

AGENDA

COMMITTEE ON FINANCE

Meeting: 10:25 a.m., Wednesday, January 29, 2025
Glenn S. Dumke Conference Center

Julia I. Lopez, Chair
Jonathan Molina Mancio, Vice Chair
Larry L. Adamson
Douglas Faigin
Mark Ghilarducci
Leslie Gilbert-Lurie
Jack McGrory
Anna Ortiz-Morfit
Christopher Steinhauser
Darlene Yee-Melichar

- Consent**
1. Approval of Minutes, *Action*
 2. California State Polytechnic University, Humboldt – Approval of an Auxiliary Organization Financing, *Action*
 3. Approval of Changes to, and Reauthorization of, the California State University’s Commercial Paper Program, *Action*
 4. 2024-2025 Student Fee Report, *Information*
- Discussion**
5. 2025-2026 Operating Budget Update, *Information*

**MINUTES OF THE MEETING OF THE
COMMITTEE ON FINANCE**

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

November 21, 2024

Members Present

Julia Lopez, Chair
Jonathan Molina Mancio, Vice Chair
Larry L. Adamson
Douglas Faigin
Leslie Gilbert-Lurie
Jack McGrory
Anna Ortiz-Morfit
Christopher Steinhauser
Darlene Yee-Melichar

Mildred García, Chancellor
Jack B. Clarke, Jr., Chair of the Board

Trustee Julia Lopez called the meeting to order.

Consent Agenda

The minutes of the September 24, 2024 meeting of the Committee on Finance; Item 2, Approval to Issue Debt for an Affordable Student Housing Project at California State University, Long Beach (RFIN 11-24-10); and Item 3, Approval to Issue Debt for an Affordable Student Housing Project at California State University, Fresno (RFIN 11-24-11) were approved as submitted by roll call vote with eleven in favor (Trustees Lopez, Molina Mancio, Adamson, Faigin, Gilbert-Lurie, McGrory, Ortiz-Morfit, Steinhauser, Yee-Melichar, Clarke, and Chancellor García), zero opposed, and zero abstentions.

Discussion Agenda

Item 4 – California State University Annual Investment Report, Information

The CSU's annual investment report for the year ended June 30, 2024, was presented. It was shared that CSU investments are comprised of cash associated with CSU operating activities such as student housing, parking, and continuing education and does not include cash held by the auxiliaries. As of June 30, 2024, approximately \$6.7 billion of cash was invested by the CSU in three investment portfolios: \$2.5 billion in the Liquidity Portfolio, \$1.3 billion in the Intermediate Duration Portfolio, and \$2.8 billion in the Total Return Portfolio (TRP). It was reported that the TRP has performed well over the last year, and over the long term. Earning distributions from the TRP to campuses are determined by the Investment Advisory Committee. This year \$95.5 million will be distributed to campuses, bringing the total amount distributed since the portfolio's inception in 2019 to over \$313 million. These funds are dedicated exclusively to funding critical deferred maintenance projects on the campuses. An additional \$162 million was distributed to campuses in investment earnings from other investment portfolios.

Following the presentation Trustee Gilbert-Lurie asked how the success of our investment strategy is measured. She was informed that the CSU sets benchmarks for the different portfolios, and the portfolios have been meeting expectations while still being able to distribute a portion of the earning back to campuses. Trustee Jack McGrory added that the Investment Advisory Committee reviews investments portfolios quarterly and can take action to change underperforming investments.

Trustee Lopez adjourned the meeting of the Committee on Finance.

COMMITTEE ON FINANCE

California State Polytechnic University, Humboldt - Approval of an Auxiliary Organization Financing

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Robert Eaton
Assistant Vice Chancellor
Financing, Treasury, and Risk Management

Summary

This item requests approval to authorize the Humboldt State University Sponsored Programs Foundation (the "Foundation"), a recognized auxiliary organization in good standing at California State Polytechnic University, Humboldt (the "University"), to renew certain external financing in an amount not-to-exceed \$4,000,000 to provide liquidity support for the Foundation's financial operations.

Background

The Board of Trustees' CSU Policy for Financing Activities (RFIN/CPBG 11-14-01), as well as an executive order by the Chancellor pursuant to the CSU Policy for Financing Activities, stipulates that all borrowing by the CSU or any CSU auxiliaries shall be made through the CSU's established debt programs (e.g., the CSU's Systemwide Revenue Bond and commercial paper programs) and approved by the Board of Trustees. The policy and executive order also recognize that there may be certain types of financing structures that are not well suited for the CSU's established debt programs. In such cases, the proposed financing structure shall be reviewed by the Chancellor's Office and then presented to the Board of Trustees for approval.

Auxiliary Organization External Financing

As part of its several areas of operation in support of the University, the Foundation provides the administration of grants from governmental and private agencies for research and other activities related to the programs of the University. As a result of the University's transformation into a polytechnic institution and the launching of new academic programs, this grant activity has

increased and the Foundation has an ongoing need for liquidity to maintain its cash flow position due to the seasonality in its grants and contracts activities. For the fiscal year ending June 30, 2024, the Foundation had total revenues of about \$55 million, including \$49 million of grants and contracts revenue, and about \$54 million of operating expenses. Total net position as of June 30, 2024 was just over \$9 million. The Foundation wishes to renew a line of credit with a financial institution to continue providing liquid resources and meet its working capital needs.

Except for the new expiration, the key proposed terms of the line of credit from Redwood Capital Bank are unchanged and are as follows:

- The amount of the line of credit will be \$4 million.
- The term of the loan will be 3 years from document closing, expected to be on or about February 15, 2025.
- The initial interest rate on the line of credit is 9.75% and will vary from time to time based on daily changes to Redwood Capital Bank's Reference Rate (currently at 8.50%) plus a margin of 0.75% over the index.
- Annual Fee of \$10,000 or 0.25% of the Line of Credit, less any interest paid on amounts drawn during the year.
- The line of credit is secured by all accounts receivables pledged by the Foundation as collateral pursuant to a Commercial Security Agreement.

Staff has reviewed key terms of the proposed financing and deemed them to be satisfactory and reasonable for this type of transaction.

Recommended Action

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that the request from the Foundation to renew external financing loans in the amount of \$4,000,000 with the key terms as described herein is approved.

COMMITTEE ON FINANCE

Approval of Changes to, and Reauthorization of, the California State University's Commercial Paper Program

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Robert Eaton
Assistant Vice Chancellor
Financing, Treasury, and Risk Management

Summary

This item requests approval of changes to the CSU's commercial paper (CP) program to provide for the issuance of commercial paper directly by the CSU, rather than through the CSU Institute. It also requests approval to reauthorize the CSU's commercial paper program up to an unchanged amount of \$500 million.

Background

In 2001, the Board of Trustees created the CP program to provide shorter-term interim financing for capital projects and start construction until such time as long term Systemwide Revenue Bonds were issued by the CSU. CP notes can be issued on an as-needed basis and at lower short-term interest rates to minimize debt service costs during project construction periods. In certain circumstances, projects not well suited to long term financing may remain under CP financing and be fully amortized over short to intermediate terms from project revenues. The CP program has also been used to finance certain equipment and software needs of CSU as an alternative to other external third-party lease-financing resources.

Since its inception, CP under the program has been issued through the CSU Institute, a systemwide auxiliary organization of the CSU, supported by Bond Anticipation Notes issued by the CSU. This structure was utilized because, at the time, state law restricted the CSU's ability to issue CP directly. Changes to state legislation a number of years ago eliminated the restrictions, however, due to cost and administrative considerations, the CSU continued to issue CP through the CSU Institute.

The issuance of CP is also supported by a letter of credit facility provided by two banks, State Street and Wells Fargo. The program size is authorized up to \$500 million by the Board of Trustees, however, the current program and letter of credit facility are set at \$300 million. The current letter of credit facility expires in May 2025.

Proposed Changes to the CSU's Commercial Paper Program

In recent years, the costs of issuing CP through the CSU Institute have increased and staff have determined that CSU can reduce costs, streamline issuance operations, and sustain the long-term viability of the CP program by having the CSU issue CP directly, rather than issuing it through the CSU Institute supported by CSU Bond Anticipation Notes. In addition, the change will significantly reduce costs at the CSU Institute. With the current letter of credit facility expiring in May 2025, now is an opportune time to make the change. Staff recently conducted an RFP for bank letters of credit that will support direct CP issuance by the CSU and replace those that will expire in May 2025.

CP issued directly by the CSU will be secured by the same gross revenue pledge supporting the CSU's Systemwide Revenue Bond program, albeit on a subordinate basis relative to the bonds, which is the same as the current CP program structure. Consistent with the change to having the CSU issue CP directly, corresponding changes will be made to key legal documents controlling the CSU's CP program, including but not limited to the trust indenture and the bank letter of credit reimbursement agreement, the terms of which are not expected to materially change from those in place now. While this agenda item seeks reauthorization of the CP program up to the amount of \$500 million, the CP program and letter of credit facility will continue to be set at \$300 million for the foreseeable future. Subject to approval from the Board of Trustees, implementation of the changes to the CP program is expected in early March 2025, at which time the CSU will issue new CP to refinance outstanding CP issued previously by the CSU Institute.

Notwithstanding the changes described and requested herein, the basic purpose of the CSU's CP program will remain unchanged.

Recommended Action

In coordination with CSU's Office of General Counsel, Orrick, Herrington & Sutcliffe LLP, as outside bond counsel, is preparing resolutions to be distributed to the trustees prior to this meeting that authorize approval of changes to the CSU's commercial paper program described in this agenda. The proposed resolutions will achieve the following:

Provide a delegation to the chancellor; the executive vice chancellor and chief financial officer; the assistant vice chancellor Finance and Budget Administration/controller; and the assistant vice chancellor, Financing, Treasury, and Risk Management, and their designees, to take any and all necessary actions to execute certain financial and legal documents in support of the changes to the CSU's commercial paper program, as described in Agenda Item 3 of the Committee on Finance at the January 27-29, 2025 meeting of the CSU Board of Trustees.

COMMITTEE ON FINANCE

2024-2025 Student Fee Report

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Ryan Storm
Assistant Vice Chancellor
Budget Planning & Advocacy

Summary

This information item reports the annual 20 campus-based mandatory fees as required by policy. Campus-based mandatory fees are required for enrollment under the authority of the president once established by the chancellor. Fee rates for 2024-2025 by university and type are included in Attachment A. The 2024-2025 average systemwide campus-based mandatory fees are \$1,981 per student which is an increase from 2023-2024 of \$101 per student.

Overview

The [CSU Student Tuition and Fee Policy](#) authorizes the chancellor to establish campus-based mandatory fees for certain activities. Attachment B includes a list of the six student fee categories authorized by CSU policy. Also, the policy has delegated presidential approval and adjustment for most types of fees while ensuring accountability and appropriate and meaningful consultation with students. Specific examples of accountability are the establishment of a university fee advisory committee and annual reporting requirements to the committee and Chancellor's Office.

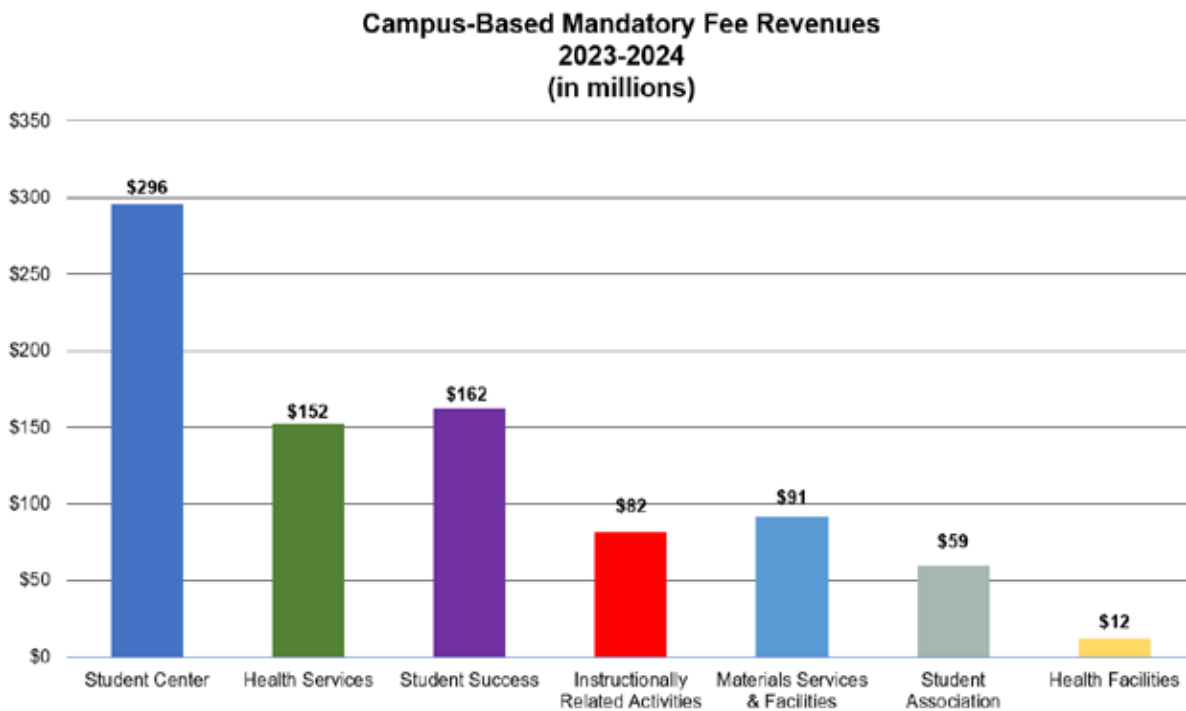
The focus of this item is campus-based mandatory fees. Each campus-based mandatory fee serves a specific purpose, ensuring targeted investment in areas that directly benefit, or have been expressly requested by the student community. Consisting of seven distinct types, campus-based mandatory fees include charges for health facilities, health services, instructionally-related activities, student body association, student body center, student success, and materials, services and facilities – including those dedicated to new student orientations. These fees support programs, personnel, facilities, and services beyond the scope of tuition or state appropriations. The revenue generated is directed toward student-centered initiatives, aligning with student needs and enhancing the educational experience.

2024-2025 CSU Student Fee Report

This report provides comprehensive information about campus-based mandatory fees, including a summary of prior-year revenues and expenditures and fee rates for each university.

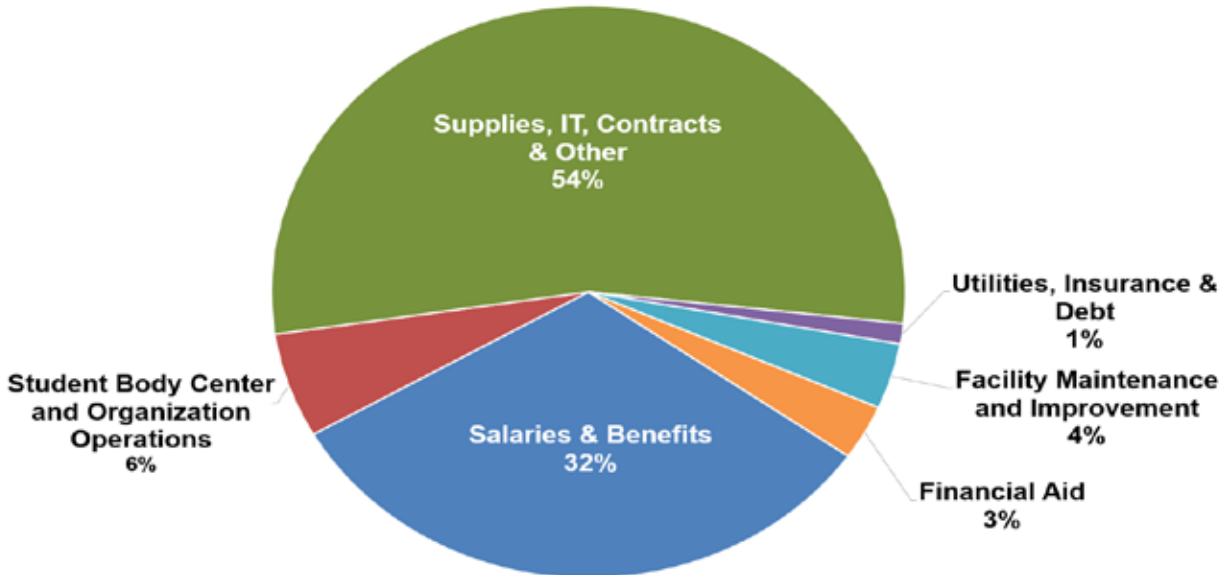
Revenues

CSU universities collected \$854 million of campus-based mandatory fees in 2023-2024. The revenue collected from the seven fee types is displayed in the chart below. Student centers and student success account for more than half of the fee revenue.



Expenditures

Unlike tuition revenue or state general fund, which can be used for a wide variety of expenditures, campus-based mandatory fees are used for specific purposes. The following pie chart shows expenditures by category and percent. The two largest expenditure categories are supplies, information technology, contracts and other and salaries and benefits. It should be noted, however, that a sizable portion of campus-based mandatory fee expenditures are for student body center and organization operations, facility improvements, and financial aid.



Rates

The 2024-2025 average systemwide campus-based mandatory fees are \$1,981 per student. Each university has individual fee rates that support specific programs and facility needs, and there are varying reasons and approaches each university president considers when evaluating changes to their mandatory fees. Systemwide average campus-based mandatory fees increased between 2023-2024 and 2024-2025 by an average of 5.4% or \$101 per student. Modest tuition and average fee increases, coupled with federal, state, and institutional financial aid programs available to CSU students make CSU an affordable option for students from all socio-economic backgrounds. Overall, 76% (over 379,000) of CSU students received financial assistance.

On average over the past 10 years, universities have increased three of the seven fee types each year. Health services and student center fees are fees that typically experience yearly increases. Through student referendum or consultation, many universities have authorized annual incremental increases to keep pace with inflation tied to either the Higher Education Price Index (HEPI) or California Consumer Price Index (CPI). Overall, most fee increases are due to HEPI/CPI increases or expansion of services or facilities.

The following table compares campus-based mandatory fees at each university for the 2023-2024 and 2024-2025 academic years. As shown in the table, the systemwide average of campus-based mandatory fees increased by \$101 (5.4%). The comparable California inflation rate was estimated at 3.4% in 2023-2024. For all but the San Luis Obispo university, campus-based mandatory fees range from \$1,100 to \$3,500, differing based on university and student priorities, and facilities and services offered.

Comparison of 2023-24 and 2024-25
 Campus-Based Mandatory Fee Rate Totals by University

University	2023-24	2024-25	Increase
Bakersfield	\$1,954	\$2,003	\$49
Channel Islands	\$1,075	\$1,075	0
Chico	\$2,322	\$2,388	66
Dominguez Hills	\$1,322	\$1,370	48
East Bay	\$1,313	\$1,499	186
Fresno	\$1,238	\$1,257	19
Fullerton	\$1,331	\$1,386	55
Humboldt	\$2,171	\$2,313	142
Long Beach	\$1,266	\$1,290	24
Los Angeles	\$1,076	\$1,080	4
Maritime	\$1,930	\$3,475	1,545
Monterey Bay	\$1,695	\$1,695	0
Northridge	\$1,348	\$1,374	26
Pomona	\$1,697	\$1,697	0
Sacramento	\$1,860	\$1,934	74
San Bernardino	\$1,933	\$2,004	71
San Diego	\$2,548	\$2,644	96
San Francisco	\$1,542	\$1,762	220
San Jose	\$2,250	\$2,326	76
San Luis Obispo	\$5,333	\$6,077	744
San Marcos	\$1,992	\$1,998	6
Sonoma	\$2,448	\$2,540	92
Stanislaus	\$2,084	\$2,158	74
Weighted Average	\$1,880	\$1,981	\$101

The average annual increase in campus-based mandatory fees over the past 10 years (from 2014-2015 to 2024-2025) was 4.4%. Three of the seven fee types (health facilities, instructionally-related activities, and student body association) have had average increases below inflation levels. The other four types have averaged higher increases due to a variety of reasons:

- Health services fees have increased due to expansion of health services and rising health care costs, including employee compensation.
- Materials, services, and facilities fees have increased due to new fees such as a consolidation of miscellaneous course fees into a campus-wide mandatory fee, transit passes, and a wellness center.
- Student center fees have increased due to new or expanded student union and wellness facilities at universities.
- Three universities added student success fees in 2014-2015, bringing the total to twelve universities. When first implemented, universities started at low levels, and many had not started programmed fee increases. There have been no new student success fees since 2014-2015.

Fee increases in 2024-2025 occurred for several reasons. In addition to the inflationary factor increases, there were increases at some universities related to new services or facilities. East Bay increased student center fees to support various programs and services. Humboldt increased their campus union fee due to the second year of a phased increase. The material services facilities fee at Maritime increased due to a reclassification of the existing mandatory uniform and seabag fee. San Francisco increased the Gator transit pass price back to the pre-pandemic level to reflect transit usage.

2024-2025 Academic Year Campus-Based Mandatory Fee Rates by University and Fee Category

University	Health Facilities	Health Services	Instructionally Related Activities	Materials Services & Facilities	Student Success	Student Association	Student Center	Total Campus-Based Mandatory Fees
Bakersfield	\$6	\$388	\$183	\$62	\$0	\$459	\$905	\$2,003
Channel Islands	6	190	260	145	0	150	324	1,075
Chico	6	564	438	226	0	166	988	2,388
Dominguez Hills	6	284	30	5	560	139	346	1,370
East Bay	6	410	129	3	240	129	582	1,499
Fresno	6	310	264	46	0	69	562	1,257
Fullerton	8	204	92	92	461	188	341	1,386
Humboldt	66	734	674	353	0	136	350	2,313
Long Beach	10	150	178	10	346	156	440	1,290
Los Angeles	6	312	130	5	298	54	275	1,080
Maritime	14	890	130	2,231	0	210	0	3,475
Monterey Bay	0	246	254	315	0	180	700	1,695
Northridge	6	160	46	0	256	254	652	1,374
Pomona	6	269	40	0	447	127	808	1,697
Sacramento	58	304	476	0	0	178	918	1,934
San Bernardino	32	460	193	15	214	123	967	2,004
San Diego	50	470	560	50	500	70	944	2,644
San Francisco	76	552	236	626	0	108	164	1,762
San Jose	80	380	0	38	752	220	856	2,326
San Luis Obispo	13	773	382	2,592	1,019	395	903	6,077
San Marcos	40	354	80	244	500	150	630	1,998
Sonoma	48	512	620	48	0	304	1,008	2,540
Stanislaus	32	456	414	352	0	190	714	2,158

Fee Categories and Authority

The CSU tuition and fee policy includes six fee categories.

Category I – Systemwide mandatory tuition and fees

Systemwide tuition and fees are the same across the system. Examples include systemwide tuition, nonresident tuition, the graduate business professional fee, and the admissions application fee. The Board of Trustees retains authority to set and adjust these fees.

Category II – Campus-based mandatory fees

Campus-specific fees are charged to all students to enroll at a specific CSU university. Examples include student association, student body/recreation center, and health services fees. The chancellor is delegated authority to establish Category II fees and each president is delegated the authority to adjust or abolish these fees on their university. Each university president is responsible for assuring that appropriate and meaningful consultation and/or student referendum occurs before proposing a new fee or adjusting an existing fee. To measure student support, a referendum is encouraged for new Category II fees and is required by state statute for certain types of Category II fees. If a referendum is not required, and the president determines that a referendum is not the best mechanism to achieve appropriate and meaningful consultation, alternative forms of consultation may be used. By way of a student referendum, students often initiate the creation and increase of certain types of Category II fees, such as associated student fees and student recreation center fees.

Category III – Course-specific fees for materials and services

Category III fees are for course materials and services that are charged to enroll in a specific course. Examples include laboratory and field trip fees. Each president, after consulting with the fee advisory committee, is delegated authority to establish, adjust, and abolish these fees (within a pre-approved range).

Category IV – Fees, other than Category II or III, paid to receive materials, services, or for the use of facilities

Category IV fees are for other services, materials, and use of facilities that are charged to students for administrative and processing purposes. Examples include transcript fees, library fines, and replacement identification cards. Each president is delegated authority to establish, adjust, and abolish these fees.

Category V – Fees paid to self-support programs

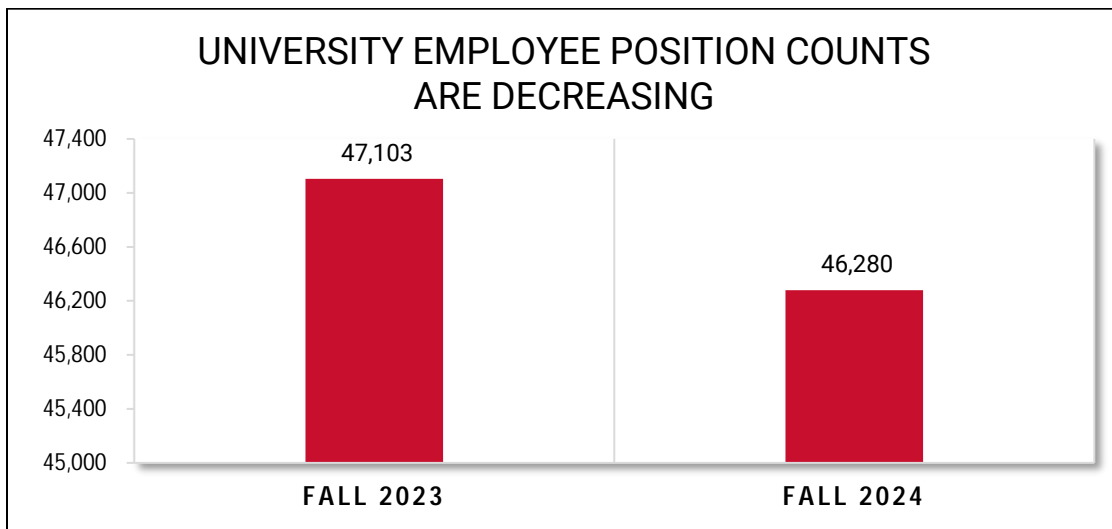
Category V fees are for self-support programs and charged to participating students and employees. Examples include parking, housing, and Professional and Continuing Education (PaCE). Each president is delegated authority to establish, adjust and abolish these fees.

Category VI – Systemwide voluntary fees

This category only applies to the California State Student Association (CSSA) Student Involvement & Representation Fee, which is a voluntary fee charged to students to expand opportunities for student involvement and representation. The chancellor is delegated authority to adjust the Student Involvement & Representation Fee for inflationary purposes if necessary.

Each summer at the start of the next academic year, universities report all fees charged for the upcoming year as well as fee revenues collected and fee fund balances for the prior year to the Chancellor's Office.

workforce decreased by 823 positions between fall of 2023 and fall of 2024, though this change varied significantly by university. While 17 universities reduced their workforce by 1,208 positions, 6 universities added 384 positions. These reductions, however, had disparate impacts across the system. An example, universities with pre-pandemic or ongoing declining enrollment trends (San Francisco, East Bay, Sonoma, Monterey Bay, Maritime, Humboldt, Chico, and Channel Islands) accounted for 48% of the reductions (586 of the 1,208 positions). This reflects their efforts to align resources with current student enrollment. Another way to look at this and as another example, small and medium sized universities (under 18,000 full-time equivalent students) represented 59% of the total reduction (712 of the 1,208 positions).



These reductions are in positions across the system, including graduate and student assistants, support services staff critical to ensuring student success, and adjunct faculty. These reductions are straining the remaining staff and faculty and are reducing the ability to support student success.

The CSU is implementing systemwide efforts to improve resource allocation, efficiency, and structural reform. Long term demographic trends in traditional school age populations plus the disruption of the pandemic have resulted in several campuses with declining or flattening enrollment. This is causing more acute budget gaps because these universities are not earning tuition revenue. The Chancellor's Office has implemented the CSU Enrollment Target and Budget Reallocation Plan, which reallocates enrollment targets and associated funding from under-enrolled universities to higher student demand universities.

To take advantage of economies of scale and to reduce costs, the Chancellor's Office has also launched the Multi-University Collaboration Initiative in partnership with Deloitte Consulting.

Phase one is focused on systemwide coordination on information security, procurement, and employee benefits administration. The CSU is also developing a new diagnostic tool, as recommended by the 2023 Sustainable Financial Model Workgroup, to assess costs for informed decision making. This effort will enable a more nuanced cost accounting to better evaluate future investments.

In addition, the trustees are committed to structural reforms that will position the CSU for the future and improve effectiveness, as highlighted by the approval of the integration of the Cal Maritime Academy and Cal Poly to strengthen both institutions and improve the efficiency in delivering educational programs to students.

Addressing budget gaps has reduced financial resiliency and is setting the CSU on a precarious path ahead. The CSU is already taking numerous efforts to improve efficiency and right-size programs, but it also has taken actions that have diminished its budget resiliency. For example, operating balances and reserves were reduced by \$266 million in 2023-24 and more will be needed in the current year to close budget gaps. Universities are also being forced to hold non-faculty positions vacant, in some cases backtracking on or slowing the progress the CSU made in recent years in supporting students in their academic programs. The CSU is also putting off critical capital improvement projects, which will increase the number of deferred maintenance projects and could lead to catastrophic failure of facilities and infrastructure. Finally, while universities are working hard to minimize impacts to the academic programs, they are not retaining part-time faculty and delaying the hiring of tenure-track faculty. All these actions are necessary to address operating budget gaps but have put the CSU in a less resilient position to be able to absorb further reductions of state support without backtracking on progress made in improving student success, serving more students, and preparing those students for the future economy.

The governor's budget proposal will reverse progress made. The governor's budget proposal comes at an incredibly challenging time for the CSU. The CSU has already been faced with operating budget gaps because of rising costs and required investments in unfunded mandates. This proposal will require actions that will reverse the progress made in building up systems to support student success and properly compensate employees. Specifically, this reduction will impact every aspect of the university budget, including salaries and wages, which are 75% to 80% of operating costs for the CSU. If there is no compact funding, there will be pressure to reopen collective bargaining agreements negotiated last year. Another way to understand the magnitude of the proposed cut to the CSU are the following equivalents:

- \$375 million is approximately equivalent to the operating budget for Fresno State University that serves 24,000 students.
- \$375 million is approximately equivalent to 2,400 full-time faculty, which is nearly one-fifth of current full-time faculty.

AMENDED

FIN

Agenda Item 5

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This reduction spread across the entire system, while also serving more students, will reduce the progress made in improving student outcomes. It will also reduce the CSU's ability to serve more students in the future and make the investments needed to fulfill mandates and other aspects of the compact. More drastic and permanent reductions will be made to systems of support for students and to academic programs.

The CSU is an investment critical to the state's future success. Independent rankings have recently named the CSU the best higher education system for social mobility, naming 7 of the top 10 universities in the country for social mobility from the CSU system. CSU graduation rates rank in the 91st percentile among like universities and similar systems across the United States. More than half of CSU students are from traditionally underrepresented backgrounds, and more than one-quarter are first-generation college students. The CSU system is one of California's greatest strategic advantages for maintaining its economic strength and growing its economy. The CSU is best positioned to uniquely serve every one of its diverse economic regions. Also, the CSU has scale and is training 127,000 career-ready graduates for the workforce every year, with 80% of students continuing to live and work within a 50-mile radius of their alma mater. The CSU will continue to demonstrate that state resources allocated to it are an investment – an investment with dividends measured in social mobility, in more vital communities, and in powering California's future diverse and educated workforce.