

Business & Finance NEWS

Business and Finance Division

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

NEWS FROM THE DEPARTMENTS

MARCH 19, 2007

CAPITAL PLANNING, DESIGN AND CONSTRUCTION

Elvyra F. San Juan, Assistant Vice Chancellor

EXECUTIVE

2007 Training Program: The CSU Facilities Management Institute 2007 Training Program is offering four sessions in April. The first two (April 18 and 19) will be presented by members of the CSU Mechanical Review Board. Building Commissioning. First is an overview of the commissioning of CSU projects; second is Central Plant Optimization and Demand Side Management Strategies—the promotion of integrated facility and system design resulting in plant optimization. A class for campus staff who maintain the Space and Facilities Database (SFDB) will be held on April 25 and 26. The workshops are designed to target new users (Level 1) and advanced users (Level 2). Additional information for each session and online registration is available at <http://www.calstate.edu/CPDC/Trg2007.shtml>.

Inspire—Innovate—Achieve—A Capital Idea:

Sacramento is the site of the annual CSU Facilities Management Conference, *November 4 – 7, 2007*. Inspired by the locale, the educational tracks will be:

- Gold Rush:* Property Acquisition and Management
- Pony Express:* Planning
- Sutter's Fort:* Design and Construction
- Central Pacific Railroad:* Plant Management
- Carnival of Lights:* Energy Management
- Pioneer Telegraph:* Emerging Trends and Technology

In keeping with the theme, *Inspire—Innovate—Achieve—A Capital Idea*, the conference planning committee is working to attract speakers, educational sessions, and exhibitors who welcome the benefit of a sustainable university. CSU Sacramento has graciously offered to serve as host campus to the conference, a wonderful opportunity to showcase their beautiful campus. Additional

information on the conference program, optional activities, accommodations, and registration will be posted on the website

http://www.calstate.edu/CPDC/fpm_conference/index.shtml

Nancy Freeland-Paice, Executive Program and Fiscal Manager

FACILITIES PLANNING

The Legislative Analyst's Office Analysis of the 2007/08 Budget Bill: The Legislative Analyst's Office (LAO) released its analysis of CSU projects proposed for the 2007/08 Capital Outlay Program on February 21, 2007. The Governor's budget proposed \$396 million in general obligation bond funds for 27 capital projects in the budget year. The LAO raised no issues with the CSU's 2007/08 capital outlay program. The analyst did comment and make recommendations on the long-range development process for the CSU (see Land Use update).

COBCP Due Date: The Department of Finance (DOF) has requested the submittal of the 2008/09 Capital Outlay Budget Change Proposals in mid April versus the June submittal date specified in the 2007/08 Budget Letter. The CSU Draft Five-Year Capital Improvement program for 2008/09 through 2012/2013 will be presented at the May 2007 Board of Trustees' meeting.

May Revise: CPDC has requested two items be included in the May Revise with regard to the 2007/08 capital outlay budget. The first request is a budget change proposal in the amount of \$4,228,000 for Group II equipment for the CSU Monterey Bay Library project based on an updated scheduled completion date of September 2008.

The second request is for approval of a budget change proposal for the minor capital outlay (MCO) program of \$7,000,000 to assist campuses in

implementing the design and construction of accessibility projects. Plans include also using the funds to secure Division of State Architect (DSA) pre-approved path of travel plans to facilitate and expedite the DSA plan check process. This is an important advance in the ongoing effort to streamline the project delivery process.

Larry Piper, Chief of Facilities Planning

LAND USE PLANNING & ENVIRONMENTAL REVIEW

Long-Range Development Analysis: A joint legislative committee (Assembly Budget Subcommittee No. 2 on Education Finance and the Assembly Higher Education Committee) informational hearing was held in the Capitol on January 30, 2007, to examine the University of California's (UC) Long-range Development Planning Process, and related campus master planning issues that have resulted from recent lawsuits at UC Santa Cruz and UC Berkeley over growth impact costs to local cities and the 2006 State Supreme Court decision in *City of Marina vs. CSU Trustees (Monterey Bay)*. The basis of the hearing was a report by the Legislative Analyst (LAO) presented in their annual budget analysis to the Legislature.

Concerns identified in the report included how enrollment growth projections are developed for individual campuses, and the impacts of that growth on local "host" communities. The report concludes that the entire process should be more transparent and understandable for the communities that surround the UC and CSU campuses. The LAO believes there may be some justification to reassess the growth plans of all three higher education segments in the state unless participation rates increase among the primary higher education freshman student population cohorts. Among the recommendations presented was better use of year-round (summer term) enrollment to accommodate growth without new construction. Other issues raised included the basis of UC's current "fair share" policy; how "fair share" agreements are reached between campuses and host cities; how to make the California Environmental Quality Act (CEQA) process more standardized for public participation; and how the Legislature might take a greater role in oversight of the campus master plan approval process. The hearing was completed without any long-term action recommendations, but with a commitment to further analysis, recognizing that the issue of

campus impacts to the host cities, and the resulting costs, are a real factor that the Legislature will need to address as the higher education systems meet the challenges of future growth.

CAD User Group: CPDC is establishing a CAD User Group (Computer Aided Design) composed of campus mapping staff who are responsible for maintaining and creating master plan maps and other vital campus land use data. The process of developing and implementing the new master plan graphic standard and website, requires teamwork among those staff on the mapping frontlines—the CAD/GIS (Geographic Information Systems) experts. The primary goal of this effort is to enable members to inform, support, and help each other by expediting web-enabled communication and collaboration. The group will also explore including a roundtable session at CPDC's annual conference in November where members can discuss laying the groundwork for GIS development and new and better ways of displaying campus data. Campuses will be providing significant input as this endeavor goes forward.

David Rosso, Chief of Land Use Planning & Environmental Review

ARCHITECTURE & ENGINEERING

Task Order Service Agreement for Professional Services: A new type of systemwide professional services agreement is now available for campus use. This agreement type enables campuses to retain architects or engineers for professional services under a blanket agreement and use individual Task Orders to define and authorize individual scopes of work that may arise over the course of a one-year period. This type of agreement was designed to reduce the time needed to process and contract for smaller design service tasks. Campuses may issue agreements to various providers (i.e., geotechnical engineer, civil engineer, landscape architect, etc.). Individual Task Order Agreements are limited to a one-year term and a maximum of \$400,000 per agreement. Individual Task Orders may be issued for any amount up to the remaining balance available per agreement.

For larger projects and projects where the scope of services can be known in advance, the Service Agreement or the CSU Project Architect/Engineer Agreement is more appropriate. See CPDC Architecture and Engineering website for additional information.

http://www.calstate.edu/cpdc/ae/ae_agreements.shtml

Thomas Kennedy, Chief of Architecture and Engineering

PLANT, ENERGY, & UTILITIES

Apprenticeship Program: The California State University (CSU) and State Employees Trades Council (SETC) Joint Apprenticeship Committee (JAC) Program participated in the graduation of Tommy Stokes from the CSU-SETC Apprenticeship Program at Sonoma State University on February 27, 2007. Mr. Stokes completed the four-year Electrical Apprenticeship Training and Education Program in December 2006. The CSU is the only institution of higher education in California that has a State Certified Joint Apprenticeship Program. This program is designed to provide on the job training and classroom instruction to current employees and/or local community members who seek to acquire journey level skills in ten established trades.

EPA Green Power Partnership Recognizes CSU...again:

CSU remains a steady presence on the Environmental Protection Agency's (EPA) list of university purchasers of renewable energy. This voluntary purchase of renewable energy by CSU reduces greenhouse gas emissions and pollutants. CSU is currently ranked 4th on the EPA's Green Power Partnership, well ahead of Duke University and just behind Penn State. <http://www.epa.gov/greenpower/partners/top10ed.htm>

CSU Northridge Cuts the Ribbon on Innovative Fuel Cell Project:

On February 23, 2007, California State Senator Alex Padilla spoke at the dedication ceremony of the 1-MW fuel cell recently installed at CSU Northridge. He recognized the campus's leadership in integrating renewable technology into the educational curriculum. The university is in the process of constructing a tropical greenhouse for use by biology students and staff to study the effects of CO₂ fertilization on plants, a first for an undergraduate biology program.

The fuel cell, the largest at any university in the world, will provide 18% of the campus's base electric load. It is designed to operate at an exceptionally high 83 percent efficiency, first, by recovering waste heat to heat campus buildings, and second, by recovering additional waste heat to heat the swimming pool.

http://www.csun.edu/pubrels/press_releases/spring06/fuelcell.html

Climate Change and Campus President's Commitment:

Three CSU campuses Chico, Monterey Bay and Pomona have signed the President's Climate Commitment (PCC), which requires the campuses to assemble a committee within two months to complete certain tasks. Within one year the campus must complete a comprehensive Greenhouse Gas (GHG) inventory, and within two years the campus must publish an action plan to become climate neutral as soon as possible. The GHG inventory reaches beyond campus boundaries to include an accounting of campus-financed airline travel and commuter emissions by students, staff, and faculty. This inventory project represents a significant commitment and should energize the campus community to consider the climate effects of everyday actions. The challenge for those campus participants is to reduce the campus total BTU's (British thermal unit) back to 1990 level, regardless of added facilities. The Chancellor's Office has developed GHG emissions tracking tools to assist campuses with standard practice calculations related to the PCC. <http://www.presidentsclimatecommitment.org/>

Len Pettis, Chief of Plant, Energy & Utilities

CONSTRUCTION MANAGEMENT

Design-Build Process: Attorney General Edmund G. Brown, Jr. delivered an opinion on the CSU design-build process in response to Assembly Member Noreen Evans' request late last year (No. 06-102). On February 15, 2007, in response to Evans questions, Gregory L. Gonot, Deputy Attorney General, filed his response, which was very favorable to the California State University. He affirmed that CSU policies, procedures and practices are appropriate, and his conclusions were as follows:

1. The California State University may employ selection criteria to limit the number of qualified prospective contractors invited to submit bid proposals for a "design-build" project.
2. The California State University is required to inform qualified prospective contractors what selection criteria will be employed to limit the number of contractors invited to submit bid proposals for a "design-build" project, including how the selection criteria will be weighted and evaluated.

3. The requirements of the Subletting and Subcontracting Fair Practices Act apply to "design-build" projects once the subcontractors are listed by the contractor.

Deputy Attorney General Gonot provided an extensive analysis in this opinion, wherein he cites applicable laws and court decisions relating to this matter. The entire opinion is available online on the CAL LAW website (<http://www.law.com/jsp/ca/index.jsp>) or from Barbara Nicholson, Principal Construction Program Manager (bnicholson@calstate.edu).

Post Project Performance Reviews: In December, CPDC requested performance review reports for 36 completed major capital outlay projects on 14 campuses. To date, only half of the requested reports have been received. Campuses are urged to submit the reports as soon as possible, so that CPDC staff may schedule campus visits for those projects requiring on-site meetings to complete the performance review.

In addition, all campuses should submit reports to CPDC for all of their completed major capital outlay projects. This information is required for the report to the trustees on completed projects. At a minimum, please submit an executive summary along with the project data entry workbook, which can be found at <http://www.calstate.edu/cpdc/PostProjPerfReview.shtml>.

Jim Corsar, Chief of Construction Management

FINANCIAL SERVICES

Dennis Hordyk, Assistant Vice Chancellor

FINANCING AND TREASURY

On February 21st, the CSU sold \$331.21 million in revenue bonds in a negotiated sale. Lehman Brothers acted as senior manager for the sale. The bonds provided new money for a variety of campus projects for housing, parking, student unions, and an auxiliary bookstore. Most of the outstanding debt at the Channel Islands Site Authority, debt for two auxiliaries, and the senior lien debt for five student unions were all refinanced. The overall true interest cost for the bonds was just under 4.5%, including the taxable series of bonds that were issued.

The bond sale followed an upgrade of the rating for the CSU Systemwide Revenue Bonds earlier in February from Moody's Investors Service to Aa3

from A1. In their report, Moody's Investors Service based the upgrade on "the system's demonstrated operating strength and financial reserve growth during cyclical periods of state funding, ongoing growth in enrollment and student based revenue in support of debt service and the improved credit profile of the State of California." The report went on to comment on the CSU's exceptional student demand; continued growth in financial reserves; increasing operating cash flow highlighting the System's operating strength; stabilized state operating support from the Compact for Higher Education; and, increasing operating independence and financial flexibility stemming from the System's ability to retain and invest its own student fee revenues, resulting in improved cash management. Standard & Poor's affirmed its prior rating of A+.

OFFICE OF RISK MANAGEMENT

Governor's Employee Safety Awards (GESA): Campus nominations for the 27th Annual GESA awards must be submitted by April 2, 2007, for review and consideration by the GESA Nominations Committee. These awards are presented to employees and groups for outstanding achievements in improving job health and safety, responding to life threatening situations, and preventing and reducing the number of occupational injuries and vehicular accidents. More information is available on the Office of Risk and Insurance Management (ORIM) homepage: <http://www.orim.dgs.ca.gov/Events/default.htm>.

2007 Fitting The Pieces Together Conference: Mark your calendar to attend this year's conference at the Hilton Orange County/Costa Mesa the week of November 5, 2007. The conference features general sessions as well as educational sessions in the areas of Environmental Health and Safety, Emergency Planning, Human Resources, Risk Management, Student Affairs and Workers' Compensation. Watch for more announcements or visit the website at http://www.calstate.edu/risk_management/events/fitting_the_pieces_together/index.shtml in the next few months for more information.

Insurance Updates (see What's New at http://www.calstate.edu/risk_management/): Property insurance rates have stabilized or decreased in the last month. Unfortunately, however, the system experienced a fire and two water damage losses in late 2006 and early 2007 and these losses coupled with a 23% increase in the recently completed appraisal of insured values

are expected to drive total increase property insurance costs up by an estimated 10%. Rates for 2007/08 will be finalized in May.

The Student Professional Liability insurance program that went into effect in August 2006, includes professional liability and personal/general liability for student nurses and allied health professionals, the hosting entity and the University. The risk management group is attempting to expand the current program to include a measure of liability coverage for participants in Community Service Learning (CSL) placements. A meeting with insurance underwriters is planned on March 21st through 23rd.

The three-year Risk Pool rating plan review will be performed in the spring and reported in October 2007. At that time, campuses will have the opportunity to select their deductible for FY2008/09 through FY2010/11.

Charlene Minnick, Senior Director

CONTRACT SERVICES & PROCUREMENT

CSU Contract Store: CS&P has completed the upgrade to the CSU Contract Store where systemwide and multi-campus contracts are announced and described. The old Contract Store was based on updating web pages with contract announcements and changes; it was very labor intensive. The new Contract Store is database driven and much more easily updated. It also includes the capability to search for specific contracts or key words. Enhancements and additional functionality will be coming as time permits.

Visit the Contract Store at the web site:
www.calstate.edu/csp.

Systemwide Contracts - Recent Announcements: The following contracts for commodities or services have been added to the CSU Contract Store in the last couple of months.

- eWaste Center, Inc.
Electronic waste collection and recycling
- Wallance Wireless
Wireless crisis communication software
- Graystone Group Advertising
Professional recruitment advertising services
- Airgas
Laboratory gases
- i.i. Fuels, Inc.

- Gasoline, diesel, Jet A fuels and fuel managements services
- Chronicle of Higher Education Higher Education publication services
- CareerBuilder, LLC
Electronic job postings services
- Federal Express
Small package transportation services
- Aruba Networks
Wireless LAN equipment through AT&T Datacomm
- Qwest Communications and AT&T California
Domestic & international long distance (land-based), calling card and conference services
- Wells Fargo Bank
Cash management banking services

Licensing for New Microsoft Software: Several campuses have asked for clarification on which of the new Microsoft product lines the CSU is licensed to use under the current systemwide Microsoft Campus Agreement.

Generally, the Campus Agreement allows for the CSU to use the Microsoft Office Professional line of software. This is consistent with Microsoft's current licensing scheme and CSU is licensed (on campus state and auxiliary computers, and for faculty and staff personal computers under the work-at-home privileges) to use Microsoft Office 2007 Professional.

Microsoft Windows has taken on a new license-naming scheme called Vista. The campus Agreement allows for the use of either Windows Vista Business or Ultimate and can be used by the aforementioned users.

Contact CS&P at (562) 951-4590 for questions.

INFORMATION TECHNOLOGY. SERVICES (ITS)
David Ernst, Assistant Vice Chancellor

ACADEMIC TECHNOLOGY SERVICES (ATS)

Systemwide Library Initiatives: The CSU is well represented on a new panel established to oversee the development of national standards for information and communication technology (ICT) literacy. The National ICT Literacy Policy Council has 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. It 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 was held on 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 went 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 was available at the end of January.

Textbook Affordability Taskforce: By executive appointment, a textbook affordability taskforce has been created to provide systemwide recommendations to reduce the cost of textbook content for CSU students. This taskforce will report its recommendations on May 30 and will lead to effective measures to reduce costs for CSU students. Taskforce members include: Bill Covino, Provost CSU Stanislaus (Chair), Regan Caruthers (CO staff), Gerry Hanley (CO ATS), Chuck Kissel, Bookstore Director, CSU Fullerton, Todd Summer, Director of Course Materials, San Diego State Bookstore, Barry Pasternak, CSU Fullerton (Academic Senate), Mark Van Selst, San Jose State (Academic Senate), Nadir Vissanjy, CSU-Sonoma (Associated Students), Juan Pablo Moncayo, CSU Fresno (Associated Students), Ray Murillo (CO, Student Affairs), Bill Dickerson, Executive Director, Fullerton Auxiliary Services Corporation.

Transforming Course Design: Managed and resourced by the Division of Academic Affairs, CO, under the oversight of Gerry Hanley and supported by Keith Boyum and Lori Roth, the Transforming Course Design initiative has been launched to provide support to CSU campuses undertaking course redesign projects. The goal is to optimize the impact of those efforts. The team will consult on a regular basis with systemwide academic and technology advisory groups. The initiative will serve the overarching goal of facilitating the design and implementation of CSU campus course redesign projects to improve student learning outcomes and reduce instructional costs. Toward that end, the following activities will occur in the next four months:

- 1) Develop the plan for a systemwide program that serves the needs of campuses at their individual stage of readiness in planning and implementing transformed course redesign
 - 2) Initiate a "CSU community of practice" by organizing an inventory of existing and planned projects and supporting CSU campus projects through the provision of advice and training
 - 3) Enhance the existing CSU Academic Transformation website and developing other web-based resources for best practices dissemination
 - 4) Develop a Request for Proposals for funding and project team time to support campus efforts. Ten projects will receive up to a maximum of \$25,000 each. The RFP is due to be issued mid-March and submissions will be due at the end of April.
- Interim team leader is Dr. Tom Carey, Visiting Senior Scholar in the CO. Campus personnel interested in learning more and/or participating in this systemwide initiative should contact Tom Carey at tcarey@calstate.edu

TECHNOLOGY INFRASTRUCTURE SERVICES

Infrastructure Build-Out Project - Stage 1 and Stage 2: Stage 1: The TII Stage 1 infrastructure retrofit program is near completion, with just one exception. The last of the fourteen Phase 1 and Phase 2 campus projects should be entirely closed out this month. Four of the eight Phase 3 sites have also completed their Stage 1 retrofits, while three more campuses are making progress on their construction schedules. Unfortunately, the eighth institution in Phase 3 is still experiencing delays due to general contractor difficulties.

Overall, 18 of the 22 campus Stage 1 projects in the build-out program are complete, with only one campus of the final four remaining incomplete. With that one exception, the Stage 1 component of

the TII retrofit program in the early months of 2007 remains a viable goal.

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. Bakersfield is nearing the completion of its physical design phase and Chico, Fresno, 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)

Routing and Switching: The Network Technology Alliance (NTA) routing and switching working group held a kick-off meeting last November to begin planning the technical components of the ITRP 2 route-switch design. Cisco and Juniper were invited to the kick-off meeting to present suggestions on integration options to the ITRP 2 design, particularly from a routing and security perspective. Since that meeting, the group has researched routing and switching design options, taking the introduction of firewalls and security zones into account.

On February 1, the working group met again to develop a final recommendation on the layer three components of the ITRP2 network design and

begin examining equipment models. The intent is for each campus to compare its network attributes to those in the recommendation, then select the routing solution that matches those attributes. The group's design recommendation will be sent to the NTA for review this month.

Wireless: NTA's wireless working group reopened its bakeoff process and conducted a final week of technical testing. The total cost of ownership model is under review and a final recommendation to NTA and ITAC for the wireless component of ITRP 2 should be ready no later than the end of this month.

Network Security: Beta implementations for the first phase of the Juniper network security implementation will take place in late February and early March at Los Angeles and Sacramento. Phase 2 and 3 of the network security implementations are currently being developed under the guidance of the NTA network security working group.

Juniper training for the Beta and early adopter campuses is in the final planning stages. An announcement will be emailed as soon as the date is confirmed by Juniper. Offered at the WestEd Training Room in Los Alamitos, the training will consist of five days of sessions customized to suit the needs of the CSU networking environment.

Network Management System and Security Information Management (NMS/SIM): NMS is a set of software tools that allows campuses to monitor and measure their network performance and quickly identify points of failure when problems arise. The first iteration has been installed on all 23 campuses. A NTA working group was established to develop the second iteration of NMS for ITRP 2, now known as NMS/SIM. Campus functional requirements were revisited and new tools are being considered in an effort to build upon experience.

The ITRP2 NMS/SIM working group met for the first time on January 17 in San Jose, after two conference calls in December and January. The group's first task was to develop a core set of network security operations performed by campuses on a regular basis. A draft of the core operations was finalized on January 17. The draft will be presented to the NTA, Information Security Officers (ISO), and the Systems Technology Alliance (STA) groups over the next few weeks for further input and refinement. The intent is to include

as many campuses as possible in this analysis to ensure inclusion of the highest priority, most time consuming and most frequent tasks performed from a networking and information security perspective. The resulting list should effectively guide the group through the steps that will result in selection of a set of tools that meets CSU needs.

The group will meet with vendors and perform an environmental scan of other institutions' NMS/SIM practices. This will help them understand what functional requirements will be needed in the next 18 to 24 months. This month, the group will meet again to develop a full set of functional requirements.

The Campus Collaboration Center (C3) team met on January 29. The draft service level agreement (SLA) is 95 percent complete; the next steps are to finish a draft financial model and begin planning a pilot project that will serve as a proof of concept.

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

The Monterey Bay and Pomona campuses are in the production phase of Planet implementation. San Marcos has requested a review of its model and will be in production by mid-March. Prior to the completion of the development phase and before NIAMS is fully implemented on campus, users from the San Marcos campus will attend a Planet advanced training course.

The NIAMS implementation team has scheduled site visits to the East Bay and Chico campuses for late March. To prepare further for Planet implementation, Chico has sent facilities drawings from its ITRP Stage 1 construction to the implementation team for review.

Work continues on the expansion and customization of CSU-focused Planet training courses. A training schedule (known as the "suite of training") outlining the training curricula has been created and will soon be presented to campuses interested in implementing the Planet application. In addition, based on recommendations made by

the NIAMS implementation team, Planet Associates is taking steps to rewrite its software training manuals.

The implementation team continues to expand its documentation library. Research and planning efforts for drafting disaster recovery and business continuity plans specific to campuses using the Planet IRM application have begun. These plans will be a collaborative endeavor with Planet Associates and will be submitted to the NTA for review later this year.

Campus requests for Planet installation are increasing. As a result, the implementation team is anticipating heavy activity in the next six months. The team's goal is to have 12 campuses in production by July 1.

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 (CaREN), continues to progress well. The 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 AT&T fiber connection installation phase, the installation at the Chancellor's Office Golden Shore location is still in progress and should be completed this month. Special construction at the Los Angeles campus was completed last month. Sixteen campuses now have active dual connections: Bakersfield, Channel Islands, Chico, Dominguez Hills, Fresno, Fullerton, Humboldt, Maritime Academy, Moss Landing Marine Lab, Northridge, San Diego, San Francisco, San Jose, Sonoma, Stanislaus, WestEd.

In regard to the CENIC Managed Fiber (CMF) circuit installation phase, 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 installations are complete and should be operational later this month. Pomona, San Bernardino, and Los Angeles are scheduled for completion in late summer, and San Marcos will be completed in the fall. San Francisco State's fiber connection is now operational. Installations at

the Stanislaus, Fresno, and Bakersfield campuses are temporarily on hold.

Identity and Access Management Initiative

(IAM): The Identity and Access Management Initiative will develop and define 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.

The IAM Technical Architecture Group (TAG) met on January 23 and 24. Cisco Systems and the software firm, Symas, presented technical education sessions by on various topics such as network admission control, directories, and policy enforcement.

The complete first draft of the Burton Group's "*Identity Management: Recommended Architecture & Migration Strategy*" document was posted to the ITAC web site and has been reviewed by the Technical Architecture Core Team (consisting of campus and CO team members). After review and approval, the team will create a detailed technical design; investigate implementation strategies for the CSU system-wide unique identifier; determine strategy; assess products and services needed for implementation; define a project plan; and, begin implementation.

The IAM program manager position has been filled by Carol Kiliany, previously the contract manager in the SEIR (Systemwide Electronic Information Resources) department within ITS at the Chancellor's Office.

Emergency Website Project: TIS is 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 in which 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.

Twenty-one campuses are in the implementation process of their emergency websites. The server for the secondary emergency website at Sonoma is being configured for delivery. 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 various different campus needs; a scalable environment; the same architecture design and hardware for production and non-production and, improved security controls.

Completion of Unisys' infrastructure assessment shows that the server and memory changes made to the campus development environment have resolved the performance related problems. CMS Central, Oracle, Unisys and the campuses will continue collaborative efforts to identify and resolve performance issues.

The Unisys Data Center transition started its completion phase at the end of January; the campus test environment was delivered in mid-January and the Unisys test environment was delivered on January 26.

COMMON MANAGEMENT SYSTEMS (CMS)

Financial Information Systems Update: The Financial Information Systems (FIS) team has participated in the release of PeopleTools upgrades and the migration to an upgraded version of the Oracle Database. These upgrades maintain the effectiveness of the software applications and provide improved performance and features for campuses. As of March 1, 2007, 16 campuses are using the new depository and disbursement bank, Wells Fargo, for the Revenue Management Program (RMP). The CMS Financials team has been integrally involved in facilitating the changes brought on by the RMP.

Student Administration Update: The Student Administration (SA) team continues to support the upgrade process for v8.9 for Pomona, Northridge, Channel Islands, Long Beach and CMA. Sonoma

State is the latest campus to go-live on v8.9. The SA Team is supporting the implementation activities of the SA Collaborative campuses: San Marcos, Bakersfield, Stanislaus, Monterey Bay and Humboldt, by participation in Fit Gap sessions for Campus Community, Academic Structure and Admissions. These sessions are currently scheduled through August. Continuing with the Facilitating Graduation Initiative, the final project for the Degree Audit Presentation was delivered on schedule to the campuses on January 31, 2007. The SA team is continuing to support "go-live" activities for San Luis Obispo, East Bay, San Bernardino and Sacramento in their phased implementation cycle for Financial Aid and Academic Advising.

Human Resources Update: The Human Resource application team is supporting the campuses upgrading to v8.9. These are San Francisco, Fullerton, Stanislaus, Chico, Monterey Bay, Humboldt, Northridge, Long Beach, and San Marcos (live as of 2/9). The Absence Management subject matter experts are working with Northridge to evaluate the readiness of the campus and the application for inclusion of Absence Management in the v8.9 upgrade. The team is also performing regression and upgrade conversion testing for the 8.90.055 baseline release (scheduled for March 9, 2007). The Workforce Administration team is working with the HUG sub-committee to review requirements for Regulatory Reporting and efficient implementation of a minimum wage salary update. The Academic Personnel sub-committee is working on the requirements for enhancement of the Temp Faculty module to accommodate Summer Sessions. Additionally, members of the HR team are participating in various team efforts on the 21st Century (SCO Payroll) project. The HR Team has prepared and will deliver four sessions at the HEUG Alliance conference. Various subject matter experts (SME) teams are also developing and delivering demos of HCM 8.9 HR functionality to the HUG and various sub-committees.

CMS Development: The final session of the Revenue Management Program Task Force was held the week of February 12th. Discussions for the week centered on Executive Order 1000 Delegation of Authority, revenue classification, review and discussion on the DRAFT Policy for Cash and Cash Equivalents Received, disseminating information on RMP at the FOA Conference, year-end training, and how the charge of this committee will be delegated going forward.

INFORMATION SECURITY MANAGEMENT

Systemwide Security Plan Project: The ITS Information Security Management Group has engaged Unisys Security to commence the Systemwide Security Plan Project. The objective is to develop a security roadmap for the CSU that identifies gaps and provides a framework within which the security issues should be addressed in the short, mid and long terms.

Unisys Security Consultants as part of this project will visit the following nine campuses.

Large Campuses:

Northridge
Long Beach
San Francisco

Medium Campuses

East Bay
Fresno
San Luis Obispo

Small Campuses

San Marcos
Stanislaus
Sonoma

As of December 31, 2006, the team completed campus visits to San Marcos, Sonoma, SLO, Office of the Chancellor Office, San Francisco, Long Beach, East Bay, Fresno, Northridge and Stanislaus.

The pre-selected nine campuses, which Unisys Security has visited, are currently reviewing the campus security survey reports. The Systemwide Security Plan Reports were targeted to be completed by late-February 2007.

Other Projects: The Information Security Management Group is currently working on drafting the RFPs for Systemwide Security Policies and for Systemwide Security Awareness Web Tools.

TECHNOLOGY POLICY, PLANNING, AND ADVICE

Measures of Success 2006: The brochure of the highlights of the 2006 MOS will be available in March.

Accessible Technology Initiative (ATI): The coded memorandum that describes the implementation plan for Executive Order 926 has

been revised to modify due dates. The new coded memorandum AA 2007-04 can be accessed at <http://www.calstate.edu/acadaff/codedmemos/AA-2007-04.pdf>.

The ATI staff is currently working with Apple on potential pilots for I-Tunes U, which will assess the products accessibility.

ADVOCACY & INSTITUTIONAL RELATIONS

Karen Y. Zamarripa, Assistant Vice Chancellor

Board of Trustees 2007 Legislative Program:

For the first year of the 2007-08 legislative session the Board of Trustees' legislative program includes two Assembly and two Senate Measures. While the CSU has worked with Assembly Member Hector De La Torre previously, this will be the first time the CSU has worked with Senator Mark Ridley Thomas or newly elected Assembly Member Mary Salas.

In addition to these 3 measures, Senator Jeff Denham has introduced a placeholder measure that may ultimately contain a remedy to the existing requirement that the Department of General Services purchase vehicles for the CSU.

Assembly Bill 302 (Hector De La Torre) -- Financial Aid: Cal Grant Program Revisions:

Assembly Member, and the Chair of the Assembly Rules Committee, Hector De La Torre (D-50, South Gate) has introduced a jointly sponsored CSU/CSSA measure to provide all Cal Grant B high school entitlement award recipients who enroll at a four-year institution, with 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).

Assembly Bill 950 (Mary Salas) -- Waiver of Non-Resident Fees for Military Personnel in Graduate Programs:

Newly elected and incoming Chair of the Assembly's Veteran's Affairs Committee, Mary Salas (D-79, San Diego) has introduced this measure which revises 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. It would also support the goals of the veteran's

partnership. The fiscal impact of the waiver should be minimized with receipt of marginal cost for these students.

Senate Bill 855 (Mark Ridley Thomas) --

Revenue Bonds: Senator Mark Ridley-Thomas (D-26, Los Angeles) has agreed to author this technical proposal which is a reintroduction of last year's AB 2597 by Assembly Member Fran Pavley with the deletion of the one contentious provision related to the 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 union projects.

Senate Bill 496 (Jeff Denham) -- Vehicle

Purchasing: Senator Jeff Denham (R-12, Modesto) has agreed to continue discussions consistent with last year's omnibus measure on addressing problems with purchasing vehicles through the Department of General Services. To this end, he has introduced this spot measure as a placeholder for continued discussions on the subject.

Hearing Dates for 2007: The Assembly Higher Education Committee (which hears all CSU policy bills) is scheduled to meet on the second and fourth Tuesday of the month at 1:30 pm in room 437. Assembly Appropriations (which hears all bills with a cost) will continue to meet weekly on Wednesday mornings at 9:00 am in room 4202. The Assembly Budget's subcommittee No. 2 on Education Finance will meet twice a week on Tuesdays at 1:30 pm in room 444 and Wednesdays at 4:00 pm in room 126.

The Senate Education Committee (which hears all of our policy bills) will meet every Wednesday at 9:30 am in room 4203. Senate Appropriations Committee (which hears all bills with a cost) will meet every Monday at 1:30 pm in room 4203. Senate Budget's subcommittee No. 1 on education will meet weekly on Tuesdays in room 1:30 pm in 113. All of these days, times and rooms are, of course, subject to change by the respective houses.

Chancellor Reed will have an opportunity to testify about the CSU priorities for the upcoming budget year when each house has its initial budget overview hearing. The Senate's overview hearing will take place on April 17, and the Assembly

overview hearing will be on March 6 (both times are 1:30 pm). These dates and times are also, subject to change. The hearings continue until the May Revision is released in mid-May. Then, the last two weeks of May lead directly into the Budget Conference Committee in June.

In addition to all of these hearing dates, the Senate Education Committee will likely hold a hearing on executive compensation matters for the University of California and the CSU on March 21, although no official notice has been placed on the file.

Alumni Day: The office of Advocacy and Institutional Relations will again be hosting the CSU's Alumni Legislative Day on Monday, March 19, 2007. CSU alumni leaders, campus representatives, donors and friends will be gathering in Sacramento to meet with policymakers and their staff on this day, and help to deliver the message of the CSU.

Legislative Day is a key opportunity for the CSU's 23 campuses to come together in the State Capitol to collectively deliver the message that the CSU provides the quality education, research and innovative programs that are indispensable to the future of California.

The day will feature a morning briefing session for CSU representatives including Chancellor Charles B. Reed's "State of the CSU" address. This event will again take place at the Sacramento Convention Center.

Legislative Day is one of the most important venues for the CSU to demonstrate to the state's decision-makers the way in which it is working for California. For more information on this event, please visit <http://www.calstate.edu/legday/>

In addition to this date, the CSU will hold its Spring Advocacy Day (budget day) on May 23 at the Sacramento Hyatt Regency.

Reminder of Important Upcoming Key Dates:

- March 18 Alumni Council Meeting
- March 19 Alumni Legislative Day (Sacramento Convention Center)
- March 28 Capitol Hill Day (Washington D.C.)
- Mar 29-Apr 9 Spring Recess
- April 27 Policy Deadline (fiscal measures)
- May 11 Policy Deadline (non-fiscal measures)

- May 23rd Spring Advocacy Day (Sacramento Hyatt Regency)
- June 1 Fiscal Committee Deadline
- June 8 Last day for measures to be passed out of their house of origin
- June 15 Budget Bill must be passed by midnight

BUDGET DEVELOPMENT

Patrick Lenz, Assistant Vice Chancellor

Copies of CSU budget reports and other budget information pertaining to the CSU are available on the Budget Development website at: <http://www.calstate.edu/budget/>.

The Business and Finance Newsletter is accessible at: www.calstate.edu/BF/Newsletters/NewsLet.shtml

Questions related to receiving the B&F Newsletter or changes in e-mail addresses should be directed to Majjie Smith at (562) 951-4554 or msmith@calstate.edu