

Business & Finance NEWS

Business and Finance Division

Richard P. West, Executive Vice Chancellor and Chief Financial Officer

NEWS FROM THE DEPARTMENTS

FEBRUARY 2007

BUDGET DEVELOPMENT

Patrick J. Lenz, Assistant Vice Chancellor

In the 2007-08 State Budget, the CSU will receive an additional \$176.5 million from the state General Fund and \$123 million in additional fee revenue. The additional fee revenue is associated with an enrollment increase of 2.5 percent and a 10 percent increase in student fee rates to fund CSU budget priorities. This represents a 7.4 percent increase over the CSU current year budget. With these increases the total general operating budget for the CSU now will be over \$4.3 billion, with just under \$3 billion coming from the state General Fund and roughly \$1.3 billion from fee revenue. The total Governor's Budget revenue increase for 2007-08 is \$299.5 million.

As a result of the revenue assumption in the Governor's Budget, undergraduate fees would have to increase by \$252 to an academic year rate of \$2,772. Fees for students in teaching credential programs would have to increase by \$294 to an academic year rate of \$3,216. Graduate student fees would have to increase by \$312 to an academic year rate of at \$3,414. The total revenue expectation from a 10 percent fee increase is \$97.7 million, with one-third of that amount (\$32.6 million) set aside for financial aid grants. The Governor's Budget funds mandatory costs (\$41.9 million), enrollment growth (\$77.9 million), financial aid (\$38.8 million), compensation (\$129.5 million) and long-term need (\$10 million). Enrollment growth is funded at a state General Fund marginal cost rate of \$7,837 per FTES, in accordance with the funding formula developed by the Department of Finance last year.

The Governor deleted \$7 million associated with campus outreach programs and systemwide academic preparation from the university budget. This action is consistent the \$19.3 million reduction in the UC budget associated with student outreach programs. The CSU will advocate the restoration of the \$7 million and use

this opportunity to advocate for the \$25 million above Compact funding levels requested by the Board to fund critical student services for disabled students; advising, counseling and tutoring; articulation; and, grants to increase underrepresented and disadvantaged students' higher education access and retention.

The budget includes the augmentation of \$2 million above Compact funding levels that the Board requested to increase efforts to produce more K-12 math and science teachers. However, the \$2.5 million CSU requested for the second year, 163 FTES, enrollment cohort of the Master's-level nursing program and the \$4.3 million requested above Compact funding levels to increase undergraduate nursing programs by 340 FTES was not funded. The 2007-08 budget also failed to include \$27.6 million for additional compensation, \$12 million for CSU research and \$1.2 million for K-12 Special Education Teachers.

CAPITAL PLANNING, DESIGN AND CONSTRUCTION

Elvyra F. San Juan, Assistant Vice Chancellor

EXECUTIVE

2007 Training Program: The CSU Facilities Management Institute 2007 Training Program opened in January with two energy-related workshops at the San Jose campus: Energy Services Agreement (ESA) [formerly CESMEA] and Renewable Energy Projects. These sessions informed campuses of the ESA revisions and lessons learned on implemented projects. Over thirty-five campus staff attended the trainings, which were presented by internal and external experts in the field. Representatives from the seven energy service companies (ESCOs) were also in attendance.

On February 21 – 22, two sessions in support of construction management on the campuses will be

presented at the Chancellor's Office: 1) Change Orders: CSU Contract General Conditions/Cost Estimating and Negotiating and 2) CSU Inspection of Projects. The presenters are valued consultants who understand the CSU major capital construction program. In March, three workshops are being presented on hiring practices and human resource and union contract management for physical plant directors and their associate directors. To enhance the exchange of best practices on this important topic, campus directors of human resources will participate as attendees in the human resource management session. The workshops will be held in the Executive Meeting Center at the Long Beach Hilton. In mid April (18-19), the training program will move to CSU San Marcos for sessions on building commissioning, central plant optimization and demand side management strategies. Later in April the annual training and update workshop on the Space and Facilities Database (SFDB) will occur at the Chancellor's Office.

Registration for these sessions is available at <http://www.calstate.edu/CPDC/Trg2007.shtml>.

CPDC appreciates the ongoing support from Financing and Treasury, Contract Services and Procurement, General Counsel, and Systemwide Human Resources in the presentation of this training program throughout the year.

2007 CSU Facilities Management Conference: "Inspire–Innovate–Achieve—A Capital Idea" is the theme for the annual CSU Facilities Management Conference at the Sacramento Hyatt Regency and Convention Center, November 4 – 7, 2007. Property Acquisition and Development; Planning; Design and Construction; Plant Management; Energy Management; and new this year, Emerging Trends and Technology are the six educational tracks. There will be inspiring general sessions, innovative roundtable discussions, information exchange with exhibitors and sponsors, and networking opportunities to acknowledge the achievements of colleagues. Watch this column for more information in the coming months regarding program, website, and registration.

Nancy Frelander-Paice, Executive Program and Fiscal Manager

FACILITIES PLANNING

Capital Renewal: The Capital Renewal Program funds projects to replace major building components and/or systems that have exceeded their useful life. The passage of Proposition 1D by

the voters in November 2006 provided funding for the \$50 million appropriation included in the 2006/07 Budget Bill for the program. The November election resulted in the delayed availability of funds, thus the campuses will have a difficult time bidding these projects by June 30, 2007, as required by the budget bill. The CSU, with the support of the Department of Finance, has requested the re-appropriation of these funds to extend the encumbrance date to December 31, 2007.

Governor's 2007/08 State Capital Budget: The governor's 2007/08 state budget, published on January 10, 2007, included \$396 million for 27 projects based on a few adjustments to the five year program approved by the Board of Trustees at the September 19-20, 2006 meeting. Based on the CSU's share of the Proposition 1D bond funds and funds remaining from prior bonds consistent with the Governor's Compact, the Department of Finance considered the first 36 projects of the trustees' request totaling \$391.8 million. Adjustments in the governor's budget included the consolidation of ten nursing renovation/addition projects into one systemwide nursing facility improvements project and a modification of the San Francisco State funds to acquire land surrounded by the campus. None of the 2007/08 project requests were reduced in the governor's budget. In February, the Legislative Analyst's Office will release its Analysis of the Budget Bill and the CSU Capital Program.

Larry Piper, Chief of Facilities Planning

LAND USE PLANNING & ENVIRONMENTAL REVIEW (LUPER)

California Environmental Quality Act (CEQA) and Traffic Consultants: CPDC convened an unprecedented systemwide meeting of CSU campus planning staff and CEQA traffic consultants on January 16 to address issues relative to "fair share" negotiations for mitigation cost assessments by local government agencies in the context of the 2006 California Supreme Court decision, *City of Marina vs. Trustees of CSU*. The purpose of the meeting was to better understand traffic models and discuss the common elements that should be considered in modeling the impact on local intersections of a particular campus growth project.

LUPER continues its initiative to improve and update the land title mapping database, which provides campuses with a useful tool: spatially correct maps that can be used as the base for other

campus maps. In order to make the boundary and encumbrance (B & E) maps more user-friendly, Ben Morales, CAD Coordinator, is importing CAD and hard copy data in a digital GIS (geographic information system) environment. The goal is to allow the user to "click and view", e.g., click on an easement on a campus's B & E map and view the easement document itself. As part of this effort Ben plans to work with the campuses to spearhead a systemwide CAD and GIS user group to discuss, develop, and implement improved mapping standards. Creating a user group consisting of design professionals and campus mapping personnel, will be established. A cadre of users invested in the seamless integration of all campus maps

*David Rosso, Chief of Land Use Planning
& Environmental Review*

ARCHITECTURE & ENGINEERING

Seismic Review Board Shakes Up Priority List:

The CSU Seismic Review Board has completed a systemwide campus reassessment of existing buildings for seismic safety. The CSU maintains two seismic lists: Priority I warrants seismic repairs at the earliest opportunity; Priority II mandates seismic renovation no later than concurrent with the next renovation of or addition to that particular facility. This updated priority list can be viewed at: http://www.calstate.edu/cpdc/AE/Seismic/Seismic_Priority_list.pdf. New additions to both priority lists were made as a result of this reassessment. The CSU is in good shape on the whole, having addressed all of the falling hazards and most of the seismically-deficient facilities identified in 1993 when the first complete seismic assessment was performed. CPDC is working with campuses to incorporate facilities with newly identified seismic deficiencies into their five-year capital program planning. This will influence the prioritization of future capital projects. The CSU is recognized for both its commitment to seismic safety and its highly regarded peer review board which provides counsel on systemwide seismic issues.

Trustees Sustainability Policy Update: The Sustainability Advisory Committee (SAC) is continuing to address the sustainability measurement and verification system that is being developed as the California State University Program for Environmental Responsibility (CSUPER). Following sustainability methodology training in August 2006, the SAC subcommittees reviewed and made recommendations on how to

embed sustainability, from a measurement and verification process perspective, into the work of CPDC. The result is CSUPER, which builds on established CSU processes and acknowledges accepted practices in the "green" building industry. CSUPER will develop an integrated design process to encourage comprehensive and responsible decision-making.

An initial draft of CSUPER was presented to a joint meeting of the executive deans and physical plant directors in December 2006 at CSU San Marcos where it was well received. Dialogue with these groups will continue as CSUPER is finalized prior to its presentation to the Board of Trustees at the July 2007 meeting. Systemwide training will follow.

Thomas Kennedy, Chief of Architecture and Engineering

PLANT, ENERGY, & UTILITIES

Plant Directors' Meeting: The physical plant directors met December 4-5 at CSU San Marcos. Topics discussed included the development of the Electrical Safety Standards Guideline and the Joint Apprenticeship Program. John Ferris, Director of Facilities Services at CSU Los Angeles, presented a video on sustainability titled, "The Next Industrial Revolution." More information on the video is at <http://www.thenextindustrialrevolution.org/>. Tony Simpson, Director of Facilities Services at CSU San Bernardino, presented, "Disaster Preparedness; Lessons Learned," which detailed how CSU San Bernardino dealt with building remediation made necessary by flooding during a major storm in October 2006. The joint meeting with the executive deans included presentations on energy management, sustainable practices, and an update on required access compliance plan checks completed by the Division of the State Architect. The next quarterly meeting is scheduled to take place in March 2007 at CSU Long Beach.

2006 Green Star Award: The Professional Grounds Management Society (PGMS), an organization of park, playing field and campus grounds managers, awarded a 2006 Green Star Award for best-maintained grounds of an urban university to San Francisco State University. The annual award recognizes the aesthetic and technical skill of the campus. Director of Campus Grounds Phil Evans accepted the award on behalf of San Francisco State at the annual PGMS meeting held November 4 in Columbus, Ohio. Evans told the PGMS attendees, "The 25 employees in the San Francisco State Grounds

Department work with remarkable personal and professional care. And they have adopted exceptional quality as their daily standard." A virtual tour of San Francisco State's campus gardens is at <http://www.sfsu.edu/~plantops/TourOurCampusGardens.htm>.

Sustainability Advisory Committee (SAC) Education & Research Subcommittee Meeting:

The Education & Research Subcommittee convened on December 13, 2006. As reported in the November 2006 newsletter, this subcommittee was formed to bring faculty members into an active role in the sustainability discussion. The vision is that this subcommittee could develop curricular recommendations and service learning opportunities not only to educate CSU students, but also to better use student and faculty interest in pursuing sustainability both on campus and in communities. The results of the first meeting identified the following goals: to improve systemwide sustainability communications; to develop suggestions for a comprehensive sustainability policy for the CSU; and, to develop outside funding sources for sustainability-related academic and curriculum support.

AB32 - CA Global Warming Solutions Act of 2006 - CA Climate Action Registry: The California Air Resources Board (CARB) is entering the policy-making phase required by the California Global Warming Solutions Act of 2006. The Act requires Greenhouse Gas (GHG) emissions to be reduced to 1990 levels by 2020. The CSU is monitoring these developments. Also of note, a provision in the Act grandfathers members of the California Climate Action Registry from any additional reporting requirements developed under the Act. The CSU Chancellor's Office has signed a statement of intent and paid dues for the entire CSU system (a savings of over \$80,000) to secure this option in reporting GHG emissions. The required reporting criteria are direct emissions from mobile and stationary combustion, indirect emissions from electricity and district heating and cooling, direct process emissions, and fugitive (refrigerant) emissions. When accurately submitted, the monthly energy reports already cover required fields with the exception of leak rates on refrigerants. However, existing refrigerant management programs as required by law capture the required information and will be incorporated into the monthly energy report process.

Partnership Update – Capital Renewal Funding: Significant energy efficiency incentives are

available for ALL CSU campuses. There are \$10.4 million remaining in incentive funding with an additional \$1.5 million available to campuses in municipal service territories. If the CSU is unable to secure this funding, the utility partners will re-allocate it to other customer classes. The CSU has met a mere 11% of its commitment to Pacific Gas & Electric, whereas in Southern California Edison and San Diego Gas & Electric territories, the CSU has firm commitments for 82% and 71% of its obligations, respectively. The CSU's ability to meet its utility partners' needs by delivering avoided energy use is necessary to ensure continued and increased funding levels from the utility partners. All potential energy projects should be reviewed with Aaron Klemm, CPDC Energy Program Manager, in advance of project decision-making to ensure maximum energy incentive funding. Capital Renewal projects funded in 2006/07 and 2007/08 have the potential for energy savings. These projects need to be evaluated for any opportunities to extend Capital Renewal funding with energy incentives from the Energy Efficiency Partnership.

Len Pettis, Chief of Plant, Energy & Utilities

FINANCIAL SERVICES

Dennis Hordyk, Assistant Vice Chancellor

Fitting the Pieces Conference - The November 2006 conference was a great success and featured many notable speakers and sessions. Speaker presentations are now available online at http://www.calstate.edu/risk_management/events/fitting_the_pieces_together/presentations.shtml. Planning is underway for this year's conference which will be held in Southern California in November. More information to follow.

Charlene Minnick, Senior Director

INFORMATION TECHNOLOGY SERVICES (ITS)

David Ernst, Assistant Vice Chancellor

ACADEMIC TECHNOLOGY SERVICES (ATS)

Systemwide Library Initiatives: The CSU is well represented on a new national panel established to oversee the development of standards for information and communication technology (ICT) literacy. The National ICT Literacy Policy Council is comprised of eighteen members representing a wide range of higher education institutions and national organizations interested in ICT assessment and performance standards in

education and the workforce. The Council will employ the interactive scenario-based assessments recently developed by the Educational Testing Service in collaboration with the CSU and other universities. The Council will also serve as a national advocacy group to raise awareness of the importance of ICT literacy as an essential skill for success in higher education and the workplace. Representing the CSU will be Dr. Barbara O'Connor, Professor and Director of the Institute for the Study of Politics and the Media at CSU Sacramento; Dr. Tomas Morales, Provost at Cal Poly Pomona; and Dr. Gordon Smith, Director of Systemwide Library Initiatives in the Office of the Chancellor. The first meeting of the Council will be February 5-6, 2007 in Washington D.C.

Foundational Skills: The Center for Distributed Learning is building a web portal to help 11th grade high school students learn about the Early Assessment Program. The portal will encourage students to submit their e-mail address and/or cell phone number so they can receive a personalized e-mail or SMS message once their EAP test results become available. The portal will go live at the end of January.

E-learning Framework: To support online degree programs systemwide, The Center for Distributed Learning (CDL) is building a searchable web-based database which will contain detailed records of all CSU online degree programs. The database will allow prospective students a "one-stop-shop" for finding online degree programs offered at the 23 CSU campuses. A prototype database will be available at the end of January.

COMMONMANAGEMENTSYSTEMS (CMS)

Financial Information Systems Update: The Financial Information Systems (FIS) team is supporting campuses for the scheduled migration of the Baseline Release 060 posted on 11/6/2006. By early January, all 22 campuses on PeopleSoft Financials, will have migrated to Baseline Release 060. On 12/06/2006, 1099 updates for the calendar year 2006 were delivered to campuses in Release 8.40.060 Patch 034. On 12/21/2006, Release 8.40.060 Patch 035RMP01 was delivered to campuses to ensure the CMS Baseline software meets the new requirements as defined by the Revenue Management Program (RMP) initiative. A PeopleTools upgrade to version (8.46.17) has begun with a planned delivery to campuses on 2/26/2007, and the project planning for an

application upgrade to PeopleSoft 9.0 has been kicked off.

Student Administration Update: The Student Administration (SA) Team continues to support the upgrade process for v8.9 for Sonoma, Pomona, Northridge, Channel Islands, Long Beach, CMA, and San Luis Obispo; The team also supports both v8.0 and v8.9 "go-live" activities for San Luis Obispo (8.0), East Bay (8.9), San Bernardino (8.9) and Sacramento (8.9) in their phased implementation cycles. The SA team is supporting San Bernardino in its preparation for the next planned major SA "go-live" in April 2007, when the campus will be preparing for Summer Registration. San Bernardino will also be bringing up Financial Aid and Self-Service (initial) on February 12th.

CMS Development: The Revenue Management Program Depository phase of the project kicked off on January 2, 2007 with all campuses going live, using Wells Fargo as their depository bank. CMS Central is now gearing up for the disbursement phase of the Program with eight campuses due to go live using Wells Fargo as their disbursement bank as of February 1, 2007. In order for campuses to meet the deadline the necessary modifications and documentation needed to meet Wells Fargo's requirements were posted to the CMS website on December 21, 2006. January 2007, activities are geared towards helping campuses meet their February go-lives. Planned are teleconferences to assist in answering campus questions; outlining the requirements, testing of the transmissions, and training (in the latter part of the month).

The Disbursement Phase is spread out over a three-month period with all campuses scheduled to be live using Wells Fargo Disbursements by April 2nd. Each phase entails providing the same level of services to the campuses, i.e., conference calls, testing and training.

TECHNOLOGY INFRASTRUCTURE SERVICES

Infrastructure Build-Out Project - Stage 1 and Stage 2: Stage 1: Eighteen of the twenty-two campus Stage 1 projects in the build-out program are completed. Of the remaining four campus projects, three are progressing well, while one has encountered contractor issues and is delayed as the campus works towards a suitable resolution.

Stage 2: While the one campus that is experiencing Stage 1 delays has put their Stage 2 design on hold, all of the remaining campuses

continue to make significant progress. Chico and Fresno are generating their logical network designs and will begin equipment deployments soon. Fullerton, Monterey Bay and San Diego are at various points in their implementation phase. The fifteen other campuses have all completed their Stage 2 implementations.

(As a reminder, the 'phases' group campuses in the order that they undertake the TII project. 'Stage 1' refers to the physical construction of pathways, spaces and media on campuses; 'Stage 2' represents the installation of the necessary electronic components.)

Infrastructure Terminal Resources Project Refresh (ITRP 2): ITRP 2 is the first refresh cycle for the network infrastructure installed as a part of Stage 2 of the Technology Infrastructure Build-Out Project. The program is intended to enable campus networks to stay current with network technology and address evolving requirements. ITRP 2 will include the following technology areas of focus:

1. Routing and switching (providing network connectivity and data transfer)
2. Wireless networking (providing users with connectivity without having to 'plug in' to a jack)
3. Network security (preventing unauthorized network access)
4. Network management systems (allowing monitoring of network performance)

Beta implementations for the first phase of the network security implementation will begin at Los Angeles and Sacramento in February. Phase 2 and 3 of the network security implementations are currently being developed under the guidance of the Network Technology Alliance (NTA) network security working group.

NTA's wireless working group reopened the "bakeoff" process and conducted a final week of testing. They will soon make their recommendation to NTA and ITAC for the manufacturer selection of the wireless component of ITRP 2.

The NTA routing and switching working group commissioned an analysis by AT&T of the ability of Cisco equipment to continue to meet the routing and switching needs of CSU. The group approved the resulting report, which indicates that Cisco equipment can continue to meet CSU needs. NTA working group efforts are underway to develop the design and deployment methodologies for the ITRP 2 routing and switching implementations on campuses.

An NTA working group has been established to develop the second iteration of the ITRP campus network management system (NMS) for ITRP 2. Campus functional requirements are under review and new tools may be evaluated in an effort to build upon NMS experience gained from the first version of NMS.

A Campus Collaboration Center (C3) team has been formed and is meeting weekly to develop a model that allows campuses to collaborate on NMS management. A pilot project will be developed to determine if campuses can create a more efficient NMS solution by working together on the hosting of the servers, the administration of the server operating systems, and the administration of the network management applications.

Network Infrastructure Asset Management System (NIAMS): This asset management tool is a software application that allows campuses to maintain records of their network infrastructure by tracking cables and equipment locations on campus. Implementation is underway on the first wave of campuses and TIS has established a centralized NIAMS application and database support center to minimize campus resource requirements for NIAMS deployment.

Monterey Bay has requested the assistance of the NIAMS CO implementation team to prepare for migration to production. Pomona has also requested a final review of its model, before beginning production. A Northridge site visit and analysis by the support team took place in December; other site visits for the East Bay and Chico campuses are scheduled for early 2007.

Campus Access Infrastructure Initiative (CAI): The Campus Access Infrastructure Initiative (CAI), the system-wide program that will install and maintain the infrastructure required to connect each campus local area network (LAN) to the CENIC wide-area network backbone (CalREN), is well underway. This project consists of two phases: installing enhanced network cabling and providing managed fiber circuit connections. Installing these cables and fiber circuit connections will provide improved network reliability, while enhancing network capacity and increasing its stability.

Summarizing the progress of the connection installation phase, AT&T's enhanced network cabling installations at the Chancellor's Office WestEd location in Los Alamitos and the Channel

Islands campus were completed in October and November; both sites are now operational. In addition, AT&T's fiber installation at the Chancellor's Office Golden Shore location is still in progress and should be completed in February 2007. Special construction at the Los Angeles campus was completed in December, and San Marcos' circuit installation is pending a contract between the CSU and CENIC. At this time, sixteen campuses have active dual connections.

In regard to the CENIC Managed Fiber (CMF) circuit installation phase, both of Maritime Academy's CMF connections are operational. Monterey Bay's installation is also complete and the CAI project management team is working with the campus to activate the circuits. Both East Bay and Sacramento State's CMF installations were completed in December. Pomona and San Bernardino are scheduled to be completed in late summer of 2007. The fiber connection has been completed between San Francisco State, CENIC, and the City of San Francisco and should be operational before the end of January 2007. Installations at the Stanislaus, Fresno, and Bakersfield campuses are on hold until 2007.

Identity and Access Management Initiative (IAM): The Identity and Access Management Initiative is chartered with developing and defining the architecture for secure access and data management at the campus level. The mission of IAM is to enable users to access and exchange information from campus-to-campus, campus to other institutions (e.g., K-14), and campus to business (e.g., on-line Library materials), while maintaining security standards and user accessibility permissions.

IAM's Technical Architecture Group (TAG) met again on October 26 and 27; the next scheduled TAG meeting is January 23 and 24. Plans to establish the IAM Executive Committee (EC) will be discussed with the CSU Chief Administrators and Business Officers (CABO) at an upcoming meeting of that group. Also, kick off for the IAM Stakeholder Requirements Group (SRG) will begin in early 2007 through presentations to key system-wide committees soliciting their support and involvement.

The TAG working group focusing on the CSU system-wide unique identifier has finished its recommendation. It was endorsed by TAG and will be shared with ITAC at the committee's meeting in December. This effort creates the framework for establishing an identifier that will stay with an

individual throughout his/her lifecycle within the CSU. The current thinking is that the identifier will be generated centrally, where reconciliation will occur before it is provided to campuses.

Work is beginning on a CSU inventory of affiliations (e.g., student, faculty, etc.) and their definitions to create a CSU master list. Historically, this information has differed from campus to campus. This effort will establish standards across the CSU in the implementation and use of the information.

Emergency Website Project: TIS has been tasked with designing and implementing the technology for a web-based solution that will allow public information officers/public affairs directors at all CSU campuses to publish communications information for students, CSU employees/staff/faculty, media, and the general public, in case of an emergency and the primary campus website presence is unavailable. This solution must be easy to use, require little or no specialized client software and be accessible over any internet connection. It also must be active and available any time— 24 hours a day, 7 days a week. If an emergency occurs, the resource will be activated, allowing users attempting to access a webpage of an existing campus to automatically be redirected to the emergency website. The CSU Emergency Communications Website is meant to be activated in case of an emergency, and will be limited to providing only basic communications information. It is not a disaster recovery site, nor a complete failover site for the World Wide Web presence of an existing campus.

To provide increased availability of the emergency website, the Sonoma campus has been selected as a secondary administration site. If an event occurs that results in emergency website administration at WestEd being unavailable, the emergency website at Sonoma will become automatically activated. The secondary emergency website at Sonoma is expected to be completed in March 2007.

Unisys Data Center Transition: The CSU's new data center includes simplified architecture to reduce support costs, increased flexibility to meet the various different campus needs, a scalable environment, the same architecture design and hardware for production and non-production and improved security controls.

A backup-to-disk solution for production databases has been implemented; it will improve clone reliability from 85 to 99 percent. Replicating clones of databases for the resolution of various

performance issues will reduce the diagnosis/repair timeframe by an average of 1 hour, 39 minutes to 55 minutes. This represents a 41 percent reduction in the time required to create a copy of a production database before diagnosis and repair work can begin.

Information Security: The ITS Information Security Management Group has started the Systemwide Security Plan Project.

The objective of the project is to develop a security roadmap for the CSU identifying gaps and provide a framework for which the security issues should be addressed in the short/midterm/long term.

As of December 15, 2006, we have visited all 9-sample campuses and the CO: The draft Systemwide Security Plan (by Unisys Security) is targeted to be completed by late-January 2007.

TECHNOLOGY POLICY, PLANNING AND ADVICE

Accessible Technology Initiative (ATI): The Accessible Technology Initiative (ATI) is focused on ensuring that CSU information resources and technologies are accessible for persons with disabilities. The three primary areas of focus for the initiative include (1) accessible E&IT procurement, (2) web accessibility, and (3) accessible instructional materials.

The ATI held its kickoff event on October 30th and 31st that included a Technical Assistance Workshop attended by more than 175 administrators, staff, and faculty from across the CSU system. This successful workshop provided information, training, and resources to campus teams and their executive sponsors in order to facilitate the development of campus implementation plans that address the ATI goals.

On December 12th, the ATI held its first CSU Accessible Electronic and Information Technology (E&IT) Procurement Training. More than 75 administrators and staff, representing every CSU campus, attended this event. Attendees received procedural guidance and technical training on the development and implementation of campus-level procurement approaches that ensure that E&IT products and services are evaluated for accessibility prior to adoption.

The ATI's website

(<http://www.calstate.edu/accessibility/>) was recently updated to include accessible versions of the formal presentation materials used at both events as well as captioned versions of the 'From Where I Sit' educational video series that were shown at the Technical Assistance Workshop.

Moving forward, the ATI will be conducting a number of trainings and events over the next few months including the:

- CSUN Conference (March 19-24)
- CATS Conference (March 26-28)
- Faculty Development Symposium (April 7)
- PSSOA Conference (April 12)
- CalWAC Conference (May)
- ENACT Summer Institute (July)

In addition, the ATI will form a Community of Practice for each of the 3 areas of focus. These communities of practice will conduct web conferences, teleconferences, and discussion board activities to promote the sharing of strategies, tools, and preferred practices across the CSU system.

Measures of Success: The November 2006 Measures of Success has been completed and was mailed to the legislature and key university constituents the week of January 15, 2007.

ADVOCACY & INSTITUTIONAL RELATIONS *Karen Y. Zamarripa, Assistant Vice Chancellor*

The Legislature convened on January 3, 2007 to begin the first year of the 2007-08 session. Members were sworn into office last December and began the New Year in earnest with over 200 new bills introduced thus far.

The Chancellor requested proposals for the 2007 legislative year last fall. Staff analyzed each of the proposals considering several issues including but not limited to: a clear need for each proposal; the programmatic and fiscal implications of the request; the political and policy environment; and, overall relationship to system initiatives and priorities.

After campus presidents and vice presidents as well as the Chancellor's leadership team reviewed all of the proposals, the Board of Trustees concurred with their recommendations and adopted these three measures as the 2007 Board of Trustees Legislative Program at their January 23-24th meeting:

Revenue Bonds: This technical proposal is a reintroduction of last year's AB 2597 by Assembly Member Fran Pavley with the deletion of the one contentious provision related to Dormitory Revenue Fund that concerned the Treasurer's Office. This proposal will enhance the flexibility of the CSU's Systemwide Revenue Bonds (SRB) program resulting in lower interest costs for projects, particularly for student housing, parking facilities, and student unions. The proposed changes are as follows:

- 1) Authorize the payment of interest on a basis other than semi-annual or annually to accommodate issuance of variable rate debt.
- 2) Authorize the BOT to issue commercial paper directly by including commercial paper within the statutory definition of notes and revenue bond anticipation notes.
- 3) Authorize the CSU to loan or advance proceeds from its revenue bonds or revenue bond anticipation notes to third parties (e.g. auxiliary organizations) through a loan agreement, for projects approved by the BOT.

These changes would streamline the external bond financing and treasury processes at the CSU, eliminating unnecessary steps, and cutting costs in both financing transactions and for projects. They would also work to simplify the process of financing projects for auxiliaries and other related entities under the Systemwide Revenue Bonds, thereby saving the CSU and its auxiliaries' significant money over time. This should translate into lower costs borne by students and other users of auxiliary and other entities' projects.

Financial Aid: Cal Grant Program Revisions:

The CSU hopes to jointly sponsor legislation with the CSSA to provide all Cal Grant B high school entitlement award recipients who enroll at a four-year institution funds to cover tuition and fees during the initial year of their award. This proposal would ensure consistency and equity for all students, whether recipients of Cal Grant A or B entitlement awards by covering fees and tuition from start to finish (i.e. B recipients will receive the same fee and tuition coverage currently provided to A recipients).

The CSU and the California State Students Association (CSSA) jointly sponsored a measure last year, Assembly Bill 2813 (De La Torre) that was signed into law making one significant change to current law regarding the state financial aid program, Cal Grants – increasing the eligibility age

cap from 24 to 27 years. Other provisions of the measure that are important to ensuring access and affordability for students were not in the final version; most importantly providing Cal Grant B recipients with funding to cover fees/tuition in their first year.

The current Cal Grant A and B Entitlement and Competitive Grant programs provide financially needy students with funds to cover designated costs at eligible postsecondary institutions, including proprietary institutions, community colleges, public four-year institutions and private colleges and universities. The reforms of SB 1644 in 2000 provided that California high school graduates who pursue college immediately after graduating from high school with a 3.0 and 2.0 grade point average (GPA) are entitled to Cal Grant Entitlement A or B awards, respectively. One major difference between the two programs is that Cal Grant B recipients who have greater financial need do not get grants to cover their fees/tuition in their first year creating a serious inequity within this program and leaving the neediest students without the support they need to enroll and persist in their chosen college or university.

Waiver of Non-Resident Fees for Military Personnel in Graduate Programs: This proposal would revise current law providing non-resident waivers for graduate study from one to three years for military personnel and their spouses stationed in California. This would make the statutes guiding such waivers consistent for both undergraduate and graduate study and as well as support the goals of the veterans partnership. The fiscal impact of the waiver should be minimized with receipt of marginal cost for these students.

The total active U.S. Military force is 1.42 million men and women of whom 160,000 (11.2 percent) come from California. Approximately 175,000 active duty men and women are stationed in California. An additional 25,000 serve in the Reserves. The Montgomery GI Bill education benefit is the number one reason American men and women enter the U.S. military and yet in many cases these military personnel do not effectively use this benefit intended to lead them into key roles in California's economic development and workforce.

The California State University (CSU) has been taking a leadership role in an important partnership with the U.S. Department of Defense and the U.S. Department of Veterans Affairs, the Governor of the State of California, the California Community Colleges (CCC), and the University of California (UC). The partnership focuses on California's vision to lead in being veteran- friendly relative to college

and university education. The system and its partners are dedicated to “developing an academic outreach, admission, and enrollment plan that targets and assists exiting Veterans.”

New Leadership for 2007-08 on Legislative Committees: This article contains a quick summary on the key standing legislative committees and their Chairs and Vice Chairs. The complete membership on these committees has yet to be announced, as has the creation of any select committees that may merit interest by the CSU.

Assembly Education: Chair Gene Mullin (D-19, South San Francisco); Vice-Chair Martin Garrick (R-Solano Beach)

Gene Mullin, a retired government high school teacher of 32 years, has taken over as Chair of Education from the termed out member Jackie Goldberg. Mr. Mullin, a graduate of the University of San Francisco is entering his last term in office. Mr. Garrick who served in the Reagan administration and runs his own business will serve as the Vice Chair.

Assembly Higher Education Committee: Chair Anthony Portantino (D-44, La Canada); Vice Chair Shirley Horton (R- 78, Chula Vista)

Newly elected Anthony Portantino is from the east coast and graduated from Albright College of Pennsylvania. His background is in the film industry; he served on the La Canada City Council. San Diego State Alumni, Shirley Horton will continue to serve on the Higher Education but will now serve as the Vice-Chair. She previously had served as the Vice-Chair for the Business and Professions Committee.

Assembly Appropriations Committee: Chair Mark Leno (D-13, San Francisco); Vice Chair Mimi Walters (R-73, Laguna Niguel)

Assembly Member Mark Leno who is rumored to be considering seriously running against his former mentor, sitting State Senator Carole Migden in two years, will serve as the Chair for this committee. Mimi Walters will be the new vice-chair and has announced her intentions to replace Dick Ackerman in the Senate in 2008.

Assembly Budget Committee: Chair John Laird (D-27, Santa Cruz); Vice Chair Roger Niello (R-5, Fair Oaks)

In the Assembly, John Laird will continue to serve in his present capacity as budget chair, but Roger Niello will replace Rick Keene as the vice-chair. Mr. Niello, a trained accountant, has ascended to a very prominent role in the new leadership structure and will be able to contribute to his caucus for another four years.

Budget Subcommittee #2 Education Finance: Chair Julia Brownley (D-41, Santa Monica)

New member, Julia Brownley, who previously served on the Santa Monica–Malibu School Board, will chair the Assembly’s sub-committee on education, replacing Merv Dymally. Mr. Dymally has indicated his desire to continue serving on this committee.

Assembly Labor and Employment Committee: Chair Sandre Swanson (D-16, Alameda); Audra Strickland (R-37, Moorpark)

Freshman member Sandre Swanson will Chair this committee, which is considered a prestigious policy committee. Audra Strickland will serve as the Vice Chair for this committee, which has jurisdiction over labor laws such as discrimination, unemployment, Cal-OSHA, employment development and public job programs. Mr. Swanson previously worked for Congressional member Ronald Dellums and then Barbara Lee as their district director. Ms. Strickland first worked in the legislature as a staffer for Assembly Member Curt Pringle prior to replacing her husband Tony Strickland in the Assembly.

Assembly Public Employees, Retirement and Social Security Committee: Chair Ed Hernandez (D-57, West Covina); Vice Chair Kevin Jeffries (R-66, Lake Elsinore)

Freshmen members Ed Hernandez and Kevin Jeffries will Chair and Vice Chair this committee, which has legislative oversight of classified school employees, public employee collective bargaining, and public retirement administration/investment strategy. Dr. Hernandez, a graduate of CSU Fullerton, is an optometrist by training and was past President of the California Optometric Association. Mr. Jeffries owns a private investment firm and is a volunteer firefighter.

Senate: The Senate has many of the same committees as the Assembly and their scopes mirror their counterparts. While President Pro Temp Don Perata has named all of the Chairs, no

announcement has been made on Vice Chairs or other committee assignments. Eight Committees will be chaired by freshmen.

Senate Education: Chair Jack Scott (D-21, Altadena)

Former President of Pasadena City College, Senator Jack Scott will still play the leadership role on Education policy in the Senate. Senator Scott will be concluding his legislative career at the end of the 2007-08 session.

Senate Appropriations: Tom Torlakson (D-7, Antioch)

In the Senate, Tom Torlakson will serve as the new Appropriations Chair replacing Kevin Murray. Senator Torlakson has announced his intentions to replace Jack O'Connell in four years. He plans to serve two years in the Assembly first, in order to bridge the gap. Senator Torlakson has been an advocate of physical fitness and nutrition in schools and proposed limits to junk food served in vending machines on state property. He was also the author of the CSU's affinity program legislation in 2005.

Senate Budget: Chair Denise Ducheny (D-40, San Diego)

Denise Ducheny, who was a budget conferee with Senator Wes Chesbro, will serve as the new Senate Budget Chair. She had previously served as the Assembly's Budget Committee Chair.

Budget Subcommittee # 1 – Education: Jack Scott will continue his role as resident expert on Education policy by continuing to serve as the Budget Vice-Chair for Education

Senate Labor and Employment Committee: Chair Carole Migden (D-3, San Francisco)

Sonoma State graduate Carole Migden will be chairing this important policy committee this session.

Senate Public Employees and Retirement Committee: Chair Pat Wiggins (D-2, Santa Rosa)

Senator Pat Wiggins had to wait two years to come back to the Senate and has received this policy committee for state and local nonschool public employees and public employee retirement.

Senator Soto, who is now in the Assembly, had previously chaired this committee.

Senate Rules Committee: Chair Don Perata (D-9, Oakland), Vice Chair Roy Ashburn (R-18, Bakersfield)

This leadership Committee also manages the house, its rules, resources, offices, staff and parking. It also is the committee before which the Governor's appointees requiring confirmation must appear. Along with Mr. Perata and Mr. Ashburn (CSU Bakersfield graduate) there are three other members; Freshman Alex Padilla (D-20, Pacoima), Gil Cedillo (D-22, Los Angeles) and Robert Dutton (R-Rancho Cucamonga).

Budget Conference Committee: Traditionally, the Assembly and the Senate use the Chair of the Appropriations Committee and the Chair and Vice-Chair of the Budget Committee as the conferees for Budget Conference Committee. Should this practice continue, the Assembly would use Mr. Leno, Mr. Laird, and Mr. Niello while the Senate would use Ms. Ducheny, Mr. Torlakson, and the Senate's Republican conferee (typically the Budget Vice Chair).

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