc.) are generally appreciated.

5. The Committee on Educational Policy began with *Public Comments*. Jennifer Eagan, CFA President, expressed her dissatisfaction with the response by the presidents of Fresno and SLO to insensitive behavior by members of their respective campus communities.
  - a. The committee approved the *Recommended Amendment to Title 5 Regarding Doctor of Nursing Practice Degree Programs*. Assembly Bill 422 [2017] gave the CSU permanent DNP degree-granting authority. The new law eliminates the “temporary pilot status,” “the limitation to only three campuses,” and “the restriction to admitting only applicants with earned master’s degrees in nursing.”
  - b. The committee received a report on *Online Education*. The debate among the trustees revolved to a great extent around the cost of online delivery. It surprised many that online courses would not be cheaper than face-to-face instruction. Trustee Eisen surmised that “the governor and legislators are so keen on online education because it can deliver a quality education at a lower cost,” and she wondered whether this is “a false premise?” Trustee Faigin even had hoped that the CSU could generate revenue by providing online instruction beyond our system, similarly to the well-established online program at Arizona State University. President Morishita (East Bay) confirmed that online delivery is not cheaper, and Chancellor White added that “we never claimed it was less expensive.” Furthermore, Executive Vice Chancellor Blanchard stated in response to a trustee’s question that “online education will not solve impaction.” Trustee Sabalius expressed concern that online courses might contribute to “disengagement of both students and faculty from campuses.” Trustee McGrory suspects that politicians underestimate the extent of CSU’s online education and our commitment to it. Trustee Abrego appreciates the online offerings as “a useful method to bring students to degree completion,” who dropped out short of a few courses. Lieutenant Governor Newsom added that the state has about “4 million students” with some college, but no degree, of which “over one million are near completion.”
  - c. The committee received a report on *Student Health Services*. All 23 CSU campuses have student health centers. “The CSU considers investment in the health of the students as investments in their success. [...] When students are healthy and their medical needs are met, they are more likely to remain enrolled, attend class, be engaged in their coursework and earn a degree.” “Prior to the 1990s, student health centers were funded mainly through general fund allocations.” Yet, after



economic crises and reduced state allocations, the coverage of costs for health service operations were transitioned to mandatory student health fees. “For the 2017-18 academic year, the average student health fee was \$272 with a range between \$90 and \$674.”

6. The Committee on Campus Planning, Buildings and Grounds began with *Public Comments*. Two San Diego residents spoke in support of the revision of the master plan for SDSU, and they described the campus as a responsive partner and a “good neighbor.”
  - a. The committee received the California Environmental Quality Act Annual Report. Three cities (Carson, Hayward, and San Diego) objected to revisions of their campuses’ master plans based on environmental impact and inadequate mitigation for growth. While some of these disputes have lasted for about a decade, the CSU is confident to bring them to a satisfactory resolution.
  - b. The committee approved the annual adoption of the Categories and Criteria for the Five-Year Facilities Renewal and Capital Improvement Plan 2019-2020 through 2023-2024 with minor changes.
  - c. The committee approved Cal State LA Student Housing East (\$202 million) to provide 1,500 more beds and a student dining facility.
  - d. The committee approved the CSU Dominguez Hills Innovation and Instruction Building (\$84 million) to replace –among other functions– “**temporary buildings constructed in 1965.**”
  - e. The committee approved the CSU East Bay CORE Building (Library Replacement Seismic) (\$100 million). The costs per gross square foot (GSF) are high due to the need for seismic stability, a sloped building site, and high construction costs in the Bay Area.
  - f. The committee approved the SDSU Master Plan Revision. The master plan addresses all aspects of physical development and planned land uses that would be necessary to accommodate an enrollment ceiling increase from 25,000 to 35,000 FTE. The approved master plan includes five site-specific projects that would provide faculty/staff housing at Adobe Falls, a multi-phase research and classroom development on the Alvarado portion of campus, student residential housing to be developed on multiple on-campus sites, the renovation and expansion of the Aztec Center student union, and the long-term development of a campus conference center. **Previous plans to construct an Alvarado hotel to accommodate university guests and facilitate hospitality learning had to be eliminated because the City of San Diego and the campus could not reach an agreement on off-site mitigations (mostly concerns over increase traffic and use of public transportation).**
7. The Committee on Audit began with two *Public Comments* by Kevin Wehr, CFA Secretary, and Neil Jacklin, Acting President of the CSUEU. Both are frequent speakers at BoT meetings. They addressed the inadequate staffing of health counselors and wondered “where all the money goes?” Yet, it seems to be “always there to hire administrators.”

- a. The committee received a Status Report on Corrective Actions. The Chancellor's Office "confirmed completion of corrective actions for the audit findings."
  - b. The committee received a Status Report on Current and Follow-up Internal Audit Assignments by Larry Mandel, Vice Chancellor and Chief Audit Officer. "This item include[d] both a status report on the 2018 audit plan and follow-up on past assignments. For the 2018 year, assignments were made to develop and execute individual campus audit plans; conduct audits of Information Technology (IT), Sponsored Programs and Construction; implement continuous auditing techniques; and to provide advisory services and investigation reviews. Follow-up on current and past assignments was also being conducted on approximately 25 completed campus reviews."
8. The **Committee on Collective Bargaining** started with Public Comments. Concerns articulated during previous BoT meetings were reiterated: inadequate number of health care professionals, concerns over contracting-out dispatchers at Sonoma State, and the assumption of staff work by administrators. Neil Jacklin spoke in support of AB 1231 (Weber), which would "require the CSU to provide all eligible support staff employees with an automatic merit salary adjustment of five percent annually."
  - a. The committee ratified the Successor Collective Bargaining Agreement with Bargaining Unit 1, Union of American Physicians and Dentists (UAPD). In line with previously ratified CBAs, Bargaining Unit 1 employees will receive salary increases of 3% for 2017, 2018, and 2019 with an additional 1% Equity Pool for specific salary ranges. In parity with the CFA contract, the vesting for full retiree medical and dental benefits for new employees hired after July 1, 2018 was increased from 5 to 10 years. As all other recently ratified CBAs, this contract will run until June 30, 2020.
9. The Board of Trustees convened a **Committee of the Whole**.
  - a. The Board of Trustees received the John W. Nason Award for Board Leadership presented by Rick Legon, President of the Association of Governing Boards. In his speech, President Legon highlighted the "Graduation Initiative 2025," and he expressed the hope that "it will not only help California, but the entire nation."
  - b. The BoT conferred the Title of Student Trustee Emeritus on Jorge Reyes Salinas, who will graduate in May.
  - c. The BoT issued a Commendation for Sally Roush, Interim President at San Diego for her dedication and leadership to SDSU and the CSU.
  - d. The BoT conferred the Title of President Emeritus on Willie Hagan, retiring president at Dominguez Hills.
  - e. The BoT conferred the Title of President Emeritus on Horace Mitchell, departing president at Bakersfield.
10. The **Plenary Session** began with a long list of Public Speakers. William Blischke, President of the CSU Emeritus and Retired Faculty Association (CSU-ERFA), reported that the organization will extend its membership to staff. "Any CalPERS annuitant will

be eligible” to join the organization to be renamed ERFSA. He also assured the Board that retired faculty would like “to be as involved as possible in lobbying efforts.” A student representing Students for Quality Education (SQE) expressed relief that there will be no tuition increase. However, she cautioned against “shifting the burden” of a potential budget shortfall on the students by imposing student fees or cutting services to students. A number of issues that were addressed by the public at this or earlier BoT meetings were reiterated: managers “working out of class” (Jacklin), support for AB 1231 and a rejection of out-sourcing off-hours support for online courses (several speakers from CSUEU), and concerns about the elimination of developmental math (Katherine Stevenson). Several personal grievances were also brought to the attention of the Board.

- a. Chair’s Report. It was Trustee Eisen’s last report as Chair of the Board. She mentioned the importance of “learning to be curious.”
  - b. Chancellor’s Report. Chancellor White reported that the system has two more impactions and two fewer, and he congratulated the Men’s Volleyball team of Long Beach for their championship win.
  - c. Report of the Academic Senate CSU. In her last report as chair, Christine Miller stressed the fact that the ASCSU is “the official voice of the faculty.” Her report was accompanied by several songs from musicals, performed live by her daughter, that were supposed to illustrate the inseparable, yet conflicted relationship of administrators and faculty in the process of shared governance.
  - d. Report of the California State Student Association. It was also CSSA’s President Maggie White’s last report. She lamented the notion that students enter “the real world” when they graduate. She maintained that they “already live in the real world,” as evidenced by their many life challenges.
  - e. Report of the CSU Alumni Council. Manolo P. Morales was re-elected as Alumni President. He hopes for a “better alignment of alumni offices with career centers,” and he articulated a need to “manage long-term relationships.”
  - f. The Board approved all resolutions that were previously passed in the various committees.
  - g. Trustee Adam Day was elected Chair of the Board of Trustees, and Trustee Lillian Kimbell was elected Vice Chair for 2018-19 to take effect following the conclusion of this meeting.
  - h. Lastly, the Board approved the Committee Assignments for 2018-2019.
- The meeting was adjourned.

There was no **Closed Session** following the public meeting.