AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: **10:15 a.m., Tuesday, November 13, 2018**
Glenn S. Dumke Auditorium

Hugo N. Morales, Chair
Silas H. Abrego, Vice Chair
Rebecca D. Eisen
Douglas Faigin
Debra S. Farar
Jean P. Firstenberg
Lillian Kimbell

Consent

1. Approval of Minutes of the Meeting of July 24, 2018, *Action*
2. Annual Report on Outside Employment for Senior Management Employees, *Action*
3. Annual Report on Vice President Compensation, Executive Relocation, and Executive Transition, *Information*

Discussion

4. Executive Compensation: Vice Chancellor of Human Resources – California State University, *Action*
5. Chancellor's Housing Allowance, *Action*

MINUTES OF THE MEETING OF COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Trustees of the California State University
Office of the Chancellor
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California

July 24, 2018

Members Present

Debra S. Farar, Chair Pro Tem
Rebecca D. Eisen
Douglas Faigin
Jean P. Firstenberg
Lillian Kimbell

Trustee Farar called the meeting to order.

Approval of Minutes

The minutes of the March 21, 2018 meeting were approved as submitted.

Executive Compensation Policy

Recommendations for an executive compensation policy were presented by Chancellor Timothy P. White, Vice Chancellor Melissa L. Bard and Sibson Consulting. Chancellor White shared that the current practice for setting presidential pay is a result of historic conditions, compounded over time and the importance of establishing an updated executive compensation policy that is reasonable, consistent, transparent and competitive for recruiting and retaining great leaders for the California State University (CSU).

Vice Chancellor Melissa Bard shared a histogram that showed higher education salary increases in comparison to CSU employee groups compounded over a six-year period. For a variety of reasons, the executive salary increases have fallen behind in comparison with both the Higher Ed average and other CSU employee groups. Vice Chancellor Bard also went over in detail the history of how the peer comparators were determined, which was originally developed by the California Postsecondary Education Commission (CPEC).

Sibson Consulting presented the results of the compensation market study and industry standards as it pertains to base salary compensation that they conducted, which covered all 23 CSU campus presidents. Four executive compensation models were presented as outlined in the item agenda. Sibson Consulting's recommendations were based on data collected from CSU's approved comparator groups for the 23 presidents. Model 1A was Sibson's recommendation to the chancellor and the trustees to consider, which is to bring all president's salaries closest to 100% of market median equal to their peers.

There was a robust discussion surrounding the origins and the criteria used in identifying the comparators in the executive compensation study; a need to look into total compensation package that includes pension plans; the idea of whether the compensation study could have been done internally by CSU faculty; concerns regarding the four models that were presented by Sibson Consulting; the need for turnover rate data and comparisons; how often should the CSU look at the peer median in order to make adjustments; and, if this compensation adjustment would be a one time or ongoing.

Also discussed were the anomalies with the groups presented, specifically in Group B, which shows most of the presidents outside of the range, the appropriate group or comparator for Maritime Academy and the future impact to the entire system if one of these compensation models were to be selected.

Because of these questions and concerns, there was a general agreement among the committee members that more information is needed to understand the compensation models better before a decision could be made. No action was taken.

Chair Day adjourned the board for lunch and closed session.

The committee meeting was reconvened and called to order by Trustee Farar.

Compensation for Executives

Recommendations for the fiscal year 2018-2019 executive compensation was presented by Chancellor Timothy White for all executives; except, Trustee Douglas Faigin for the vice chancellor and chief audit officer; and Chair Adam Day for the chancellor. The recommended action was approved by the committee (RUFP 07-18-07).

Trustee Farar adjourned the committee meeting.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Annual Report on Outside Employment for Senior Management Employees

Presentation By

Evelyn Nazario
Vice Chancellor
Human Resources

Summary

In accordance with the California State University (CSU) Board of Trustees policy on outside employment disclosure requirements, this item presents the outside employment activities of senior management employees that took place during the 2017 calendar year.

Background

In November 2016 the policy on disclosure requirements for outside employment was updated (RUFP 11-16-10) to require the Board to annually review and approve the outside employment of all senior management employees. For purposes of this policy, senior management includes presidents, vice presidents, executive/vice chancellors and the chancellor.

The policy also requires this information be presented for public discussion and made available on a public website. The annual report on outside employment for senior management employees will be posted for public viewing on the CSU transparency and accountability website at: https://www2.calstate.edu/csu-system/transparency-accountability.

Annual Report

The annual report on outside employment for senior management is provided in Attachment A. The report shows 19 senior management employees with outside employment during the reporting period for the 2017 calendar year.

Recommended Action

The following resolution is recommended for adoption:

> **RESOLVED,** by the Board of Trustees of the California State University, that the 2017 Senior Management Outside Employment Disclosure Report, as cited in Item 2 of the Committee on University and Faculty Personnel at the November 13-14, 2018 meeting of the Board of Trustees, is approved.

California State University
Senior Management Outside Employment Disclosure Report* Reporting
Period: 2017 Calendar Year

Employee Name (Campus)	CSU Working Title	Name of Outside Employer/Business	Role	Total Time Served (Hours)	Total Compensation Received	Comments
Melissa Bard (Chancellor's Office)	Vice Chancellor, Human Resources	Frederick Community College	Teach 1 section (3 cr.) of a course online in Fall and Spring semesters	40 hours/year	$4,000	
Debra Larson (Chico)	Provost and Vice President, Academic Affairs	OK Auto Family Trust	Secretary on Board of Director	20 hours	$4,000 plus $1,000 travel expenses	
Gayle Hutchinson (Chico)	President	Juice Plus	Direct Distributor	10 hours	$1,600	
Leroy Morishita (East Bay)	President	JA Health Insurance Brokerage	Chair of the Board and President of affiliated non-profit (see addt'l comments)	3 hours quarterly	$16,000	Chair of Board to provide health benefits and President of affiliated non-profit that provides grants to non-profit with profits of trust. **Donations exceed $16,000**
Berenecea Johnson Eanes (Fullerton)	Vice President, Student Affairs	Palo Alto University	Safety Protocol Task Force	22 hours	$6,050	
Craig Wruck (Humboldt)	Vice President, University Advancement	Colorado Planned Giving Roundtable	Presented two conference sessions regarding charitable giving and taxes	4 hours	$1,000	
Craig Wruck (Humboldt)	Vice President, University Advancement	PG Calc (Planned Giving consultants)	Presented webinar content regarding charitable giving and taxes	6 hours	$2,610	
Douglas Dawes (Humboldt)	Vice President, Administrative Affairs	Cache Valley, CPA, PLLC (Owner)	Vice President, Administration and Finance	80 hours	$7,500	Provide tax and consulting services for less than 15 entities/individuals
Janet Dial (Los Angeles)	Vice President, University Advancement	International Scholarship and Tuition Services, Inc. (ISTS)	Scholarship Selection Committee Chair	40 hours	$400	
Jose Gomez (Los Angeles)	Executive Vice President and Chief Operating Officer	California Casualty Indemnity Exchange	Advisory Board Member	64 hours	$54,800	

*Senior management includes presidents, vice presidents, executive/vice chancellors and the chancellor.

California State University
Senior Management Outside Employment Disclosure Report* Reporting
Period: 2017 Calendar Year

Employee Name (Campus)	CSU Working Title	Name of Outside Employer/Business	Role	Total Time Served (Hours)	Total Compensation Received	Comments
Ronnie Higgs (Monterey Bay)	Vice President, Student Affairs and Enrollment	Peninsula Sports, Inc.	High School Football Officiator	40 hours total	$1,200	
Barbara Zappas (Monterey Bay)	Vice President, University Development	Montage Wellness Center	Yoga Instructor	172 hours	$1,200	
Tomas Morales (San Bernardino)	President	United Health Group of New York	Director, Board of Directors	6-10 hours a year	$12,000	
Shari McMahan (San Bernardino)	Provost/Vice President	24-Hour Fitness	Instructor	52 hours per year	$1,200	
Chukuka Enwemeka (San Diego) - no longer with CSU	Provost and Senior Vice President	Zenith Bank PLC	Board Member	0 - All work performed while on vacation	$29,500	A portion of compensation donated to a church and other charitable organizations in Nigeria.
Chukuka Enwemeka (San Diego) - no longer with CSU	Provost and Senior Vice President	SDSU Research Foundation	Principal Investigator	124 hours	$15,776	
Luoluo Hong (San Francisco)	Vice President, Student Affairs & Enrollment Management	Vanderbilt University	Keynote Speaker	2-3 hours	$4,000	Provided Keynote presentation for conference on sexual violence
Luoluo Hong (San Francisco)	Vice President, Student Affairs and Enrollment Management	Tulane University	Keynote Speaker	4-6 hours	$5,000	Provided Keynote presentation and break out session for conference on health and wellness
Paul Lanning (San José)	Vice President, University Advancement	Ascend Partners Group, LLC	Partial owner of consulting firm	10 hours	$1,500	
Keith Humphrey (San Luis Obispo)	Vice President, Student Affairs	Sierra Vista Hospital	Governing Board member	15 hours	$2,000	
Lisa Vollendorf (Sonoma)	Provost & Executive Vice President of Academic Affairs	Vanderbilt University Press	Receive royalties for book publication, did not work any hours for this compensation in 2017.	0 hours	$0	Not involved in making any decisions affecting CSU's dealing with outside employer
Paz Oliverez (Stanislaus)	Interim Vice President, Student Affairs	Innovative Educators	Webinars in higher ed best practices	9 hours	$4,750	

*Senior management includes presidents, vice presidents, executive/vice chancellors and the chancellor.

California State University
Senior Management Outside Employment Disclosure Report* Reporting
Period: 2017 Calendar Year

Employee Name (Campus)	CSU Working Title	Name of Outside Employer/Business	Role	Total Time Served (Hours)	Total Compensation Received	Comments
Paz Oliverez (Stanislaus)	Interim Vice President, Student Affairs	Audio Solutionz	Webinars on higher education best practices	6 hours	$3,400	

*Senior management includes presidents, vice presidents, executive/vice chancellors and the chancellor.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Annual Report on Vice President Compensation, Executive Relocation, and Executive Transition

Presentation By

Timothy P. White
Chancellor

Evelyn Nazario
Vice Chancellor
Human Resources

Summary

In January 2008 the Board of Trustees adopted a resolution (RBOT 01-08-01) requiring the chancellor to provide an annual report on vice presidential compensation actions, executive relocation costs, and executive transition programs. This agenda item will share the annual report with the Board.

Vice President Compensation

Current trustee policy requires the chancellor to review and approve recommendations for vice presidential compensation at the initial appointment and subsequently. Additionally, the chancellor is to provide an annual report on vice president compensation if compensation actions have been taken. Attachment A shows 22 vice president compensation actions during the reporting period (September 1, 2017 – August 31, 2018).

Additionally, as previously shared with the Board, Chancellor Timothy P. White authorized a three percent compensation pool for eligible unrepresented employees for fiscal year 2018-2019. As a result, vice presidents were eligible for merit salary increases from this compensation pool.

Executive Relocation

It is recognized that the relocation of newly hired individuals may be required, and a relocation program is provided to assist in the relocation process. The annual report on relocation expenses for CSU Executives follows:

- Dr. Adela de la Torre
  President, San Diego State

From Sacramento, California
Relocation of household goods and property: $12,209.13
Relocation travel expense: $279.04

- Dr. Thomas Parham
  President, CSU Dominguez Hills
  From Rancho Santa Margarita, California
  Relocation of household goods and property: $2,153.36
  Relocation of personal office items from UC Irvine: $3,493.23
  Temporary housing: $1,137.78

- Mr. Framroze Virjee
  President, CSU Fullerton
  From Rolling Hills, California
  Relocation of household goods and property: $7,207.82
  Temporary housing: $154.21

- Dr. Lynnette Zelezny
  President, CSU Bakersfield
  From Clovis, California
  Relocation of household goods and property: $10,302.79
  Relocation travel expense: $23.04
  Home sale fees and expenses: $49,739.61

Executive Transition

Trustee policy requires the chancellor to report annually on all existing transition programs. The annual update follows.

Executive Transition Program:

The executive transition program is available to executives appointed into an executive position between November 18, 1992 and November 14, 2006. The program provides an executive a one year transition after leaving executive office. (RUFP 11-92-04)

Dr. Horace Mitchell – President Emeritus
Effective Date: July 1, 2018 – June 30, 2019
Salary: $250,512

Dr. Mitchell entered into a one-year transitional period to which he is entitled under the provisions of the program. During this period Dr. Mitchell is available for advice and counsel on matters pertaining to CSU Bakersfield. He also remains available to the chancellor and other system executives for advice and counsel on matters pertaining to the CSU. In addition, he provides consultation for executive leadership development programs and strategy.

Executive Transition II Program:

The transition II program replaced the executive transition program for executives appointed into executive positions on or after November 15, 2006. A period of transition is provided for executives who have served five years in an executive positon and who separate from their executive position in order to assume previously identified CSU employment. (RUFP 11-06-06)

- There are no participants in the transition II program.

Vice President Compensation Actions

Filled Vacancies

Campus	Name	Title	Date	Salary	Other Compensation
Channel Islands	Yao, Richard	Vice President for Student Affairs	6/15/2018	$215,004	
Chico	Lang, Milton	Vice President for Student Affairs	1/16/2018	$240,000	
East Bay	Espinoza, Suzanne	Vice President, Student Affairs	7/1/2018	$224,004	
Fullerton	Knutson Miller, Kari	Provost and Vice President for Academic Affairs	1/1/2018	$262,728	
Humboldt	Dawes, Douglas	Vice President for Administration and Finance	3/29/2018	$225,000	
Long Beach	Apel, Scott	Vice President, Administration and Finance	1/1/2018	$240,000	Auto Allowance $7,200/annual Non-General Funds
Long Beach	Cesca, Michele	Vice President, University Relations and Development	8/1/2018	$225,000	Auto Allowance $7,200/annual Non-General Funds
Sacramento	Frisone, Al	Vice President for University Advancement	9/18/2017	$225,000	
San Francisco	Carter, Phyllis	Vice President of Administration and Finance and Chief Financial Officer	6/1/2018	$244,548	
San Francisco	Summit, Jennifer	Provost and Vice President of Academic Affairs	4/2/2018	$279,000	
San José	Day, Patrick	Vice President for Student Affairs	8/16/2018	$248,004	
San Luis Obispo	Ewing, Matthew	Vice President for University Development	5/3/2018	$275,004	Temporary (6 mos.) Housing Allowance $3,000/month Non-General Funds
Sonoma	Sawyer, Wm Gregory	Vice President for Student Affairs and Chief Student Affairs Officer	4/1/2018	$225,000	

Other Compensation Changes

Campus	Name	Title	Date	Description of Change	Salary After Change or Amount Paid
Pomona	McGuthry, John	Vice President, Information Technology and Institutional Planning/Chief Information Officer	7/1/2017	Change in responsibilities	$238,104
Los Angeles	Gomez, Jose	Executive Vice President and Chief Operating Officer	7/1/2018	Equity Increase	$258,144
Northridge	Gunsalus, Robert	Vice President for University Advancement	6/1/2018	Equity Increase	$247,968
Northridge	Baker, Hilary	Vice President, Information Technology and CIO	6/1/2018	Equity Increase	$233,772
San Marcos	Baur, Cathy	Vice President for University Advancement	7/1/2018	Equity Increase	$220,000
Chico	Boura, Ahmad	Vice President for University Advancement	FY 2017/18	MPP Merit Bonus Program - established goals met	$33,487
San Diego	Carleton, Mary Ruth	Vice President, University Relations and Development	FY 2017/18	MPP Merit Bonus Program - established goals met	$27,924
Northridge	Gunsalus, Robert	Vice President for University Advancement	9/1/2017	Auto Allowance Non-General Funds	$750/mo.
Bakersfield	Davis, Thomas	Vice President for Business and Administrative Services	10/23/2017	Use of auto - provided In-Kind via Athletics Corporate Sponsor Contract	N/A

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation: Vice Chancellor of Human Resources – California State University

Presentation By

Timothy P. White
Chancellor

Summary

This action item establishes the compensation for Ms. Evelyn Nazario as vice chancellor of human resources for the California State University.

Background

The CSU Board of Trustees is pleased to present Ms. Evelyn Nazario as vice chancellor of human resources for the California State University effective October 1, 2018.

Ms. Nazario has been with the California State University since 2008 and is serving as associate vice chancellor of human resources management. In that capacity she is responsible for providing guidance in all HR-related matters to the CSU's 23 campuses and oversees the full range of human resources policy, programs and services. Prior to joining the CSU, she served as director of compensation and human resources operations for the University of California, Irvine.

Ms. Nazario holds a bachelor's degree in psychology from Vanguard University and a master's degree in organizational leadership from Brandman University.

Executive Compensation

Chancellor White recommends that Ms. Evelyn Nazario receive an annual salary of $297,546 effective October 1, 2018, the date of her appointment as vice chancellor of human resources for the California State University. This is the same salary as the outgoing vice chancellor, Ms. Melissa Bard.

In accordance with existing policy, Ms. Nazario will receive the following benefits:

- An auto allowance of $1,000 per month;
- Standard benefit provisions afforded CSU Executive classification employees; and
- An executive transition program provided she meets the eligibility requirements passed by the Board of Trustees on November 15, 2006 (RUFP 11-06-06).

There is no moving and relocation benefit with this appointment.

Chancellor White recommends the trustees approve the salary for the next vice chancellor of human resources for the California State University, Ms. Evelyn Nazario.

Recommended Action

The following resolution is recommended for adoption:

> **RESOLVED,** by the Board of Trustees of the California State University, that Ms. Evelyn Nazario shall receive a salary set at the annual rate of $297,546 effective the date of her appointment as vice chancellor of human resources for the California State University; and be it further
>
> **RESOLVED,** that Ms. Nazario shall receive additional benefits as cited in Item 4 of the Committee on University and Faculty Personnel at the November 13-14, 2018 meeting of the Board of Trustees.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Chancellor's Housing Allowance

Presentation By

Adam Day
Chairman
CSU Board of Trustees

Summary

This agenda item seeks approval to utilize the proceeds of the sale of the State University House to supplement an existing foundation endowment of non-state funds and provide a housing allowance to the Chancellor for a replacement residence.

Background

Due to the planned sale of the State University House, which is utilized as the residence and event space for the Chancellor, this agenda item proposes that the Chancellor will now receive a housing allowance to offset the expense of a personal replacement residence. The proceeds from the sale of the State University House will be used to supplement an existing foundation endowment that provided for the purchase and maintenance of the State University House, which would now provide a monthly housing allowance for the Chancellor to supplement the costs of a residence.

Recommendation

It is recommended that the Board authorize the utilization of proceeds from the sale of the State University House to supplement the current State University House foundation endowment, which would provide a monthly stipend of $7,917 of non-state funds for the Chancellor to supplement the costs of a residence.

The following resolution is presented for approval:

> **RESOLVED**, by the Board of Trustees of the California State University, that:
>
> The Chancellor receive a $7,917 monthly housing allowance of non-state funds to supplement the cost of a residence. These funds are to be paid by the foundation endowment created through an original donor gift to support the housing and hospitality-related functions for the Chancellor of the California State University and supplement by the proceeds of the sale of the State University House located in Long Beach.