AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: **11:30 a.m., Wednesday, January 25, 2023**
Glenn S. Dumke Auditorium

Jack Clarke, Jr., Chair
Douglas Faigin, Vice Chair
Larry L. Adamson
Jean Picker Firstenberg
Maria Linares
Jack McGrory
Anna Ortiz-Morfit

Consent

1. Approval of Minutes of the Meeting of November 16, 2022, *Action*
2. CSU Salary Schedule, *Action*

Discussion

3. Executive Compensation Update: Interim President – San José State University, *Action*
4. Executive Compensation: Triennial Performance Review – Equity Adjustment, *Action*
5. Executive Compensation: Vice Chancellor, Human Resources – California State University, *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 Auditorum
401 Golden Shore
Long Beach, California

November 16, 2022

Members Present

Jack Clarke, Jr., Chair
Douglas Faigin, Vice Chair
Larry L. Adamson
Jean Picker Firstenberg
Maria Linares
Jack McGrory
Anna Ortiz-Morfit

Wenda Fong, Chair of the Board
Jolene Koester, Interim Chancellor

Public Comment

All public comments took place at the beginning of the meeting's open session, prior to all committees.

Trustee Jack Clarke called the meeting to order.

Approval of the Consent Agenda

A motion to approve the consent agenda without discussion passed. The minutes of the September 13, 2022, meeting of the Committee on University and Faculty Personnel were approved as submitted.

Agenda Item 2, Annual Report on Outside Employment for Senior Management Employees, was approved as submitted. (RUFP 11-22-15.)

Agenda Item 3, Annual Report on Vice President Compensation, Executive Relocation, and Executive Transition, was submitted for information.

Executive Transition: Executive Consulting Assignment

Agenda item 4 was presented by the Acting Vice Chancellor of Human Resources, Leora D. Freedman. In March 2022, the trustees ceased granting an executive transition program to newly hired executives until the board considered whether to offer such a program going forward. A task force was charged to review the existing Transition II program and recommend changes if appropriate. The task force included Trustees Larry Adamson and Jack Clarke, and Vice Chancellor Evelyn Nazario. At the July and September 2022 meetings, the board was presented with a new six-month Executive Consulting Assignment (ECA). The program was favorably received and appears in Attachment A. Attachment B reflects one modification that Trustee Romey Sabalius requested at the September meeting.

AVC Freedman explained that the new ECA program would be offered at the discretion of the chancellor after board consultation; the assignment would not exceed six months; salary would not exceed 50 percent of the executive's pay base; and duties are memorialized and presented for information on the discussion agenda of the committee on University and Faculty Personnel.

AVC Freedman explained that Attachment A and B differ only with respect to the approval of executive consulting assignments for a chancellor. Attachment A provides that the Board Chair – in consultation with the Chair of the committee on University and Faculty Personnel – approves consulting arrangements for a chancellor. Attachment B requires the full board to approve consulting arrangements for a chancellor. AVC Freedman concluded that the executive transition task force recommends the board adopt the policy as proposed in Attachment A of agenda item 4.

After the presentation, Trustee Sabalius reiterated that for assignments offered to a chancellor, the decision should rest with the entire board rather than two people. He noted it does not happen that often and would not place an undue burden on the board. Trustee Sabalius recommended the committee consider adopting Attachment B. Trustee Faigin agreed and called for a motion to adopt Attachment B.

A brief discussion followed, and comments were shared regarding the practicality of timing. Requiring full board approval could significantly delay the start of an executive consulting arrangement. The board discussed the logistics for scheduling a special or emergency board meeting. The board also discussed the expectation and understanding that executive officers and board leaders would use their judgment to determine when the full board should be consulted, regardless of whether board approval is explicitly required.

Trustee Clarke called for a committee vote on Trustee Faigin's motion to adopt Attachment B. The motion to adopt Attachment B did not pass. Trustee Clarke proceeded with a committee vote to adopt Attachment A as proposed in item 4. The committee approved the adoption of Attachment A. (RUFP 11-22-16.)

Executive Transition: Revision to Transition II Program

Agenda Item 5 was presented by the Acting Vice Chancellor of Human Resources, Leora D. Freedman. She explained that while the committee had just voted to adopt a new program (the Executive Consulting Assignment), twenty-five (25) presidents and system executives remain eligible to participate in the Transition II program. In this agenda item, the executive transition task force recommended that the board adopt a revised Transition II policy (to supersede the program adopted in November 2006) and, at the same time, formally close the program effective March 22, 2022.

The amended policy ensures more explicit accountability and oversight in the implementation of the Transition II program. Also clarified are circumstances under which an executive would be ineligible to participate in the Transition II program which include engaging in a serious policy violation or other significant misconduct that result in the executive's employment ending in termination or other separation – or if they are the subject of an investigation. Language was also added to address the limited circumstances under which an executive may participate in the Transition II program when a complaint or investigation is pending. AVC Freedman concluded that the executive transition task force recommends the board adopt the amended policy as proposed in agenda item 5.

Following the presentation, it was clarified that although executives appointed on or after March 22, 2022, would not be eligible to participate in the Transition II program, executives appointed before March 22, 2022 would have the option to request to participate in either the Transition II program or the new Executive Consulting Assignment. A motion to approve the recommended action was passed. (RUFP 11-22-17.)

Revision to Employment Policy Governing Administrator Employees' Option to Retreat

The item was presented by the Acting Vice Chancellor of Human Resources, Leora D. Freedman. Trustees were reminded that, at the July 2022 meeting of the Board of Trustees, the Employment Policy Governing Administrator Employees' Option to Retreat was adopted. AVC Freedman noted that in the previous agenda item, the committee had voted to approve revisions to the Transition II policy that addressed the limited circumstances under which an executive may participate in the program when a complaint or investigation is pending. She explained that the proposed revisions to the Retreat policy are designed to give a president, chancellor or board similar discretion – to place an administrator on paid leave pursuant to section 42729 of Title 5 while an investigation is pending. The presentation concluded with AVC Freedman recommending approval of the revised policy as proposed in Attachment A of agenda item 6. A motion to approve the recommended action was passed. (RUFP 11-22-18.)

Executive Compensation: President – San José State University

Interim Chancellor Jolene Koester introduced Dr. Cynthia Teniente-Matson as president of San José State University. Dr. Teniente-Matson most recently served as president of Texas A&M University-San Antonio. She returns to the CSU having previously served as vice president for administration and chief financial officer for Fresno State from 2004 to 2015.

Interim Chancellor Koester recommended that Dr. Cynthia Teniente-Matson receive an annual salary of $474,840 as published in the amended item. The chancellor noted that the proposed salary for Dr. Teniente-Matson does not exceed 10 percent of the current incumbent's salary and is therefore consistent with CSU Board of Trustees Policy on Compensation. The new president will receive a $1,000 monthly auto allowance and other benefits as cited in the amended item. Additionally, Dr. Teniente-Matson will be required to reside in the university's presidential residence. A motion to approve the recommended action was passed. (RUFP 11-22-19.)

Executive Compensation Update: Interim President – Sonoma State University

Interim Chancellor Jolene Koester presented the item and explained that compensation for Dr. Ming-Tung "Mike" Lee as interim president of Sonoma State University was approved at the July 2022 Board of Trustees meeting. During that meeting, the board also approved compensation for all presidents effective July 1, 2022.

The chancellor recommended that Interim President Mike Lee receive an adjusted annual salary of $381,409 effective August 1, 2022, the date of his appointment as interim president. This is the same salary the board approved for the former president of Sonoma State effective July 1, 2022. A motion to approve the recommended action was passed. (RUFP 11-22-20.)

Executive Compensation: Triennial Performance Review – Equity Adjustment

Interim Chancellor Jolene Koester presented for board approval compensation action for President Robert Nelsen who received his triennial performance review in September 2022. Trustees were reminded that in November 2019, policy was adopted to address presidential pay inequities concurrently with triennial performance reviews. The equity increase is calculated pursuant to the formula approved by the board in September 2021 whereby presidential salaries are incrementally aligned with the median salary of presidents at comparable institutions. The chancellor recommended approval to implement the salary adjustment for President Robert Nelsen as outlined in agenda item 9. A motion to approve the recommended action was passed. (RUFP 11-22-21.)

Trustee Clarke adjourned the meeting of the Committee on University and Faculty Personnel.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

CSU Salary Schedule

Presentation By

Leora D. Freedman
Acting Vice Chancellor
Human Resources

Summary

Pursuant to CalPERS regulations (Circular Letter 200-003-20 and in compliance with California Code of Regulations Title 2, section 570.5), the California State University is required to obtain Board of Trustees' approval for all pay schedules. Accordingly, the CSU Salary Schedule is periodically presented for board approval.

CSU Salary Schedule Updates

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

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

Additionally, the salary schedule includes updates due to fiscal year 2022/2023 salary programs previously implemented for Confidential (C99), Management Personnel Plan (M80), and Executive (M98) employees.

The salary schedule also reflects administrative and non-substantive updates made in the CSU pay scales (e.g., abolishment of class codes, new class codes, class title updates, etc.).

The CSU Salary Schedule provides current payrates for all CSU classifications. The current and historical salary schedules are posted for public viewing on the CSU Salary Schedule website at: https://www.calstate.edu/csu-system/careers/compensation/Pages/salary-schedule.aspx

Recommended Action

The following resolution is recommended for adoption:

> **RESOLVED**, by the Board of Trustees of the California State University, that the CSU Salary Schedule as cited in Item 2 of the Committee on University and Faculty Personnel at the January 24-25, 2023 meeting of the Board of Trustees, is approved.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation Update: Interim President – San José State University

Presentation By

Jolene Koester
Interim Chancellor

Summary

This action item seeks approval to provide a temporary housing allowance for the interim president of San José State University.

Background

The appointment of Dr. Stephen J. Perez as interim president of San José State University was presented and approved at the January 2022 Board of Trustees meeting (RUFP 01-22-01). In December 2022, Interim Chancellor Jolene Koester requested that Dr. Perez extend his interim presidency from January 2, 2023 to January 15, 2023.

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

Recommendation

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

The following resolution is recommended for adoption:

> **RESOLVED**, by the Board of Trustees of the California State University, that Dr. Stephen J. Perez shall receive the benefits as cited in Agenda Item 3 of the Committee on University and Faculty Personnel at the January 24-25, 2023 meeting of the Board of Trustees.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation: Triennial Performance Review – Equity Adjustment

Presentation By

Jolene Koester
Interim Chancellor

Summary

One equity adjustment will be recommended resulting from a salary assessment for year three of a presidential triennial performance review conducted by the Board of Trustees in 2021.

Background

In accordance with the Board of Trustees' CSU Policy on Compensation and the Policies and Procedures for Review of Presidents, following completion of presidential triennial performance reviews, and following an ensuing salary assessment, the Board of Trustees may consider a compensation adjustment. The policy was adopted in November 2019.

In September 2021, the Board of Trustees adopted a salary review process (RUFP 09-21-06) that includes the following elements:

- Concurrent with triennial review cycle.
- Annual adjustments over three years, if applicable.
- Target salary is the peer group median.
- First year adjustment not to exceed 10 percent which aligns with current policy.
- Second and third year equity adjustments from 0 to 10 percent, as applicable.
- Reassess market data periodically.

Market Equity Adjustments

The table below lists the president who is eligible for an equity adjustment as a result of a salary assessment conducted during their triennial performance evaluation period. Equity adjustments may occur over the three years as outlined in the governing policy. Adjustments are designed to incrementally reach the peer group median (target salary).

Executive Compensation

Trustee approval of the proposed equity adjustment for President Soraya Coley is recommended as presented below. President Coley's six-year performance review was completed in 2021. The

president's salary remains below the peer group median. Therefore, an equity adjustment is recommended for year three, the final year of the salary assessment period, in accordance with the table set forth in the salary assessment notes below.

President Soraya Coley
Triennial Performance Review, Year 3 Salary Assessment

Presidential Appointment Date:	1/1/2015
Peer Group Median:	$476,015
Current Annual Salary:	**$440,544**
Amount to Reach PG Md:	8.05%
Year 3 Equity Adjustment:	2.00%
Effective Date:	1/1/2023
Annual Salary to be Approved:	**$449,355**

Presidential Triennial Performance Review Salary Assessment Notes:
Target Salary = Peer Group Median
Salary adjustments over three-year period if warranted and availability of funds and budget conditions.
Year 1 effective the presidential appointment date (month/day) of the year immediately preceding the performance evaluation.
For example: Year 1 eff. 7/15/2021 - Year 2, 7/15/2022 - Year 3, 7/15/2023
Year 1 increase = Percent to reach Peer Group Median, maximum 10% increase.
Year 2 or Year 3 increase = Equity increase, if applicable (see matrix).
Years 2 and Year 3 of salary assessment may require future Board action.

Percent to Reach Peer Group Median			Equity Increase
0%	to	5%	0%
5.01%	to	10%	2%
10.01%	to	15%	4%
15.01%	to	25%	7%
25.01%	to	35%	10%

Recommended Action

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that President Soraya Coley shall receive a salary set at the annual rate of $449,355 effective January 1, 2023, as set forth in Item 4 of the Committee on University and Faculty Personnel at the January 24-25, 2023 meeting of the Board of Trustees.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

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

Presentation By

Jolene Koester
Interim Chancellor

Summary

This action item establishes the compensation for Leora D. Freedman as vice chancellor for human resources of the California State University. Ms. Freedman has been appointed to this position for a term of two years.

Executive Compensation

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

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

Recommended Action

The following resolution is recommended for adoption:

> **RESOLVED**, by the Board of Trustees of the California State University, that Leora D. Freedman shall receive a salary set at the annual rate of $327,925 effective on January 24, 2023, the date of appointment as vice chancellor for human resources of the California State University; and be it further
>
> **RESOLVED**, Leora D. Freedman shall receive additional benefits as cited in Agenda Item 5 of the Committee on University and Faculty Personnel at the January 24-25, 2023 meeting of the Board of Trustees.