

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY
California State University
Office of the Chancellor—Glenn S. Dumke Auditorium
401 Golden Shore
Long Beach, CA 90802

Agenda
November 15-16, 2016

Time*	Committee	Location¹
<u>Tuesday, November 15, 2016</u>		
8:00 a.m.	<u>Call to Order</u>	
8:00 a.m.	<u>Committee on Educational Policy</u> Discussion <ol style="list-style-type: none">1. Recommended Amendments to Title 5 Regarding Admission of Veterans, <i>Information</i>2. Graduation Initiative 2025, <i>Information</i>	
9:30 a.m.	<u>Committee on Finance</u> Consent <ol style="list-style-type: none">1. Approval to Issue Trustees of the California State University Systemwide Revenue Bonds and Related Debt Instruments for Projects at Monterey Bay, Sacramento and San José, <i>Action</i>2. Approval of the 2017-2018 Lottery Budget, <i>Action</i> Discussion <ol style="list-style-type: none">3. Procurement and Other Administrative Effectiveness Initiatives, <i>Information</i>4. Annual 2016-2017 Student Fee Report, <i>Information</i>5. Approval of the 2017-2018 Support Budget Request, <i>Action</i>6. Conceptual Approval of a Public-Private Partnership Project with the Los Angeles Football Club to Develop a Performance Center at California State University, Los Angeles, <i>Action</i>	
11:30 a.m.	<u>Committee on Campus Planning, Buildings and Grounds</u> Consent <ol style="list-style-type: none">1. California State University, Monterey Bay Student Union Project: Approval of the Master Plan Revision, the Amendment of the 2016-2017 Capital Outlay Program, and Schematic Plans, <i>Action</i>2. California State University, Long Beach College of Continuing and Professional Education Classroom Building Project: Approval of the Amended 2016-2017 Capital Outlay Program and Schematic Plans, <i>Action</i>3. Approval of Schematic Plans for CSU Projects at Dominguez Hills, Los Angeles, Monterey Bay, Sacramento and San José, <i>Action</i>	

¹ All committees meet in the Dumke Auditorium unless otherwise noted.

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Discussion

4. California State Polytechnic University, Pomona Student Housing Replacement Project: Certification of the Final Environmental Impact Report and Approval of the 2016 Master Plan Revision, *Action*

11:45 a.m. Joint Committees on Finance and Campus Planning, Buildings and Grounds

Discussion

1. Approval of the 2017-2018 Capital Outlay Program, 2017-2018 through 2021-2022 Five-Year Facilities Renewal and Improvement Plan, and Multi-Year Bond Authorization, *Action*

12:15 p.m. Luncheon

1:15 p.m. Joint Committees on Educational Policy and Finance

Consent

1. Academic Sustainability Plan, *Action*

1:30 p.m. Committee on Audit

Consent

1. Status Report on Current and Follow-up Internal Audit Assignments, *Information*

Discussion

2. Report on the New Organization Structure of the Office of Audit and Advisory Services, *Information*

1:45 p.m. Committee on University and Faculty Personnel

Consent

1. Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees, *Action*
2. Annual Report on Vice President Compensation, Executive Relocation, and Executive Transition, *Information*

Discussion

3. Revision of Title 5 Regulations – Amendment of California State University Conflict of Interest Code, *Action*

2:15 p.m. Committee on Governmental Relations

Discussion

1. Statement of State Legislative Principles for 2017-2018, *Information*

3:15 p.m. Committee on Institutional Advancement

Discussion

1. Naming of the Hollywood Foreign Press Association Wing – California State University, Northridge, *Action*
2. Naming of the Fowler College of Business Administration – San Diego State University, *Action*

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3:45 p.m. Joint Committees on Educational Policy and Campus Planning, Buildings and Grounds

Discussion

1. Progress Towards CSU Environmental Sustainability Goals, *Information*

Wednesday, November 16, 2016

8:00 a.m. Board of Trustees—Closed Session

Munitz Conference Room

Executive Personnel Matters

Government Code §11126(a)(1)

Pending Litigation

Burns v. SDSU

Gupta v. SFSU

Sargent v. CSU

Butts v. CSU

Lynch v. CSU

Anticipated Litigation – One Item

9:30 a.m. Committee on Collective Bargaining—Closed Session

Munitz Conference Room

Government Code §3596(d)

10:00 a.m. Committee on Collective Bargaining—Open Session

Discussion

1. Ratification of the Collective Bargaining Agreement with Bargaining Unit 11, the International Union United Automobile Aerospace and Agricultural Implement Workers of America (UAW), AFL-CIO, *Action*
2. Ratification of the Collective Bargaining Agreement with Bargaining Unit 14, the California State University Employees Union (CSUEU), SEIU Local 2579, *Action*

10:40 a.m. Committee on Organization and Rules

Consent

1. Approval of California State University Board of Trustees' Meeting Dates for 2018, *Action*

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10:45 a.m. Board of Trustees

Call to Order

Roll Call

Public Speakers

Chair's Report

Chancellor's Report

Report of the Academic Senate CSU: *Chair—Christine Miller*

Report of the California State Student Association: *President—David Lopez*

Report of the California State University Alumni Council: *President—Dia S. Poole*

Board of Trustees

Consent

Approval of the Minutes of the Board of Trustees Meeting of September 21, 2016
Approval of Committee Resolutions as follows:

Committee on Finance

1. Approval to Issue Trustees of the California State University Systemwide Revenue Bonds and Related Debt Instruments for Projects at Monterey Bay, Sacramento, and San José
2. Approval of the 2017-2018 Lottery Budget
5. Approval of the 2017-2018 Support Budget Request
6. Conceptual Approval of a Public-Private Partnership Project with the Los Angeles Football Club to Develop a Performance Center at California State University, Los Angeles

Committee on Campus Planning, Buildings and Grounds

1. California State University, Monterey Bay Student Union Project: Approval of the Master Plan Revision, the Amendment of the 2016-2017 Capital Outlay Program, and Schematic Plans
2. California State University, Long Beach College of Continuing and Professional Education Classroom Building Project: Approval of the Amended 2016-2017 Capital Outlay Program and Schematic Plans
3. Approval of Schematic Plans for CSU Projects at Dominguez Hills, Los Angeles, Monterey Bay, Sacramento and San José
4. California State Polytechnic University, Pomona Student Housing Replacement Project: Certification of the Final Environmental Impact Report and Approval of the 2016 Master Plan Revision

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Joint Committees on Finance and Campus Planning, Buildings and Grounds

1. Approval of the 2017-2018 Capital Outlay Program, 2017-2018 through 2021-2022 Five-Year Facilities Renewal and Improvement Plan, and Multi-Year Bond Authorization

Joint Committees on Educational Policy and Finance

1. Academic Sustainability Plan

Committee on University and Faculty Personnel

1. Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees
3. Revision of Title 5 Regulations – Amendment of California State University Conflict of Interest Code

Committee on Institutional Advancement

1. Naming of the Hollywood Foreign Press Association Wing – California State University, Northridge
2. Naming of the Fowler College of Business Administration – San Diego State University

Committee on Organization and Rules

1. Approval of California State University Board of Trustees' Meeting Dates for 2018

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Addressing the Board of Trustees

Members of the public are welcome to address agenda items that come before standing and special meetings of the board, and the board meeting. Comments should pertain to the agenda or university-related matters and not to specific issues that are the subject of collective bargaining, individual grievances or appeals, or litigation. Written comments are also welcome and will be distributed to the members of the board. The purpose of public comments is to provide information to the board, and not to evoke an exchange with board members. Questions that board members may have resulting from public comments will be referred to appropriate staff for response.

Members of the public wishing to speak must provide written or electronic notice to the Trustee Secretariat by **two working days before the committee or board meeting** at which they desire to speak. The notice should state the subject of the intended presentation. An opportunity to speak before the board on items that are on a committee agenda will only be provided where an opportunity was not available at that committee, or where the item was substantively changed by the committee.

In fairness to all speakers who wish to speak, and to allow the committees and Board to hear from as many speakers as possible, while at the same time conducting the public business of their meetings within the time available, the committee or board chair will determine and announce reasonable restrictions upon the time for each speaker, and may ask multiple speakers on the same topic to limit their presentations. In most instances, speakers will be limited to no more than three minutes. The totality of time allotted for public comment at the board meeting will be 30 minutes, and speakers will be scheduled for appropriate time in accord with the numbers that sign up. Speakers are requested to make the best use of the public comment opportunity and to follow the rules established.

Note: Anyone wishing to address the Board of Trustees, who needs any special accommodation, should contact the Trustee Secretariat at least 48 hours in advance of the meeting so appropriate arrangements can be made.

Trustee Secretariat
Office of the Chancellor
401 Golden Shore, Suite 136
Long Beach, CA 90802
Phone: 562-951-4020
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E-mail: trusteesecretariat@calstate.edu

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AGENDA

COMMITTEE ON EDUCATIONAL POLICY

Meeting: 8:00 a.m., Tuesday, November 15, 2016
Glenn S. Dumke Auditorium

Lillian Kimbell, Chair
Jane W. Carney, Vice Chair
Silas H. Abrego
Douglas Faigin
Debra S. Farar
Jean P. Firstenberg
Thelma Meléndez de Santa Ana
Steven G. Stepanek
Maggie K. White

Consent Item

Approval of Minutes of the Meeting of September 20, 2016

Discussion Items

1. Recommended Amendments to Title 5 Regarding Admission of Veterans, *Information*
2. Graduation Initiative 2025, *Information*

**MINUTES OF MEETING OF
COMMITTEE ON EDUCATIONAL POLICY**

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

September 20, 2016

Members Present

Lillian Kimbell, Chair
Jane W. Carney, Vice Chair
Rebecca D. Eisen, Chair of the Board
Douglas Faigin
Debra S. Farar
Jean P. Firstenberg
Thelma Meléndez de Santa Ana
Steven G. Stepanek
Maggie K. White
Timothy P. White, Chancellor

Trustee Kimbell called the meeting to order.

Approval of Minutes

The minutes of July 19, 2016 were approved as submitted.

Research, Scholarship and Creative Activities

An overview of research, scholarship and creative activities was introduced by Dr. Loren Blanchard, executive vice chancellor for academic and student affairs and presented by Dr. Ganesh Ramen, assistant vice chancellor of research. The significance of research stretches from enhancing students educational experiences and academic rigor to solving the complex needs of our communities and placing our innovative faculty at the forefront of their discipline through teaching, publishing and securing external funding and awards.

Highlights of a number of campus research, scholarship and creative activities were displayed, including the \$61 million National Institute of Health funded Building Infrastructure Leading to Diversity (BUILD) grants by Long Beach, Northridge and San Francisco. This grant prepares graduates from underrepresented backgrounds for bio-medical research careers and graduate school. Overall, campus efforts generated over \$567 million in external grants and contracts for 2014-2015 for innovative projects and programs that benefit our communities and prepare students for the 21st century careers.

Additionally, a number of multi-campus research models are evident throughout the system to share expertise, initiatives, facilities and resources in scholarly publishing and advancing practice, technology, facilities and knowledge. This high impact practice leads intellectual and creative vibrancy of the campus to offer solutions for real world challenges.

Graduation Initiative 2025

The final CSU systemwide Graduation 2025 goals were presented by Dr. Loren Blanchard, executive vice chancellor for academic and student affairs and Jeff Gold, senior director for academic technology services. After comprehensive reflection on the goals established in 2009, the system reorganized tremendous improvement in student success, exceeding their original goals, achieving their highest graduation rates in recent history.

The committee also acknowledged Assembly Bill 1602 in the development of the goals:

- Increase four-year freshman graduation rates to above the four-year freshman graduation rates for students at other postsecondary educational institutions;
- Increase the two-year transfer graduation rate to above the two-year transfer graduation rate for students at other postsecondary educational institutions; and
- Close achievement gaps on four-year freshman and two-year transfer graduation rates for low-income, underrepresented and first generation students.

The committee began their process by reviewing data for similar institutions throughout the nation via Education Trusts website, *College Results Online*. A web-based visualization tool was developed: www.calstate.edu/CSUPeers

The recommendations included that each CSU campus develop their own complete goals based upon: 1) the average of their top five peer comparators and 2) growth rates in graduation rates should be equal to the annual improvement made by each CSU campus top-five peers over the last five years. Upper and lower limitations were applied to each campus with freshmen and transfer 4-year and 6-year goals as follows:

- Freshman, four year graduation goal is 40%, up from 19% in 2015. Six-year graduation goal is 70%, up from 57% in 2015.
- Transfer, two year graduation goal is 45%, up from 31% in 2015. Four-year graduation goal is 85%, up from 73% in 2015.
- Achievement gap goals for 2025 will be zero.

Campuses have provided campus plans for how they will achieve these goals and it is estimated to cost between \$400-500 million to meet the Graduation 2025 Initiative. The Board of Trustees was extremely supportive and complimented the committee on their process approach in how they determined the goals set for the system. However, there was concern expressed that the goals should be re-evaluated if sufficient funding is not provided by the State.

A Graduation Symposium followed the Board of Trustees meeting that highlighted campus best practices and served as the kickoff for the 2025 Graduation Initiative. The symposium included campus leadership teams, trustees, student leaders, Chancellor's Office staff and a numerous community partners.

Trustee Kimbell adjourned the Committee on Educational Policy.

COMMITTEE ON EDUCATIONAL POLICY

Recommended Amendments to Title 5 Regarding Admission of Veterans

Presentation By

Loren J. Blanchard
Executive Vice Chancellor
Academic and Student Affairs

Patrick O'Rourke
Director
Active Duty and Veterans Affairs

Summary

The CSU has a long-standing commitment to serving active duty military, veterans and their dependents. In spring 2016, there were nearly 8,000 veteran and military students and an additional 11,000 military dependents enrolled across the system.

Currently, Title 5 language regarding the admission of veterans references outdated sections of federal law which specify dates of military service as 1955 to 1977. This item will update the definition of "eligible veteran," removing outdated language and replacing it with comprehensive language that is inclusive of all veterans, and bring the California State University (CSU) into alignment with current federal regulations.

The proposed new definition of "eligible veteran," applicable to Title 5 sections 40756.1 and 40805.1, is based on section 3.1 of Title 38 of the Code of Federal Regulations, which provides as follows:

- (a.) Armed Forces means the United States Army, Navy, Marine Corps, Air Force, and Coast Guard, including their Reserve components.
- (b.) Reserve component means the Army, Naval, Marine Corps, Air Force, and Coast Guard Reserves and the National and Air National Guard of the United States.
- (c.) Reserves means members of a Reserve component of one of the Armed Forces.
- (d.) Veteran means a person who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable.

Additionally, this item introduces language to Section 40805.1 that will permit the CSU to admit eligible veterans regardless of the number of transferable units earned. More than 95 percent of CSU undergraduate student veterans transfer to a CSU from a community college, making this an important change to ensure we are best serving our veterans and military students.

These proposed changes to Title 5 allow the CSU to continue its commitment to the success of our veterans and military students. An item will be presented at the January 2017 meeting for board action to adopt the following recommended changes to Title 5.

Title 5. Education
Division 5 – Board of Trustees of the California State Universities
Chapter 1 – California State University
Subchapter 3 – Admission Requirements
Article 4. Admission as First-Time Freshman

§ 40756.1 Veterans.

An applicant who is not otherwise eligible under the provisions of this Article may be admitted to a campus as a first-time freshman if the applicant is an eligible veteran ~~as that term is defined in subdivision (a) (1) of Section 1652, Title 38, United States Code~~ and if the applicant is a California resident. Eligible veteran means a person who served in the active Armed Forces or Reserve Component who was discharged or released under conditions other than dishonorable. Armed Forces means the United States Army, Navy, Marine Corps, Air Force, and Coast Guard, including their Reserve components. Reserve Component means the Army, Naval, Marine Corps, Air Force, and Coast Guard Reserves and the National and Air National Guard of the United States. The Chancellor is authorized to establish and from time to time to revise procedures appropriate for the administration of this section.

Note: Authority cited: Sections 66600, 89030 and 89035, Education Code. Reference: Sections 66600 and 89030, Education Code. Reference: 38 C.F.R. § 3.1.

Title 5. Education
Division 5 – Board of Trustees of the California State Universities
Chapter 1 – California State University
Subchapter 3 – Admission Requirements
Article 5 – Admission as an Undergraduate Transfer

§ 40805.1. Veterans.

An applicant who does not meet the requirements of Sections 40803, 40804 and 40805, but who has completed less than 60 accredited units of college transfer work may be admitted to a campus under the requirements for a first-time freshman if the applicant is an eligible veteran and a California resident. Additionally, an eligible veteran who has completed 60 semester (90 quarter) units or more of transferable college credit, and who is not otherwise eligible under the provisions of this Article may be admitted. The exception to this rule is Section 40759, Early Admission.

An applicant who is not eligible for admission as a first-time freshman on the basis of the admission requirements in effect at the time of application for admission as an undergraduate transfer, who has not completed ~~56 semester (84 quarter) units of college credit for admission prior to fall term 2005 and~~ 60 semester (90 quarter) units of college credit ~~commencing with admission to the fall 2005 term,~~ and who is not otherwise eligible under the provisions of this Article, may be admitted to a campus as an undergraduate transfer; ~~provided, that the applicant is an “eligible veteran” as that term is defined in subdivision (a)(1) of Section 3452, Title 38, United States Code and~~ if the applicant is an eligible veteran and a California resident.

Eligible veteran means a person who served in the active Armed Forces or Reserve Component who was discharged or released under conditions other than dishonorable. Armed Forces means the United States Army, Navy, Marine Corps, Air Force, and Coast Guard, including their Reserve components. Reserve Component means the Army, Naval, Marine Corps, Air Force, and Coast Guard Reserves and the National and Air National Guard of the United States. The Chancellor is authorized to establish and from time to time revise procedures appropriate for the administration of this section.

NOTE: Authority cited: Sections 66600, 89030 and 89035, Education Code. Reference: Sections 66600 and 89030, Education Code. Reference: 38 C.F.R. § 3.1.

COMMITTEE ON EDUCATIONAL POLICY

Graduation Initiative 2025

Presentation By

Loren J. Blanchard
Executive Vice Chancellor
Academic and Student Affairs

Jeff Gold
Assistant Vice Chancellor
Student Success Strategic Initiatives

James T. Minor
Senior Strategist
Academic Success and Inclusive Excellence

Summary

Graduation Initiative 2025 is the California State University's (CSU) signature effort aimed at increasing degree completion rates and eliminating achievement gaps, thereby ensuring student success and meeting the future workforce needs of the State of California. This report is designed to provide an update on Graduation Initiative 2025 as well as highlight several activities that the system office and campuses have undertaken to chart a course for achieving the new graduation rates and equity goals.

Background

At the September 2016 Board of Trustees meeting, the Board heard a detailed report on Graduation Initiative 2025 and voted to approve the CSU's ambitious student completion and equity targets, which include:

- A 40 percent 4-year freshman graduation rate goal;
- A 70 percent 6-year freshman graduation rate goal;
- A 45 percent 2-year transfer graduation rate goal;
- An 85 percent 4-year transfer graduation rate goal;
- The elimination of achievement gaps throughout the CSU; and,
- The elimination of opportunity gaps (the gaps that exists between Pell-eligible students and their peers) throughout the CSU.

Recent Updates

Immediately following the September 2016 Board of Trustees meeting, the Chancellor's Office hosted the first annual Graduation Initiative Student Success Symposium on September 21-22, 2016. This event provided campuses an opportunity to share best practices, hear from national experts and engage in cross-system conversations aimed at student success.

In late October, the State of California approved and distributed \$35 million in one-time funds to support campus Graduation Initiative 2025 efforts, based on plans submitted by campuses in September. The Chancellor's Office is currently working with campuses to develop a common set of accountability metrics to demonstrate the effective use of this funding, with the goal of making a compelling argument for consistent baseline funding.

Campus-Driven Initiatives

CSU campuses have begun implementing the plans they submitted in September, with a primary emphasis on initiatives that will impact students currently on track to graduate in 2.5 or 4.5 years. These plans include specific steps campuses will take to close achievement gaps. For example, several campuses are actively engaged in efforts to redesign the first-year experience to make it more inclusive of students from different backgrounds. Campuses are also improving their data capacity to identify impediments that prevent our most underserved students from progressing at the same rate as their peers.

Systemwide Initiatives

The Chancellor's Office has outlined a number of systemwide areas that should be evaluated as potential opportunities for removing barriers to student success. These include:

Reviewing Graduation Procedures

Separate and apart from the academic requirements for graduation, campuses have a set of procedures and timelines that students must follow in order to be eligible to graduate. The Chancellor's Office is working to identify and remove these kinds of administrative barriers that impede timely degree completion. Procedures, such as those related to applying for graduation, that are found to provide little value will be eliminated as one means of facilitating efficient degree completion.

Reviewing Drop-for-Non-Payment Policies

Stringent drop-for-non-payment and registration-hold policies can also derail a student's timely completion. The Chancellor's Office will review drop-for-non-payment policies and consult with

stakeholders to seek fiscally responsible but flexible policy modifications that will help a greater number of students graduate. The goal is not for campuses to underwrite unpaid balances or forego revenue but to find creative ways to keep students on track to graduate.

One example is Georgia State University's Panther Grant program. The program uses micro-grants, typically in amounts less than \$1,000, to retain low-income students who have trouble covering the cost of attendance. Nationally, grants such as these have been shown to boost retention and graduation rates among low-income first-generation students. Georgia State University, an urban public comprehensive university with 32,000 students (58 percent of whom are Pell-eligible) is the only institution of its size that has closed the achievement gap for Pell-eligible and underrepresented students. Research has shown that this program's removal of financial barriers has played a key role in closing Georgia State's achievement gap.

Funding High-Demand Courses as a Priority

Access to the courses students need, when they need them, has a substantial impact on time to degree and completion. The Graduation Initiative 2025 goal of graduating a greater number of students will intensify the demand for courses as we encourage students who can, to take 15 units per term. Funding additional sections of high-demand courses is critical, as is using smarter scheduling to maximize the sections available. The Chancellor's Office is working with campuses to:

- Improve our predictive capability to identify high-demand courses ahead of scheduling cycles;
- Expand the use of summer and intersessions;
- Examine financial incentives that might impede or improve course availability; and,
- Recast CourseMatch—The CSU website that gives students access to online courses available across the CSU system—to ensure a greater number of online courses are visible and available to students during registration periods.

Addressing High-enrollment, High-failure Rate Courses

For the past five years, the Chancellor's Office has developed a systemwide program—the Course Redesign with Technology program—to enhance the use of technology to improve the teaching and learning experience. As we align this program with the Graduation Initiative 2025 goals we are working with faculty to refocus program resources to address courses with high-enrollment and high-failure rates without compromising academic rigor. These courses are predominantly taught in the first year and disproportionately affect our underserved population, impeding progress toward degree.

Faculty and High School Dashboards Deepen Partner Engagement

Achievement of the Graduation Initiative 2025 goals will require much collaboration. To date, we have been successful using institutional-level data via the CSU Student Success Dashboard to learn more about how to advance student success. This summer we launched the Faculty Dashboard, which provides CSU faculty with recent and historical data on the students who make up their majors, allowing the faculty to see which courses students are struggling with, where there are achievement gaps in course performance and if they are on track for earning a degree. This dashboard is currently serving nine campuses, with three more to be added soon.

This fall we also developed the High School Dashboard (www.calstate.edu/highschool), which connects high school actions and activities to the long-term academic success of their students. The High School Dashboard, which covers the more than 2,300 public and private California high schools that have sent students to a CSU campus, allows high schools to see data on their CSU-bound graduates, particularly their level of math and English preparedness and ultimately how many earned their degrees from the CSU.

These dashboards will soon be complemented by a Community College Dashboard that will serve California's Community Colleges.

2016 Preliminary Graduation Rate Data

As we work toward the Graduation Initiative 2025 goals, we will be tracking our annual progress. While the data are not final, preliminary graduation rate figures based on the 2015-2016 academic year indicate that we will continue an upward trajectory for graduation rates. The freshman four-year graduation rate increased from 19 percent in 2015 to 21 percent estimated for 2016, while the freshman six-year graduation rate increased from 57 percent in 2015 to 59 percent estimated for 2016. The graduation rate for transfer students rose as well.

This is positive news regarding graduation rates; however, a small increase in the achievement gap and between Pell-eligible students and their peers make it clear that we will need to fortify our efforts in that area. We fully expect to achieve record-high graduation rates for CSU students of all backgrounds. However, closing these gaps while at the same time continuing the momentum with our graduation rates will require us to think creatively and behave differently as institutions and as systems of institutions. Plans underway at the campus and being led by the Chancellor's Office specifically address closing the achievement gap. We will continue to work with our partners and other key stakeholders to identify additional avenues for collaborative action-oriented approaches to meeting our graduation and equity goals.

AGENDA

COMMITTEE ON FINANCE

Meeting: 9:30 a.m., Tuesday, November 15, 2016
Glenn S. Dumke Auditorium

Peter J. Taylor, Chair
Debra S. Farar, Vice Chair
Jane W. Carney
Adam Day
Jean P. Firstenberg
Hugo N. Morales
Lateefah Simon

Consent Items

Approval of Minutes of the Meeting of September 20, 2016

1. Approval to Issue Trustees of the California State University Systemwide Revenue Bonds and Related Debt Instruments for Projects at Monterey Bay, Sacramento and San José, *Action*
2. Approval of the 2017-2018 Lottery Budget, *Action*

Discussion Items

3. Procurement and Other Administrative Effectiveness Initiatives, *Information*
4. Annual 2016-2017 Student Fee Report, *Information*
5. Approval of the 2017-2018 Support Budget Request, *Action*
6. Conceptual Approval of a Public-Private Partnership Project with the Los Angeles Football Club to Develop a Performance Center at California State University, Los Angeles, *Action*

**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**

September 20, 2016

Members Present

Peter Taylor, Chair
Debra Farar, Vice Chair
Jane W. Carney
Adam Day
Jean P. Firstenberg
Lupe C. Garcia
Hugo N. Morales
Lateefah Simon
Rebecca Eisen, Chair of the Board
Timothy P. White, Chancellor

Trustee Peter Taylor called the meeting to order.

Public Comments

Mr. Pat Gantt, CSUEU President, commended the board on its on-going budget request and addressing compensation. Mr. Gantt also pointed out that there might be an opportunity for one-time funding requests from the state legislature.

Approval of Minutes

The minutes of the July 19, 2016 meeting were approved as submitted.

2017-2018 Lottery Budget

Trustee Taylor presented agenda item 1 as a consent information item.

Approval to Issue Trustees of the California State University Systemwide Revenue Bonds and Related Debt Instruments for Projects at California State University, Sacramento

Mr. Robert Eaton, Assistant Vice Chancellor for Financing, Treasury, and Risk Management, presented the request for financing through the CSU's Systemwide Revenue Bond and commercial paper programs to fund the University Union Renovation and Expansion, Phase I project at the Sacramento campus. President Robert Nelsen described the impact this project will have on the daily lives of students and their sense of belonging on campus.

Fin.

Trustee Rebecca Eisen voiced her appreciation for hearing the importance of buildings like this student union to the campus community. Trustee Douglas Faigin encouraged more projects that did not utilize operating funds.

The committee recommended Approval to Issue Trustees of the California State University Systemwide Revenue Bonds and Related Debt Instruments for Projects at California State University, Sacramento (RFIN 09-16-10).

Planning for the 2017-2018 Support Budget

Mr. Steve Relyea, Executive Vice Chancellor and Chief Financial Officer, introduced the information item. Mr. Ryan Storm, Assistant Vice Chancellor for Budget reviewed the budget planning process, presented the preliminary support budget plan for the 2017-2018 fiscal year, and solicited feedback from the board for inclusion in the final draft of the budget plan to be presented at the November 2016 meeting.

Trustee Peter Taylor posed a question regarding limiting enrollment growth if the state does not approve the additional funding request. Mr. Relyea responded that if the CSU does not receive the necessary funding, he would recommend that enrollment not be expanded. Trustee Taylor expressed appreciation for the presentation on the incremental support budget request and asked for a holistic view of the budget at the November meeting.

Trustee Jane Carney requested clarification on if the \$75 million allocated for Graduation Initiative 2025 would cover the entire costs and, if not, the CSU should request the full academic year funding from the state. Trustee Carney also requested more information on the efficiencies generated by the Graduation Initiative. Dr. Loren Blanchard, Executive Vice Chancellor for Academic and Student Affairs stated that the budget implications as a result of the Graduation Initiative have not yet been calculated, but it is work that will be done.

Trustee Adam Day stated that the CSU needs to be creative and collaborative to ensure a sustainable model as the system moves forward with ambitious and aggressive new priorities.

Trustee Maggie White expressed concern with the effect a potential tuition increase may have on access and affordability. Trustee Douglas Faigin inquired if a tuition increase proposal would be brought to the board at the November meeting. Mr. Relyea responded that it would be prudent to have all options available at this time and that the board will hear an information item at its November meeting on the option for a possible tuition increase. The board could act on that option at the January meeting. Trustee Faigin stated that if there is a tuition increase proposal, the board needs to understand the rationale for the increase as well as more information on the entire budget and not just the incremental budget. In response to Trustee Faigin, Chancellor Timothy P. White stated that all options are being considered and will not be taken off prematurely.

Trustee John Nilon requested more information on the CSU's philanthropic development efforts. Mr. Relyea stated that the presidents are making increased investments in this area by hiring more staff and reprioritizing programs. Chancellor White added that last year's fundraising efforts reached all-time highs.

Final Approval of a Public-Public Partnership Project for the Development of a Public Charter School at California State University, Monterey Bay

Mr. Relyea introduced this public-public partnership that will develop a new public charter school on the Monterey Bay campus. President Eduardo Ochoa shared the long-standing relationship of campus and the Monterey Bay Charter School and how this project will strengthen that relationship and further advance the university's mission. Mr. Eaton provided details of the public-public partnership.

The committee recommended Final Approval of a Public-Public Partnership Project for the Development of a Public Charter School at California State University, Monterey Bay (RFIN 09-16-11).

California State University Annual Investment Report

Mr. Eaton presented the annual investment report for fiscal year 2015-2016 for funds managed under the CSU Investment Policy.

Presentation on Debt Management at the California State University

Mr. Eaton gave an overview of the CSU Systemwide Revenue Bonds program and explained how the CSU manages debt to make optimal use of its debt capacity to meet the university's extensive capital needs.

In response to Trustee Taylor's question on why hedging techniques are not included in the options being considered, Mr. Eaton responded that the options presented are the options to be considered first, however, hedging instruments could also be considered. Trustee Carney requested that in future presentations debt capacity for auxiliaries and state operating funds be presented separately.

Trustee Taylor adjourned the meeting on Finance Committee.

COMMITTEE ON FINANCE

Approval to Issue Trustees of the California State University, Systemwide Revenue Bonds and Related Debt Instruments for Projects at Monterey Bay, Sacramento, and San José

Presentation By

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

Summary

This item requests the California State University Board of Trustees to authorize the issuance of long term Systemwide Revenue Bonds (SRB) and related debt instruments, including shorter term and variable rate debt, floating and fixed rate loans placed directly with banks, and the issuance of bond anticipation notes (BANs) to support interim financing under the commercial paper (CP) program, in an aggregate amount not-to-exceed \$169,395,000 to provide financing for three campus projects:

1. California State University, Monterey Bay Student Union
2. California State University, Sacramento Parking Structure V
3. San Jose State University Student Recreation and Aquatic Center

The board is being asked to approve resolutions related to these financings.

Background

The Systemwide Revenue Bond program provides capital financing for projects of the California State University – student housing, parking, student union, health center, continuing education facilities, certain auxiliary projects, and other projects, including academic facilities, approved by the CSU Board of Trustees. Revenues from these programs and revenues approved by the board, including CSU operating funds, are used to meet operational requirements for the projects and to pay debt service on the bonds issued to finance the projects. The strength of the SRB program is its consolidated pledge of gross revenues to the bondholders, which has resulted in strong credit ratings and low borrowing costs for the CSU. Prior to issuance of bonds, some projects are funded through BANs issued by the CSU in support of its CP program. The BANs are provided to the CSU Institute, a recognized systemwide auxiliary organization, to secure the CSU Institute's issuance of CP, proceeds from which are used to fund the projects. CP notes provide greater financing flexibility and lower short-term borrowing costs during project construction than would be available with long term bond financing. Proceeds from the issuance of bonds are then used to retire outstanding CP and provide any additional funding not previously covered by CP.

1. California State University, Monterey Bay Student Union

The California State University, Monterey Bay Student Union project is also being presented to the board for approval of the amendment of the Capital Outlay program and schematics during the Committee on Campus Planning, Buildings and Grounds. The student union project will include a 69,200 gross square foot facility in support of student groups and activities. The facility will provide meeting and gathering spaces, dining services, and a bookstore. The project will be funded from student body center fees, under the student union program, which have been approved based upon student input.

The not-to-exceed par amount of the proposed bonds is \$54,470,000 and is based on a total budget of \$55,558,000 with a student union reserve contribution of \$10,000,000. Additional net financing costs, such as capitalized interest and cost of issuance (estimated at \$8,912,000), are expected to be funded from bond proceeds. The project is scheduled to start construction in March 2018 with completion expected in September 2019.

The following table summarizes key information about this financing transaction.

Not-to-exceed amount	\$54,470,000
Amortization	Approximately level over 30 years
Projected maximum annual debt service	\$3,530,600
Projected debt service coverage including the new project:	
Net revenue – Monterey Bay pledged revenue programs: ¹	2.70
Net revenue – Projected for the campus student union program:	1.15

1. Based on campus projections of 2020-2021 operations of the project with expected full debt service.

The not-to-exceed amount for the project, the maximum annual debt service, and the ratios above are based on an all-in interest cost of 5.28 percent, inclusive of a cushion for changing financial market conditions that could occur before the permanent financing bonds are sold. The financial plan includes level amortization of debt service, which is the CSU program standard. The campus financial plan projects student union program net revenue debt service coverage of 1.15 in 2020-2021, the first full year of operations, which exceeds the CSU benchmark of 1.10 for the program. When combining the project with projected information for all campus pledged revenue programs, the campus’ overall net revenue debt service coverage for the first full year of operations is projected to be 2.70, which exceeds the CSU benchmark of 1.35.

2. California State University, Sacramento Parking Structure V

The California State University, Sacramento Parking Structure V was approved by the board for amendment of the Non-State Capital Outlay program in the January 2016 meeting of the

Committee on Campus Planning, Buildings and Grounds. It is also being presented at this November 2016 meeting for schematic approval. The project is a five story parking structure with approximately 1,750 parking spaces to replace an equivalent number of spaces lost to current and proposed construction projects. The project will be located on the existing Parking Lot 1 in the northwest area of campus.

The not-to-exceed par amount of the proposed bonds is \$22,685,000 and is based on a total budget of \$42,065,000 with a parking reserve contribution of \$21,000,000. Additional net financing costs, such as capitalized interest and cost of issuance (estimated at \$1,620,000), are expected to be funded from bond proceeds. The project is scheduled to start construction in June 2017 with completion expected in January 2018.

The following table summarizes key information about this financing transaction.

Not-to-exceed amount	\$22,685,000
Amortization	Approximately level over 25 years
Projected maximum annual debt service	\$1,560,906
Projected debt service coverage including the new project:	
Net revenue – Sacramento pledged revenue programs: ¹	1.75
Net revenue – Projected for the campus parking program:	1.63

1. Based on campus projections of 2018-2019 operations of the project with expected full debt service.

The not-to-exceed amount for the project, the maximum annual debt service, and the ratios above are based on an all-in interest cost of 4.93 percent, inclusive of a cushion for changing financial market conditions that could occur before the permanent financing bonds are sold. The financial plan includes level amortization of debt service, which is the CSU program standard. The campus financial plan projects parking program net revenue debt service coverage of 1.63 in 2018-2019, the first full year of operations, which exceeds the CSU benchmark of 1.10 for the program. When combining the project with projected information for all campus pledged revenue programs, the campus' overall net revenue debt service coverage for the first full year of operations is projected to be 1.75, which exceeds the CSU benchmark of 1.35.

3. San José State University Student Recreation and Aquatic Center

The San José State University Student Recreation and Aquatic Center was approved by the board as part of the 2016-2017 through 2020-2021 Capital Improvement Plan and is also being presented for schematic approval during the Committee on Campus Planning, Buildings and Grounds. The project provides approximately 121,100 gross square feet and the Student Recreation Center component includes a three-court gymnasium, a multi-use activity court, weight and fitness center, multipurpose exercise rooms, a rock climbing wall, juice bar/vending area, and space for club

sports organizations and storage. The Aquatic Center includes a competition pool, recreation pool, deck space, and related pool maintenance support spaces. The project will be funded from student body center fees, under the student union program, which have been approved based upon student input.

The not-to-exceed par amount of the proposed bonds is \$92,240,000 and is based on a total budget of \$131,629,000 with a student union reserve contribution of \$51,000,000. Additional net financing costs, such as capitalized interest and cost of issuance (estimated at \$11,611,000), are expected to be funded from bond proceeds. The project is scheduled to start construction in December 2016 with completion expected in March 2019.

The following table summarizes key information about this financing transaction.

Not-to-exceed amount	\$92,240,000
Amortization	Approximately level over 30 years
Projected maximum annual debt service	\$6,024,465
Projected debt service coverage including the new project: Net revenue – San Jose pledged revenue programs: ¹	1.28
Net revenue – Projected for the campus student union program:	1.34

1. Based on campus projections of 2019-2020 operations of the project with expected full debt service.

The not-to-exceed amount for the project, the maximum annual debt service, and the ratios above are based on an all-in interest cost of 5.24 percent inclusive of a cushion for changing financial market conditions that could occur before the permanent financing bonds are sold. The financial plan includes level amortization of debt service, which is the CSU program standard. The campus financial plan projects student union program net revenue debt service coverage of 1.34 in 2019-2020, the first full year of operations, which exceeds the CSU benchmark of 1.10 for the program. When combining the project with projected information for all campus pledged revenue programs, the campus' overall net revenue debt service coverage for the first full year of operations is projected to be 1.28 which is below the CSU benchmark of 1.35. However, the ratio is projected to exceed the campus benchmark in the second year of operations and continue to improve thereafter; therefore, staff recommends approval of the project.

Trustee Resolutions and Recommendation

Orrick, Herrington & Sutcliffe LLP, as bond counsel, is preparing resolutions to be presented at this meeting that authorize interim and permanent financing for the projects described in this agenda. The proposed resolutions will be distributed at the meeting and will achieve the following:

1. Authorize the sale and issuance of Systemwide Revenue Bond Anticipation Notes, and/or the related or stand-alone sale and issuance of the Trustees of the California State University Systemwide Revenue Bonds, and/or the issuance of related debt instruments, including shorter term debt, variable rate debt, floating rate loans placed directly with banks, or fixed rate loans placed directly with banks, in an aggregate amount not-to-exceed \$169,395,000 and certain actions relating thereto.
2. Provide a delegation to the chancellor; the executive vice chancellor and chief financial officer; the assistant vice chancellor, Financial Services; and the assistant vice chancellor, Financing, Treasury, and Risk Management; and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

Approval of the financing resolutions for the project as described in this Agenda Item 1 of the Committee on Finance at the November 15-16, 2016, meeting of the CSU Board of Trustees is recommended for:

California State University, Monterey Bay Student Union

California State University, Sacramento Parking Structure V

San José State University Student Recreation and Aquatic Center

COMMITTEE ON FINANCE

Approval of the 2017-2018 Lottery Budget

Presentation By

Ryan Storm
Assistant Vice Chancellor
Budget

Summary

The lottery budget proposal for 2017-2018 is presented to the California State University Board of Trustees for approval as an action item. The total budget is the same as the preliminary budget included as an information item in the committee's September 2016 agenda. Minor changes were made in the distribution of funds to return the program administration budget to the prior year level and to increase funding to campus-based programs.

Background

The Lottery Act allows for the expenditure of lottery receipts for public education. The Lottery Act states that funds are "exclusively for the education of pupils and students" and that no funds be used for non-instructional purposes, such as the acquisition of real property, construction of facilities, or financing research. To that end, the CSU has adopted guidelines to ensure that lottery funds are used only in support of instruction or instruction-related purposes. Over the past five years, annual CSU Lottery Fund receipts have averaged \$45 million.

Each year, the board adopts a systemwide lottery budget that incorporates CSU guidelines and adheres to Lottery Act provisions. Approximately 90 percent of anticipated lottery receipts are allocated directly to campuses for instruction-related programs and activities. Remaining funds are allocated for CSU programs that assist student education across the system. The Chancellor's Office uses about 1.3 percent of lottery resources to centrally manage lottery fund operations and meet reporting requirements.

The board has delegated to the chancellor oversight of the lottery budget, including the deposit, control, investment, and expenditure of lottery funds.

2017-2018 Lottery Budget Proposal

Total lottery receipts available to the CSU in 2017-2018 are estimated to be \$50.5 million. After setting aside \$5 million as a reserve to assist with cash-flow variations in quarterly lottery receipts

and other economic uncertainties, the \$45.6 million 2017-2018 lottery budget proposal remains principally designated for campus-based programs and three systemwide programs that have traditionally received annual lottery funding support. A fourth systemwide program, the newly-created DREAM Loan program, was initially funded with \$1 million in 2016-2017 and \$1 million is again proposed for 2017-2018. The proposed budget also increases funding for the CSU Summer Arts Program by \$300,000 for additional operating expenses and program expansion, as it relocates from CSU Monterey Bay back to CSU Fresno.

Systemwide Programs

Approximately \$5.9 million will be allocated for systemwide programs and administration costs:

- Dream Loan Program (\$1.0 million) provides loans to students who satisfy specified academic, enrollment, and high school graduation requirements.
- Chancellor's Doctoral Incentive Program (\$2.0 million) provides financial assistance to graduate students to complete doctoral study in selected disciplines of particular interest and relevance to the CSU.
- California Pre-Doctoral Program (\$814,000) supports CSU students who aspire to earn doctoral degrees and who have experienced economic and educational disadvantages.
- CSU Summer Arts Program (\$1.5 million) offers academic credit courses in the visual, performing, and literary arts.
- Administration of Lottery Fund & System Programs (\$607,000) provides Lottery Fund and program administration functions.

Campus-Based Programs

The remaining \$39.6 million in 2017-2018 lottery receipts will continue to be used for campus-based programs (\$31.6 million) and for Early Start Program fee waivers (\$8.0 million). Campus-based program funding allows presidents flexibility in meeting unique campus needs. Traditionally, projects receiving lottery funds have included the replacement and purchase of new instructional equipment, curriculum development, and scholarships. The Chancellor's Office will work with campuses over the remainder of the year to allocate the \$5 million one-time systemwide reserve for innovative campus-based programs that support Graduation Initiative 2025 efforts. Early Start Program funds provide campus-based financial aid as need-based fee waivers to ensure that student financial hardship is not a barrier to enrollment in the Early Start summer curriculum. The program serves first-time freshmen students who need additional college preparation in math and/or English and take courses during the summer term prior to matriculation at any of the CSU campuses.

The CSU Lottery Budget proposed for 2017-2018 is as follows:

2016-2017 Adopted and 2017-2018 Proposed Lottery Budget		
	2016-17 Adopted Budget	2017-18 Proposed Budget
Sources of Funds		
Beginning Reserve	\$ 5,000,000	\$ 5,000,000
Receipts	44,163,000	45,565,000
Total Revenues	\$ 49,163,000	\$ 50,565,000
<i>Less Systemwide Reserve</i>	<i>(5,000,000)</i>	<i>(5,000,000)</i>
Total Available for Allocation	\$ 44,163,000	\$ 45,565,000
Uses of Funds		
<i>System Programs</i>		
Chancellor's Doctoral Incentive Program	\$ 2,000,000	\$ 2,000,000
California Pre-Doctoral Program	814,000	814,000
CSU Summer Arts Program	1,200,000	1,500,000
Dream Loan Program	-	1,000,000
	\$ 4,014,000	\$ 5,314,000
<i>Campus-Based Programs</i>		
Campus Programs	\$ 31,542,000	\$ 31,644,000
Campus Early Start Financial Aid	8,000,000	8,000,000
	\$ 39,542,000	\$ 39,644,000
<i>Lottery Fund & System Programs Administration</i>	\$ 607,000	\$ 607,000
Total Uses of Funds	\$ 44,163,000	\$ 45,565,000

Recommendation

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that the 2017-2018 lottery revenue budget totaling \$50.6 million be approved for implementation by the chancellor, with the authorization to make transfers between components of the lottery budget and to adjust expenditures in accordance with receipt of lottery funds; and be it further

RESOLVED, that a portion of campus-based program allocations be used to support student financial aid for the trustee-approved Early Start program. These funds will be used to allow student enrollment in the Early Start summer curriculum regardless of financial need; and be it further

RESOLVED, that the chancellor is hereby granted authority to adjust the 2017-2018 lottery budget approved by the Board of Trustees to the extent that receipts are greater or less than budgeted revenue to respond to opportunities or exigencies; and be it further

RESOLVED, that a report of the 2017-2018 lottery budget receipts and expenditures be made to the Board of Trustees.

COMMITTEE ON FINANCE

Procurement and Other Administrative Effectiveness Initiatives

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Arun Casuba
Executive Director, Strategic Sourcing and
Chief Procurement Officer

Summary

The California State University challenges itself to continuously evaluate and improve its effectiveness and efficiency by reviewing programs, practices and processes that support the academic mission. Such efforts include exploring and implementing strategic procurement, simplifying and streamlining administrative processes, and organizing services in order to meet increasing workload associated with campus growth, student services, and compliance.

The CSU uses best value methods in purchasing goods and services to maximize benefits (cost, performance, service, etc.) to the institution. As student enrollment has grown and costs have increased for compliance, campuses continuously search for means to reduce cost while maintaining or improving quality. The size and scope of the CSU is leveraged through systemwide collaboration of activities. In addition, significant benefits are gained through the sharing of agreements with the University of California and California Community Colleges as well as leveraging consortia agreements. The CSU is focused on continuing this progress by developing resources, tools, and processes focused on strategic sourcing.

The CSU's Process for Maximizing Benefit

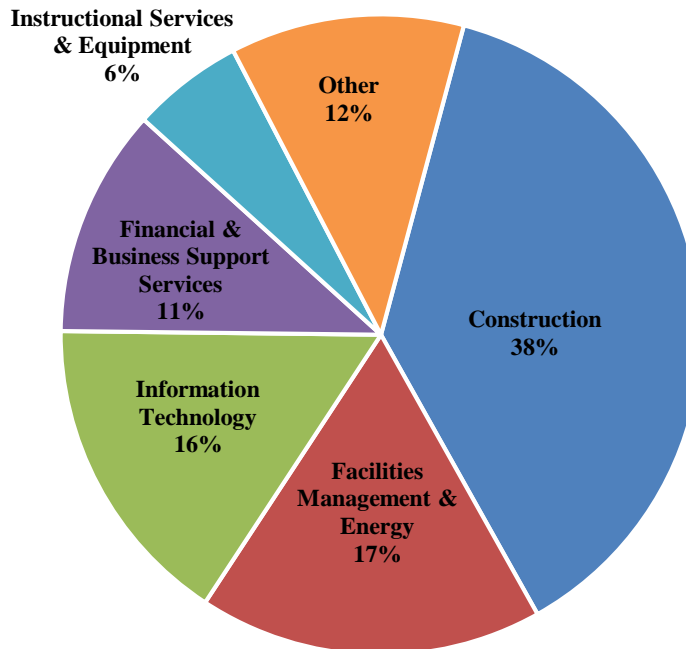
The 23 University campuses and system office strive to be efficient in the use of available funds and effective in providing in the goods and services required for the mission of the University. We work in a collaborative way by using the significant scope and resources of all of the campuses in selecting suppliers of goods and services. This is a cyclical process that is continuously reviewed for improvement.

We first identify opportunities for cost reductions and then develop strategies for a prioritized list of categories. These strategies include the use of competitive bids, direct negotiations, and leveraging across campuses or systems including the University of California and the California Community Colleges. Once we have carried out these strategies, we manage results by ensuring that suppliers are performing as per contracts. The goal of this process is to be effective in maintaining or improving the quality of the goods or services used to ensure student success while delivering cost reductions.

Breakdown of CSU Expenditures

This item is focused on the \$2.3 billion of the University’s total expenditures (shown in Figure 1) that are in categories which can be influenced by Procurement and other administrative effectiveness initiatives. The remainder of the University’s expenditures are addressed by other initiatives such as Collective Bargaining for Salaries, Wages, and Benefits. The primary categories within the \$2.3 billion spend are Construction, Facilities Management & Energy, and Information Technology and comprise over two-thirds of this spend. In addition, key spend areas include Financial and Business Support Services and Instructional Services and Equipment. Categories within the remaining spend include Communications and Outreach, Retail and Wholesale, Arts, Sport and Recreation, Food, Beverage and Catering among others.

Figure 1 – CSU Spend by Categories in 2015-2016



Current Initiatives

Initiatives have been undertaken in the above spend categories to reduce cost while maintaining or improving the ability to deliver the core educational services of the University.

As construction is a significant area of spend, we have driven to develop several methods to improve efficiencies in the management of construction projects at the campuses.

- The CSU has sponsored legislation that allows campuses to solicit project bids on a common portal and save the money that would have otherwise been spent on print advertising. This initiative has netted the CSU \$4.6 million in cost reductions per year.
- We are piloting a new construction delivery method that utilizes one bid process to execute multiple projects at a single campus or across several campuses. This has resulted in a savings of time, project efficiencies, and total cost reductions to the CSU of \$2.3 million per year.
- The CSU has also created regional contracts for use by all campuses. Some of these contracts focus directly on specialty trades such as paving and roofing without the need for a middle man in the contracting process. This reduces the effort required for individual campuses to execute one-time maintenance and repair projects.

In the areas of energy and sustainability, the CSU has negotiated and purchased directly from energy providers rather than from local utilities at 10 of the 23 campuses. This initiative has led to \$4 million in annual cost reductions. Other energy efficiency projects have resulted in \$2.7 million per year in incentives earned from Energy Efficiency Partnerships with Southern California Edison and Pacific Gas & Electric, and \$1.6 million per year in cost avoidance.

This year, through leveraged buying, the University has reduced costs by \$1.7 million in facilities products for maintenance, repair, and operations, as well as \$1.5 million in medical supplies and lab equipment.

In the Information Technology category, the CSU has delivered significant cost reductions through a number of initiatives.

- The CSU Common Network Initiative provides equipment and related services to ensure that every campus has a robust communications infrastructure. The University has avoided over \$7.5 million in cost annually since fiscal year 2011-2012 as a result of common standards, practices, and sound project management processes.
- In addition, \$15 million in costs were avoided this year through negotiations of systemwide licenses on software purchases and \$2 million in costs have been avoided annually by hosting our Data Center in a secure offsite Cloud facility.

We have undertaken several initiatives in the finance and business support category to reduce operational costs.

- \$51M in cost reductions were achieved this year through the restructuring and refinancing of State Public Works Board and Systemwide Revenue Bond debt.
- Through the negotiation of systemwide agreements for financial auditors, bank card services, and office supplies and printers, the CSU achieved \$7.5 million in cost reductions in 2016.
- The CSU utilizes a credit card payment process in lieu of checks for purchases of low-dollar items, which reduces the effort required for these small size transactions. Using this process, we achieve a net reduction of \$3 million per year.
- The CSU has also created a common shopping website for catalog based purchasing. This system, driven at the campus level, ensures compliance with contracted rates for a number of goods by funneling purchases for these items through 24 vendor catalogs and has resulted in \$1.2 million in cost avoidance this year.

The University has focused considerable resources to be more effective in providing the proper infrastructure and delivering services to students geared towards assisting them in achieving their educational goals.

- We have coordinated the purchasing of electronic library resources across the system to avoid \$13 million in costs per year.
- We have consolidated contracts for academic technology systems and standardized on learning management systems to net \$7 million in cost reductions this year.
- The CSU also offers a free website called CSUMentor that assists students in planning for college, selecting the appropriate CSU campus to attend, planning how to finance their education, and applying for admission. We leveraged the needs of the 23 campuses to create a systemwide agreement for these services.
- The CSU has created Affordable Learning Solutions to assist in reducing the cost of textbooks and other learning resources to students. The solutions include free online instructional materials that faculty can use to construct the curriculum, free online materials that are formatted like eBooks, free access to campus and systemwide electronic library collections, and lower cost proprietary content in both electronic and hard copy formats.
- We have introduced a product called Portfolium that provides a free social media platform for students and alumni to showcase their projects, skills, and experiences with the goal of enhancing their competitiveness in the job market. This was negotiated as a systemwide license and has reduced campus acquisition costs by 50 percent.

Sustainable Procurement

The CSU is continuing to improve its Sustainable practices in purchasing.

- For example, we participate in the State Agency Buy Recycled Campaign, which is a joint effort by California's Department of Resources Recycling and Recovery, and Department

of General Services. This campaign requires that agencies place 50 percent of their spend in 11 specific categories on recycled products. On its general product purchases the CSU achieved 77 percent in aggregate and exceeded 50 percent in 6 of the 11 categories. In the future, we will be working towards collecting data for construction purchases as well.

- The CSU has recently instituted a minimum purchase order of \$50 in office supplies to minimize deliveries, and several campuses have moved towards reducing the number of delivery days to further aggregate purchasing and reduce carbon emissions.
- Where appropriate, the CSU has utilized criteria around sustainable practices in evaluating proposals from bidders for projects, and we will continue to seek opportunities to further this process. In addition, contract language outlining specific sustainable requirements is now being used for suppliers.

Future Initiatives

The CSU continues to explore more opportunities for reducing costs and enhancing effectiveness.

- We are in the process of securing a robust tool to help campuses improve student retention, timely graduation, outreach, advisor support, and interventions focused on undergraduate students. Each campus will have the ability to configure the tool to support their specific student population.
- In the coming years, we will also continue to pursue multi-campus opportunities including a solar energy bid, a budget planning system, and a travel expense management system. In addition, we will be researching creative methods for buying energy.
- We will be working with the UC and CCC systems to collaborate on the use of common contracts such as for building supplies and the creation of a portal so that these contracts can be shared across systems.
- We will improve processes by implementing innovative procurement systems and analyzing spend categories to better identify savings opportunities.
- We will continue to develop and standardize best practices across the CSU.

Factors such as reduced funding, increase in enrollment, the need to reduce time to graduation, and changing regulations continue to apply increasing pressure on the system, the CSU is committed to make use of its resources in the most effective ways. As such we will continue to look for better methodologies to operate and cost reductions wherever possible while still maintaining our commitments to the students, faculty, and staff of the CSU and the State.

COMMITTEE ON FINANCE

Annual 2016-2017 Student Fee Report

Presentation By

Ryan Storm
Assistant Vice Chancellor
Budget

Summary

As required by California State University Fee Policy, the CSU Board of Trustees is presented with an annual campus fee report as an information item regarding the level and range of campus-based mandatory fees charged to CSU students.

2016-2017 CSU Student Fee Report

Campus-based mandatory fees (Category II) are charged to all students in order to enroll at a particular CSU campus. In addition, campuses charge miscellaneous course fees (Category III) for some courses to provide materials or experiences that enhance basic course offerings. Campuses also charge fees for self-support programs (Category V), such as parking, housing, and student unions. As required by the CSU Fee Policy, this annual report focuses primarily on the campus-based mandatory fees.

The table on the following page displays the 2016-2017 academic year campus-based mandatory fee rates by campus and by fee category. Student success fees are separately identified in this report for transparency and accountability.

2016-2017 Category II Campus-Based Mandatory Fee Rates								
	Health Facilities	Health Services	Instructionally Related Activities	Materials Services & Facilities	Student Success	Student Association	Student Center	Total Campus-Based Mandatory Fees
Bakersfield	\$6	\$296	\$183	\$62	\$0	\$376	\$462	\$1,385
Channel Islands	6	190	260	145	0	150	324	1,075
Chico	6	270	280	98	0	132	782	1,568
Dominguez Hills	6	150	10	5	315	135	330	951
East Bay	6	225	129	3	240	129	360	1,092
Fresno	6	226	264	46	0	69	230	841
Fullerton	6	160	72	72	362	148	268	1,088
Humboldt	6	428	674	327	0	117	185	1,737
Long Beach	6	90	50	10	346	120	366	988
Los Angeles	8	165	143	5	261	54	275	911
Cal Maritime	21	680	130	295	0	210	0	1,336
Monterey Bay	0	186	60	165	0	96	400	907
Northridge	6	120	30	5	224	184	546	1,115
Pomona	6	256	48	15	415	130	725	1,595
Sacramento	44	232	366	0	0	132	654	1,428
San Bernardino	26	247	154	15	171	134	391	1,138
San Diego	50	300	368	50	300	70	474	1,612
San Francisco	6	314	236	184	0	108	164	1,012
San Jose	118	290	0	32	620	182	704	1,946
San Luis Obispo	10	308	307	1,157	814	314	693	3,603
San Marcos	50	302	80	249	500	100	630	1,911
Sonoma	34	388	470	34	0	222	768	1,916
Stanislaus	18	376	306	274	0	122	160	1,256

The following table compares total campus-based mandatory fees by campus for the 2015-2016 and 2016-2017 academic years. As shown in the table, the systemwide average of campus-based mandatory fees increased by \$63 (4.7 percent). Increases in these fees occurred for various reasons. Some campuses have authorized annual incremental increases for certain fees that keep pace with inflation such as the California Consumer Price Index or Higher Education Price Index. Student success fee increases that were approved when the fee was originally authorized account for a large part of the increase at Dominguez Hills, Fullerton, San Diego and San Marcos. Additionally, the student center fee at Monterey Bay was increased to expand the student union and a new recreation fee was implemented at Cal Maritime to support and maintain recreational programs.

Comparison: 2015-2016 and 2016-2017 Category II Campus-Based Mandatory Fee Rate Totals by Campus			
Campus	2015-16	2016-17	Increase
Bakersfield	\$1,339	\$1,385	\$46
Channel Islands	1,075	1,075	0
Chico	1,550	1,568	18
Dominguez Hills	811	951	140
East Bay	1,092	1,092	0
Fresno	839	841	2
Fullerton	965	1,088	123
Humboldt	1,723	1,737	14
Long Beach	980	988	8
Los Angeles	883	911	28
Cal Maritime	1,086	1,336	250
Monterey Bay	647	907	260
Northridge	1,097	1,115	18
Pomona	1,544	1,595	51
Sacramento	1,400	1,428	28
San Bernardino	1,105	1,138	33
San Diego	1,504	1,612	108
San Francisco	1,004	1,012	8
San Jose	1,906	1,946	40
San Luis Obispo	3,529	3,603	74
San Marcos	1,797	1,911	114
Sonoma	1,858	1,916	58
Stanislaus	1,232	1,256	24
Average	\$1,346	\$1,409	\$63

2016-2017 CSU Comparison Institution Tuition and Fees

The 2016-2017 academic year is the fifth consecutive year with unchanged tuition rates at CSU. Although not required by the CSU Fee Policy, prior annual student fee reports have included comparisons of CSU tuition and fee rates with other institutions. The tables that follow outline the systemwide average tuition plus average campus-based mandatory fees at the CSU as compared with other public institutions' tuition and mandatory fees.

The 2016-2017 comparison institution academic year *resident undergraduate* tuition and fees are provided below. The total of the CSU's tuition and average campus-based fees is lower than those of all 15 comparison institutions identified by the California Postsecondary Education Commission. The 2016-2017 comparison institution tuition and fee average is \$10,944, and the CSU tuition and fee average is \$6,881, or 37 percent below the comparison average. The following table lists the 2015-2016 tuition and average campus-based mandatory fee rates with a comparison to 2016-2017 rates:

2016-2017 Comparison Institution Academic Year Undergraduate Resident Tuition and Fees				
Campus	2015/16	2016/17	Increase	
Rutgers University (New Brunswick, NJ)	\$14,131	\$14,372	\$241	1.7%
University of Connecticut (Storrs, CT)	\$13,366	\$14,066	\$700	5.2%
Illinois State University (Normal, IL)	\$13,666	\$14,061	\$395	2.9%
Wayne State University (Detroit, MI)	\$12,791	\$13,363	\$572	4.5%
George Mason University (Fairfax, VA)	\$10,752	\$11,300	\$548	5.1%
University of Maryland, Baltimore County	\$11,006	\$11,264	\$258	2.3%
Comparison Average	\$10,674	\$10,944	\$270	2.5%
University of Colorado at Denver	\$10,719	\$10,741	\$22	0.2%
Georgia State University at Atlanta	\$10,686	\$10,686	\$0	0.0%
Arizona State University at Tempe	\$10,478	\$10,640	\$162	1.5%
Cleveland State University	\$9,636	\$9,636	\$0	0.0%
University of Wisconsin at Milwaukee	\$9,429	\$9,493	\$64	0.7%
State University of New York at Albany	\$9,036	\$9,263	\$227	2.5%
University of Texas at Arlington	\$8,878	\$9,202	\$324	3.6%
North Carolina State University	\$8,581	\$8,880	\$299	3.5%
University of Nevada at Reno	\$6,952	\$7,192	\$240	3.5%
California State University	\$6,818	\$6,881	\$63	0.9%

Below are the 2016-2017 comparison institution *resident graduate* tuition and average campus-based mandatory fees. The CSU has the lowest *resident graduate* tuition and fee rates among the 15 comparison institutions. The 2016-2017 comparison institution tuition and fee average is \$13,149, and the CSU tuition and fee average is \$8,147, or 38 percent below the comparison average. The following table lists the 2015-2016 tuition and fee rates with a comparison to 2016-2017 rates:

2016 -2017 Comparison Institution Academic Year Graduate Resident Tuition and Fees				
Campus	2015/16	2016/17	Increase	
Rutgers University (New Brunswick, NJ)	\$19,186	\$19,500	\$314	1.6%
University of Maryland, Baltimore County	\$17,064	\$17,592	\$528	3.1%
Wayne State University (Detroit, MI)	\$15,853	\$16,503	\$650	4.1%
University of Connecticut (Storrs, CT)	\$15,296	\$15,996	\$700	4.6%
Cleveland State University	\$13,816	\$13,816	\$0	0.0%
George Mason University (Fairfax, VA)	\$13,104	\$13,643	\$539	4.1%
Comparison Average	\$12,835	\$13,149	\$314	2.4%
State University of New York at Albany	\$12,517	\$12,734	\$217	1.7%
Illinois State University (Normal, IL)	\$11,381	\$11,798	\$417	3.7%
University of Wisconsin at Milwaukee	\$11,725	\$11,789	\$64	0.5%
Arizona State University at Tempe	\$11,624	\$11,776	\$152	1.3%
Georgia State University at Atlanta	\$11,296	\$11,296	\$0	0.0%
University of Texas at Arlington	\$10,200	\$10,578	\$378	3.7%
North Carolina State University	\$10,224	\$10,572	\$348	3.4%
University of Colorado at Denver	\$9,826	\$10,111	\$285	2.9%
University of Nevada at Reno	\$9,409	\$9,528	\$119	1.3%
California State University	\$8,084	\$8,147	\$63	0.8%

CSU ranked near the bottom for *nonresident undergraduate* tuition and average campus-based mandatory fees of the CSU's public peer comparison institutions. CSU nonresident undergraduate tuition (which includes the systemwide tuition charge) and fees is \$18,038 per academic year in 2016-2017. This is approximately 31 percent below the comparison average rate of \$26,080.

2016-2017 Comparison Institution Academic Year Undergraduate Non-Resident Tuition and Fees				
Campus	2015/16	2016/17	Increase	
University of Connecticut (Storrs, CT)	\$34,908	\$35,858	\$950	2.7%
George Mason University (Fairfax, VA)	\$31,398	\$32,582	\$1,184	3.8%
University of Colorado at Denver	\$29,319	\$30,361	\$1,042	3.6%
Rutgers University (New Brunswick, NJ)	\$29,521	\$30,023	\$502	1.7%
Wayne State University (Detroit, MI)	\$27,683	\$28,925	\$1,242	4.5%
Georgia State University at Atlanta	\$28,896	\$28,896	\$0	0.0%
Arizona State University at Tempe	\$25,458	\$26,470	\$1,012	4.0%
North Carolina State University	\$24,932	\$26,399	\$1,467	5.9%
Comparison Average	\$24,932	\$26,080	\$1,148	4.6%
Illinois State University (Normal, IL)	\$21,482	\$25,168	\$3,686	17.2%
University of Maryland, Baltimore County	\$23,770	\$24,492	\$722	3.0%
State University of New York at Albany	\$22,156	\$24,343	\$2,187	9.9%
University of Texas at Arlington	\$21,114	\$23,046	\$1,932	9.2%
University of Nevada at Reno	\$20,862	\$21,102	\$240	1.2%
University of Wisconsin at Milwaukee	\$19,603	\$19,850	\$247	1.3%
California State University	\$17,978	\$18,041	\$63	0.4%
Cleveland State University	\$12,878	\$13,687	\$809	6.3%

Conclusion

For the fifth straight academic year, the CSU systemwide tuition rate did not change. Systemwide, campus-based mandatory fees increased between 2015-2016 and 2016-2017 by an average of \$60 per student. When compared to peer institutions, a CSU education is the most or second most affordable institution. Those already low rates, coupled with the many institutional financial aid programs offered at the CSU continue to make CSU an affordable option for students from all socio-economic backgrounds. Overall:

- About 80 percent (367,000) of all CSU students received more than \$4 billion in total financial assistance.
- 61 percent of all undergraduates have their tuition fully covered by grants or waivers.
- 51 percent of CSU baccalaureate recipients graduated with zero education loan debt.
- Of the 49 percent who graduated with debt, the average loan debt of \$14,388 is lower than the California average of \$21,382 and well below the national average of \$28,950.

COMMITTEE ON FINANCE

Approval of the 2017-2018 Support Budget Request

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Ryan Storm
Assistant Vice Chancellor
Budget

Summary

This item seeks approval by the California State University Board of Trustees of the 2017-2018 CSU Support Budget Request. Accompanying this agenda item as Attachment A is the proposed 2017-2018 CSU Support Budget Request, which contains historical detail as well as prospective information, for the board's consideration.

The California State Constitution requires the submittal of the governor's budget proposal each year by January 10. In order to meet consequent deadlines of the Department of Finance, it is necessary to adopt the proposed 2017-2018 CSU Support Budget Request at the November CSU Board of Trustees meeting.

At its September 2016 meeting, the board reviewed a preliminary plan for purposes of crafting the CSU's support budget request to the state. That preliminary plan included consideration of past and forecasted information regarding the state's economy and tax revenue as well as past and planned funding of the CSU. Additionally, the board's feedback on the preliminary plan has been considered and incorporated into the proposed request. Also, the board requested additional information on the CSU budget. Consequently, a presentation will be made at the board meeting and additional information is available in Attachment A and at the link below. With that history and context, the focus of this item will be the details of the proposed 2017-2018 CSU Support Budget Request.

The executive summary in Attachment A is the official presentation of the support budget request and, if approved, will be distributed to the governor, legislators, and other policy makers in the capitol. It can be accessed, along with additional supplemental detail, at <https://www2.calstate.edu/csu-system/about-the-csu/budget>.

2017-2018 Support Budget Expenditure Plan Priorities

The proposed support budget request prioritizes certain areas of expenditures to continue the CSU's commitment to Graduation Initiative 2025, maintaining access to the university, increasing compensation for faculty and staff, attending to the highest priority academic infrastructure and deferred maintenance needs, and funding mandatory cost obligations.

Graduation Initiative 2025: The CSU is committed to improve opportunities for a more timely graduation for all our students, including a doubling of the four-year graduation rate from 19 percent to 40 percent, achieving a 70 percent six-year graduation rate, shortening time to degree for transfer students, and closing the achievement gap among low income and underserved students. While these goals are important indicators of the overall effectiveness of the system, the tools and strategies that will help support more students earning degrees in a timely manner are directly tied to the ability to invest new funding to improve tenure-track faculty hiring, student-advisor ratios, eAdvising platforms, college readiness, and use of data to ensure resources are dedicated to the most important factors leading to overall student success.

Employee Compensation: Central to the student experience is the ability to interact, learn from, and be guided by outstanding faculty and staff. The CSU is proud of the thousands of employees who are dedicated to our students and their success. As such, compensation increases are a significant priority for the CSU in order to remain competitive to recruit and retain faculty, staff, and administrators who are committed to students' well-being and academic success.

Funded Enrollment Growth: The CSU confers the most baccalaureate degrees in the state and contributes to the California workforce in significant ways. Increased enrollment funding contributes to new sections of high-demand courses, hiring new tenure-track and temporary faculty, providing more academic and student support services, and bolstering overall institutional support of the campus to serve additional students. With more than 470,000 students, the CSU continues to see increased demand from qualified applicants each year.

Academic Facilities & Campus Infrastructure: Leading-edge academic facilities support quality degree programs and set the stage for CSU graduates to be workforce ready and equipped to excel in their chosen field. A significant portion of CSU academic and laboratory facilities are dated and in need of renovation. Specifically, 55 percent of all CSU buildings are more than 40 years old. Every campus can point to a classroom building or a piece of critical infrastructure that has fallen into disrepair. While the CSU has maintained its buildings as best as it could with available funding, the state funded most of the costs associated with the construction and maintenance of academic buildings and campus infrastructure. The state shifted this obligation to the CSU in 2014, making facilities and infrastructure a significant consideration when developing and implementing the CSU support budget. Dedicating a portion of the CSU support budget to facilities and infrastructure is essential to allow the most pressing facility and infrastructure needs on campuses to be addressed.

Mandatory Costs: Mandatory costs are the expenditures in the operating budget that increase annually due to inflation and other state, federal, or statutory mandates that apply to the CSU. These include changes in the cost of health care and retirement for employees, changes in state and federal wage laws, and the increased cost of operating and maintaining new facilities. Without funding for mandatory cost increases, campuses would have to make cuts and redirect resources from other program areas to meet these obligations.

Proposed 2017-2018 CSU Support Budget Request

As shown in the table below and in Attachment A, the 2017-2018 CSU Support Budget Request proposes an overall CSU support budget of \$5.8 billion. The plan is an increase of \$343.7 million, with the CSU’s highest priority being effective advocacy for \$324.9 million in new general fund from the state paired with \$18.8 million in new tuition revenue from a one percent increase in full-time equivalent students (FTES) of approximately 3,616. This expenditure plan exceeds the \$157.2 million increase indicated by the governor’s administration for 2017-2018, but it represents the university’s funding needs.

Proposed Incremental Expenditures:

- Graduation Initiative 2025 \$75.0 million
- Compensation: Current Commitments \$139.1 million
- Compensation: New \$55.1 million
- Full-Time Equivalent Student Growth: 3,616 FTES \$38.5 million
- Facilities and Infrastructure Needs \$10.0 million
- Mandatory Costs \$26.0 million

Total Incremental Expenditures \$343.7 million

Anticipated Revenue

- General Fund Revenue from Governor’s Funding Plan \$157.2 million
- Net Tuition from Enrollment Growth \$18.8 million
- **Board of Trustees Additional Request \$167.7 million**

Total Anticipated Revenue \$343.7 million

Potential Opportunities to Address Support Budget Revenue Needs

The final support budget request, if adopted by the board, concludes that the expenditure priorities require investment of \$343.7 million in additional revenue. Assuming revenue from the governor's January budget proposal and tuition revenue from a one percent student enrollment growth, the CSU anticipates a \$167.7 million funding gap between state funding and the highest priority needs of the university. The CSU has three primary opportunities to address the support budget shortfall and to meet fiscal and operational priorities in the coming year. These opportunities are not mutually exclusive and may be combined in varying proportions by the end of the budget process.

The CSU's highest priority is to continue to advocate for and pursue increased state funding to cover the full support budget request. The CSU will work with stakeholders and partners across the system including trustees, students, faculty, staff, union leaders, alumni, business partners and friends to make the case in Sacramento for the level of new funding that supports our stated priorities, all leading to greater student success. While additional state funding is the highest priority and the best option for the university, the state allocation will not be known until a final budget agreement is reached in June 2017.

Work is already underway on these advocacy efforts. For example, CSU and CSSA have met on several occasions to begin coordinated budget advocacy and messaging activities. Union leadership recently committed to join in these efforts. These are promising first steps in building a coalition of advocacy for full funding of the support budget request.

To ensure the university has all revenue options available to meet its 2017-2018 priorities, the CSU must regrettably continue a conversation about a possible tuition increase. The process to potentially increase tuition began with a written proposal by the Chancellor's Office to the California State Student Association (CSSA) in September. Consultation meetings between CSSA leadership and Chancellor's Office representatives to discuss the proposal followed in October and November, and appropriate consultation with, and feedback from, other CSU stakeholders on this possible tuition proposal also began.

A proposed tuition increase would generate up to \$77.5 million in revenue systemwide, after a one-third set-aside that would increase the State University Grant pool. This set-aside will help cover the cost of the increase for students with the greatest financial need. The potential tuition increase, not-to-exceed \$270 per resident undergraduate student, would take the annual tuition price from \$5,472 per student to \$5,742. Coupled with similar proposed maximum increases to non-resident tuition, as well as graduate, doctoral, and teacher credential programs, the potential increase would generate new revenue in 2017-2018 to partially support the board's priorities.

If additional funding is not secured from a combination of state general fund increases and a possible tuition increase, only minimal investments could be made in just a few of our priority areas. Campuses would have to redirect funding from existing programs and services included in their Graduation Initiative 2025 plans to fund a portion of mandatory cost obligations and employee compensation increases, which are ongoing obligations regardless of revenue available. In this scenario we would not be able to invest in the elements of Graduation Initiative 2025, impairing our ability to succeed.

CSU will continue to aggressively pursue and realize efficiencies, maintain effectiveness, and identify cost savings and cost avoidance opportunities whenever possible. More information on CSU's accomplishments and additional opportunities in this area will be discussed at the board meeting and is available in Agenda Item 3—Procurement and Other Administrative Effectiveness Initiatives, of the Committee on Finance.

Conclusion

The current funding assumptions from the state fall short of providing the necessary resources to properly invest in support budget priorities. The CSU will work throughout the spring with its partners to advocate for full funding by the state of the board's budget priorities.

This is an action item presenting a final recommendation for the CSU 2017-2018 Support Budget Request to the governor and legislature. It is our goal that the state fully fund the budget plan so that the CSU can focus on the transformational goals of Graduation Initiative 2025 while continuing to invest in enrollment growth, faculty and staff salary increases, and important infrastructure needs.

Recommendation

The following resolution is presented for approval:

RESOLVED, that the Board of Trustees of the California State University acknowledges and expresses its appreciation to the governor and legislature for their increased budget support; and be it further

RESOLVED, that the Board of Trustees understands there are numerous competing interests for budgetary support given the fiscal constraints and competing policy priorities under which California continues to operate; and be it further

RESOLVED, that the future of California rests on CSU's ability to provide a high-quality, affordable, and accessible education to hundreds of thousands of students; and be it further

RESOLVED, by the Board of Trustees that the proposed CSU 2017-2018 Support Budget Request is approved as submitted by the chancellor; and be it further

RESOLVED, that the chancellor is authorized to adjust and amend this budget to reflect changes in the assumptions upon which this budget is based, and that any changes made by the chancellor be communicated promptly to the trustees; and be it further

RESOLVED, that copies of this resolution be transmitted to the governor, to the director of the Department of Finance, and to the legislature.



Proposed

2017–2018 www.calstate.edu/budget SUPPORT BUDGET

DRAFT FOR CSU BOARD OF TRUSTEES CONSIDERATION

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CHANCELLOR'S MESSAGE

Resources are required to achieve big goals. Historic goals. Goals that move the needle.

We have challenged ourselves—and been challenged by our state leaders—to get more students to degree sooner, ensure students earn a quality degree of substance, build pathways from preschool to career, provide fair compensation for our world-class faculty and staff, and restore academic facilities.



We strive to meet these goals in order to power California's economy and society.

Specifically, the CSU aims to redouble our efforts on Graduation Initiative 2025, increasing degree completion rates and eliminating achievement gaps while maintaining academic rigor and quality. Through this initiative, the CSU aims to graduate more than one million students with baccalaureate degrees between 2015 and 2025. To achieve our 2025 goals, we must lay the foundation now.

The 2017–18 Support Budget plan will focus on:

- Accomplishing the ambitious goals of Graduation Initiative 2025
- Sustaining access for California high school graduates and community college transfer students
- Fulfilling existing commitments while providing fair compensation for all employees
- Covering mandatory costs, including health and retirement benefits
- Addressing critical infrastructure needs across the CSU

Students, faculty and staff are critical partners in the university's ambitious goals. We must ensure adequate investment and support for their efforts.

California realizes a clear return for every dollar invested in the people of its university. Eighty-five percent of the CSU's 3.3 million alumni work and live in California. This means that around one in ten professionals in this state earned a degree through the CSU. These are California's teachers, nurses, engineers, business leaders, artists and innovators.

So much has already been achieved, yet the CSU does not intend to rest on its laurels. The 2017–18 Support Budget request allows the CSU to aggressively pursue reduced degree completion times, increased access and more efficient operations.

The California State University is where opportunity leads to transformation, leaving a lasting impact for our communities, state and beyond. Continued and increased investment from the state will ensure that this tradition of inclusive excellence continues for the next generation of Californians.

A handwritten signature in black ink that reads "Timothy P. White". The signature is written in a cursive, flowing style.

Timothy P. White
Chancellor
The California State University

2017–18 CSU SUPPORT BUDGET PLAN

The Public Policy Institute of California (PPIC) continues to project a shortage of baccalaureate degrees by 2030, and the CSU has a significant role to play as the largest public university system in the state. In fact, one in 10 California employees and one in 20 degree holders in the country are graduates of the CSU.

The 2017–18 Support Budget plan represents continued and increased state investment in the CSU. We believe this budget plan, which totals \$343.7 million in new resources for 2017–18, reflects the current needs of the CSU and sustains the momentum built in recent years. The CSU's \$5.4 billion total budget is funded from two sources: \$3.2 billion from state general funds and \$2.2 billion from net tuition and fee revenue.

The support budget plan coordinates our collective efforts toward the ambitious and challenging goals of Graduation Initiative 2025. The CSU has already met and exceeded the goal set in 2009. This prompted the CSU to set even higher systemwide and campus goals for four- and six-year graduation rates, to completely eliminate the achievement gap for underrepresented students, low-income students, and first-generation students, and to do our part to meet California's need for more bachelor's degrees by 2030. With proper financial support for the Graduation Initiative, we are confident we can achieve these goals. Much of our past success is attributable to campuses encouraging students to take a full-time course load each term, increasing the availability of courses, restoring student services that were cut during recession years, and hiring more tenure-track faculty. Additional resources will allow campuses to build on this progress and take quicker action to reduce roadblocks to degree completion.

The budget plan also dedicates significant funding for employee compensation. Our faculty and staff are critical to the success of our students. Funding requests for compensation are to cover collective bargaining agreements already in place, including the conversion of one-time funding used in 2016–17 to recurring funding for these ongoing costs. Additionally, the plan assumes costs for collective bargaining units with open contracts in 2017–18 and similar commitments to non-represented employee groups.

The CSU anticipates funded enrollment growth of approximately 3,616 resident full-time equivalent students (FTES), raising the total systemwide FTES to 365,260. The CSU is also requesting recurring state funds for academic facilities and infrastructure needs, though this request would only allow the CSU to slow the growth in the deferred maintenance backlog and not reduce it.

In addition to the Board of Trustees priorities outlined here, new state funding will be used to fund mandatory cost increases for health and dental benefits, retirement, the operation and maintenance of new buildings on campuses, and the effect on salaries due to changes in state and federal wage laws.

For the CSU to fully meet the expectations of the California Master Plan for Higher Education, this budget plan is justified. The current levels of state general fund support coupled with student tuition and fees do not meet the needs of the CSU nor do they match the ambitious goals we have set for ourselves and our students. Going forward, the CSU faces a number of fiscal challenges that must be addressed so the CSU can focus on its core mission. The CSU is confident the 2017–18 Support Budget plan is a step in the right direction and represents a significant investment in a multi-year effort to meet the education and workforce needs of the state.



A background photograph showing three individuals in a professional setting. On the left, a person in a purple polo shirt with a gold and white 'U' logo is partially visible. In the center, a woman with long dark hair, wearing a coral-colored top and a patterned scarf, is looking down at a document. On the right, a woman wearing a dark blue knit beanie, glasses, and a denim jacket is smiling and looking towards the center. They appear to be in a meeting or collaborative work environment.

2017–18 Expenditure Augmentations

- \$75.0 million for Graduation Initiative 2025
- \$139.1 million for compensation (current contracts)
- \$55.1 million for compensation (new contracts & non-represented staff)
- \$38.5 million for a one percent increase in funded enrollment
- \$10.0 million for academic facilities and infrastructure
- \$26.0 million for mandatory cost increases (e.g. health & dental benefits, retirement, new facilities, and federal and state mandates)

Three-Year Budget Summary

Table 1: Support Budget	2015-16 Actuals	2016-17 Final Budget¹	2017-18 Plan
General Fund	\$2,666,784,000	\$2,859,449,000	\$3,174,306,000
Net Tuition and Other Fee Revenue ²	2,378,855,000	2,214,440,000	2,233,284,000
TOTAL SUPPORT BUDGET	\$5,045,639,000	\$5,073,889,000	\$5,407,590,000

Table 2: Academic Facilities and Infrastructure	2015-16 Actuals	2016-17 Final Budget¹	2017-18 Plan
General Fund Debt Service Payments on Existing Facilities ³	\$305,741,000	\$311,809,000	\$316,879,000
Budget Plan: Maintenance and Infrastructure Totals	35,000,000	35,000,000	45,000,000
TOTAL ACADEMIC FACILITIES AND INFRASTRUCTURE	\$340,741,000	\$346,809,000	\$361,879,000

Total Support Budget General Fund Increase Enrollment, Programs, and Operations (Support Budget)			\$314,857,000
Net Tuition Revenue Adjustment⁴			\$18,844,000
Academic Facilities and Infrastructure (General Fund)			\$10,000,000
TOTAL SOURCES OF REVENUE			\$343,701,000

Table 3: Sum of Tables 1 & 2	2015-16 Actuals	2016-17 Final Budget¹	2017-18 Plan
Total Support Budget	\$5,045,639,000	\$5,073,889,000	\$5,407,590,000
Total Maintenance and Infrastructure	340,741,000	346,809,000	361,879,000
GRAND TOTALS	\$5,386,380,000	\$5,420,698,000	\$5,769,469,000

¹ The CSU 2016-17 GF Final Budget Act Appropriation (support budget) was \$3,169,425,000, including \$346,809,000 for academic facilities and infrastructure. Additionally, the state-funded 2016-17 employer-paid retirement adjustment of \$36,833,000 is added to the GF support budget total.

² Includes tuition and other fee revenue reduced by total State University Grants and tuition waivers (reference Table 4).

³ Total 2015-16 actual GF appropriation for debt service was \$303,944,000 versus expenditure of \$305,741,000. Beginning in 2014-15, state lease revenue bond and general obligation (GO) bond debt service attributable to CSU academic facilities are included in the CSU main state appropriation. In 2017-18, the lease revenue bond debt service increases \$5.1 million to a total of \$119.6 million. There is no change in the GO bond debt service amount of \$197.2 million.

⁴ This represents revenue to be collected from an increase in funded enrollment net of State University Grants.



Three-Year Summary of State University Grants (SUGs) and Tuition Waivers/Revenue Foregone

Table 4	2015-16 Actuals	2016-17 Final Budget	2017-18 Plan
SUG Awards ¹	\$643,588,000	\$661,643,000	\$665,599,000
Tuition Waivers ²	67,743,000	67,743,000	67,743,000
TOTAL SUG AWARDS AND WAIVERS/ REVENUE FOREGONE	\$711,331,000	\$729,386,000	\$733,342,000

¹ SUG awards cover tuition for eligible students with financial need. Amounts awarded reflect foregone tuition revenue for the CSU.

² Includes the campus tuition waivers reported annually in Enrollment Reporting System Students (ERSS) database (Waiver Codes 01-08). Amounts awarded reflect foregone tuition revenue for the CSU.



Three-Year Budget Summary and Highlights by Program

Table 5	2015-16 Actuals	2016-17 Final Budget	2017-18 Plan
Instruction	\$2,292,517,000	\$2,448,831,000	\$2,448,831,000
Research	13,925,000	11,684,000	11,684,000
Public Service	12,723,000	11,440,000	11,440,000
Academic Support	612,818,000	612,621,000	612,621,000
Student Services	637,584,000	598,291,000	598,291,000
Institutional Support	744,654,000	788,950,000	788,950,000
Operation and Maintenance of Plant ¹	1,030,677,000	908,962,000	914,032,000
Student Grants and Scholarships (without SUG Awards) ²	41,482,000	39,919,000	39,919,000
New Expenditure Augmentations	0	0	343,701,000
TOTAL EXPENDITURES²	\$5,386,380,000	\$5,420,698,000	\$5,769,469,000

¹ 2017-18 operations and maintenance of plant includes the \$5.1 million state increase in lease revenue bond debt service.

² Amount is reduced by total SUG awards as shown in Table 4.

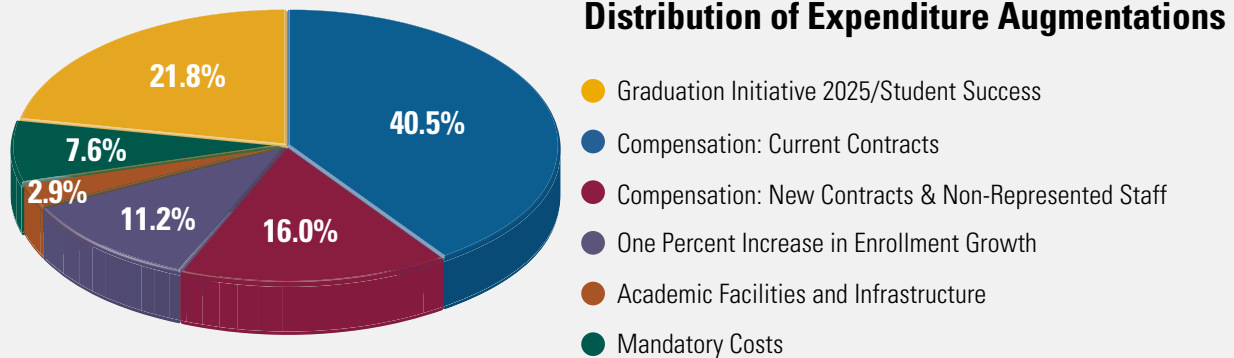
Sources of Funds and Expenditure Augmentations

SOURCES OF FUNDS

General Fund Increase	\$324,857,000
Net Tuition Revenue Adjustment (3,616 Full-Time Equivalent Students' Revenue)	18,844,000
TOTAL REVENUE INCREASE	\$343,701,000

EXPENDITURE AUGMENTATIONS

Graduation Initiative 2025/Student Success	\$75,000,000
Compensation: Current Contracts	139,138,000
Compensation: New Contracts & Non-Represented Staff	55,056,000
One Percent Increase in Enrollment Growth	38,507,000
Academic Facilities and Infrastructure	10,000,000
Mandatory Costs	26,000,000
Compensation Related	
Health Benefits	912,000
Dental Benefits	2,429,000
Retirement	7,000,000
Federal and State Mandates	14,883,000
Other Increases	
Maintenance of New Facilities	776,000
TOTAL EXPENDITURE INCREASE	\$343,701,000



SOURCES OF REVENUE

State General Fund

The proposed budget includes a \$324.9 million increase to the CSU's current \$3.2 billion General Fund base budget, for a total of almost \$3.5 billion, including debt service. This increase will fund Graduation Initiative 2025, new and existing compensation pool increases, one percent enrollment growth, facilities and infrastructure needs, and various mandatory cost obligations.

Tuition Revenue

The CSU receives about 45 percent of its operating funds from tuition revenue. The 2017–18 budget plan supports a one percent increase in resident enrollment (3,616 FTES), which is projected to generate \$18.8 million in new tuition revenue, after adjusting for State University Grants. Total resident enrollment would increase from 361,644 resident FTES to a new level of 365,260 FTES.

The CSU has put forward a proposal for a potential tuition increase for the 2017–18 academic year, following the consultative process laid out in the Working Families Student Fee Transparency and Accountability Act. The proposed increase will be discussed with the Board of Trustees in early 2017. If the proposed increase is approved, it would generate up to \$77.5 million in revenue that could help support the total budget request if additional state general funds are not allocated. The timing of the state budget process, combined with a desire to give students and their families as much time as possible to plan, means a tuition increase would have to be approved by March in order to be an option for fall 2017. However, CSU's highest priority will be to advocate for full funding of the 2017–18 support budget plan by the state.





Sources of Revenue:

The total 2017–18 Support Budget plan increase is \$343.7 million from a combination of state General Fund and net tuition revenue.

State General Fund Increase	\$324,857,000
Net Tuition Revenue Adjustments	18,844,000
<hr/>	
TOTAL	\$343,701,000

CSU FINANCIAL AID

Keeping in line with our student-centered mission, the CSU foregoes significant revenue to provide tuition assistance in the form of State University Grants. For 2017–18, the CSU projects over \$733 million in grants and waivers will be awarded. Thousands of State University Grants are awarded each year to assist students who have the greatest financial need. The CSU also provides thousands of tuition waivers for eligible students under state and CSU programs. A summary of the total tuition waived due to grants and waivers from 2015–16 through 2017–18 is included in the Three-Year Budget Summary and Highlights section on page 5.

State University Grant Program

The State University Grant (SUG) program is a critical source of financial assistance for CSU students. Since its inception in 1982–83, the SUG program has provided awards to offset the cost of tuition for resident students who have the greatest financial need.

Prior to 1992–93, the state provided the funds necessary to ensure adequate financial aid was available for the CSU's neediest students. Since 1992–93, the CSU has continued this program by setting aside a portion of new tuition revenue generated through enrollment growth or changes in tuition rates.

The amount projected for 2017–18 SUG awards is \$665.6 million, an increase of \$4.0 million from 2016–17. The increase is due to a set-aside from tuition revenue derived from one percent enrollment growth (\$1,094 per FTES). This \$665.6 million of financial aid reflects tuition that is not collected—in effect, waived—thus decreasing total tuition revenue.





ND WELLNESS CENTER

CSUC 3

WELCOME
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Tuition Waivers

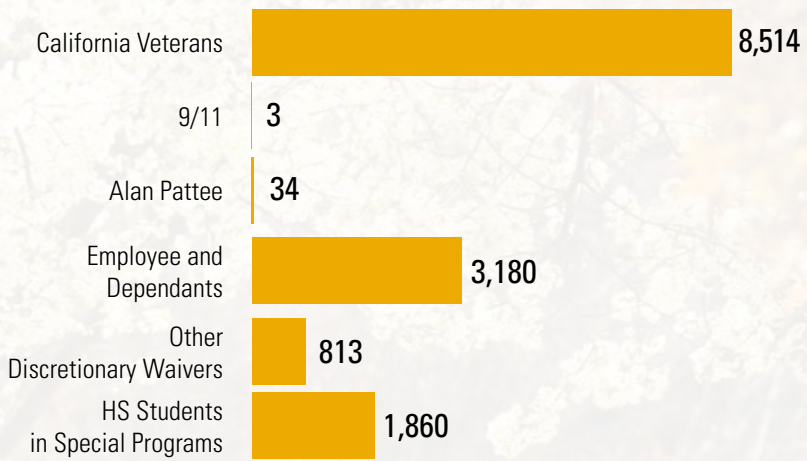
Under current law, there are four state-mandated resident tuition waiver programs:

- California Veterans Waiver for children of disabled/deceased veterans (Education Code 66025.3);
- Alan Pattee Waiver for dependents of deceased law enforcement or fire suppression personnel (Education Code 68120);
- The tuition waiver for California residents who were dependents of victims killed in the September 11, 2001 terrorist attacks (Education Code 68121); and
- The tuition waiver for the two students serving on the Board of Trustees (Education Code 66602).

In addition to state-mandated waiver programs, other programs include waivers for employees and employee dependents pursuant to collective bargaining agreements. Some optional waivers have been established by Board of Trustees policy and California statute including programs for high school students and California residents age 60 years and older, among others. The state has not provided General Fund support for any CSU tuition waiver programs since fiscal year 1992–93.

In the 2015–16 college year (fall, winter, spring, and summer), 14,404 tuition waivers were granted to CSU students. When tuition rates are applied to these waivers based on student enrollment status, it amounts to approximately \$67.7 million in revenue foregone to the CSU.

2015–16 Systemwide Tuition Waivers



USES OF REVENUE

The 2017–18 CSU Support Budget recommends an expenditure plan based on increasing state General Fund and tuition revenue from enrollment growth in order to cover the cost of new expenditures. The expenditures outlined in this plan address the university’s fundamental priorities for the 2017–18 fiscal year. These include increases for Graduation Initiative 2025, employee compensation, enrollment growth, academic facilities and infrastructure, and mandatory costs.

Graduation Initiative 2025

The 2017–18 Support Budget plan includes \$75 million for Graduation Initiative 2025. In 2009, the CSU set out to improve six-year completion rates and halve achievement gaps for first-time freshmen by 2015. With state support, the CSU was able to make modest investments in tenure-track hiring, increase course taking opportunities, enhance advising and education plans, improve academic and student support, and leverage data for campus decision making. Building on the success of Graduation Initiative 2009 the CSU decided, in consultation with campus leaders and other key stakeholders, to raise the bar even higher.

Graduation Initiative 2025 is focused on aggressive goals for both freshman and transfer students. By more than doubling the four-year rate from 19 percent to 40 percent systemwide and raising the six-year rate from 52 percent to 70 percent for freshmen, in combination with two- and four-year graduation rate goals for transfer students, the CSU will contribute its share of the bachelor’s degrees needed in California by 2030. The CSU is also committed to fully eliminating achievement gaps for underrepresented, low-income and first-generation students. The \$75 million request represents the first year of a multi-year investment that is needed in order to achieve the CSU’s ambitious new graduation and student success goals.





Five Priority Areas for Graduation Initiative 2025

With \$75 million distributed across the CSU based upon an allocation model which considers the student populations of each campus, these resources will allow campuses to prioritize the investments they make to improve time to degree, eliminate student achievement gaps, and ensure every student has access to the tools, resources and guidance needed to achieve.

- 1. Tenure-Track Faculty Hiring:** Campuses will continue to prioritize the hiring of tenure-track faculty and to improve the ratio of tenure and tenure-track faculty to lecturers, as well as improve student/faculty ratios. These funds will enable campuses to hire more tenured and tenure-track faculty systemwide. This increase will provide opportunities to offer more sections of high-demand courses.
- 2. Improved Course Taking Opportunities:** Campuses will develop infrastructure to accurately predict student demand for course sections, will organize the schedule of classes to prioritize the delivery of courses required for degree completion, and will strategically allocate campus resources to align with demand throughout the college year.
- 3. Enhanced Advising and Education Plans:** Through the hiring of more professional staff advisors and investing in the use of technology to provide clear and accurate education plans, the CSU has prioritized this critical component of academic and student success. Investing in advising will improve opportunities for students to focus on specific academic and career goals, improving both student services and institutional efficiency.
- 4. Academic and Student Support:** By identifying and supporting academic and student services and programs which have systemic, campus-wide impact, campuses will scale-up a range of successful strategies to improve retention and completion.
- 5. Actively Leveraging Data:** Campuses will continue investment in improving student information systems and the use of available data to facilitate more strategic and intentional campus decision making.

Compensation Increase

The CSU Board of Trustees recognizes compensation for faculty, staff and management as a key element of the university's success. Continued investment to make progress toward competitive salaries is critical for the CSU to fulfill its primary mission of access to an affordable and high-quality education. A competitive compensation package is essential to the CSU's ability to recruit and retain faculty, staff and management employees who contribute to the CSU's mission of excellence.

This budget plan calls for approximately \$194.2 million to fund compensation increases, which consists of two parts: current contracts (\$139.1 million) and a compensation pool increase for new contracts open in 2017–18 and non-represented employee groups (\$55.1 million).

Current Contracts: \$139,138,000

The \$139.1 million for current compensation commitments includes permanent replacement of one-time funds toward compensation costs in 2016–17 (\$33.0 million), costs associated with a June 30, 2017 increase (\$21.9 million), and costs associated with a July 1, 2017 compensation increase (\$84.2 million) for faculty and staff with existing collective bargaining agreements.

Open Contracts & Non-Represented Staff: \$55,056,000

The \$55.1 million for new contracts will fund a compensation pool increase effective July 1, 2017 for represented and non-represented employee groups without existing commitments for 2017–18.

Funded Student Enrollment: \$38,507,000

The 2017–18 budget plan includes one percent enrollment growth, which is equal to 3,616 California resident FTES based on a 2016–17 enrollment base of 361,644.

2016–17 Resident FTES Base	361,644
2017–18 Resident Student Enrollment Growth (1%)	3,616
2017–18 RESIDENT FTES	365,260

The cost to fund one percent enrollment growth is derived using a marginal cost rate of \$10,649 per FTES. New enrollment requires new funds for direct instruction, academic support, student services, institutional support, and plant operations totaling \$38.5 million.



Academic Facilities and Infrastructure: \$10,000,000

The 2017–18 budget proposes \$10 million to address the CSU’s most urgent facilities maintenance and utilities infrastructure needs. Under current bond market conditions, this amount would finance approximately \$150 million for much needed capital projects. The CSU prioritizes critical infrastructure and utility renewal projects and facility renovation to support academic program needs. The \$10 million request will also enable the CSU to fund limited physical capacity growth to serve growing student enrollment.

However, the budget request will only allow the CSU to keep pace with our aging infrastructure. It will not reduce the deferred maintenance backlog, which currently stands at approximately \$2 billion, when funded projects are completed. The backlog is expected to grow at an estimated \$143 million per year as facilities continue to age and limited funds are available.

Mandatory Costs: \$26,000,000

Mandatory costs are expenditures the university must pay regardless of the level of funding allocated by the state, and they often increase independent of the state budget condition. These costs include increases for employee health, dental and retirement benefits, and the operations and maintenance of newly constructed facilities. Additionally, funding is included in 2017–18 to address increasingly greater compensation costs due to changes in federal overtime rules and state minimum wage laws. Without funding for these types of mandatory cost increases, campuses must redirect resources from other program areas to meet these obligations. In order to preserve the integrity of CSU programs, the 2017–18 plan provides for the following increases in mandatory cost obligations.

Health Benefits	\$912,000
Dental Benefits	2,429,000
Retirement Benefits	7,000,000
Maintenance of New Facilities	776,000
Federal and State Mandates	14,883,000
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Total	\$26,000,000

CONTINUING CHALLENGES

The CSU will continue to work with state leaders and explore all options to meet the mission to provide access to an affordable, quality higher education.

The 2017–18 Support Budget plan lays out a vision for our students, faculty, staff and the state of California. However, even if the state fully funds the budget plan, there are a number of challenges faced by the CSU—now and over the long-term. Some of these challenges include: continued progress on graduation rates while maintaining access with limited incremental funding, a stagnant deferred maintenance backlog, and ongoing inflationary pressures.

Increasing Graduation Rates and Maintaining Access

While the 2017–18 budget plan supports a one percent increase in resident student enrollment (3,616 FTES), this is only a small step towards addressing California’s higher education demand. The Public Policy Institute of California continues to project a shortfall of more than one million bachelor’s degrees by 2030, and at the current rate of enrollment growth, the CSU cannot fulfill its role.

Additionally, an increase in students does not necessarily correspond with new enrollment, as one of the strategies of Graduation Initiative 2025 involves increasing the average number of courses students take during the academic year. This will raise the average unit load carried by students—currently at 12.9 units per term. The minimum unit load for a full-time undergraduate student is 12 units per term to qualify for full financial aid, though to graduate within four years, a student must take at least 15 units per term.

Given additional state funding, the CSU could expand year-round operations to decrease time to degree and increase access to higher education. This would allow the CSU to offer a more robust summer/winter course schedule so students can make continuous progress toward degree. State funding for year-round operations could also allow the CSU to provide a level of financial aid for summer enrollment.

The CSU continues to experience increased enrollment demand from community college graduates, especially since the Student Transfer Achievement Reform Act (Senate Bill 1440) was enacted in 2010. The act required the CSU to guarantee admission for community college students who complete an associate degree for transfer. From fall 2005 to fall 2015, the number of new community college transfer students increased almost 40 percent from 34,296 to nearly 48,000 students. The CSU is balancing demand for a CSU education from growing numbers of transfer students and increasing numbers of qualified high school graduates, and supplying as many of those students as possible with an affordable, high-quality education.





Deferred Maintenance Backlog

One of the lingering effects of the Great Recession is the deferral of maintenance on buildings and the continued depreciation of facilities and utilities infrastructure beyond their useful life. The CSU operates about 43 million square feet of academic building space across 23 campuses statewide.

At many of our campuses, the utilities infrastructure is obsolete, built more than a half century ago, and in need of upgrade or replacement. The CSU continues to squeeze more life out of many outdated and overworked academic buildings, despite the ever-increasing financial costs. Further, the continued use of antiquated facilities impedes the educational opportunities of students and the CSU's ability to attract and retain faculty.

The backlog of maintenance and utilities infrastructure needs exceeded \$2.6 billion in fiscal year 2015–16. With an infusion of one-time and recurring funds from the state in recent years, the CSU has been able to reduce the backlog to \$2.0 billion, when funded projects are completed. This is good progress, yet the backlog continues to grow at an estimated \$143 million per year as facilities continue to age. Even if the state were to approve the CSU's request of \$10 million in recurring funding for deferred maintenance and infrastructure, this amount would only allow the CSU to finance approximately \$150 million for needed maintenance and infrastructure projects—just enough to maintain the backlog at current levels but not reduce it.

With limited funding, the CSU can only target the most critical renewal and repair projects in the deferred maintenance backlog, including health and safety concerns at each campus (e.g. fire protection, structural repairs, roofing, HVAC, and elevators), to avert building and campus shutdowns. The CSU has also prioritized the utilities infrastructure, which includes electrical distribution, natural gas piping, storm and sewer drain lines, and plumbing and water systems. Any interruptions, shutdowns, or failures in any of the infrastructure areas will impede our ability to provide educational services in a safe environment for students, faculty and staff—and potentially result in additional damage to already stressed systems and infrastructure.

Inflation

Like any other institution, the CSU will continue to experience inflationary pressures. Using the Consumer Price Index (CPI-Urban for California), the average rate of inflation for the past decade is approximately two percent per year. This percentage may not seem significant, but when placed in context of state appropriations to the CSU that fund enrollment growth and facility infrastructure on top of ongoing expenses, these inflationary increases have a detrimental impact. In recent years, the CSU has received an increase in general fund appropriations from the state of about four percent. This means most of the state general fund increase is already committed to inflationary increases before any of the augmentations laid out in each support budget request is funded.

In non-inflation adjusted dollars, state appropriations to the CSU have recovered to the 2007–08 pre-recession level of \$2.97 billion. Yet, when the 2007–08 appropriations are adjusted for inflation, state funding in 2016–17 is nearly \$500 million less than \$3.5 billion in 2007–08. Meanwhile, the CSU has 23,000 more resident FTES now than a decade ago and mandatory costs such as employee health benefits have risen faster than inflation.

Without an increase in the state appropriation, the CSU will continue to be challenged by inflationary realities that limit campus budget flexibility as well as the ability for campuses to dedicate as many resources as possible to achieve sustainable progress in Graduation Initiative 2025, compensation, infrastructure, and other areas vital to the CSU mission.



ONE-TIME REQUESTS

In addition to the permanent funding increases included in this plan, the 2017–18 Support Budget plan seeks additional, one-time investments from the state. In the recent past, the state has proposed and provided one-time funding for a variety of energy efficiency and maintenance projects on CSU campuses.

Cap-and-Trade Program

The CSU plan seeks funds from the California Cap-and-Trade Program for renewable energy and energy efficiency projects. As these state funds are purposed for implementing energy efficiency and greenhouse gas reduction projects, the CSU plan seeks \$25 million from the Cap-and-Trade Program for 2017–18 to further these efforts. In addition, discussions with the CSU/UC Investor-Owned Utility Partnership Executive Committee to potentially leverage the utility rebate incentive program in partnership with the Cap-and-Trade funding would further incentivize energy conservation projects across the CSU system.

Deferred Maintenance Backlog

The CSU plan seeks an additional \$50 million of one-time funding to further address the deferred maintenance backlog. Critical deficiencies identified throughout the 23 campuses will be addressed to enable campuses to continue essential operations, reduce the likelihood of catastrophic failures, and meet current code requirements to operate safe facilities. Major building systems that have exceeded the expected service life will be modernized to enable campuses to operate utilities more effectively, improve HVAC systems efficiency, reduce energy and lighting costs, reduce water consumption and greenhouse gas emissions, and extend the useful life of existing facilities. The one-time funding will be spent on projects on a pay-as-you-go basis.

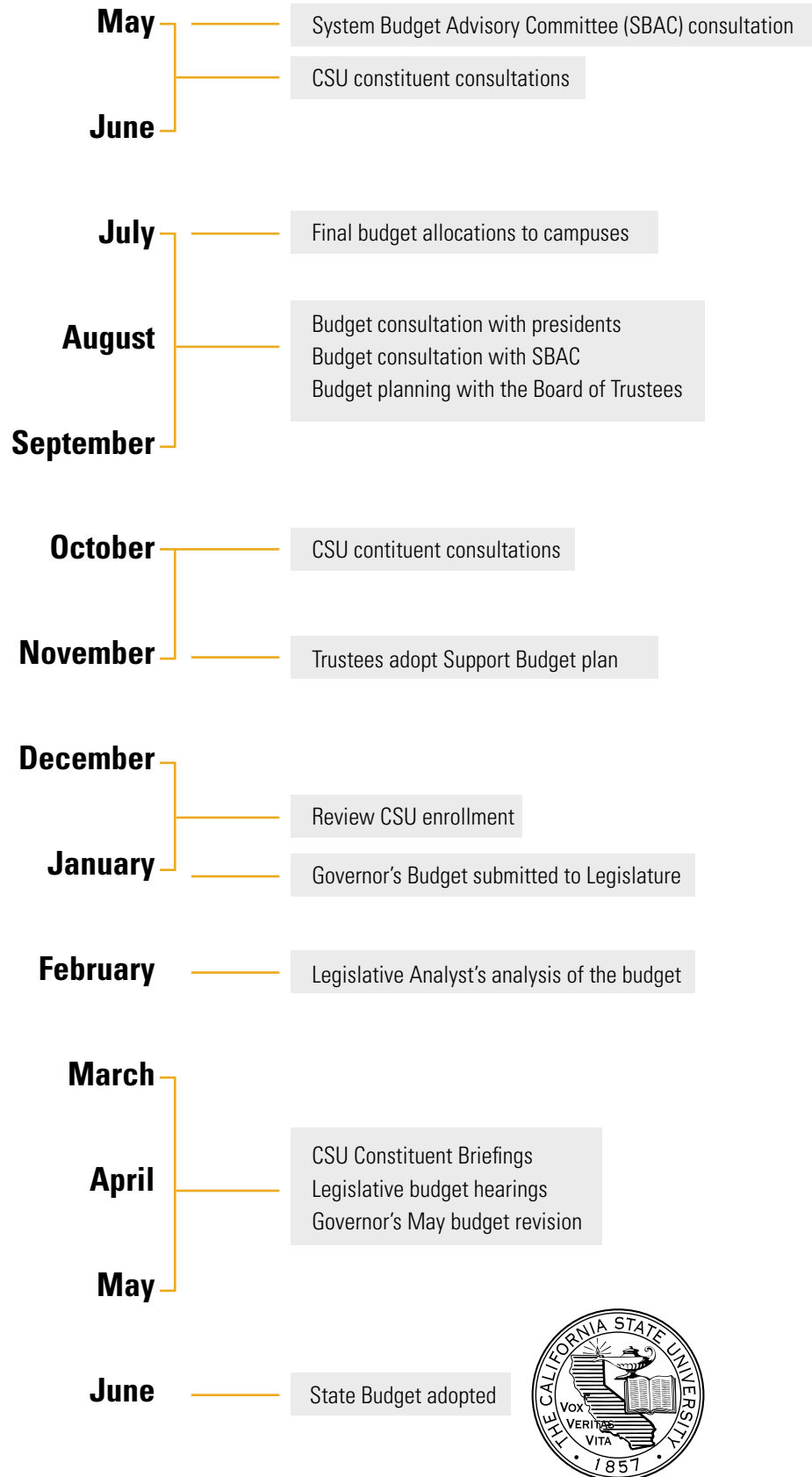
Together, funds from the Cap-and-Trade Program and funds for deferred maintenance will directly support statewide initiatives to attain energy and water conservation and greenhouse gas reductions.





SANHA LUCIA HALL

BUDGET CYCLE





CSU The California State University

401 Golden Shore, Long Beach, CA 90802

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COMMITTEE ON FINANCE

Conceptual Approval of a Public-Private Partnership Project with the Los Angeles Football Club to Develop a Performance Center at California State University, Los Angeles

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

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

William A. Covino
President
California State University, Los Angeles

Summary

This item requests conceptual approval to pursue a public-private partnership plan with the Los Angeles Football Club (LAFC) to develop land for a training performance center on the California State University, Los Angeles campus. If the concept is approved, the proposed partnership project would return to the board for final approval of the real property development agreement.

Background

LAFC is an expansion of the Major League Soccer franchise founded in October 2014 by a diverse group of Los Angeles civic leaders and a team of global business and philanthropic individuals. LAFC is constructing a \$350 million, 22,000-seat open-air stadium at the former site of the Los Angeles Memorial Sports Arena, which is expected to be completed in time for the team's debut in 2018.

Related to the expansion and separate from the construction of the stadium, LAFC is considering Cal State Los Angeles as a proposed site to develop a performance center to house practice fields and training facilities.

Project Description

The project proposes construction of one natural grass professional-sized soccer field, a new practice training facility, and approximately 50 designated parking spaces on a four-acre site along the university's northern boundary. The site is currently a vacant field situated near student housing facilities and the campus north entrance on East Valley Boulevard. The project will include a 30,000 square foot building housing facilities for sports medicine, nutrition, training, and education and includes sitework and grading to transform the existing topography into usable land.

The campus received support for the project concept from the CSU Land Development Review Committee as part of the due diligence process. The campus will also complete the environmental review process as required by the California Environmental Quality Act to analyze project impacts on traffic, noise, air quality, etc. In order to mitigate noise impacts, it is anticipated the developer will be required to adhere to the campus' sound policy that in part limits the use of sound amplification to the hours of 12 p.m. to 3 p.m. no more than twice per week. In addition, the campus will require the design of any field lighting to minimize the spill-over of light into the adjacent neighborhood. While specific environmental impacts have yet to be identified, these two examples provide insight to the campus requirements for the proposed development to mitigate environmental impacts. A campus open house to solicit community input on the proposed project will be scheduled in December pending the board's consideration of the project concept.

Educational Benefits

The proposed partnership will create direct educational benefits for students by drawing on both the expertise of LAFC personnel and their presence at the campus. The project supports the university's academic mission by providing students with direct research, scholarship, internship, and job opportunities with a professional sports organization. The School of Kinesiology and Nutritional Science already works with the LAFC and has placed students with the organization. This partnership will benefit students further from the presence of the performance center, which will provide hands-on experiences for students. Additionally, the LAFC partnership will allow Cal State Los Angeles to complete the development of a Sports Management degree program by providing important revenues and resources, including the use of the state-of-the-art facility by campus student athletes, to advance Cal State Los Angeles' athletic and educational goals. Established academic programs such as Business, Education, Exercise Science, Nursing, Child Development, Youth Agency Administration, and Public Health and Community Health may also benefit from the partnership, and additional opportunities will be available to students within the respective industries of the LAFC owners. Revenues from the ground lease will be used to support academic programs and other campus services.

Through shared use of the project, Cal State Los Angeles will be able to enhance its fundraising and summer programs by hosting revenue-generating activities, such as sports camps and campus sponsored athletic and community engagement events. LAFC has already donated \$100,000 to Cal State Los Angeles athletics programs and will provide additional ongoing benefit by improving and maintaining the campus's existing track and field facility during the life of the partnership.

The facilities will also be available for the LAFC Youth Academy, a community-focused program that has utilized Cal State Los Angeles facilities since the spring of 2016 and offers opportunities to young soccer players who might not otherwise be able to afford the cost of developmental soccer clubs.

The project will provide youth in the neighboring communities of Cal State Los Angeles with better access to top-quality athletics programs and the opportunity for exposure to campus life and learning experiences, which may increase the likelihood of first-generation students to enroll in college. Moreover, the project will transform the blighted property at the northern gateway to the campus, enhance quality of life for current students, make it more appealing for prospective students, and improve prospects for attractive, student-centered commercial development adjacent to the campus. Overall, the campus location, service area, and educational mission are an ideal fit with LAFC's focus on serving local communities and target fan base.

Financing

The campus anticipates entering into a ground lease with LAFC at fair market value rent based on an appraisal of the site. LAFC will be responsible for financing, constructing, operating, and maintaining the facility in good condition during the term of the lease. The real property development agreement is envisioned as an initial 10-year ground lease term with 2 ten-year extension options. The campus also anticipates that LAFC will also fund improvements to the campus' existing soccer fields and provide the campus access to the new practice fields for university use. The LAFC will also be responsible for costs associated with the environmental and entitlement processes in accordance with CSU requirements. No campus funds will be committed to the project. The site development will revert to the Cal State Los Angeles upon termination of the lease.

Approval of the Final Development Plan

Per board policy, as the project moves forward, all related master plan revisions, amendments of the capital outlay program, proposed schematic plans, financial plans, proposed key business points of the finalized development plan, agreements regarding operating conditions and mutual use, and the required environmental documents will be presented at future meetings for final approval by the board prior to execution of any commitments for development and use of the property.

Recommendation

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that the Trustees:

1. Approve the concept of a public-private partnership with the Los Angeles Football Club to develop a performance training center.
2. Authorize the chancellor and the campus to enter into negotiations for agreements necessary to develop the final plan for the public-private partnership as explained in Agenda Item 6 of the November 15-16, 2016 meeting of the Committee of Finance.
3. Authorize the chancellor and campus to enter into a due diligence access and option agreement which provides the Los Angeles Football Club with a limited-term option along with the responsibility for the development of a final plan, schematic drawings, and necessary environmental analyses during the option period;
4. Will consider the following future action items relating to the final plan:
 - a. Review of project environmental mitigation measures that will include traffic, sound, aesthetics, etc. in order to consider the certification of the required California Environmental Quality Act documentation;
 - b. Approval of a developer agreement with the advice of the chancellor;
 - c. Approval of any amendments to the campus master plan as they pertain to the project and long-term campus land use;
 - d. Approval of an amendment to the Capital Outlay Program;
 - e. Approval of schematic design.

AGENDA

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Meeting: 11:30 a.m., Tuesday, November 15, 2016
Glenn S. Dumke Auditorium

Steven G. Stepanek, Chair
John Nilon, Vice Chair
Jane W. Carney
Adam Day
Thelma Meléndez de Santa Ana
J. Lawrence Norton
Peter J. Taylor

Consent Items

Approval of Minutes of the Meeting of September 20, 2016

1. California State University, Monterey Bay Student Union Project: Approval of the Master Plan Revision, the Amendment of the 2016-2017 Capital Outlay Program, and Schematic Plans, *Action*
2. California State University, Long Beach College of Continuing and Professional Education Classroom Building Project: Approval of the Amended 2016-2017 Capital Outlay Program and Schematic Plans, *Action*
3. Approval of Schematic Plans for CSU Projects at Dominguez Hills, Los Angeles, Monterey Bay, Sacramento, and San José, *Action*

Discussion Item

4. California State Polytechnic University, Pomona Student Housing Replacement Project: Certification of the Final Environmental Impact Report and Approval of the 2016 Master Plan Revision, *Action*

**MINUTES OF THE MEETING OF THE
COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS**

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

September 20, 2016

Members Present

Steven G. Stepanek, Chair
John Nilon, Vice Chair
Jane W. Carney
Adam Day
Thelma Meléndez de Santa Ana
J. Lawrence Norton
Peter J. Taylor
Rebecca D. Eisen, Chair of the Board
Timothy P. White, Chancellor

Trustee Steven G. Stepanek called the meeting to order.

Approval of Minutes

The minutes of the July 19, 2016 meeting were approved as submitted.

Approval of the Schematic Plans for California State University, Sacramento

Trustee Stepanek presented agenda item 1 as a consent action item. The committee recommended approval of the proposed resolution (RCPBG 09-16-09).

Approval of the 2016 Master Plan Revision, Amendment of the 2016-2017 Capital Outlay Program, and Schematic Plans for the Monterey Bay Charter School, Phase I at California State University, Monterey Bay

Trustee Stepanek presented agenda item 2 as a consent action item. The committee recommended approval of the proposed resolution (RCPBG 09-16-10).

Trustee Stepanek adjourned the meeting.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

California State University, Monterey Bay Student Union Project: Approval of the Master Plan Revision, the Amendment of the 2016-2017 Capital Outlay Program, and Schematic Plans

Presentation By

Elvyra F. San Juan
Assistant Vice Chancellor
Capital Planning, Design, and Construction

Summary

This agenda item requests the following actions by the California State University Board of Trustees with regard to the Student Union building for California State University, Monterey Bay:

- Approve the proposed campus master plan revision dated November 2016
- Approve the amendment of the 2016-2017 Capital Outlay Program
- Approve the schematic design
- Approve the addendum to the Final Environmental Impact Report (FEIR) dated August 2016

Attachment “A” is the proposed campus master plan that includes the changes required to site the Student Union building. Attachment “B” is the existing campus master plan approved by the trustees in September 2016.

The CSU Board of Trustees requires a long range physical master plan showing existing and anticipated facilities necessary to accommodate a specified academic year full-time equivalent student enrollment. Each campus master plan reflects the physical requirements of the academic program and auxiliary activities on the campus. By board policy, significant changes to the master plan and approval of a project’s schematic design require board approval. Authority to approve minor master plan revisions or schematic designs for projects that are not architecturally significant, are utilitarian in nature, or have a cost of \$5,000,000 or less is delegated to the chancellor or his designee.

Proposed Master Plan Revision

The campus proposes revisions to the physical master plan to relocate the proposed site for the Student Union building from the current location on Divarty Street, along the campus crescent, between Beach Hall (#21¹) and the proposed Academic Building III (#505).

The master plan revision identifies the proposed location of the Student Union building in the existing 225-space parking lot at the southwest corner of Inter-Garrison Road and Fifth Avenue. The project site is situated between Student Housing (#202-204) to the south and the Student Center (#12) to the west. Existing parking lots on campus will be reconfigured to accommodate spaces lost as part of this project.

The proposed master plan changes are noted on Attachment A as Hexagon 1: Student Union Building #504.

Amend the 2016-2017 Capital Outlay Program

The Board of Trustees approved the 2016-2017 Capital Outlay Program at its November 2015 meeting. CSU Monterey Bay wishes to amend the 2016-2017 Capital Outlay Program for \$55,558,000 for preliminary plans, working drawings and construction for the Student Union building project.

Student Union Building Schematic Design

Project Architect: HGA Architects

Collaborative Design/Build Contractor: Gilbane Building Company

Background and Scope

The proposed 69,151 gross square foot (GSF) Student Union Building project will provide space to support student life and activities such as meeting space, open lounges, student government offices, food service, a ballroom, and outdoor social event space. The facility will also house the Cross Cultural Center and the campus bookstore.

The three-story “U” shaped building harbors a shaded, wind-protected courtyard. Challenging site and climate conditions were perceived as opportunities to design architectural features that allow the new home for student life to become an enjoyable venue for academic and social activities. The site slopes downward 22 feet from south to north, which the design takes advantage of by creating ground floor entrances on two levels, one on the Inter-Garrison level on the south and one on the Main Quad level to the north. The Inter-Garrison level of the building features a plaza at

¹ The facility number is shown on the master plan map and recorded in the Space and Facilities Database.

the street corner. This level will house the bookstore and the ballroom, which provides opportunities for expanding to the exterior for concerts and event activities complimenting the liveliness at the transit friendly location.

The second level, referred to as the Main Quad level, promotes student life through food services, clusters of lounge and seating areas, interior and exterior seating, and steps creating highly visible spaces. The sizable, yet protected, courtyard frames the southern entrance to the building.

The third level houses administrative offices, student program spaces, and a game room. An architectural wind barrier and trellis provides protection from the prevailing winds and sun to maximize usage and increases the usable area of the Student Union.

The proposed facility will consist of a steel brace framed structure with concrete spread footings. Concrete retaining walls will line most of the site as the building is tucked against the hillside. The exterior will include a combination of glass fiber reinforced concrete (GFRC) panel panels, composite zinc metal panels, and curtain wall glazing. The roof will be a standard flat roof design with reflective coating to reduce solar gain.

Energy conservation measures incorporated into the project include high efficiency HVAC systems, energy efficient lighting, and conduit installation for future solar power panels and electric vehicle chargers. In addition to natural daylighting, efficient lighting systems and thermal controls allow occupants flexibility and control of the interior environment as well as increased energy efficiency. Low-flow plumbing fixtures will be installed throughout the project to conserve water.

The building massing and orientation maximizes solar exposure in the winter and minimizes gain in the summer. The building is an indoor-outdoor design solution that responds to a cooler climate with outdoor spaces sheltered from winds and heated by the sun as much as possible. This project will capture storm water runoff from roofs and hardscape using large retention areas as well as rain gardens.

Timing (Estimated)

Preliminary Plans Completed	January 2017
Working Drawings Completed	September 2017
Construction Start	March 2018
Occupancy	September 2019

Basic Statistics

Gross Building Area	69,151 square feet
Assignable Building Area	45,796 square feet
Efficiency	66 percent

Cost Estimate – California Construction Cost Index (CCCI) 6255²

Building Cost (\$502 per GSF)	\$34,735,000
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<i>Systems Breakdown</i>	<i>(\$ per GSF)</i>
a. Substructure (Foundation)	\$ 28.36
b. Shell (Structure and Enclosure)	\$ 155.47
c. Interiors (Partitions and Finishes)	\$ 77.73
d. Services (HVAC, Plumbing, Electrical, Fire)	\$ 134.17
e. Built-in Equipment and Furnishings	\$ 21.00
f. General Requirements	\$ 14.17
g. General Conditions and Insurance	\$ 71.40

Site Development	<u>3,047,000</u>
Construction Cost	\$37,782,000
Fees, Contingency and Services	<u>16,509,000</u>
Total Project Cost (\$785 per GSF)	\$54,291,000
Fixtures, Furniture, & Moveable Equipment	<u>1,267,000</u>
Grand Total	<u>\$55,558,000</u>

Cost Comparison

This project's building cost of \$502 per GSF is less than the \$520 per GSF for the CSU Sacramento University Union Renovation and Expansion, Phase 1 approved in September 2016 and the \$505 per GSF for the CSU Fullerton Titan Student Union Expansion approved in March 2015, both adjusted to CCCI 6255. The cost is higher than the \$460 per GSF for the San José State Student Union Expansion and Renovation approved in March 2009 adjusted to CCCI 6255. The higher cost relative to San José State is partially due to the foundation costs, which reflect the site work needed, including excavation, construction of retaining walls, and waterproofing to make the sloped site useable. Shell costs are also higher than similar projects due to the proposed use of partial roof surfaces as occupied deck space, and the incorporation of wind protection and shading.

² The July 2016 *Engineering News-Record* California Construction Cost Index (CCCI). The CCCI is the average Building Cost Index for Los Angeles and San Francisco.

Funding Data

The project will be funded with Student Union fee revenue reserves (\$10 million) and the CSU Systemwide Revenue Bond Program (\$45.5 million). Student fee revenue will repay the bonds. Approval of financing for this project will be considered by the Committee on Finance at this meeting.

California Environmental Quality Act (CEQA) Action

The Student Union project was addressed in the Final Environmental Impact Report (EIR) for the California State University, Monterey Bay master plan which was certified by the trustees in May 2009. The university completed an Addendum to the Final EIR in August 2016 which describes the details of the Student Union project and compares the impacts to those identified in prior master plan CEQA documents. The Addendum to the Final EIR addresses the relocation of the proposed Student Union and the relocation of 225 parking spaces due to displacement of such spaces located on the updated Student Union site. Implementation of this project will not result in any new or substantially more severe impacts as outlined in Section 15164(a) of the CEQA Guidelines. The Addendum to the Final EIR is available at:

<https://csumb.edu/campusplanning/proposed-projects#ceqa-documents-addendum>.

Recommendation

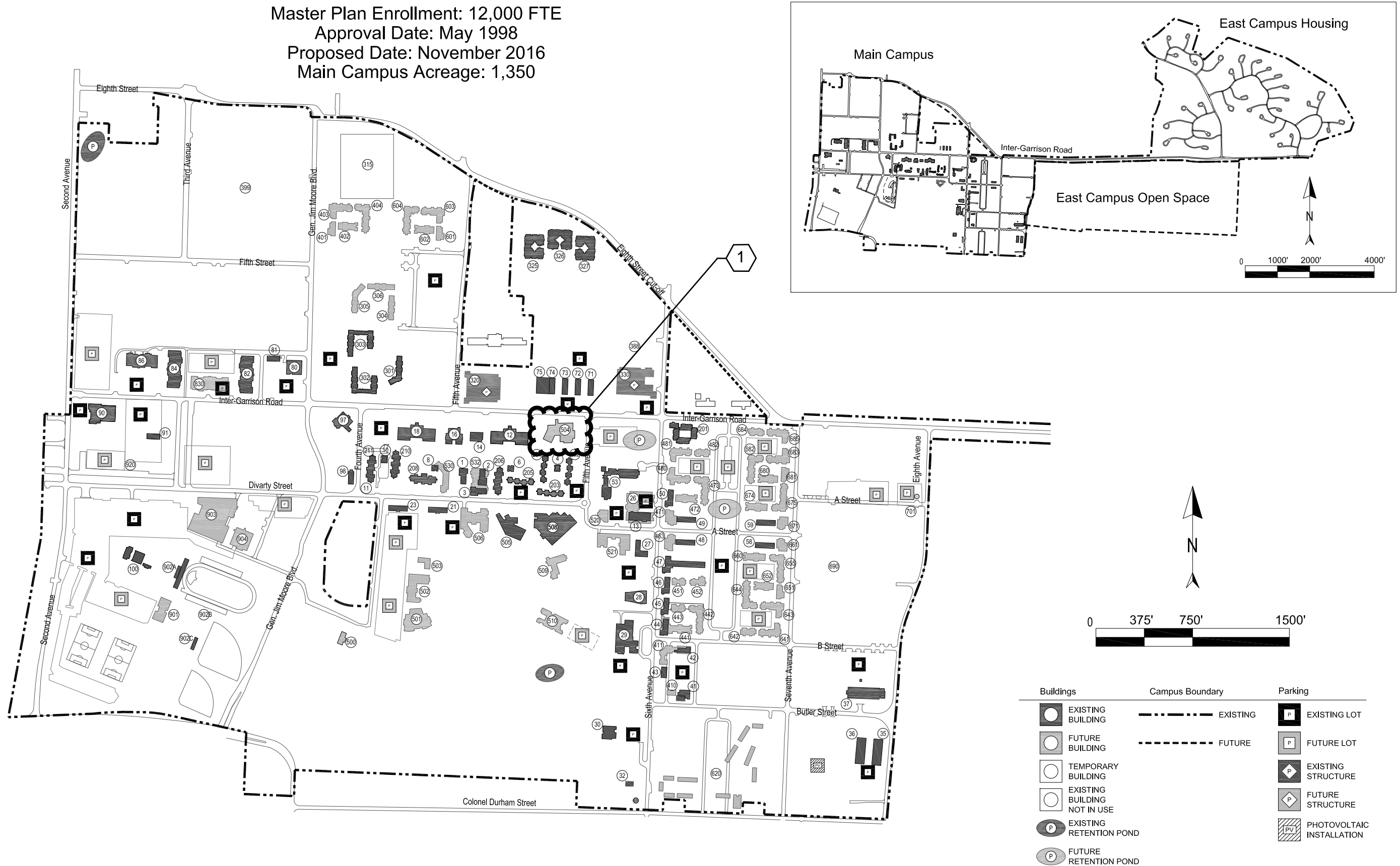
The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that:

1. The board finds that the May 2009 Master Plan Final EIR has been prepared in accordance with the requirements of the California Environmental Quality Act.
2. The project before this board is consistent with the previously certified May 2009 Master Plan Final EIR.
3. With implementation of the mitigation measures set forth in the master plan previously approved by the trustees, the proposed project will not have a significant adverse effect upon the environment beyond those described in the May 2009 Master Plan Final EIR and the project will benefit the CSU.
4. The California State University, Monterey Bay Campus Master Plan Revision dated November 2016 is approved.
5. The 2016-2017 Capital Outlay Program is amended to include \$55,558,000 for preliminary plans, working drawings, construction and equipment for the California State University, Monterey Bay Student Union building.
6. The schematic plans for the California State University, Monterey Bay Student Union building are approved at a project cost of \$55,558,000 at CCCI 6255.

California State University, Monterey Bay Campus Master Plan

Master Plan Enrollment: 12,000 FTE
 Approval Date: May 1998
 Proposed Date: November 2016
 Main Campus Acreage: 1,350



California State University, Monterey Bay

Master Plan Enrollment: 12,000 FTE

Master Plan approved by the Board of Trustees: May 1998

Master Plan Revision approved by the Board of Trustees: November 2004, March 2006, May 2009, September 2016

Proposed Revision: November 2016

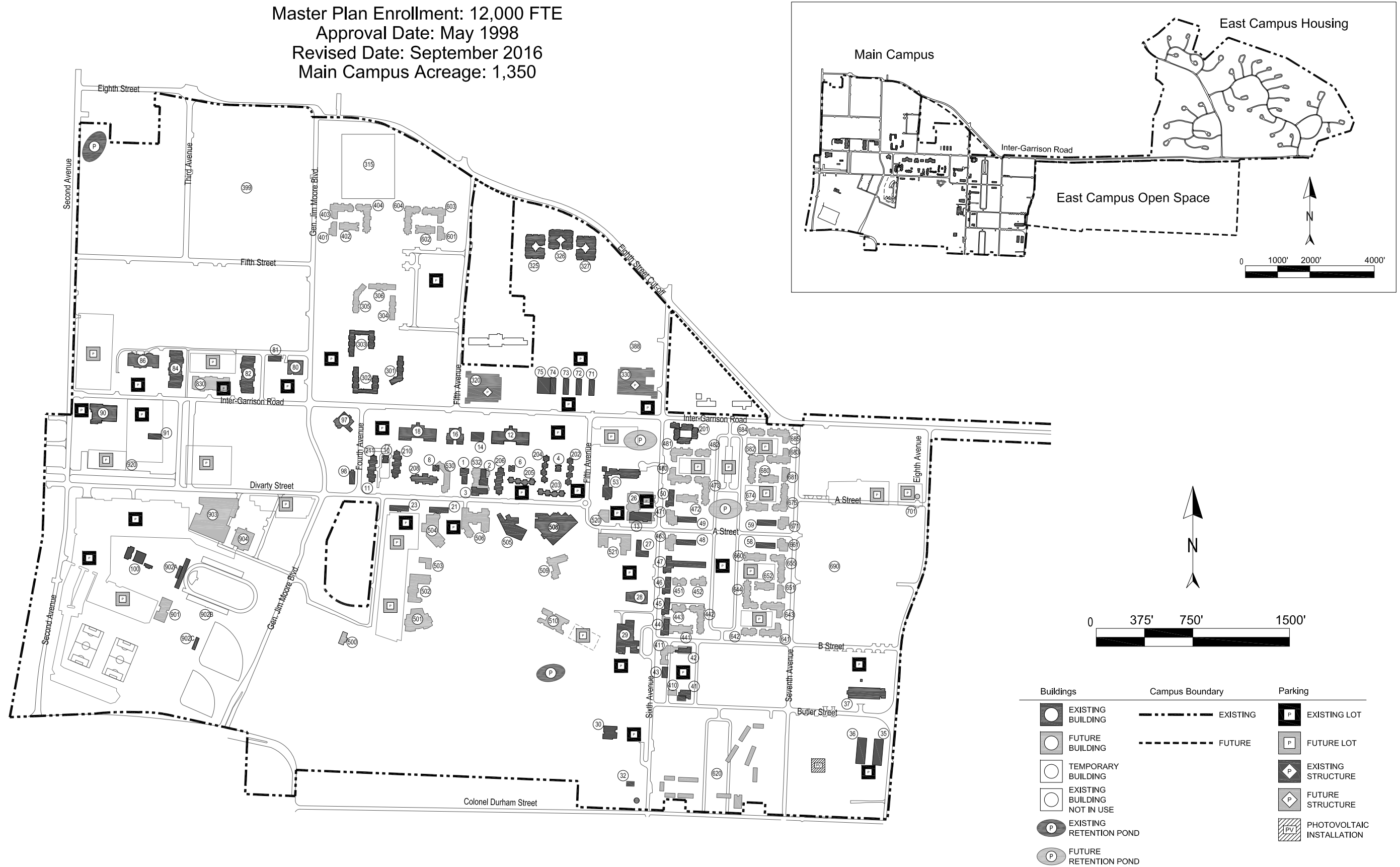
1. Administration Building	82. Valley Hall Suites A-F	508. Tanimura and Antle Family Memorial Library
2. Del Mar Hall	84. Mountain Hall Suites A-F	509. Academic Building IX
3. Playa Hall	86. Ocean Hall Suites A-E	510. Institute for Public Policy Administration
4. Wave Hall	90. Otter Sports Center	520. Administration
6. Surf Hall	91. Child Care Center	521. Academic Building VII
8. Sand Hall	97. Alumni and Visitors' Center	530. Student Services
10. Dunes Hall	98. Meeting House	532. Academic Building IV
11. Telecommunication Shelter	100. Aquatic Center	601. Student Housing IV
12. Student Center	201. University Corporation	602. Student Housing IV
13. Science Research Lab Annex	202. Cypress Hall	603. Student Housing IV
14. Otter Express	203. Asilomar Hall	604. Student Housing IV
16. Dining Commons	204. Willet Hall	641. Student Housing V
18. Media Learning Center	205. Manzanita Hall	642. Student Housing V
21. Beach Hall	206. Yarrow Hall	643. Student Housing V
23. Tide Hall	208. Avocet Hall	644. Student Housing V
26. Academic Building V	210. Tortuga Hall	651. Student Housing V
27. Cinematic Arts and Technology	211. Sanderling Hall	652. Student Housing V
28. World Theater	301. Strawberry Apartments	655. Student Housing V
29. University Center	302. Pinnacle Suites	660. Student Housing V
30. Music Hall	303. Vineyard Suites	661. Student Housing V
32. Switch Gear Building	304. Residence Hall	671. Student Housing V
35. Mail Room/Shipping and Receiving	305. Residence Hall	674. Student Housing IIB
36. University Storage	306. Residence Hall	675. Student Housing IIB
37. Facilities Services and Operations	315. Student Recreation Field	680. Student Housing IV
41. Telecommunications	320. Structured Parking	681. Student Housing IV
42. Watershed Institute	330. Structured Parking	682. Student Housing IV
43. IT Services	388. Campus Partnerships I	683. Student Housing IV
44. Pacific Hall	399. North Campus Housing	684. Student Housing IV
45. Coast Hall	401. Student Housing IV	685. Student Housing IV
46. Harbor Hall	402. Student Housing IV	690. Campus Partnerships II
47. Student Services Building	403. Student Housing IV	701. Cell Tower
48. World Languages and Cultures-South	404. Student Housing IV	830. Child Care/Administration Center
49. World Languages and Cultures-North	410. Main Distribution Facility	901. Research Institute
50. Science Instructional Lab Annex	411. Technology Center	902A. Field House
53. Chapman Science Academic Center	441. Student Housing III	902B. Sports Complex Addition
58. Green Hall	442. Student Housing III	902C. Field Office
59. Reading Center	443. Student Housing III	903. Varsity Sports Complex
Diagnosics and Instruction	451. Student Housing III	904. Varsity Sports Complex
71. Visual and Public Arts East	452. Student Housing III	920. Campus Partnership III
72. Visual and Public Arts Center	463. Student Housing III	
73. Visual and Public Arts West	471. Student Housing III	
74. Central Plant	472. Student Housing III	
75. Film Archive Instructional	473. Student Housing III	
80. Health and Wellness Services	480. Student Housing III	
	481. Student Housing III	
	482. Student Housing III	
	500. Bunker Building	
	501. Academic Building VII	
	502. Academic Building VI	
	503. Utility Complex	
	504. Student Union	
	505. Academic Building III	
	506. Joel and Dana Gambord Business and Information Technology Building (BIT)	

LEGEND:
 Existing Facility / Proposed Facility

NOTE: Existing building numbers correspond with building numbers in the Space and Facilities Base (SFDB) Facility

California State University, Monterey Bay Campus Master Plan

Master Plan Enrollment: 12,000 FTE
 Approval Date: May 1998
 Revised Date: September 2016
 Main Campus Acreage: 1,350



California State University, Monterey Bay

Master Plan Enrollment: 12,000 FTE

Master Plan approved by the Board of Trustees: May 1998

Master Plan Revision approved by the Board of Trustees: November 2004, March 2006, May 2009, September 2016

1. Administration Building	82. Valley Hall Suites A-F	508. Tanimura and Antle Family Memorial Library
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3. Playa Hall	86. Ocean Hall Suites A-E	510. Institute for Public Policy Administration
4. Wave Hall	90. Otter Sports Center	520. Administration
6. Surf Hall	91. Child Care Center	521. Academic Building VII
8. Sand Hall	97. Alumni and Visitors' Center	530. Student Services
10. Dunes Hall	98. Meeting House	532. Academic Building IV
11. Telecommunication Shelter	100. Aquatic Center	601. Student Housing IV
12. Student Center	201. University Corporation	602. Student Housing IV
13. Science Research Lab Annex	202. Cypress Hall	603. Student Housing IV
14. Otter Express	203. Asilomar Hall	604. Student Housing IV
16. Dining Commons	204. Willet Hall	641. Student Housing V
18. Media Learning Center	205. Manzanita Hall	642. Student Housing V
21. Beach Hall	206. Yarrow Hall	643. Student Housing V
23. Tide Hall	208. Avocet Hall	644. Student Housing V
26. Academic Building V	210. Tortuga Hall	651. Student Housing V
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30. Music Hall	303. Vineyard Suites	661. Student Housing V
32. Switch Gear Building	304. Residence Hall	671. Student Housing V
35. Mail Room/Shipping and Receiving	305. Residence Hall	674. Student Housing IIB
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43. IT Services	388. Campus Partnerships I	683. Student Housing IV
44. Pacific Hall	399. North Campus Housing	684. Student Housing IV
45. Coast Hall	401. Student Housing IV	685. Student Housing IV
46. Harbor Hall	402. Student Housing IV	690. Campus Partnerships II
47. Student Services Building	403. Student Housing IV	701. Cell Tower
48. World Languages and Cultures-South	404. Student Housing IV	830. Child Care/Administration Center
49. World Languages and Cultures-North	410. Main Distribution Facility	901. Research Institute
50. Science Instructional Lab Annex	411. Technology Center	902A. Field House
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72. Visual and Public Arts Center	463. Student Housing III	
73. Visual and Public Arts West	471. Student Housing III	
74. Central Plant	472. Student Housing III	
75. Film Archive Instructional	473. Student Housing III	
80. Health and Wellness Services	480. Student Housing III	
81. Black Box Cabaret	481. Student Housing III	
	482. Student Housing III	
	500. Bunker Building	
	501. Academic Building VII	
	502. Academic Building VI	
	503. Utility Complex	
	504. Student Union	
	505. Academic Building III	
	506. Joel and Dana Gambord Business and Information Technology Building (BIT)	

LEGEND:
 Existing Facility / Proposed Facility

NOTE: Existing building numbers correspond with building numbers in the Space and Facilities Base (SFDB) Facility

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

California State University, Long Beach College of Continuing and Professional Education Classroom Building Project: Approval of the Amended 2016-2017 Capital Outlay Program and Schematic Plans

Presentation By

Elvyra F. San Juan
Assistant Vice Chancellor
Capital Planning, Design, and Construction

Summary

This item requests approval to amend the 2016-2017 Capital Outlay Program and approval of schematic plans for the College of Continuing and Professional Education (CCPE) Classroom Building project for California State University, Long Beach. The California State University Board of Trustees approved the 2016-2017 Capital Outlay Program at its November 2015 meeting. This item allows the board to consider the scope and budget of a project not included in the previously approved capital outlay program.

Amend the 2016-2017 Capital Outlay Program

California State University, Long Beach wishes to amend the 2016-2017 Capital Outlay Program for the design and construction of a new CCPE Classroom Building (#43¹) located adjacent to the existing Social Sciences and Public Affairs building (#46) in the eastern portion of the campus. This building will provide twenty dedicated classrooms and a large conference space to meet the demands of the existing CCPE program.

CCPE Classroom Building Schematic Design

Collaborative Design-Build Contractor: Matt Construction
Architect: ZGF Architects

Background and Scope

The College of Continuing and Professional Education (CCPE) has evolved into an internationally recognized program, attracting students from as far as Dubai and Central China as well as serving the educational needs of adult learners in the community and on the campus itself.

¹ The facility number is shown on the master plan map and recorded in the Space and Facilities Database.

CPB&G

Agenda Item 2

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Currently, CCPE holds classes in the University Foundation building (#200) and in various facilities on and off-campus. The proposed new 37,980 gross square foot (GSF), three-story building will include classrooms, student interaction space, and a multi-purpose conference room to provide a centralized facility for CCPE course offerings and events.

The first floor of the proposed project houses a 240-seat conference center accessible from an outdoor pre-function space, a catering kitchen, and a lobby. The conference center can transition into three smaller classrooms using operable partitions. The second and third floors hold twenty smaller classrooms, a lounge area, and restrooms.

This project will be designed to be zero net energy and achieve Leadership in Energy and Environmental Design (LEED) Platinum certification. Energy efficient lighting and HVAC systems will be matched to the anticipated 160-kilowatt energy output of a rooftop solar photovoltaic array. Sustainable building features will include LED lighting, water efficient plumbing fixtures, glazed windows, and natural daylighting.

The new building will be a steel braced frame structure with a light steel roof system and a masonry retaining wall. The exterior materials will be selected for durability and ease of maintenance and will feature a mix of brick, cement plaster, and glass. A rooftop solar photovoltaic array will be installed through a power purchase agreement with a third-party provider previously approved in January 2016. Metal fins for sunscreens are proposed to reduce solar gain in the building's interior.

The project site is located on an old creek bed with groundwater within 10 feet of the surface. A specialized deep pile foundation system will provide additional stability given the project site's high water table. In addition, the site's soil is primarily moist clay, which will require removal and replacement to mitigate the clay soil expansion.

The project site contains active chilled/heating hot water and electrical distribution lines that service multiple campus buildings. The building design includes a raised second floor to bridge the utilities with additional attention to the placement of columns and associated piles to avoid significant costs related to relocating the most of the major underground utility lines.

The building massing and orientation are driven largely by the sustainability objectives of the project to minimize the demand for interior heating and cooling. All major building spaces open directly to the exterior, which facilitates cross ventilation and a high degree of natural lighting. The second and third floor utilizes exterior covered balconies as circulation in lieu of the typical double-loaded interior corridors. Operable windows will allow outside air to circulate to interior spaces when outdoor conditions are favorable. An in-slab radiant pipe heating and cooling system will be used on days not suitable for natural ventilation.

Timing (Estimated)

Preliminary Plans Completed	November 2016
Working Drawings Completed	January 2017
Construction Start	February 2017
Occupancy	August 2018

Basic Statistics

Gross Building Area	37,980 square feet
Assignable Building Area	24,499 square feet
Efficiency	65 percent

Cost Estimate – California Construction Cost Index (CCCI) 6255²

Building Cost (\$527 per GSF)	\$20,033,000
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<i>Systems Breakdown</i>	<i>(\$ per GSF)</i>
a. Substructure (Foundation)	\$ 29.33
b. Shell (Structure and Enclosure)	\$ 193.94
c. Interiors (Partitions and Finishes)	\$ 60.53
d. Services (HVAC, Plumbing, Electrical, Fire)	\$ 138.39
e. Built-in Equipment and Furnishings	\$ 17.59
f. Special Construction & Demolition	\$ 8.93
g. General Conditions and Insurance	\$ 78.73

Site Development	<u>2,338,000</u>
Construction Cost	\$22,371,000
Fees, Contingency, Services	<u>6,128,000</u>
Total Project Cost (\$750 per GSF)	\$28,499,000
Fixtures, Furniture & Movable Equipment	<u>410,000</u>
Grand Total	<u>\$28,909,000</u>

² The July 2016 *Engineering News-Record* California Construction Cost Index (CCCI). The CCCI is the average Building Cost Index for Los Angeles and San Francisco.

Cost Comparison

This project's building cost of \$527 per GSF is higher than the CSU Construction Cost Guide for general classroom spaces at \$390 per GSF, including Group I equipment. It is also higher than the \$371 per GSF of the Extended Learning Center at CSU Northridge approved in September 2013, but is lower than the \$541 per GSF for the CSU Monterey Bay Academic Building III project also seeking approval at this meeting. The increase in steel and aluminum costs, along with increases in construction labor costs are cited as drivers to the cost escalation.

The higher building cost is also due to the high-performance building envelope, designed for durability as well as to minimize the demand for heating and cooling of the building. Horizontal metal soffits and louvers are prominent on the building exterior to provide sunscreen and reduce cooling demand of the building. As the second and third floor interior walkways are open to outside elements, interior construction requires additional waterproofing and thermal insulation, and durable finishes. The higher foundation cost is due to extensive soil remediation required for the site, a deeper and more stable foundation system, and the implementation of construction methods and waterproofing to mitigate the wet soil condition.

Cost for building HVAC and electrical services are also higher due to the controls interconnecting the operable windows, radiant floor heating and cooling, and working to a net zero building that is LEED Platinum certified. The building design will result in reduced operational costs.

In addition, the conference center and catering kitchen in this project are not usually included in comparable classroom buildings, thus adding to the higher cost of interior finishes, HVAC, and audio-visual equipment. This space is necessary as the college lacks a formal event space for CCPE.

Funding Data

The project funding will be from the CSU Systemwide Revenue Bond Program (\$15 million) and CCPE designated reserves (\$13.9 million). CCPE revenue will repay the bond financing debt service. Financing approval for this project will be requested at the January 2017 meeting of the Committee on Finance.

California Environmental Quality Act (CEQA) Action

The Final Mitigated Negative Declaration for the College of Continuing and Professional Education Classroom Building project was approved on October 21, 2016 pursuant to California Environmental Quality Act and State CEQA Guidelines in conjunction with a minor master plan revision, under delegated authority to the chancellor. No significant impacts were identified as part of the environmental review process. The public review period began on June 10, 2016 and closed on July 9, 2016 with no adverse comments received. The final documents are available online at http://daf.csulb.edu/offices/ppfm/pdf/mitigated_negative_declarationJune2016.pdf

Recommendation

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that:

1. The Final Initial Study/Mitigated Negative Declaration for the California State University, Long Beach College of Continuing and Professional Education Classroom Building project was prepared pursuant to California Environmental Quality Act and State CEQA Guidelines.
2. The California State University, Long Beach College of Continuing and Professional Education Classroom Building project is consistent with the Final Mitigated Negative Declaration and the effects of the project were fully analyzed in the Final Mitigated Negative Declaration and the project will benefit the California State University.
3. The 2016-2017 Capital Outlay Program is amended to include \$28,909,000 for preliminary plans, working drawings, construction, and equipment for the California State University, Long Beach College of Continuing and Professional Education Building project.
4. The schematic plans for the California State University, Long Beach College of Continuing and Professional Education Classroom Building are approved at a project cost of \$28,909,000 at CCCI 6255.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Approval of Schematic Plans for CSU Projects at Dominguez Hills, Los Angeles, Monterey Bay, Sacramento and San José

Presentation By

Elvyra F. San Juan
Assistant Vice Chancellor
Capital Planning, Design and Construction

Summary

Schematic plans for five projects will be presented for approval:

- 1. California State University, Dominguez Hills—Center for Science and Innovation**
Construction Management at Risk Contractor: CW Driver
Project Architect: HGA Architects and Engineers

Background and Scope

California State University, Dominguez Hills wishes to proceed with the design and construction of the Center for Science and Innovation (#51¹), located immediately south of the existing Natural Sciences and Mathematics building (#50). The South Academic Complex 1 (#100), a temporary modular building, is currently located on the project site and will be demolished. The project has been situated to create a landscaped courtyard south of the existing Natural Sciences and Mathematics building, which will link the two buildings and provide an outdoor space for congregation and collaboration.

The Natural Sciences and Mathematics building was constructed in 1973 and is functionally obsolete as a science teaching facility. New standards for technology, science research and education, and teaching pedagogies have widened the gap between emerging trends in higher education and the limitations of this facility, particularly in the disciplines of science, technology, engineering, and mathematics (STEM).

The new 90,854 gross square foot (GSF) building will house the biology, chemistry, and physics departments of the College of Natural Sciences and Mathematics and will provide new replacement teaching laboratories and support spaces, graduate research laboratories, and faculty offices. The new three-story building will provide capacity space for 198 full-time equivalent

¹ The facility number is shown on master plan map and recorded in Space and Facilities Database.

students (FTES) and 28 faculty offices while vacating 155 FTES and 20 faculty offices in the existing Natural Sciences and Mathematics building. With the completion of this project, the College of Natural Sciences and Mathematics will be housed in both the existing and the new science buildings.

The first floor will contain lab space for the Center for Innovation in STEM Education (CISE) to support students studying science as well as those seeking teaching credentials in STEM disciplines. CISE space consists of two “idea labs” to encourage creativity and innovation in STEM education and a fabrication lab with designated areas for concept design, prototyping, fabrication, assembly, and presentation that focus on the application of scientific concepts. Together, these areas will provide the core spaces for the university’s commitment to science and innovation with learning space for both student and teacher education, and the framework for community partnerships and entrepreneurial ventures. The balance of the first floor space will house physics teaching laboratories, instructional support space, and research laboratories.

The second and third floor will house the biology and chemistry departments, including teaching and graduate research laboratories, faculty offices, chemical storage rooms, instructional support spaces, and informal spaces for collaboration.

This project will also increase the cooling capacity of the Central Plant (#87) to service the new Center for Science and Innovation building by installing an 800-ton electric chiller and the necessary electrical systems upgrade to power the chiller.

The new facility will consist of a steel braced frame structure and a roof system of single-ply polyvinyl chloride (PVC) roofing. The primary exterior material will be an aluminum composite panel. Horizontal aluminum sun shade devices will be provided at fenestration along the south façade and vertical sun shades will be provided along the east and west facades.

The project will be designed to achieve Leadership in Energy and Environmental Design (LEED) Gold Certification. Sustainable design features include natural ventilation in non-laboratory spaces, advanced energy metering, use of recycled and regional materials, water-efficient drip irrigation and landscaping, energy-efficient LED lighting fixtures with smart controls, indirect natural daylighting and low-flow plumbing fixtures.

Timing (Estimated)

Preliminary Plans Completed	January 2017
Working Drawings Completed	June 2017
Construction Start	October 2017
Occupancy	October 2019

Basic Statistics

Gross Building Area	90,854 square feet
Assignable Building Area	55,477 square feet
Efficiency	61 percent

Cost Estimate – California Construction Cost Index (CCCI) 6255²

Building Cost (\$601 per GSF)	\$54,604,000
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<i>Systems Breakdown</i>	<i>(\$ per GSF)</i>
a. Substructure (Foundation)	\$ 15.48
b. Shell (Structure and Enclosure)	\$ 143.58
c. Interiors (Partitions and Finishes)	\$ 91.05
d. Services (HVAC, Plumbing, Electrical, Fire)	\$ 233.30
e. Built-in Equipment and Furnishings	\$ 45.66
f. General Conditions and Insurance	\$ 71.95

Site Development (includes landscaping and central plant chiller upgrade)	<u>6,996,000</u>
Construction Cost	\$61,600,000
Fees, Contingency, Services	<u>16,386,000</u>
Total Project Cost (\$864 per GSF)	\$77,986,000
Fixtures, Furniture and Movable Equipment	<u>3,248,000</u>
Grand Total	<u>\$81,234,000</u>

Cost Comparison

The project’s building cost of \$601 per GSF is higher than the \$586 per GSF for the San Diego State University Engineering and Interdisciplinary Sciences Complex, approved in July 2015, adjusted to CCCI 6255. Contributing factors to the higher building cost include the HVAC and related electrical system due to the greater number of fumes hoods and wet labs in comparison to the San Diego State building that contains more dry labs. The interiors and built-in equipment costs are also higher related to the lab design. In addition, the escalating cost of construction material, particularly steel, has also impacted the higher building cost.

² The July 2016 *Engineering-News Record* California Construction Cost Index (CCCI). The CCCI is the average Building Cost Index for Los Angeles and San Francisco.

Funding Data

The project will be funded with \$17.95 million from campus and systemwide reserves, plus an additional \$63.28 million from CSU academic project Systemwide Revenue Bonds approved as part of the 2017-2018 Capital Outlay Program. The campus will also pursue donor funding to offset the use of campus reserves.

California Environmental Quality Act (CEQA) Action

The project was addressed in the Final Environmental Impact Report for the California State University, Dominguez Hills Campus Master Plan which was certified by the trustees in May 2010.

Recommendation

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that:

1. The board finds that the California State University, Dominguez Hills Center for Science and Innovation is consistent with the Campus Master Plan approved in May 2010.
 2. The project will benefit the California State University.
 3. The schematic plans for California State University, Dominguez Hills Center for Science and Innovation are approved at a project cost of \$81,234,000 at CCCI 6255.
- 2. California State University, Los Angeles— Rongxiang Xu Bioscience Innovation Center**
Construction Management at Risk Contractor: Sundt Construction
Project Architect: Lundstrom & Associates

Background and Scope

California State University, Los Angeles proposes to construct the new Rongxiang Xu Bioscience Innovation Center (#491). The project site is an undeveloped lot located along Paseo Rancho Castilla on the southwest edge of campus overlooked by single-family homes immediately to the north and south.

Cal State LA is partnering with Los Angeles County to develop an incubator building as part of the LA Bioscience Corridor that will support the development and growth of bioscience related research, development, and manufacturing enterprises in East Los Angeles, as well as support

economic, workforce, and infrastructure development in the area. The Rongxiang Xu Bioscience Innovation Center will offer leasable space to bioscience start-ups by providing low-cost lab space, industry mentors, and support services for entrepreneurs.

The proposed two-story 20,750 gross square foot (GSF) Rongxiang Xu Bioscience Innovation Center houses flexible, leasable space in the form of both wet and dry laboratories, offices, co-work space, and shared resource areas consisting of conference rooms, collaborative areas, an administrative office suite, and utility rooms. Each floor is functionally divided into two areas: shared resource and primary research space. The site includes a small parking area and an enclosure for building equipment such as electrical switchgear and an emergency generator.

The proposed facility will be a steel moment-frame structure with concrete spread footings. The interior construction will account for adequate loading and vibration control for added flexibility. The building's exterior will have a combination of cement board and metal panel cladding combined with high-performance glazing systems that will provide both a visible entrance on the southeast corner as well as daylight into the lobby and tenant spaces. The cladding materials are aesthetically contextual to the contemporary buildings on the Cal State LA campus.

The building will be cooled using a standalone rooftop air-cooled chiller and heating hot water boiler. The wet laboratories will be served by a 100 percent outside air rooftop air handling unit, while shared spaces such as offices, conference rooms, and lobbies will be served by a separate rooftop air handling unit. Electrical service will be supplied by an existing service at Public Safety and Parking Services.

The project will be designed to achieve LEED Gold Certification. The sustainable features of the design include locating the project near alternative transportation and allowing for the use of low emission and fuel efficient vehicles; reduced water consumption through the use of water efficient fixtures; use of high-efficiency lighting and regionally sourced materials with low volatile organic compounds, and high-recycled content.

Timing (Estimated)

Preliminary Plans Completed	December 2016
Working Drawings Completed	May 2017
Construction Start	August 2017
Occupancy	September 2018

Basic Statistics

Gross Building Area	20,750 square feet
Assignable Building Area	13,856 square feet
Efficiency	67 percent

Cost Estimate – California Construction Cost Index (CCCI) 6255

Building Cost (\$468 per GSF)	\$9,717,000
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<i>Systems Breakdown</i>	<i>(\$ per GSF)</i>
a. Substructure (Foundation)	\$ 18.94
b. Shell (Structure and Enclosure)	\$ 156.39
c. Interiors (Partitions and Finishes)	\$ 43.71
d. Services (HVAC, Plumbing, Electrical, Fire)	\$ 169.35
e. Built-in Equipment and Furnishings	\$ 11.08
f. General Requirements	\$ 4.82
g. General Conditions and Insurance	\$ 64.01

Site Development	<u>1,236,000</u>
Construction Cost	\$1,000
Fees, Contingency, Services	<u>2,984,000</u>
Total Project Cost (\$672 per GSF)	<u>\$13,937,000</u>

Cost Comparison

This project’s building cost of \$468 per GSF is lower than the CSU Construction Cost Guidelines for science buildings (wet lab) of \$564 per GSF, including Group I equipment, at CCCCI 6255. This project’s building cost is lower than the \$606 per GSF for the California State University, Dominguez Hills Center for Science and Innovation, requesting board approval at this November 2016 meeting. The lower building cost is due in large part to the partial build-out of the interior laboratory spaces, which will be completed by future building tenants and not fully useable at the end of the initial construction.

Funding Data

The proposed project will be funded from multiple sources including a \$3.09 million grant provided by the U.S. Economic Development Administration, a \$500,000 grant from the Los Angeles County Board of Supervisors, \$1.5 million in donor funds, \$1 million in designated campus reserves, and a \$7.85 million loan from a campus auxiliary.

California Environmental Quality Act (CEQA) Action

A Categorical Exemption has been completed for the project and a notice of exemption was filed with the State Clearinghouse in accordance with the California Environmental Quality Act on May 8, 2015.

Recommendation

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that:

1. The proposed project is categorically exempt from the provisions of the California Environmental Quality Act.
2. The project will benefit the California State University.
3. The schematic plans for California State University, Los Angeles Rongxiang Xu Bioscience Innovation Center are approved at a project cost of \$13,937,000 at CCCI 6255.

3. California State University, Monterey Bay—Academic Building III *Collaborative Design/Build Contractor: Otto Construction* *Project Architect: WRNS Studio*

Background and Scope

California State University, Monterey Bay proposes to construct the new Academic Building III (#505) to house the College of Arts, Humanities and Social Sciences. The project site is located along a pedestrian-only portion of Divarty Street in the center of campus, between the recently completed Business and Information Technology building (#506) on the east and Beach Hall (#21) on the west. This is the third building to be constructed on the Crescent, a unifying feature of the campus core that centralizes academic and student activity.

The 48,138 GSF building will provide a home to the cinematic arts, humanities, social science, and world language academic departments. The two-story building will provide capacity for 1,500 FTES in lecture space and 85 faculty offices. The ground floor will contain lecture classrooms, a dean's office, and a small art gallery, along with a few instructional spaces. On the second level, each department has a mix of faculty offices, special instruction spaces and support spaces, arranged in clusters for ease of access between students and faculty.

The proposed facility will consist of a steel brace framed structure and an exterior of marine-grade metal panel and colored plaster. The upper level is unified by a vertically grained façade with zinc panels alternating with operable office windows. The roof will be a single-ply membrane cool roof.

The building functions are arranged around a courtyard, supporting the interconnected nature of the program and the goal of making a powerful connection to the landscape. The courtyard faces the Crescent, allowing for a subtle slope down toward the lobby area on the north, thus creating an outdoor amphitheater for events. All of the ground level spaces open directly onto the courtyard, with a covered outdoor corridor ringing the inner edge of the building. Three stairways connect to the second floor corridor with entrances into specialized instructional spaces and department clusters on the other side.

The Academic Building III plays a key role in implementing the goals of the campus master plan, including a shared utility corridor and shared service yard. Existing parking lots will be reconfigured with required American with Disabilities Act (ADA) parking and accessible routes into the building and courtyard to accommodate spaces lost as part of this project.

The project will be designed to achieve LEED Gold Certification. The organization of the interior spaces ensures that active learning environments benefit from receiving natural daylight. Efficient lighting systems and thermal controls allow occupants flexibility and control of the interior environment as well as increased energy efficiency. This project will capture storm water runoff from roofs and hardscape using rain gardens and detention areas. The landscape design will be water efficient and ecologically appropriate with suitable plant selection and placement, and efficient irrigation system design.

Timing (Estimated)

Preliminary Plans Completed	December 2016
Working Drawings Completed	July 2017
Construction Start	December 2017
Occupancy	April 2019

Basic Statistics

Gross Building Area	48,138 square feet
Assignable Building Area	30,005 square feet
Efficiency	62 percent

Cost Estimate – California Construction Cost Index (CCCI) 6255

Building Cost (\$541 per GSF)	\$26,056,000
<i>Systems Breakdown</i>	<i>(\$ per GSF)</i>
a. Substructure (Foundation)	\$ 14.58
b. Shell (Structure and Enclosure)	\$ 178.32
c. Interiors (Partitions and Finishes)	\$ 64.94
d. Services (HVAC, Plumbing, Electrical, Fire)	\$ 190.95
e. Built-in Equipment and Furnishings	\$ 33.09
f. General Conditions and Insurance	\$ 59.40
Site Development	<u>2,807,000</u>
Construction Cost	\$28,863,000
Fees, Contingency, Services	<u>9,601,000</u>
Total Project Cost (\$799 per GSF)	\$38,464,000
Fixtures, Furniture & Movable Equipment	<u>1,307,000</u>
Grand Total	<u>\$39,771,000</u>

Cost Comparison

This project’s building cost of \$541 per GSF is higher than the CSU Construction Cost Guidelines for Classroom Buildings of \$379 per GSF, including Group I equipment as well as the \$508 per GSF for CSU Monterey Bay Academic Building II, approved in November 2011 and the \$470 per GSF for CSU Chico Arts and Humanities Building approved in May 2012, both adjusted to CCCI 6255. The higher building cost is due in large part to building services. Changes to the Title 24 building code requires more stringent energy efficiency standards which drive the higher costs. The necessary automatic close feature on all operable windows requires switches and a higher level of electrical controls. Steel and aluminum prices have increased substantially recently due to taxes on materials manufactured in China. Lastly, trade contractors coming from the Bay Area and San José are paid 15-20 percent more than in the Chico area.

Funding Data

The proposed project will be funded from CSU and campus designated capital reserves totaling \$4.90 million and \$34.86 million in proposed from CSU Systemwide Revenue Bonds as part of the 2017-2018 Capital Outlay Program and financing request at this meeting.

California Environmental Quality Act (CEQA) Action

The CSU Monterey Bay Academic Building III project was addressed in the Final Environmental Impact Report (EIR) for the California State University, Monterey Bay Master Plan which was certified by the trustees in May 2009.

Recommendation

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that:

1. The board finds that the California State University, Monterey Bay Academic Building III is consistent with the Campus Master Plan approved in May 2009.
2. The project will benefit the California State University.
3. The schematic plans for California State University, Monterey Bay Academic Building III are approved at a project cost of \$39,771,000 at CCCI 6255.

4. California State University, Sacramento—Parking Structure V, Phase 1 *Collaborative Design/Build Contractor: Clark Pacific* *Project Architect: Dreyfuss + Blackford Architects*

Background and Scope

California State University, Sacramento wishes to proceed with the design and construction of Parking Structure V, Phase 1 to be constructed in the existing surface parking Lot 1, on the northwest side of campus located near the Athletics Center (#33). The five story, 551,000 GSF structure (#115) will provide 1,750 parking spaces to replace an equivalent number of spaces lost to current and proposed construction projects. A remote property south of the main campus has been improved to provide temporary parking with shuttle service for students during construction. Temporary faculty/staff parking has been developed and can be expanded if required. A second phase of the project will construct an adjacent administration building on the east side of the structure for campus student services including University Transportation and Parking Services.

The project will be constructed with precast concrete framing with precast concrete floors. The extensive use of precast materials allows most of the garage to be prefabricated off-site which results in enhanced quality control and a shorter on-site construction duration than a poured-in-place parking structure. The exterior skin will consist of materials selected for durability and ease of maintenance, such as precast concrete, aluminum and a glazed curtain wall enclosing the stair tower. The design will incorporate vertical fins as an architectural shading device. Exterior finishes and colors will complement the campus palette and university master plan design guidelines.

Sustainable building features will include LED lighting, natural daylighting, and electric vehicle charging stations. The structure’s interior space will be painted white to take advantage of natural daylighting. The shading devices along the east and south elevation will deflect direct sunlight, and help keep the building cool. The structure will be designed for a solar array to be added on the top floor when funds permit.

Timing (Estimated)

Preliminary Plans Completed	January 2017
Working Drawings Completed	April 2017
Construction Start	June 2017
Occupancy	January 2018

Basic Statistics

New Construction	
Gross Building Area	551,015 square feet
Assignable Building Area	532,097 square feet
Efficiency	97 percent

Cost Estimate – California Construction Cost Index (CCCI) 6151

Building Cost (\$57 per GSF – \$17,940/space)	\$31,395,000
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<i>Systems Breakdown</i>	<i>(\$ per GSF)</i>
a. Substructure (Foundation)	\$ 5.49
b. Shell (Structure and Enclosure)	\$ 33.74
c. Interiors (Partitions and Finishes)	\$ 2.07
d. Services (HVAC, Plumbing, Electrical, Fire)	\$ 8.63
e. Built-in Equipment and Furnishings	\$ 0.07
f. Special Construction & Demolition	\$ 2.01
g. General Requirements	\$ 1.58
h. General Conditions and Insurance	\$ 3.38

Site Development	<u>\$1,761,000</u>
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Construction Cost	\$33,156,000
Fees, Contingency, Services	<u>8,909,000</u>

Total Project Cost (\$76 per GSF – \$24,037/space)	<u>\$42,065,000</u>
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Cost Comparison

The project's building cost of \$17,940 per space is less than the \$19,941 per space for Parking Structure 2 for California State University, Chico, approved in May 2011, and the \$18,145 per space for Parking Structure I, Phase 2A for California State University San Marcos, approved in July 2008, both adjusted to CCCI 6151.

Funding Data

The project will be financed from the CSU Systemwide Revenue Bond program and a parking program reserve contribution of \$23,989,000. The bonds will be repaid from campus parking fees.

California Environmental Quality Act (CEQA) Action

An Environmental Impact Report for the 2015 Campus Master Plan was certified by the trustees in May 2015. The Parking Structure V project is consistent with the Campus Master Plan EIR findings.

Recommendation

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that:

1. The board finds that the California State University, Sacramento Parking Structure V is consistent with the Campus Master Plan approved in May 2015.
2. The project will benefit the California State University.
3. The schematic plans for California State University, Sacramento University Parking Structure V, Phase 1 are approved at a project cost of \$42,065,000 at CCCI 6151.

5. San José State University—Student Recreation and Aquatic Center *Collaborative Design/Build Contractor: Hunt Construction* *Project Architect: Gensler*

Background and Scope

San José State University proposes to construct the new Student Recreation and Aquatic Center (#115A) located at the corner of Seventh Street and Paseo de San Carlos, with the Student Recreation building (#100) to the north, and the recently completed Campus Village, Phase 2 (#156) to the east.

The proposed site is currently occupied by the Student Union Aquatics Center (#110) and two residence halls, Hoover Hall (#87) and Royce Hall (#88). The two residence hall buildings will be demolished as part of the Campus Village, Phase 2 project, and the Student Union Aquatics Center will be demolished as part of this project, which also includes the re-routing, rehabilitating and reinforcing of the underground utility infrastructure surrounding the site.

The 121,100 GSF facility will house three basketball courts, one multi-activity court, a weight and fitness center, group exercise rooms, indoor running track, rock climbing facility/bouldering wall, sports club organization offices, locker rooms and administrative support space. The project will also construct two outdoor swimming pools (competition and recreation), along with pool equipment/support buildings. The project includes ample locker room space to accommodate students, student-athletes, and the public as the swimming pools will be open to the community during the summer.

The project is a two-story building of steel construction supported on pile foundations. The second floor and roof consists of metal deck over steel framing. Three single-story ancillary pool buildings are included in the project, which house locker rooms and pool equipment; these will be of concrete construction on mat foundations. The building exterior will consist of fiber cement panel, brick, metal panel, porcelain tile rain screen, cast in place concrete, and split face block.

The utility improvements include installation of domestic water, recycled water, sanitary sewer, storm drain, chilled water supply and return, electrical and telecommunications infrastructure. The project will connect to the campus chilled water loop and steam distribution.

The project will be designed to achieve LEED Gold Certification. Sustainable features include use of recycled water in building systems equipment and toilets, displacement ventilation cooling, natural daylighting, energy efficient lighting and controls. The building orientation and use of high performance glazing will minimize the amount of heat gain. Permeable paving, native and drought tolerant plants, and bio retention planters that collect water from the roof all contribute to a sustainable landscape.

Timing (Estimated)

Preliminary Plans Completed	December 2016
Working Drawings Completed	March 2017
Construction Start (Site work and utilities)	December 2016
Construction Start (Building)	April 2017
Occupancy	March 2019

Basic Statistics

Gross Building Area	121,098 square feet
Assignable Building Area	73,675 square feet
Efficiency	61 percent

Cost Estimate – California Construction Cost Index (CCCI) 6255

Building Cost (\$644 per GSF)	\$77,942,000
<i>Systems Breakdown (\$ per GSF)</i>	
a. Substructure (Foundation)	\$ 66.09
b. Shell (Structure and Enclosure)	\$ 132.17
c. Interiors (Partitions and Finishes)	\$ 162.41
d. Services (HVAC, Plumbing, Electrical, Fire)	\$ 192.65
e. Built-in Equipment and Furnishings	\$ 15.27
f. Special Construction & Demolition	\$ 3.64
g. General Conditions and Insurance	\$ 71.40
Site Development	<u>\$21,472,000</u>
Construction Cost	\$99,414,000
Fees, Contingency, Services	<u>26,947,000</u>
Total Project Cost (\$1,043 per GSF)	\$126,361,000
Fixtures, Furniture & Movable Equipment	<u>5,268,000</u>
Grand Total	<u>\$131,629,000</u>

Cost Comparison

This project's building cost of \$644 per GSF is higher than the \$460 per GSF for the San Francisco State Mashouf Wellness Center approved in May 2014, the \$435 per GSF for the CSU East Bay Recreation Wellness Center approved in November 2008, and the \$415 per GSF for the CSU Northridge Student Recreation Center approved in September 2008, all adjusted to CCCI 6255. The higher cost is due in large part to the high water table on the site, requiring a deep pile foundation up to 80 feet below grade. The interiors costs are high due to selected building materials: the curtain wall with glazing, and the amount of drywall and fireproofing needed to construct the complex high volume long span ceiling. Additionally, there is more locker room space than typical recreation centers as this project will serve students, student-athletes, and the public.

Lastly, the Bay Area and Silicon Valley, more specifically, has significant construction underway and the economy is driving increased material and labor costs versus when the three comparable projects were constructed.

Funding Data

The project will be financed from the CSU Systemwide Revenue Bond program and a student union program reserve contribution of \$51 million. The bonds will be repaid from University Union fees, approved on March 21, 2007 via the alternative consultation process. Financing for this project will be considered by the Committee on Finance at this November 2016 meeting.

California Environmental Quality Act (CEQA) Action

An Initial Study/Mitigated Negative Declaration was prepared to analyze the potential significant environmental effects of the proposed project in accordance with the requirements of CEQA and State CEQA Guidelines. The Final Mitigated Negative Declaration was approved under delegated authority to the chancellor. The project is consistent with the Final Negative Mitigated Declaration and no new environmental analysis is required because the effects of the project were fully analyzed in the Final Negative Mitigated Declaration. The public review period began on July 13, 2015, and closed on August 11, 2015. No written comment letters were received at the close of the public review period. The Final Mitigated Negative Declaration is available at: <http://www.sjsu.edu/fdo/ceqa/>.

Recommendation

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that:

1. The Final Initial Study/Mitigated Negative Declaration has been prepared to address any potential significant environmental impacts and mitigation measures associated with approval of the San José State University Student Recreation and Aquatic Center, and all discretionary actions related thereto, as identified in the Final Initial Study/Mitigated Negative Declaration.
2. The Final Initial Study/Mitigated Negative Declaration was prepared pursuant to the California Environmental Quality Act and State CEQA Guidelines.
3. This resolution is adopted pursuant to the requirements of Section 21081 of Public Resources Code and Section 15091 of the State CEQA Guidelines which require that the Board of Trustees make findings prior to the approval of a project that the mitigated project as approved will not have a significant impact on the environment, that the project will be constructed with the recommended mitigation measures as identified in the mitigation monitoring program, and that the project will benefit the California State University. The Board of Trustees makes such findings with regard to this project.
4. The schematic plans for San José State University Student Recreation and Aquatic Center are approved at a project cost of \$131,629,000 at CCCI 6255.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

California State Polytechnic University, Pomona Student Housing Replacement Project: Certification of the Final Environmental Impact Report and Approval of the 2016 Master Plan Revision

Presentation By

Elvyra F. San Juan
Assistant Vice Chancellor
Capital Planning, Design, and Construction

Summary

This agenda item requests the following actions by the California State University Board of Trustees with regard to the Student Housing Replacement project for California State Polytechnic University, Pomona:

- Certification of the Final Environmental Impact Report (FEIR) dated August 7, 2016
- Approve the proposed campus master plan revision dated November 2016

The Board of Trustees must certify that the FEIR is adequate and complete under the California Environmental Quality Act (CEQA) in order to approve the campus master plan revision. Accordingly, because the FEIR has determined that the proposed master plan revision would result in significant and unavoidable effects, a Statement of Overriding Considerations is required to address these significant and unavoidable impacts. The FEIR with Findings of Fact and Statement of Overriding Considerations, and the environmental Mitigation Measures are available for review by the board and the public at: <https://www.cpp.edu/~fpm/planning-design-construction/>.

Attachment “A” is the proposed campus master plan that includes the changes needed to site the Student Housing Replacement project. Attachment “B” is the existing campus master plan approved by the trustees in July 2000.

The CSU Board of Trustees requires a long range physical master plan showing existing and anticipated facilities necessary to accommodate a specified academic year full-time equivalent student enrollment. Each master plan reflects the physical requirements of academic program and auxiliary activities on the campus. By board policy, significant changes to the master plan and approval of a project’s schematic design require board approval. Authority to approve minor master plan revisions or schematic designs for a project that are not architecturally significant, are utilitarian in nature, or have a cost of \$5,000,000 or less is delegated to the chancellor or his designee.

Proposed Master Plan Revision

The campus is proposing revisions to the physical master plan to primarily accommodate the development of the Student Housing Replacement project. The proposed project provides student housing facilities on campus necessary to replace the existing aging student housing facilities located in a seismic fault zone. Those existing facilities currently provide 1,400 beds and include Cedritos (#58¹), Palmitas (#57), Encinitas (#20), Alamitos (#22), Aliso (#23), and Montecito (#21) residence halls, and the Los Olivos Commons (#70).

The student housing replacement facilities will be located on a 13-acre site in the southeastern area of the campus currently used as a horse pasture. The project includes shifting a segment of Kellogg Drive to the east, placing it along the eastern boundary of the site, and separating the site from a remaining horse pasture to the east.

The project will provide 1,645 beds, a dining facility and associated surface parking. These new student residence facilities will replace 1,400 beds in existing student residence halls, as well as provide 245 additional beds on campus. The residence halls are anticipated to be six- to eight-stories tall, and the dining commons will be a single-story facility. The facilities are anticipated to be developed in two phases, with approximately 980 beds provided by 2019, and the remaining 665 beds by 2022. The existing student housing facilities will be demolished as an equivalent amount of new beds are built. The demolition will be funded as a separate project.

The proposed master plan changes are noted on Attachment A:

- Hexagon 1:* Commons/Dining Facility (#72)
- Hexagon 2:* Student Housing Replacement Project (Phase 1: #73, #74; Phase 2: #250, #251)
- Hexagon 3:* Realignment of Kellogg Drive

Fiscal Impact

The proposed Student Housing Replacement project will require approximately \$300 million for preliminary plans, working drawings, construction, and equipment, allocated across two phases. The project will be funded by student housing reserves and CSU Systemwide Revenue Bonds, which will be repaid by student housing fee revenue.

¹ The facility number is shown on the master plan map and recorded in the Space and Facilities Database.

California Environmental Quality Act (CEQA) Action

A Final Environmental Impact Report (FEIR) has been prepared to analyze the potential significant environmental effects of the proposed campus master plan revision in accordance with CEQA requirements and State CEQA Guidelines. The FEIR is presented to the Board of Trustees for review and certification. The Draft EIR was distributed for comment for a 45-day period concluding on July 14, 2016. A public meeting was held on June 28, 2016 to obtain public comments. Three comment letters were received: Metropolitan Water District (MWD), County Sanitation Districts of Los Angeles County (LACSD), and Caltrans.

Metropolitan Water District expressed concern with the siting of the project in relationship to the existing feeder water line and related easement, and an increased need for MWD services. In response, it has been clarified that the project review process includes MWD review and approval to assure the integrity of the existing feeder water line and easements are upheld.

County Sanitation District of Los Angeles County comments include the calculation used for determination of the amount of wastewater generated, capacity of existing sewer lines and confirmation that all other data in the report is accurate. The response to the comments confirmed that the wastewater generation was determined by current on-campus actuals, and that the recorded capacity of the existing sewer line is indeed the same as LACSD's records.

Caltrans commented on a number of concerns: the project may contribute to already congested highway conditions; consideration should be given to vehicle-demand-reducing strategies; and a permit is needed for the transport of oversized construction equipment on state roads and highways. Campus response emphasized the nature of the project and the reduction in trips generated as a result of students living on campus. The response also addressed how student housing is a part of the solution to increase transit opportunities, building upon smart growth principles. The comments also recognized the need to comply with oversized equipment transport.

The final documents, including the Mitigation Monitoring and Reporting Program are available online at <https://www.cpp.edu/~fpm/planning-design-construction/>. After application of feasible mitigation measures identified in the FEIR, the project will result in the following unavoidable impacts relating to aesthetics, historic resources, and short term peak construction day cumulative air quality impact.

Aesthetics

The project's student residence hall will incorporate architectural details, distinctive building facades, shielded lighting, landscaping, and other features to enhance visual character and quality. However, in spite of the application of high quality visual design features in the student housing and road realignment project, the change itself from a horse pasture to an urban landscape may be considered by some to be a significant impact in the visual character of the site and the surrounding area.

Historic Resources

The plan to demolish the existing Palmitas and Cedritos residence halls, is noted as an impact to historic resources. These halls appear to be eligible for the California Register as part of a historic district because they are an example of the work of the highly noted Southern California architectural firm, Smith & Williams. To mitigate the impact, the campus will commission photographs and related descriptions of the facilities and file them with the Cal Poly Pomona Library Department of Special Collections and Archives, as well as with the Design & Architecture Museum at the University of California, Santa Barbara. The campus will also compile video recording of the site and associated spaces, and file the video with the Cal Poly Pomona Library Department of Special Collections and Archives. Even with archival process, the impact to historic resources resulting from removal of the Palmitas and Cedritos residence halls will remain significant.

Short Term Peak Construction Air Quality Impact

Construction of student housing replacement facilities will involve equipment and activities that generate air pollutant emissions. The peak construction day emissions will be below the South Coast Air Quality Management District (SCAQMD) threshold amounts for most criteria pollutants, except for emissions of reactive organic gases (ROG) and oxides of nitrogen (NO_x) when modeling both the student housing and administration replacement building construction emissions. Implementation of mitigation measures (such as suspending dust generating activities during high wind periods, watering the site, etc.) will reduce peak construction day emissions, however since cumulative emissions of ROG and NO_x could be above the daily threshold amount, the potential remaining impact is considered significant.

The CSU has reviewed the Final EIR, has balanced the benefits of the project against its unavoidable significant effects, and has concluded that the benefits of the project outweigh the unavoidable adverse environmental effects to aesthetics historic resources and air quality during construction.

Project Alternatives

The alternatives considered to the Project include the following:

Alternative 1: “No Project” – Continuation of Current Master Plan alternative

The “No Project” alternative, required to be evaluated in the EIR, considers “existing conditions...as well as what would be reasonably expected to occur in the foreseeable future if the project were not approved, based on current plans and consistent with available infrastructure and community services” [CEQA Guidelines Section 15126.6(e)(2)]. Pursuant to this alternative the project site would remain in its current condition and would continue its current use as a horse pasture. This alternative would not achieve any of the project’s primary objectives.

Alternative 2: Smaller Project

Pursuant to this alternative, the project would only replace the existing 1,400 student beds on the proposed site as those facilities need to be removed due to their current location in a seismic fault zone. Providing only the necessary replacement student beds would neither avoid nor substantially reduce any significant project impacts, and would eliminate the project's beneficial long term impact on air quality from reducing vehicular emissions associated with student commute trips. This alternative would not achieve primary project objectives of enhancing the provision of student housing on campus to help accommodate the strong student demand for on-campus housing, and to increase student academic success and graduation rates.

Alternative 3: Alternate location

The university evaluated the entire main campus and area south of West Temple Avenue to accommodate 1,645 student beds to replace existing housing and accommodate modest growth. Sites were evaluated based on: location in a seismic zone, built area, major roadways, legacy or committed land that cannot be used for student housing, and extreme slopes. Areas that were subject to these constraints were then removed from further consideration. The next step of the process involved identifying criteria for student housing in terms of location, community connections, and infrastructure. The location criteria included proximity to the following: academic facilities, recreation, student services, existing student housing, potential central dining, and proximity to open space. The infrastructure criteria included safety and security, adequate site size, utility and central plant needs, as well as pedestrian and bicycle accessibility. Based on those criteria, 10 potential locations were identified and surveyed.

The project location was selected because it offered the most advantages for future student residents. Since student housing at the site will also merge with the existing Residential Suites (#60-63), it will create a larger campus residential community that includes housing, dining, and recreation. The project site is close to the center of campus, allowing students to get to the recreation center, the Bronco Student Center, and the university library within minutes. The site is also adjacent to the pastures of the W.K. Kellogg Arabian Horse Center and is close to the athletics fields. In addition, by shifting Kellogg Drive eastward to integrate the new freshmen housing with the rest of the university campus, roadway improvements will enhance pedestrian and bicycle accessibility and safety.

Alternative 4: Additional Student Housing

This alternative considers providing additional student housing at the project site to accommodate 2,500 students, including 1,400 students relocated from the existing residence halls that will be removed. With a waiting list of about 1,500 for on-campus housing for freshmen students, the need for additional student housing on campus has become acute. Provision of more on-campus student

housing under this alternative would further reduce commute trips to campus and vehicle miles traveled. More students living on campus instead of commuting would also eliminate additional peak hour travel on the street and roadway network serving the campus.

Among the alternatives considered, the Additional Student Housing alternative could be considered environmentally superior to the project because while it would result in the same impacts as those associated with the Student Housing Replacement project, it would significantly increase the beneficial air quality and greenhouse gas (GHG) effects as well as achieve project objectives to a much greater extent. However, since funding for additional student housing is not in place, this alternative is not fiscally viable at this time. Therefore, the superior alternative is Alternative 3, as it supports the objective to accommodate growth in student housing.

Recommendation

The following resolution is presented for approval:

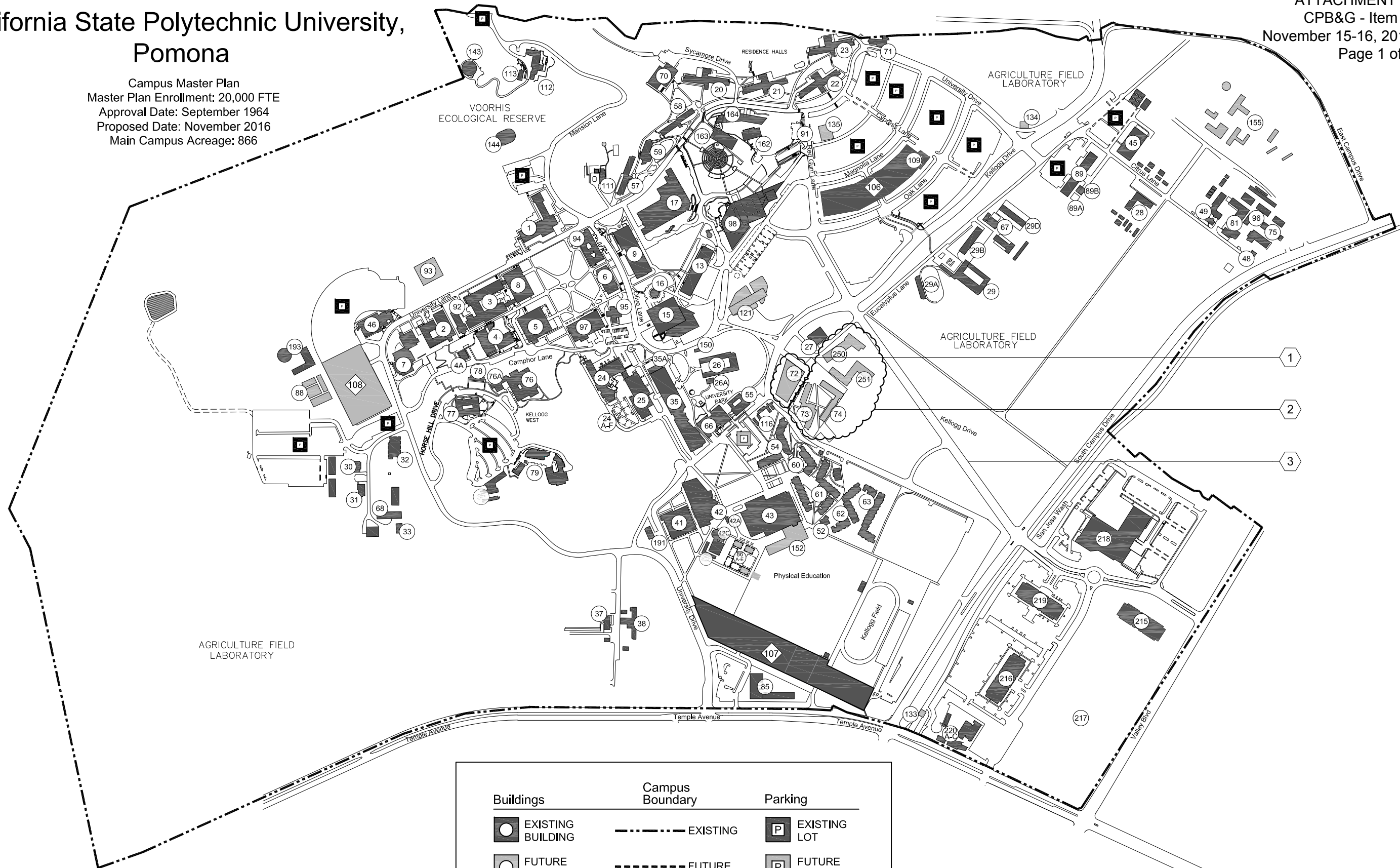
RESOLVED, by the Board of Trustees of the California State University, that:

1. The FEIR for the California State Polytechnic University, Pomona Master Plan Revision has addressed any potentially significant environmental impacts, mitigation measures, project alternatives, comments and responses to comments associated with approval of the proposed campus master plan revision pursuant to the requirements of the California Environmental Quality Act and State CEQA Guidelines.
2. The FEIR addresses the proposed campus master plan revision and all discretionary actions related to the project as identified in the Final EIR.
3. This resolution is adopted pursuant to the requirements of Section 21081 of Public Resources Code and Section 15091 of State CEQA Guidelines which require that the Board of Trustees make findings prior to the approval of a project.
4. The board hereby adopts the Findings of Fact and Mitigation Monitoring and Reporting Program, including all mitigation measures identified therein, for Agenda Item 4 of the November 15-16, 2016 meeting of the Board of Trustees' Committee on Campus Planning, Buildings and Grounds, which identifies the specific impacts of the proposed campus master plan revision and related mitigation measures, which are hereby incorporated by reference.
5. The board hereby adopts the Findings of Fact and Statement of Overriding Considerations that outweigh certain unavoidable impacts to aesthetics, historic resources, and short term peak construction day cumulative air quality.

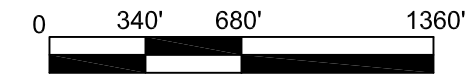
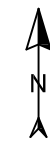
6. The FEIR has identified potentially significant impacts that may result from implementation of the proposed campus master plan revision. However, the Board of Trustees, by adopting the Findings of Fact, finds that the inclusion of certain mitigation measures as part of the project approval will reduce most, but not all, of those effects to less than significant levels. Those impacts which are not reduced to less than significant levels are identified as significant and unavoidable, and are overridden due to specific project benefits to the CSU identified in the Findings of Fact and Statement of Overriding Considerations.
7. Prior to the certification of the FEIR, the Board of Trustees reviewed and considered the above-mentioned FEIR, and finds that the FEIR reflects the independent judgment of the Board of Trustees. The board hereby certifies the FEIR for the project as complete and adequate in that the FEIR addresses all potentially significant environmental impacts of the project and fully complies with the requirements of CEQA and State CEQA Guidelines. For the purpose of CEQA and State CEQA Guidelines, the administrative record of proceedings for the project includes the following:
 - a. The 2016 Draft EIR for the California State Polytechnic University, Pomona Campus Master Plan;
 - b. The Final EIR, including comments received on the Draft EIR, and responses to comments;
 - c. The proceedings before the Board of Trustees relating to the subject master plan revision, including testimony and documentary evidence introduced at such proceedings; and
 - d. All attachments, documents incorporated and references made in the documents as specified in items (a) through (c) above.
8. The Board of Trustees hereby certifies the FEIR for the California State Polytechnic University, Pomona Campus Master Plan Revision dated November 2016 as complete and in compliance with CEQA.
9. The mitigation measures identified in the Mitigation Monitoring and Reporting Program are hereby adopted and shall be monitored and reported in accordance with the Mitigation Monitoring and Reporting Program for Agenda Item 4 of the November 15-16, 2016 meeting of the Board of Trustees' Committee on Campus Planning, Buildings and Grounds, which meets the requirements of CEQA (Public Resources Code, Section 21081.6).
10. The project will benefit the California State University.
11. The California State Polytechnic University, Pomona Campus Master Plan dated November 2016 is approved.
12. The chancellor or his designee is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the Final Environmental Impact Report for the California State Polytechnic University, Pomona Master Plan Revision.

California State Polytechnic University, Pomona

Campus Master Plan
 Master Plan Enrollment: 20,000 FTE
 Approval Date: September 1964
 Proposed Date: November 2016
 Main Campus Acreage: 866



Buildings	Campus Boundary	Parking
EXISTING BUILDING	EXISTING	EXISTING LOT
FUTURE BUILDING	FUTURE	FUTURE LOT
TEMPORARY BUILDING		EXISTING STRUCTURE
EXISTING BUILDING NOT IN USE		FUTURE STRUCTURE



California State Polytechnic University, Pomona

Master Plan Enrollment: 20,000 FTE

Master Plan approved by the Board of Trustees: September 1964

Master Plan Revision approved by the Board of Trustees: March 1965, October 1967, September 1970, March 1971, May 1972, January 1975, November 1977, September 1978, September 1979, September 1980, February 1981, May 1982, September 1984, May 1985, November 1985, September 1986, September 1987, May 1989, May 1991, July 2000, November 2013, January 2015

Proposed Master Plan: November 2016

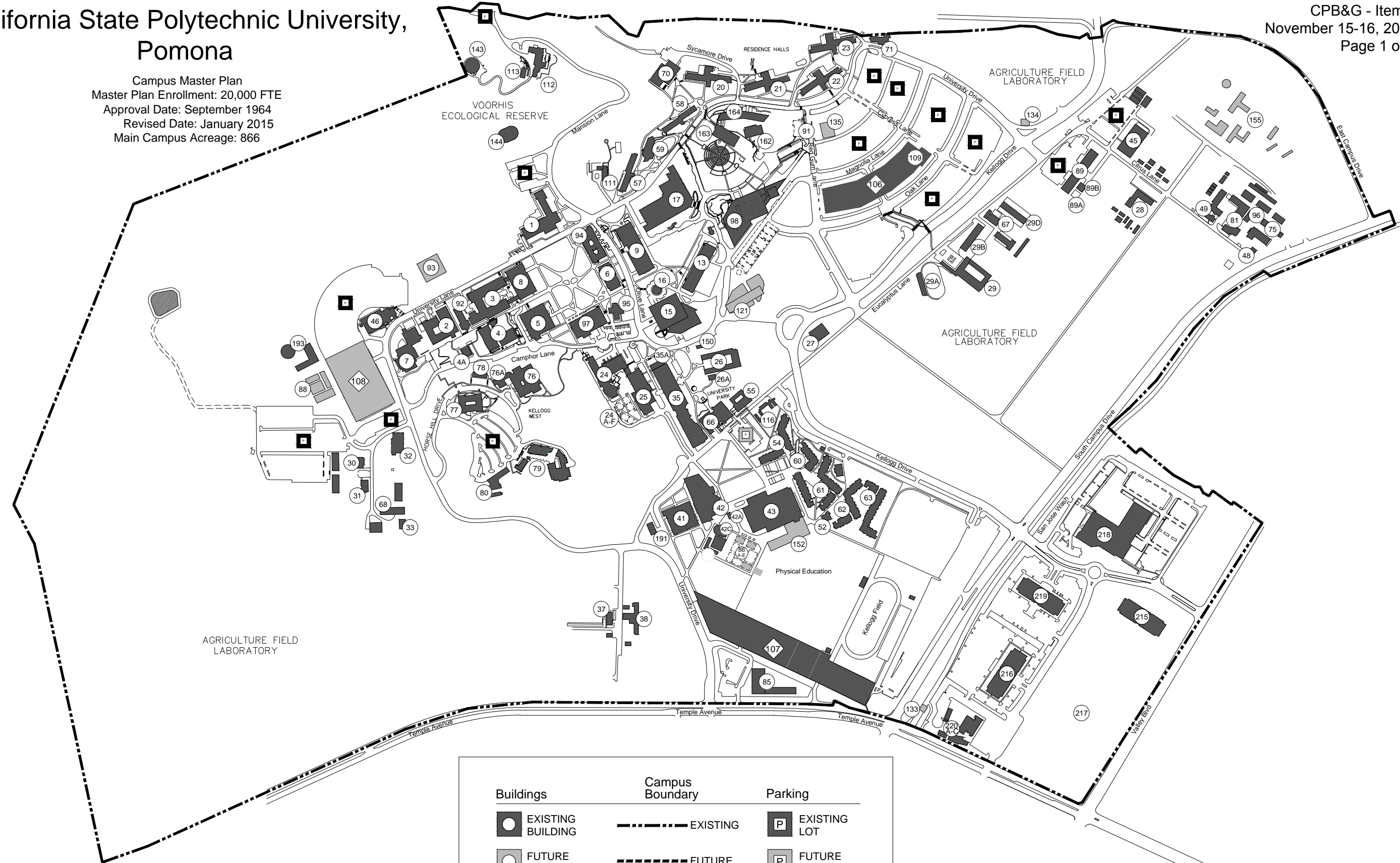
1. Administration	55. Kellogg Foundation Services	113. Kellogg Guest House
2. Agriculture Classrooms	57. Palmitas Hall	116. Child Care Center
3. Science	58. Cedritos Hall	118. Hazardous Waste Material Storage
4. Biotechnology	59. La Cienega Center	121. <i>Administration Replacement Building</i>
4A. Biotrek Learning Center	60. Vista Bonita	127. <i>Academic Building</i>
5. Letters, Arts and Social Science	61. Vista Del Sol	133. <i>Visitor Information</i>
6. Business Administration	62. Vista de Las Montanas	134. <i>Visitor Information</i>
7. Environmental Design	63. Vista de La Luna, Phase II	143. Upper Reservoir
8. Science	66. Bronco Bookstore	144. Lower Reservoir
9. Engineering	67. Equine Research Facility	150. MASA Building
13. Art/Engineering Annex	68. Hay Barn	152. <i>Physical Education Expansion</i>
13B-D. Learning Resource Center	70. Los Olivos Commons	155. <i>Center for Animal Veterinary Science Education</i>
15. Library	71. Housing Maintenance Building	162. College of Business Administration (B)
16. Library Mechanical Equipment	72. <i>Commons/Dining Facility</i>	163. College of Business Administration (C)
17. Engineering Labs	73. <i>Student Housing Replacement, Ph.1</i>	164. College of Business Administration (A)
20. Encinitas Hall	74. <i>Student Housing Replacement, Ph.1</i>	191. Electrical Substation
21. Montecito Hall	75. Purchasing and Receiving	193. Central Plant-Chiller
22. Alamitos Hall	76. Kellogg West	200. University Village
23. Aliso Hall	76A. Kellogg West Addition	208. Center for Regenerative Studies, Phase II
24. Music	77. Kellogg West Main Lodge	209. John T. Lyle Center for Regenerative Studies
24A-F. Modular Surge Space	78. Kellogg West Lodge Addition	210. Landlab Information Center
25. Drama/Theater	79. The Collins College of Hospitality and Management	211. Agriscapes
26. University Plaza	80. Marriott Learning Center	211A-H. Agriscapes Greenhouse
26A. Student Orientation Center	81. Physical Plant Office	212. <i>Resources Evaluation and Research Center</i>
27. Water Filtration Plant	85. I-Poly High School	215. Innovation Village, Phase V
28. Fruit and Crop/Greenhouse	86. English Language Institute	216. Innovation Village, Phase IV
29. Arabian Horse Center	86A-C. Temporary Classrooms/ Faculty Offices II	217. Innovation Village Infrastructure
29A. Horse Arena	88. <i>Facilities Management and Corporation Yard</i>	218. American Red Cross Headquarters
29B. Weaning Barn	89. Interim Design Center	219. Innovation Village, Phase III Office/Research Facility
29C. Paddocks	89A. Interim Design Center Addition	220A-C. Center for Technology, Training and Incubation
29D. Horse Barn	89B. Interim Design Center Faculty Offices	250. <i>Student Housing Replacement, Ph.2</i>
30. Agriculture Unit	91. Temporary Administration Offices	251. <i>Student Housing Replacement, Ph.2</i>
31. Poultry Unit	92. Laboratory Care Facility	
32. Beef Unit	93. <i>Environmental Design Center</i>	
33. Feed Mill Unit	94. University Office Building	
35. Bronco Student Center	95. Multi-Culture Center	
35A. Kellogg Art Gallery	96. Paint Shop	
37. Swine Unit	97. Campus Center	
38. Sheep Unit	98. Classroom/Lab/Administration Building	
41. Darlene May Gymnasium	106. Parking Structure 1	
42. Bronco Recreation and Intramural Complex	107. Parking Structure 2	
42A. Restroom Building	108. <i>Parking Structure 3</i>	
42B. Pool Support Building	109. Public Safety and Parking Services	
42C. Pool Building	111. Manor House	
43. Kellogg Gymnasium	112. University House	
45. Agriculture Engineering		
46. Health Service		
48. Custodial Services		
49. Beaver House		
52. Commons Building		
54. Vista de Las Estrellas		

LEGEND:
 Existing Facility / Proposed Facility

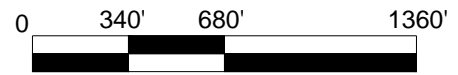
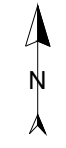
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California State Polytechnic University, Pomona

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49. Beaver House		
52. Commons Building		
54. Vista de Las Estrellas		

LEGEND:
 Existing Facility / Proposed Facility

NOTE: Existing building numbers correspond with building numbers in the Space and Facilities Data Base (SFDB)

AGENDA

JOINT COMMITTEES ON FINANCE AND CAMPUS PLANNING, BUILDINGS AND GROUNDS

Meeting: 11:45 a.m., Tuesday, November 15, 2016
Glenn S. Dumke Auditorium

Committee on Finance

Peter J. Taylor, Chair
Debra S. Farar, Vice Chair
Jane W. Carney
Adam Day
Jean P. Firstenberg
Hugo N. Morales
Lateefah Simon

**Committee on Campus Planning,
Buildings and Grounds**

Steven G. Stepanek, Chair
John Nilon, Vice Chair
Jane W. Carney
Adam Day
Thelma Meléndez de Santa Ana
J. Lawrence Norton
Peter J. Taylor

Consent Item

Approval of Minutes of the Meeting of September 20, 2016

Discussion Item

1. Approval of the 2017-2018 Capital Outlay Program, 2017-2018 through 2021-2022 Five-Year Facilities Renewal and Improvement Plan, and Multi-Year Bond Authorization, *Action*

**MINUTES OF THE MEETING OF THE
JOINT COMMITTEES ON
FINANCE AND CAMPUS PLANNING, BUILDINGS AND GROUNDS**

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

September 20, 2016

Members Present

Committee on Finance

Peter Taylor, Chair
Debra S. Farar, Vice Chair
Jane W. Carney
Adam Day
Jean P. Firstenberg
Hugo N. Morales
Lateefah Simon

**Committee on Campus Planning,
Buildings and Grounds**

Steven G. Stepanek, Chair
John Nilon, Vice Chair
Jane W. Carney
Adam Day
Thelma Meléndez de Santa Ana
J. Lawrence Norton
Peter J. Taylor

Rebecca Eisen, Chair of the Board
Timothy P. White, Chancellor

Public Comments

Trustee Steven G. Stepanek called the meeting to order, noting that there were no public speaker requests.

Consent

The minutes of the November 12, 2014 meeting were approved by consent as submitted.

Approval of the Draft 2017-2018 Capital Outlay Program and the Draft 2017-2018 through 2021-2022 Five-Year Facilities Renewal and Capital Improvement Plan

Trustee Stepanek noted that Attachment A of this item was revised. Mr. Steve Relyea, Executive Vice Chancellor and Chief Financial Officer introduced the item. Assistant Vice Chancellor Elvyra San Juan provided background information on enrollment and campus facility capacity. Assistant Vice Chancellor Robert Eaton outlined the benefits of moving to a multi-year capital financing plan funded with \$352 million already appropriated by state for General Obligation bonds and State Public Works Board bonds. The highest funding priorities for the capital program include facility renewal, and renovations or building replacements to address programmatic needs.

Trustee Peter Taylor inquired about the private entities that will be partnering with CSU on solar projects. Ms. San Juan responded she expects two to three private firms to respond to the requests for proposal issued for the system for solar power purchase agreements. Trustee Taylor cautioned that expenses could be costly and should not be significantly more than what is currently being spent on utilities.

In response to Trustee Adam Day's question Ms. San Juan clarified that at this meeting the board is asked to approve the draft Capital Outlay Program as well as the draft Five-Year Facilities Renewal and Capital Improvement Plan to allow for distribution to Sacramento; the final program and plan will be presented for approval by the board in November. Mr. Eaton added that approval of the multi-year financing plan is not being requested at this meeting but will be requested during the November meeting.

Trustee Day asked for detail on the \$204 million for solar initiatives, requesting its breakdown by campus and projected savings.

Trustee Jane Carney asked how much of the backlog this will address. Ms. San Juan responded that it would be approximately \$530 million of an estimated \$1 billion.

The committee recommended Approval of the Draft 2017-2018 Capital Outlay Program and the Draft 2017-2018 through 2021-2022 Five-Year Facilities Renewal and Capital Improvement Plan (RFIN/CPBG 09-16-01).

Trustee Stepanek adjourned the meeting of the Joint Committees on Finance and Campus Planning, Buildings and Grounds.

**JOINT COMMITTEES ON
FINANCE AND CAMPUS PLANNING, BUILDINGS AND GROUNDS**

**Approval of the 2017-2018 Capital Outlay Program, 2017-2018 through 2021-2022
Five-Year Facilities Renewal and Improvement Plan, and Multi-Year Bond Authorization**

Presentation By

Elvyra F. San Juan
Assistant Vice Chancellor
Capital Planning, Design and Construction

Robert Eaton
Assistant Vice Chancellor
Financing, Treasury and Risk Management

Background and Summary

The purpose of this item is to present campus capital renewal and improvement priorities and propose a multi-year funding and financing authorization for a portion of the projects. The intent of the multi-year financing approach is to increase campus certainty of funding by utilizing a portion of available funds appropriated to the California State University for annual debt service payments for General Obligation and Lease Revenue Bonds. By increasing funding certainty, campuses will be able to improve project planning efforts, co-fund projects and make good use of the limited operating funds.

This item seeks CSU Board of Trustees approval of the following:

- 2017-2018 Capital Outlay Program
- 2017-2018 through 2021-2022 Five-Year Facilities Renewal and Capital Improvement Plan (the “Five-Year Plan”), and
- Authorize the issuance of long term Systemwide Revenue Bonds (SRB) financing and related debt instruments, including shorter term and variable rate debt, floating and fixed rate loans placed directly with banks, and bond anticipation notes (BANs) to support interim financing under the commercial paper (CP) program, in an aggregate amount not-to-exceed \$1,000,000,000 to finance academic projects. The board is being asked to approve resolutions related to this financing request. Long-term bonds will be part of future SRB sales over a multi-year period.

The Draft Five-Year Plan was presented in September for approval and the final plan incorporates changes that reflect subsequent discussions with campus personnel.

This is the first year that state and CSU support budget funded deferred maintenance and energy efficiency cap and trade projects have been incorporated into the Five-Year Plan, including planned campus reserve expenditures to address the backlog of deferred maintenance and capital renewal needs. The format will continue to evolve in the years ahead as staff improves data collection and project reporting, while working to ensure the report is meaningful and holistic in its view of all facilities on campus. We will assess the continued inclusion of the cap and trade program projects as the Governor's Budget Proposal to provide CSU cap and trade funding the last two years did not materialize due to lower than expected cap and trade program revenues.

This is also the first year to incorporate greenhouse gas (GHG) emission estimates in the Five-Year Plan and more work is needed to improve GHG estimates for building system renewal, building renovations, replacements, and new construction. The estimates in the plan reflect fairly broad assumptions with the action year projects receiving greater attention. The Five-Year Plan includes the Solar, Phase 4 Initiative which will have the greatest impact to the CSU's reduction of carbon emissions. The solar installations are proposed to be financed by private third parties with the CSU entering into power purchase agreements for the solar power that is generated.

The primary objectives of the capital outlay program are to provide facilities appropriate to the CSU's educational programs, to create environments conducive to learning, and to ensure that the quality and quantity of facilities at each of the 23 campuses serve students. The board approved the Categories and Criteria for Priority Setting for the Five-Year Facilities Renewal and Capital Improvement Plan (the "Categories and Criteria") at their May 2016 meeting. The Categories and Criteria helped guide the development of the campuses' five-year plans and the proposed academic priority list and self-support summary list. In recent years, the trustees have supported a high percentage of funds to be used to address utility infrastructure deficiencies and building renewal needs to ensure the continued operation of campus facilities and avoid campus shutdowns due to failed utility systems. Utility master plans and critical infrastructure assessments were completed for all campuses to help prioritize the allocation of limited funding for campus infrastructure and building systems. These assessments estimate the systemwide critical infrastructure needs total to be roughly \$700 million.

The legislature's support in 2015-2016 to increase the CSU budget by \$97 million above the Governor's Budget proposal fulfilled the trustees' plan to leverage \$25 million of those funds to finance about \$400 million in projects to address critical infrastructure needs and replacement buildings to improve the quality of science, arts, and faculty office space at the Sacramento, San Francisco, San Diego and Bakersfield campuses. The board approved the financing of the 2015-2016 capital program in November 2015 and short term project financing is being used for ongoing project implementation until the next anticipated SRB sale in early 2017.

In years when support budget funding is available, such as 2015-2016, changes in the capital priority list will be more noticeable, whereas the lack or shortage of support budget funding will result in a campus repeating their priority request for funding from year to year. As there was not a base budget increase in 2016-2017 for capital funding financing, many of the projects on the 2017-2018 priority list were also on the 2016-2017 list.

2017-2018 through 2021-22 Five-Year Facilities Renewal and Capital Improvement Plan

The Five-Year Plan identifies the campuses' capital project priorities to address facility deficiencies and accommodate student enrollment growth. Campuses have identified a five-year need of over \$7.4 billion for academic facilities and over \$5.1 billion for self-support. The plan can be viewed at: http://www.calstate.edu/cpdc/Facilities_Planning/majorcapoutlayprogram.shtml.

For each campus the plan includes:

- Campus history
- Campus master plan map and building legend (including off-campus centers)
- Current Five-Year Plan
- Previous Five-Year Plan

Systemwide information includes:

- Campus summaries of State/CSU funding, and self-support funding
- Chart and graph of campus housing and parking capacity and planned projects
- Seismic Safety Action Plan (10-year span)
- Summary of Greenhouse Gas Emissions
- Summary of Renewal Backlog and Annual Renewal Need for Academic Facilities and Infrastructure.

The Board of Trustees' 1992 Seismic Policy resulted in the creation of the CSU Seismic Review Board. The Seismic Review Board reviews CSU facilities and develops seismic priority lists 1 and 2 of facilities needing structural reinforcement. Capital funds are used to repair and improve structures, and such projects receive priority consideration in funding recommendations to the board. The Five-Year Plan includes campus project requests for another \$726 million to strengthen an additional 16 facilities at nine campuses.

The summary of renewal backlog and annual renewal need for academic facilities and infrastructure is from the lifecycle model the CSU uses to estimate the annual average funding needed to replace systems that have passed their useful life. The model is updated annually and estimates the current deferred renewal backlog for academic facilities at \$2.0 billion, excluding funded projects that are currently in design or construction. The summary adds the Critical Infrastructure Needs from the Utility Master Plans, to total \$2.7 billion in renewal backlog. On average, the lifecycle model estimates \$143 million is needed annually to keep up with the renewal

needs of our continually aging facilities. In addition to the \$143 million, \$109 million is needed annually to reduce the \$2.6 billion backlog (a total of \$309 million). The renewal model does not include funds needed to improve the facilities to address changes in building code, seismic strengthening, or other programmatic upgrades to serve the academic program. These programmatic improvements and renewal needs would require an additional amount of roughly \$100 million to total an annual funding need of approximately \$400 million of capital reinvestment.

Because the lifecycle model does not include the renewal or deferred maintenance needs of self-support facilities, initial discussions are underway with the campuses to improve data for these facilities. Similar to the programming for academic facilities, the plan is to assess the existing self-support capital renewal needs and report campus funding plans to renew, renovate or replace facilities as they age.

The main focus of the Five-Year Plan is to identify the action year projects and whether multiple fund sources are needed to complete the projects. Staff will continue to work with campuses to better present the deferred maintenance needs and project plans to use designated reserves of both CSU supported and self-supported entities to ensure the continued operation of all campus facilities.

In addition, based on feedback from campuses on the Draft Five-Year Plan, the two statewide programs of Infrastructure Improvements and Minor Capital Outlay have been combined to provide greater campus flexibility. Therefore, the Infrastructure Improvements program will be defined to include building system renewal and improvements such as laboratory renovations and accessibility enhancements.

2017-2018 Capital Outlay Program

Page one of attachment A includes the 2017-2018 priority list of academic projects and page two includes the list of self-support projects. Since the September 2016 Board of Trustees meeting, changes have been made to project scope, budget, and schedule, resulting in an increase in the action year funding request for academic projects and a decrease in the funding amount for self-support projects. The academic priority list for 2017-2018 totals \$1.85 billion, and the self-support list totals \$131 million, for a total \$1.98 billion.

The list of self-support projects for 2017-2018 was significantly reduced since the September draft list. The projects have typically been pushed out to 2018-2019 as campus financial plans are still in development. These projects are likely to come forward to the board as amendments to the capital program on an individual project basis or return for consideration in 2018-2019.

The recommended 2017-2018 priority list aims to balance the academic needs of:

- Correcting infrastructure deficiencies
- Renovating or replacing existing facilities, and
- Constructing new classrooms, labs, faculty offices or instructional support space (library/learning commons, performance space, student services areas) to accommodate growth in student enrollment.

The prioritization of academic projects for the trustees' approval uses the criteria established by the board by proposing correction of critical infrastructure as the top priority, while advancing the replacements and renewal of existing science and technology facilities, and re-envisioning existing library spaces as collaborative learning spaces to support group study, provide access to technology, and promote faculty development. The primary growth project is proposed for CSU Monterey Bay. The priority list also identifies those projects that include a seismic strengthening component and are on one of the CSU seismic priority lists, denoted by the inclusion of "(Seismic)" as part of the project title. Attachment B identifies the projects included in the newly redefined statewide Infrastructure Improvements program.

To inform the recommended prioritization of academic projects, a number of reports are used to help staff weigh the relative need of a project:

- Summary of Campus Capacity – compares projected full-time equivalent (FTE) enrollment to FTE seat capacity to quantify lecture, lab, and faculty office needs
- Laboratory Enrollment versus Laboratory Capacity – quantifies enrollment by discipline
- Utilization Report – provides classroom and laboratory use by room size

These reports compare projected enrollment to available space using legislative or CSU standards. Campuses also submit a project justification, feasibility study, and other back-up material that are used to help assess relative need and try to balance the needs of the system.

Academic Projects Multi-Year Bond Authorization

The capital outlay program continues to transform as a result of the enactment of the 2014-2015 statute granting the CSU greater authority to utilize operating funds and other revenue sources to finance deferred maintenance and capital outlay projects. In order to provide campuses greater certainty in project funding, a multi-year financing approach is proposed for the board's consideration. The 2017-2018 Capital Program Priority List (Attachment A) shows the proposed priority list for academic projects and the self-support projects that have received approval on their financial plan.

This item requests the board to authorize the issuance of long term SRB financing, related debt instruments, and the issuance of BANs to support interim financing under the CP program in an aggregate amount not-to-exceed \$1,000,000,000 to fund a number of the projects shown in Attachment A. Utilizing existing \$352 million in resources that have been committed for capital

purposes, including funds appropriated by the state to pay the debt service on General Obligation and State Public Works Board Lease Revenue Bonds (which is in excess of debt service on those bonds and the restructured State Public Works Board debt service), and funds that were allocated by the board in the 2014-2015 and 2015-2016 budgets, the plan commits \$50 million per annum to meet the annual principal and interest payments on the additional debt. The final amount of debt to be issued will be determined based upon interest rates at the time long term bonds are sold and will be set at an amount so that the annual maximum debt service over the life of the debt issued under this plan will not exceed \$50 million. Based on the most recent debt service figures provided by the Department of Finance, in some years the excess available for the additional debt service may be less than \$50 million, which may result in a need to carry forward balances from prior years.

Financing of the self-support capital projects will continue to come forward to the board on an individual basis, and no changes are proposed at this time.

Recommendation

The following resolutions are presented for approval:

RESOLVED, By the Board of Trustees of the California State University, that:

1. The 2017-2018 through 2021-2022 Academic and Self-Support Funded Five-Year Capital Improvement Plan totaling \$7,431,899,000 and \$5,119,268,000, respectively, are approved.
2. The 2017-2018 Academic Capital Outlay Program included in the five-year program distributed with the agenda is approved at \$1,849,128,000.
3. The 2017-2018 Self-Support Funded Capital Outlay Program included in the five-year program is approved at \$131,307,000.
4. The chancellor is authorized to proceed in 2016-2017 with design and construction to fast-track projects in the 2017-2018 program.
5. The chancellor is requested to explore all reasonable funding methods available and communicate to the board, the governor, and the legislature the need to provide funds to develop the facilities necessary to serve the academic program and all eligible students.
6. The chancellor, in consultation with the Chair of the Board and the Chairs of the Committees on Finance and Campus Planning, Buildings and Grounds, is authorized to make adjustments for significant changes to the 2017-2018 Capital Outlay Program, including the priority sequence, scope, phase, project cost, financing source, and total budget request for the Program.

7. The chancellor is authorized to make adjustments in the projects to be financed as necessary to maximize use of the limited financing resources and consideration of the CSU's priorities for funding capital outlay projects, including reducing the financing amount to less than \$1,000,000,000, as noted in Attachments A and B of this Agenda Item 1 of the November 15-16, 2016, meeting of the Joint Committees on Finance and Campus Planning, Buildings and Grounds.
8. Up to \$50,000,000 per year is committed to meet the annual debt service and direct project expenditures related to funding for a portion of the 2017-2018 through 2021-2022 Five-Year Facilities Renewal and Academic Capital Improvement plan.

Furthermore,

Orrick, Herrington & Sutcliffe LLP, as bond counsel, is preparing resolutions to be presented at this meeting that authorize interim and permanent financing for the projects described in this agenda item. The proposed resolutions will be distributed at the meeting and will achieve the following:

1. Authorize the sale and issuance of Systemwide Revenue Bond Anticipation Notes, and/or the related or stand-alone sale and issuance of the Trustees of the California State University Systemwide Revenue Bonds, and/or the issuance of related debt instruments, including shorter term debt, variable rate debt, floating rate loans placed directly with banks, or fixed rate loans placed directly with banks, in an aggregate amount not-to-exceed \$1,000,000,000 and certain actions relating thereto.
2. Provide a delegation to the chancellor; the executive vice chancellor and chief financial officer; the assistant vice chancellor, Financial Services; and the assistant vice chancellor, Financing, Treasury, and Risk Management; and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

2017-2018 Capital Outlay Program

Cost Estimates are at Engineering News Record California Construction Cost Index 6255 and Equipment Price Index 3298

ACADEMIC PROJECTS PRIORITY LIST (Dollars in 000s)										
Priority Order	Category	Campus	Project Title	FTE	Phase	Campus Reserves/ Other Budget	SRB-AP*	Total Budget	Cumulative Total Budget	Cumulative SRB-AP*
1	IA	Statewide	Water Conservation - GO Bonds	N/A	PWC	4,000		4,000	4,000	0
2	IA	Statewide	Infrastructure Improvements ***	N/A	PWC	20,982	509,443	530,425	534,425	509,443
3	IB	Statewide	Solar Energy, Ph. 4	N/A	PWC	204,388		204,388	738,813	509,443
4	IB	Bakersfield	Humanities Building	N/A	E	412		412	739,225	509,443
5	IB	Pomona	Administration Replacement Building	N/A	E	1,380		1,380	740,605	509,443
6	IB	Dominguez Hills	Center for Science and Innovation◊	43	CE	15,036	61,757	76,793	817,398	571,200
7	II	Monterey Bay	Academic Building III	1,500	WCE	1,307	34,864	36,171	853,569	606,064
8	IB	Humboldt	Jenkins Hall Renovation	435	PWCE	1,195	9,524	10,719	864,288	615,588
9	IB	Chico	Siskiyou II Science Replacement (Seismic)	25	PWCE	6,338	76,595	82,933	947,221	692,183
10	IB	San José	Interdisciplinary Science Replacement Building	294	PWCE	8,787	118,731	127,518	1,074,739	810,914
11	IB	Los Angeles	Physical Sciences (Seismic), Ph. 4	N/A	CE	32,755	28,000	60,755	1,135,494	838,914
12	IB	Fullerton	McCarthy Hall Renovation, Ph. 1	0	PWC	8,000	32,000	40,000	1,175,494	870,914
13	IB	Fresno	Central Plant Replacement	N/A	PWCE	3,950	27,887	31,837	1,207,331	898,801
14	IB	Long Beach	Student Success/Peterson Hall 2 Reno (Seismic)	83	CE	2,814	38,208	41,022	1,248,353	937,009
15	IB	Stanislaus	Library Reno/Infrastructure Repairs (Seismic)	42	PWCE	3,141	52,195	55,336	1,303,689	989,204
16	IB	East Bay	Library Renovation (Seismic)	N/A	PWCE	7,235	74,755	81,990	1,385,679	1,063,959
17	IB	Sonoma	Stevenson Hall Renovation	0	PWCE		72,476	72,476	1,458,155	1,136,435
18	II	Maritime	Learning Commons	TBD	PWCE	1,208	26,340	27,548	1,485,703	1,162,775
19	IB	San Luis Obispo	Kennedy Library Renovation	566	PWCE	5,000	50,000	55,000	1,540,703	1,212,775
20	II	Channel Islands	Gateway Hall, Ph. 1	N/A	PWCE	2,811	32,378	35,189	1,575,892	1,245,153
21	II	San Bernardino	Theatre Arts Building	18	PWCE	6,171	60,395	66,566	1,642,458	1,305,548
22	IB	Northridge	Sierra Hall Renovation, Ph. 1	0	PWCE	4,605	52,330	56,935	1,699,393	1,357,878
23	IB	San Diego	Electrical Utilities Upgrade, Ph. 1	N/A	PWC	13,200	11,800	25,000	1,724,393	1,369,678
24	IB	Sacramento	Folsom 3rd Floor Improvements	TBD	PWCE	2,214	16,567	18,781	1,743,174	1,386,245
25	IB	San Diego	Dramatic Arts Renovation	N/A	PWCE	8,300	13,200	21,500	1,764,674	1,399,445
26	II	San Marcos	Applied Sciences and Technology Building	545	PWCE	4,605	27,239	31,844	1,796,518	1,426,684
27	IB	Pomona	Classroom Lab Bldg. Renovation (Seismic)	TBD	PWC	2,367	44,636	47,003	1,843,521	1,471,320
28	IB	San Francisco	Science Replacement Building ◊	TBD	P	5,607		5,607	1,849,128	1,471,320
Total Academic Projects				3,551		\$ 377,808	\$1,471,320	\$1,849,128	\$1,849,128	\$1,471,320
SELF-SUPPORT / OTHER PROJECTS LIST (Dollars in 000s)										
Alpha Order	Category	Campus	Project Title	Spaces	Phase	Campus Reserves/ Other Budget	SRB-SS**	Total Budget	Cumulative Total Budget	Cumulative SRB-SS**
1	IA	Statewide	Infrastructure Improvements ***	N/A	PWC	4,035	1,904	5,939	5,939	1,904
2	II	Dominguez Hills	Student Housing, Ph. 1	500	PWCE		48,000	48,000	53,939	49,904
3	II	Long Beach	Alumni Center	N/A	PWC	12,000		12,000	65,939	49,904
4	IB	Los Angeles	Parking Structure B Repairs	N/A	PWC	5,300		5,300	71,239	49,904
5	II	San Bernardino	College of Extended Learning Building	N/A	PWCE		50,895	50,895	122,134	100,799
6	IB	San José	North Parking Facility Retrofit/Solar Generation	0	PWC	6,419		6,419	128,553	100,799
7	II	San Luis Obispo	Science/Ag. Teaching and Research Complex	N/A	P	2,286		2,286	130,839	100,799
8	IB	San Luis Obispo	Ornamental Horticulture Greenhouse Replacement	N/A	P	468		468	131,307	100,799
Total Self-Support / Other Projects				500		\$ 30,508	\$ 100,799	\$ 131,307	\$ 131,307	\$ 100,799
Grand Total Academic and Self-Support Projects				4,051		\$ 408,316	\$1,572,119	\$1,980,435	\$1,980,435	\$1,572,119

P = Preliminary Plans W = Working Drawings C = Construction E = Equipment

Categories:

- I Existing Facilities/Infrastructure
 - A. Critical Infrastructure Deficiencies
 - B. Modernization/Renovation
- II New Facilities/Infrastructure

Notes:

- * SRB-AP: Systemwide Revenue Bonds - Academic Program
- ** SRB-SS: Systemwide Revenue Bonds - Self-Support Program
- *** The Infrastructure Improvements Program addresses smaller scale utility, building systems renewal and minor upgrades. Projects are listed separately on Attachment B.
- ◊ This project is dependent upon state and non-state funding.

2017-2018 Infrastructure Improvements Program Project List

Cost Estimates are at Engineering News Record California Construction Cost Index 6255 and Equipment Price Index 3298

ACADEMIC PROJECTS

Campus	Project Title	Phase	Campus Reserves Budget	SRB-AP Budget	Total Project Budget	Cumulative Total Project Budget
Bakersfield	Lab/Lab Service Modernization/Infrastructure	PWC	132,000	1,654,000	1,786,000	1,786,000
Bakersfield	Natural Gas Line Replacement	PWC		510,000	510,000	2,296,000
Bakersfield	Replace Electrical Distribution, Ph. 2	PWC		1,781,000	1,781,000	4,077,000
Channel Islands	Central Plant Upgrades	PWC		1,121,000	1,121,000	5,198,000
Channel Islands	North Campus Hydronic Loop Extension	PWC	602,000	9,519,000	10,121,000	15,319,000
Channel Islands	South Campus Hydronic Loop Extension	PWC	471,000	7,241,000	7,712,000	23,031,000
Channel Islands	Electrical and Fire Alarm Upgrades	PWC		1,154,000	1,154,000	24,185,000
Channel Islands	ADA Pathway Upgrades	PWC		141,000	141,000	24,326,000
Chico	Meriam Library Waterproofing, Ph. 3	C	150,000	1,350,000	1,500,000	25,826,000
Chico	Electrical Distribution & Switchgear, Ph. 1	P	25,000	475,000	500,000	26,326,000
Chico	North Campus Utilities, Ph. 1	PWc	30,000	600,000	630,000	26,956,000
Chico	Plumas Building Renewal, Ph. 1	PWc	160,000	3,100,000	3,260,000	30,216,000
Chico	EMS System Renewal	PWc	90,000	1,750,000	1,840,000	32,056,000
Chico	Acker & Shurmer Fire/Life Safety, Ph. 1	PWc	125,000	2,375,000	2,500,000	34,556,000
Chico	Acker Gymnasium and Ayres Hall Roof Replacement	PWC		250,000	250,000	34,806,000
Chico	Emergency Generator Communications Network	PWC		87,000	87,000	34,893,000
Chico	Ayres Hall HVAC Upgrades	PWC		245,000	245,000	35,138,000
Chico	O'Connell Technology Center HVAC Upgrades	PWC		75,000	75,000	35,213,000
Chico	Holt Hall Elevator Upgrade	PWC		495,000	495,000	35,708,000
Chico	Accessibility Upgrades, Multiple Buildings	PWC		650,000	650,000	36,358,000
Chico	Emergency Generator, Meriam Library	PWC		145,000	145,000	36,503,000
Chico	Emergency Generator, Butte Hall	PWC		145,000	145,000	36,648,000
Chico	Emergency Generator, Ayres Hall	PWC		125,000	125,000	36,773,000
Chico	Ayres Hall Exterior Upgrades	PWC		152,000	152,000	36,925,000
Chico	Kendall Hall Exterior Upgrades	PWC		207,000	207,000	37,132,000
Chico	Laxson Auditorium Exterior Upgrades	PWC		121,000	121,000	37,253,000
Chico	Trinity Hall Exterior Upgrades	PWC		151,000	151,000	37,404,000
Chico	Acker Gymnasium Exterior Upgrades	PWC		150,000	150,000	37,554,000
Dominguez Hills	Academic Buildings Renewal, DM, Inf. Imp.	PWC	1,200,000	11,800,000	13,000,000	50,554,000
Dominguez Hills	ADA Compliance Upgrades	PWC		1,600,000	1,600,000	52,154,000
East Bay	Electrical Infrastructure Upgrade, Ph.2C	PWC	45,000	2,032,000	2,077,000	54,231,000
Fresno	Underground Utility Improvements	PWC	541,000	4,871,000	5,412,000	59,643,000
Fullerton	Physical Services Complex Renovation/Replacement	PWcC	8,000,000	8,000,000	16,000,000	75,643,000
Fullerton	Visual Arts Complex Life Safety Upgrades	PWCE	738,000	4,262,000	5,000,000	80,643,000
Fullerton	Visual Arts-A & Humanities Soc. Sci. Restrooms ADA	PWC		1,154,000	1,154,000	81,797,000
Humboldt	Gist Hall Teaching Space Renovation	PWC		655,000	655,000	82,452,000
Humboldt	Science D Public and Teaching Space	PWE		656,000	656,000	83,108,000
Humboldt	Campuswide Controls Upgrade	PWC	100,000	901,000	1,001,000	84,109,000
Humboldt	Mill & 17th Street Water/Sewer Infrastructure Retrofit	PWC	19,000	200,000	219,000	84,328,000
Long Beach	Microbiology HVAC Replacement, Ph. 1, 2	PWC	666,000	5,834,000	6,500,000	90,828,000
Long Beach	ADA Barrier Removal and Path of Travel Upgrades	PWC		2,250,000	2,250,000	93,078,000
Long Beach	SSPA Building Storm Water Sump Pump Replacement	PWC	50,000	40,000	90,000	93,168,000
Long Beach	Doors and Hardware Replacement	PWC	37,000	333,000	370,000	93,538,000
Long Beach	Faculty Office 4 Roof Replacement	PWC	30,000	270,000	300,000	93,838,000
Long Beach	Faculty Office 5 Roof Replacement	PWC	39,000	347,000	386,000	94,224,000

2017-2018 Infrastructure Improvements Program Project List

Cost Estimates are at Engineering News Record California Construction Cost Index 6255 and Equipment Price Index 3298

ACADEMIC PROJECTS

Campus	Project Title	Phase	Campus Reserves Budget	SRB-AP Budget	Total Project Budget	Cumulative Total Project Budget
Los Angeles	Central Plant Chiller Replacement	PWC	211,000	2,506,000	2,717,000	96,941,000
Los Angeles	Campuswide Emergency Lighting Upgrade	PWC		250,000	250,000	97,191,000
Los Angeles	Physical Education HVAC Upgrades	PWC		645,000	645,000	97,836,000
Los Angeles	Salazar Hall 2nd Floor HVAC Upgrades	PWC		650,000	650,000	98,486,000
Los Angeles	Salazar Hall 3rd Floor HVAC Upgrades	PWC		375,000	375,000	98,861,000
Los Angeles	Simpson Tower HVAC Upgrades	PWC		375,000	375,000	99,236,000
Los Angeles	Campuswide Building Entrances ADA Upgrades	PWC		300,000	300,000	99,536,000
Maritime Academy	Ship Boiler Replacement	PWC	48,000	432,000	480,000	100,016,000
Maritime Academy	Domestic Water Pipe Replacement	PWC	66,000	594,000	660,000	100,676,000
Maritime Academy	Faculty Road Repairs	PWC		1,400,000	1,400,000	102,076,000
Maritime Academy	Campuswide Power Metering/Demand Response Capability	PWC		425,000	425,000	102,501,000
Maritime Academy	Student Services Building ADA Ramp	PWC		75,000	75,000	102,576,000
Maritime Academy	Upper Residence Hall ADA Path of Travel	PWC		100,000	100,000	102,676,000
Maritime Academy	Plumbing Upgrades, Multiple Buildings	PWC		30,000	30,000	102,706,000
Maritime Academy	Campuswide Telecom Upgrades	PWC		30,000	30,000	102,736,000
Maritime Academy	Classroom Building ADA Upgrades	PWC		30,000	30,000	102,766,000
Maritime Academy	Student Center ADA Path of Travel Upgrade	PWC		50,000	50,000	102,816,000
Maritime Academy	Administration Building Path of Travel Upgrade	PWC		75,000	75,000	102,891,000
Maritime Academy	Student Services Building Path of Travel Upgrade	PWC		75,000	75,000	102,966,000
Maritime Academy	Physical Plant Building ADA Upgrades	PWC		200,000	200,000	103,166,000
Maritime Academy	Student Center Building Upgrades	PWC		250,000	250,000	103,416,000
Maritime Academy	Mayo Hall Building Upgrades	PWC		500,000	500,000	103,916,000
Maritime Academy	Bodnar Field Restroom ADA Upgrade	PWC		200,000	200,000	104,116,000
Maritime Academy	Bodnar Field Pathway Lighting Upgrade	PWC		200,000	200,000	104,316,000
Maritime Academy	Campuswide Stairway Upgrades	PWC		250,000	250,000	104,566,000
Maritime Academy	Campuswide Pathway Upgrades	PWC		150,000	150,000	104,716,000
Monterey Bay	Demolition, Ph. 3	C		9,580,000	9,580,000	114,296,000
Monterey Bay	Infrastructure Improvements, Ph. 2, 3	PWC	687,000	6,875,000	7,562,000	121,858,000
Monterey Bay	Chilled Water Pipe Extension	PWC		600,000	600,000	122,458,000
Monterey Bay	Parking Lot 208, ADA Upgrade	PWC		400,000	400,000	122,858,000
Monterey Bay	ADA Path of Travel, Ph. 1	PWC		630,000	630,000	123,488,000
Monterey Bay	Electrical Distribution System, Ph. 1	PWC		1,800,000	1,800,000	125,288,000
Monterey Bay	Campuswide Data Room Cooling	PWC		250,000	250,000	125,538,000
Monterey Bay	ADA Path of Travel, Ph. 2	PWC		150,000	150,000	125,688,000
Monterey Bay	ADA Path of Travel, Ph. 3	PWC		200,000	200,000	125,888,000
Monterey Bay	ADA Path of Travel, Ph. 4	PWC		250,000	250,000	126,138,000
Monterey Bay	ADA Path of Travel, Ph. 5	PWC		150,000	150,000	126,288,000
Monterey Bay	Medium Voltage Equipment Upgrades	PWC		150,000	150,000	126,438,000
Northridge	Electrical System Replacement, Ph. 1	WC		1,500,000	1,500,000	127,938,000
Northridge	Heating System Replacement, Ph. 3, 4	PWC	115,000	6,328,000	6,443,000	134,381,000
Northridge	Electrical System Replacement, Ph. 3, 4	PWC	773,000	6,956,000	7,729,000	142,110,000
Pomona	HVAC/Fume Hood Replacement, Bldg. 8	PWC	575,000	5,175,000	5,750,000	147,860,000
Pomona	Sanitary Sewer Upgrades	PWC	200,000	1,800,000	2,000,000	149,860,000
Pomona	Domestic Water Line Upgrades	C		2,354,000	2,354,000	152,214,000
Pomona	Natural Gas Line Upgrades	PWC		2,394,000	2,394,000	154,608,000

2017-2018 Infrastructure Improvements Program Project List

Cost Estimates are at Engineering News Record California Construction Cost Index 6255 and Equipment Price Index 3298

ACADEMIC PROJECTS

Campus	Project Title	Phase	Campus Reserves Budget	SRB-AP Budget	Total Project Budget	Cumulative Total Project Budget
Sacramento	Fire Alarm System Upgrades, Ph. 2	PWC	306,000	2,017,000	2,323,000	156,931,000
Sacramento	Main Switchgear Replacement, Ph. 1	PWC	290,000	1,973,000	2,263,000	159,194,000
Sacramento	Sewer Relining	PWC	344,000	1,803,000	2,147,000	161,341,000
Sacramento	Campuswide ADA Upgrades	PWC	55,000	706,000	761,000	162,102,000
San Bernardino	Gas-filled Switch Replacement	PWC		345,000	345,000	162,447,000
San Bernardino	Biology Teaching Labs	PWCE	206,000	2,713,000	2,919,000	165,366,000
San Bernardino	Performing Arts Elevator Upgrade	PWC	31,000	290,000	321,000	165,687,000
San Bernardino	Pfau Library Elevators Upgrade	PWC	126,000	1,248,000	1,374,000	167,061,000
San Bernardino	Sierra Hall Roof Replacement	PWC	68,000	472,000	540,000	167,601,000
San Diego	IVC North Classroom Renovation (Seismic)	PWC	200,000	1,822,000	2,022,000	169,623,000
San Diego	HVAC System and Fume Hood Replacement	PWC	1,128,000	4,525,000	5,653,000	175,276,000
San Diego	Extend Fire Sprinkler System	PWC	175,000	700,000	875,000	176,151,000
San Diego	Drain Pipe Replacement, Ph. 1	PWC	110,000	440,000	550,000	176,701,000
San Francisco	Creative Arts Restroom Renovation	PWC		320,000	320,000	177,021,000
San Francisco	Cox Stadium Restroom Replacement	PWC		650,000	650,000	177,671,000
San Francisco	Building 49, Seismic Upgrade (Tiburon)	PWC		1,921,000	1,921,000	179,592,000
San Francisco	Building 50, Seismic Upgrade (Tiburon)	PWC		2,365,000	2,365,000	181,957,000
San Francisco	Thornton Hall ADA Restroom Upgrade, Ph. 1	PWC		420,000	420,000	182,377,000
San Francisco	Business Building ADA Restroom Upgrade	PWC		360,000	360,000	182,737,000
San Francisco	Building 37, Seismic Upgrade (Tiburon)	PWC		280,000	280,000	183,017,000
San Francisco	Thornton Hall ADA Restroom Upgrade, Ph. 2	PWC		420,000	420,000	183,437,000
San Francisco	Building 11, Demolition (Tiburon)	PWC		227,000	227,000	183,664,000
San Francisco	Building 54, Seismic Upgrade (Tiburon)	PWC		2,335,000	2,335,000	185,999,000
San Francisco	Thornton Hall ADA Restroom Upgrade, Ph. 3	PWC		420,000	420,000	186,419,000
San Francisco	Central Plant/Campus Utility Projects	PWC	100,000	1,171,000	1,271,000	187,690,000
San Francisco	Sanitary Sewer/Storm/Domestic Water Projects	PWC	141,000	1,501,000	1,642,000	189,332,000
San Francisco	Data Center Emergency Power and Condenser	PWC	65,000	741,000	806,000	190,138,000
San José	Utilities Infrastructure, Ph. 2	PWC	611,000	5,502,000	6,113,000	196,251,000
San José	Restroom ADA Upgrades, Multiple Buildings	PWC		600,000	600,000	196,851,000
San José	Sweeney Hall Corridor ADA Upgrades	PWC		160,000	160,000	197,011,000
San José	Hugh Gillis Hall Restrooms ADA Upgrades	PWC		200,000	200,000	197,211,000
San José	Music Building Restrooms ADA Upgrades	PWC		160,000	160,000	197,371,000
San José	Sweeney Hall Restroom and Classroom ADA Upgrades	PWC		300,000	300,000	197,671,000
San José	Campuswide Building Entry Door ADA Upgrades	PWC		50,000	50,000	197,721,000
San José	Engineering Building Lab and Classroom ADA Upgrades	PWC		450,000	450,000	198,171,000
San José	Art Building and Industrial Studies ADA Upgrades	PWC		200,000	200,000	198,371,000
San José	Music Building & Hugh Gillis Hall Classrooms ADA Upgrades	PWC		150,000	150,000	198,521,000
San José	Campuswide Building Corridor and Elevator ADA Upgrades	PWC		500,000	500,000	199,021,000
San José	Campuswide ADA Upgrades	PWC		200,000	200,000	199,221,000
San Luis Obispo	Central Heating Systems Repairs, Ph. 3	C		5,000,000	5,000,000	204,221,000
San Luis Obispo	Substation Redundancy	PWC	380,000	3,819,000	4,199,000	208,420,000
San Luis Obispo	ADA Upgrades	PWC		200,000	200,000	208,620,000
San Luis Obispo	Classroom Upgrades	PWC		800,000	800,000	209,420,000

2017-2018 Infrastructure Improvements Program Project List

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ACADEMIC PROJECTS

Campus	Project Title	Phase	Campus Reserves Budget	SRB-AP Budget	Total Project Budget	Cumulative Total Project Budget
San Marcos	Craven Hall HVAC Upgrades	PWC	215,000	3,033,000	3,248,000	212,668,000
San Marcos	Central Plant Generator	PWC	108,000	1,428,000	1,536,000	214,204,000
San Marcos	Accessibility Improvements, Ph. 1	PWC		650,000	650,000	214,854,000
San Marcos	Accessibility Improvements, Ph. 2	PWC		650,000	650,000	215,504,000
San Marcos	Accessibility Improvements, Ph. 3	PWC		650,000	650,000	216,154,000
Sonoma	Central Plant Main Switchgear	PWC		836,000	836,000	216,990,000
Sonoma	Cooling Tower	PWC		923,000	923,000	217,913,000
Sonoma	Chiller No. 3	PWC		1,110,000	1,110,000	219,023,000
Sonoma	IDEC Unit Replacement, Salazar and Darwin	PWC		2,941,000	2,941,000	221,964,000
Sonoma	In-ground Valve Replacements, Campuswide	PWC		2,348,000	2,348,000	224,312,000
Stanislaus	Central Plant Infrastructure, Ph. 1	PWC		1,776,000	1,776,000	226,088,000
Stanislaus	Drama Air Handler Replacement	PWC	114,000	1,425,000	1,539,000	227,627,000
Stanislaus	ADA Barrier Removal	PWC	66,000	590,000	656,000	228,283,000
Stanislaus	Heating Hot Water Line Replacement	PWC	218,000	1,924,000	2,142,000	230,425,000
Systemwide	HVAC and Electrical Upgrades	PWC		200,000,000	200,000,000	430,425,000
Systemwide	Renovation/Seismic Upgrades	PWC		100,000,000	100,000,000	530,425,000
Total Infrastructure Improvements Program			\$20,982,000	\$509,443,000	\$ 530,425,000	\$530,425,000

SELF-SUPPORT PROJECTS

Campus	Project Title	Phase	Campus Reserves Budget	SRB-SS Budget	Total Project Budget	Cumulative Total Project Budget
Chico	HVAC Upgrades, Lassen/Shasta Halls	PWC	160,000		160,000	160,000
Chico	Shasta Hall Interior Paint	PWC	80,000		80,000	240,000
Chico	Room Ventilators Abatement, Lassen/Shasta	PWC	140,000		140,000	380,000
Chico	Shasta Hall Chiller Re-piping	PWC	60,000		60,000	440,000
Chico	Whitney Hall Hydronic System, Ph. 2	PWC	380,000		380,000	820,000
Chico	Whitney Hall Carpet Replacement, Ph. 2	PWC	100,000		100,000	920,000
Chico	North Campus Roof Repairs	PWC	50,000		50,000	970,000
Chico	Konkow Hall Painting	PWC	80,000		80,000	1,050,000
Chico	University Village South A/C Unit Repl., Ph. 1	PWC	200,000		200,000	1,250,000
Chico	University Village South ADA Upgrades, Ph. 1	PWC	250,000		250,000	1,500,000
Fresno	Parking Lot Improvements	PWC	2,025,000		2,025,000	3,525,000
Humboldt	Parking Lot Replacements	PWC	185,000	1,904,000	2,089,000	5,614,000
Los Angeles	Golden Eagle Lighting Controls Replacement	PWC	325,000		325,000	5,939,000
Total SELF-SUPPORT Infrastructure Improvements Program			\$ 4,035,000	\$ 1,904,000	\$ 5,939,000	\$ 5,939,000

AGENDA

JOINT COMMITTEES ON EDUCATIONAL POLICY AND FINANCE

Meeting: 1:15 p.m., Tuesday, November 15, 2016
Glenn S. Dumke Auditorium

**Committee on Educational
Policy**

Lillian Kimbell, Chair
Jane W. Carney, Vice Chair
Silas H. Abrego
Douglas Faigin
Debra S. Farar
Jean P. Firstenberg
Thelma Meléndez de Santa Ana
Steven G. Stepanek
Maggie K. White

Committee on Finance

Peter J. Taylor, Chair
Debra S. Farar, Vice Chair
Jane W. Carney
Adam Day
Jean P. Firstenberg
Hugo N. Morales
Lateefah Simon

Consent Items

Approval of Minutes of the Meeting of September 20, 2016

1. Academic Sustainability Plan, *Action*

**MINUTES OF THE MEETING OF THE
JOINT COMMITTEES ON EDUCATIONAL POLICY AND FINANCE**

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

September 20, 2016

Members Present

Committee on Educational Policy

Lillian Kimbell, Chair
Jane W. Carney, Vice Chair
Silas H. Abrego
Douglas Faigin
Debra S. Farar
Jean P. Firstenberg
Thelma Meléndez de Santa Ana
Steven G. Stepanek
Maggie White

Committee on Finance

Peter Taylor, Chair
Debra S. Farar, Vice Chair
Jane W. Carney
Adam Day
Jean P. Firstenberg
Lupe C. Garcia
Hugo N. Morales
Lateefah Simon

Rebecca Eisen, Chair of the Board
Timothy P. White, Chancellor

Trustee Lillian Kimbell called the meeting to order noting that there were no public speaker requests.

Approval of Minutes

The minutes of the November 17, 2015 meeting were approved as submitted.

2015 Systemwide Hate Crimes and Incident Totals

Trustee Kimbell presented agenda item 1 as a consent information item.

Trustee Kimbell adjourned the meeting of the Joint Committees on Educational Policy and Finance.

JOINT COMMITTEES ON EDUCATIONAL POLICY AND FINANCE

Academic Sustainability Plan

Presentation By

Ryan Storm
Assistant Vice Chancellor
Budget

Ed Sullivan
Assistant Vice Chancellor
Academic Research and Resources

Summary

This item seeks California State University Board of Trustees' approval of the 2016 Academic Sustainability Plan. The plan, included as Attachment A, incorporates the Department of Finance's revenue assumptions and the use of trends to determine the three-year goals associated with those revenue assumptions. This item also seeks the board's approval to delegate reporting authority to the chancellor, should this requirement continue to be included in future budget acts.

Background

Starting with the Budget Act of 2014 and continued in 2015 and 2016, the CSU is required to develop and approve a plan that details the university's academic and fiscal sustainability over a three-year period and submit that plan to the Department of Finance and the legislature no later than November 30, 2016.

The plan must include the following three components:

- 1) Projections of available resources in the 2017-2018, 2018-2019 and 2019-2020 fiscal years, using state general fund and tuition and fee revenue assumptions provided by the Department of Finance. Projections of expenditures in each of those years and descriptions of any changes to current operations necessary to ensure that expenditures projected for those years are not greater than the available resources projected for those years.
- 2) Projections of resident and non-resident enrollment in each of those years.
- 3) Goals for 16 performance measures as described in state law for each of those years.

The 2014 and 2015 versions of the plan prepared by the CSU exceeded the minimum requirements of the budget act. Those prior versions include two sets of budget and goal setting scenarios. The first scenario developed enrollment projections and performance measure goals using the revenue and expenditure assumptions provided by the Department of Finance. The second scenario developed projections and goals using the revenue and expenditure assumptions of the annual CSU Support Budget request. The primary reason for two scenarios was to demonstrate that with additional resources beyond the assumptions provided by the Department of Finance, the CSU could potentially achieve greater student success goals.

The 2016 version of the plan meets the minimum requirements of the budget act and does not contain a second CSU scenario. The principle reason for this change is due to the CSU's development of student outcome goals and related strategies under Graduation Initiative 2025. The sophistication of Graduation Initiative 2025 and the singular focus of the Chancellor's Office and campuses on the initiative made it apparent that developing an academic sustainability plan like before could create confusion and distract from the graduation initiative. Instead, a better projection of CSU priorities for enrollment and student success can be found in the Graduation Initiative 2025 plan and annual CSU support budget request.

Components 1 and 2: Revenue, Expenditure, and Enrollment Assumptions

In a letter dated August 18, 2016, the Department of Finance revealed the state general fund assumptions upon which the CSU is to build its academic sustainability plan. In short, the state general fund assumptions are to align with the governor's funding plan and include other baseline adjustments such as savings from the middle class scholarship, state public works board debt service payments, and the state's contribution to the Public Employees' Retirement System on behalf of CSU employees. These assumptions would not align with CSU's budget priorities.

For illustration purposes, the Department of Finance expects the CSU to assume only \$157.2 million in new general fund monies for 2017-2018. CSU's support budget request for this fiscal year is nearly \$344 million. Using the Department of Finance's assumptions, the CSU cannot plan for enrollment growth in the coming years and does not budget for non-resident student growth in any given year.

Component 3: Goals for Performance Measures

State law identified 16 performance measures to be reported on every March. As detailed in the Department of Finance's assumptions, the CSU cannot establish and accomplish all of the goals in student achievement given the state's financial commitment of a three percent increase in total operating budget.

Another significant challenge is that the Department of Finance's assumptions provide only 40 to 50 cents of every dollar needed to meet CSU's most critical needs. Each of the 23 CSU campuses have adopted aggressive graduation rate targets that include closing the achievement gap for underserved student populations and students with financial need. For campuses to reach these goals, resources above those identified in the Department of Finance's assumptions will be required.

Campus leaders have prioritized their budgets accordingly to meet these goals by focusing on increased tenure-density among faculty, improved advising, reducing bottlenecks, scaling high-impact practices, moving more students through college-preparation curriculum sooner, and using data to make decisions across campus. The 16 performance measures required by the law track some of this progress and add additional metrics for further detail. Goals for the 16 measures have been set using trend data to project progress with minimal budget increases.

Conclusion

This action item recommends board approval of the statutorily-required Academic Sustainability Plan covering the 2017-2018, 2018-2019 and 2019-2020 fiscal years.

It is important that the trustees approve a plan with measured goals that are linked to reasonable data trends and can be achieved using current assumptions. There is ample evidence that additional financial resources will result in additional faculty and staff hiring and improvements to facilities, which are also essential for student success and completion.

Recommendation

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that the Academic Sustainability Plan be approved; and be it further

RESOLVED, that the Academic Sustainability Plan be submitted no later than November 30, 2016, to the Director of the Department of Finance and the Legislature as required by the 2016 Budget Act; and be it further

RESOLVED, if the preparation of an Academic Sustainability Plan is required in a future state budget act or other law, that the Board of Trustees delegate authority to the chancellor to prepare, approve, and submit the plan on its behalf.



The California State University
OFFICE OF THE CHANCELLOR

Academic Sustainability Plan

As required by the Budget Act of 2016

DRAFT FOR APPROVAL
CSU Board of Trustees November 15-16, 2016

Academic Sustainability Plan

Introduction

This document is the Academic Sustainability Plan (Plan) developed for approval by the California State University (CSU) Board of Trustees (Board), as required by the state Budget Act of 2016. The Plan meets the requirements of the law and lays out student enrollment trends, and other performance measure trends and goals based the budget assumptions provided by the state Department of Finance (Finance).

The Plan can mean different things to different people if expectations are not clearly articulated. This Plan is intended to show the progress that can be made over the next three years based on incremental increases in state general fund allocations to the CSU. It is important to understand that the performance measures included in the Plan are influenced by many variables that are outside and beyond the CSU's direct control. Furthermore, the measures are, in most cases, reliant on actions taken by the CSU and state in prior years. Acknowledging these variables, the Plan is based on the best trend information available.

Enrollment assumptions affect outcome measures in the Plan. Improved retention efforts coupled with larger incoming classes have increased the number of CSU continuing students. As our student success efforts continue to mature and time-to-degree shortens with improved four-year rates for freshmen and two-year rates for transfers, we expect student access pressures will mediate. At the same time, degrees earned annually by CSU students are expected to increase. These two changes will balance each other out over time with better retention and increased graduation rates, the CSU will ease into a "new normal" for enrollment growth and student access.

The requirements of the Plan ask the CSU to make a series of assumptions over the next three years, based on a set of budget assumptions, and take into account: access, progress toward degree, time-to-degree, graduation rates and total number of degrees completed. It is important to acknowledge how various systemwide and campus-based strategies implemented in previous years affect these measures.

The CSU focuses on providing an affordable, accessible, high-quality education to prepare students to become leaders in the changing workforce, making the CSU a vital economic engine for California.

- The CSU is the nation's largest four-year public university system with 23 campuses and 8 off campus centers.
- The CSU is the most ethnically diverse university in the country enrolling over 470,000 students and employing over 49,000 faculty and staff.
- The CSU stretches from Humboldt in the north to San Diego in the south.

Budget Act Requirement

The Budget Act of 2016 (SB 826, Chapter 23) requires the Board to develop and approve a plan that details any changes necessary to ensure the university's academic and fiscal sustainability over a multi-year period and submit that plan to the state no later than November 30, 2016.

The plan must include the following three components:

- (1) Projections of available resources in the, 2017-2018, 2018-2019, and 2019-2020 fiscal years, using state general fund and tuition and fee revenue assumptions provided by Finance. Projections of expenditures in each of those years and descriptions of any changes to current operations necessary to ensure that expenditures projected for those years are not greater than the available resources projected for those years.
- (2) Projections of resident and non-resident enrollment in each of those years.
- (3) Goals for 16 performance measures (described in state law) in each of those years.

In an August 18, 2016 letter to the CSU, Finance shared the state general fund and tuition and fee revenue assumptions upon which the CSU is to build its plan. In short, the state general fund assumptions are to align with the governor's office funding plan and include other baseline adjustments (e.g. the state's contribution to the Public Employees' Retirement System on behalf of CSU employees).

Approach

Budget

The Board was tasked to prepare the Plan using the modest revenue assumptions from the state equivalent to a growth of approximately two percent per year in total operating revenues. Using the revenue assumptions laid out by Finance creates a challenging position as those assumptions fall short of CSU's annual, identified financial needs. For illustration purposes, the state expects the CSU to assume only \$157.2 million of new state general fund. CSU's typical support budget plan (a mix of state general fund support and tuition and fee revenue) requests a range of \$250 million to \$350 million per year in increased funds.

The 2014 and 2015 versions of the plan prepared by the CSU exceeded the minimum requirements of the budget act. Those prior versions include two sets of budget and goal setting scenarios. The first scenario, known as the "State" scenario, developed enrollment projections and performance measure goals using the revenue and expenditure assumptions provided by Finance. The second, known as the "CSU" scenario, developed projections and goals using the revenue and expenditure assumptions of the annual CSU Support Budget request. The primary reason for two scenarios was to demonstrate that with additional resources beyond the assumptions provided by Finance, the CSU could potentially achieve greater student success goals.

The 2016 version of the Plan meets the minimum requirements of the budget act and contains the State scenario only. The principle reason for this change is due to the CSU's development of student outcome goals and related strategies under Graduation Initiative 2025. The sophistication of Graduation Initiative 2025 and the singular focus of the Chancellor's Office and campuses on the initiative made it apparent that developing the Plan like before could create confusion and distract from the graduation initiative. Instead, a better projection of CSU priorities for enrollment and student success can be found in the Graduation Initiative 2025 plan, and annual CSU support budget requests.

Funded Student Enrollment

Based on the State Budget as prepared for requirement 1, enrollment projections vary for 2017-2018, 2018-2019, and 2019-2020. With a small budget increase allowed for in the State Budget, and no tuition increases considered to date, the CSU does not have sufficient resources to plan for funded enrollment growth.

As the CSU is able to invest in the graduation initiative, campuses will add more courses to meet student demand and campuses will work to balance enrollment between incoming freshman and transfers, with continuing students who are being retained at a higher rate and graduating at a faster pace. For the purpose of this Plan, no funded enrollment growth is planned. Instead, projections are based on currently available enrollment data.

Goals for Performance Measures

The third requirement requires the CSU establish goals for all 16 performance measures listed in state law. Before goals were established for each measure, it was important to first gauge how aggressive or cautious to be on the approach. Three possibilities were considered:

1. Cautious: Identify the status quo (e.g. current graduation rate) and establish goals so that CSU would maintain pace over the next three years.
2. Measured: Identify recent, actual trend data, estimate the trend over the next three years, and establish goals that align with those projections.
3. Aggressive: The same identification and estimation of trends, but with aggressive goals that exceed estimated trends.

This Plan follows a measured approach. It neither sells short the abilities of CSU students, faculty, staff, and administrators to exceed the status quo, nor does it create subjective goals that are far reaching but may have little to no chance of being achieved given modest budget increases and a short timeline to affect change. This measured approach demonstrates that, even with the prescribed additional resources of the State Budget and the short timeline for goal setting, the CSU is committed to consistent improvements on these 16 performance measures.

As an example, CSU campuses limited new enrollments in 2011-2012 and 2012-2013 due to the economic crisis and it is estimated that the number of graduates will rise slowly in 2016-2017 because of necessary fiscal policy decisions made in prior years that cannot be affected by an influx of funding in upcoming years. Increases in students earning degrees in recent years stems from improved retention/graduation efforts offsetting a potential drop resulting from limited new student enrollment five to six years ago.

Conclusion

The modest proposed increases in state funding for the next three years limits the university's ability to maximize student success, scale up successful programs to reach more students, and compete against other fiscal priorities such as mandatory costs (e.g. employee benefits and new space maintenance), predictable compensation increases, and funding of deferred maintenance and infrastructure improvements. The CSU 2017-18 Support Budget Request presents a more robust budget for targeted allocation of resources on the Board's priorities. As Graduation Initiative 2025 builds momentum, we expect that overall time-to-degree will be reduced and access for new students will reach a new normal. There is, however, a transition period where improved retention efforts result in a reduction of available courses creating pressure to limit or reduce new student access.

The CSU Chancellor's Office and the 23 campuses are focused on meeting the needs of California by preparing an educated workforce and conscious global citizenry. More importantly, the CSU is focused on ensuring that every CSU student has the authentic opportunity to be challenged with academic rigor and to be successful in their chosen field and community.

The Plan

(1) Budget

Requirement: Projections of available resources in the 2017-2018, 2018-2019, and 2019-2020 fiscal years, using state general fund and tuition and fee revenue assumptions provided by the state Department of Finance. Projections of expenditures in each of those years and descriptions of any changes to current operations necessary to ensure that expenditures projected for those years are not greater than the available resources projected for those years.

New General Fund Resources: The State Budget assumes new general fund resources ranging from \$136.5 million to \$157.2 million per year, which aligns with the governor's office funding plan for CSU.

Tuition Fee Revenue: The State Budget assumes no change to any systemwide tuition rates. Because the Board has the statutory authority and discretion to adjust tuition rates, the Board will determine the appropriate tuition rates on a case-by-case and year-by-year basis. Therefore, no tuition increases are assumed in the Plan for 2017-2018, 2018-2019, or 2019-2020.

Student Success Fees: Student success fee are campus-based and the revenue stays on the campus at which it is collected and is not a part of the systemwide budget plan approved by the Board each November.

Funded Student Enrollment: Proposed and actual funded student enrollment decisions are exclusively made by the Board and the chancellor. For illustration purposes only, the Plan presumes the State Budget does not provide enough revenue to increase funded student enrollment. The CSU support budget plan includes one percent enrollment growth equivalent to 3,600 FTES in 2017-2018. For 2018-2019, and 2019-2020, no additional enrollment growth is included as the Board has not yet determined the funding priorities for those years.

All Other Expenditures: Because the Board's expenditure priorities exceed the State Budget's resource assumptions, some 2017-2018 discretionary expenditures are displayed as "TBD" or "to be determined." If the State Budget resource assumptions were to come to pass in 2017-2018, only current compensation contracts and some mandatory cost increases could be funded. Other expenditures, including Graduation Initiative 2025, compensation for other employee groups, funded enrollment growth, and maintenance and infrastructure projects would not be funded. These priorities, as presented in the 2017-2018 Support Budget Request, would require additional revenue.

For 2018-2019 and 2019-2020 the State Budget presumes the Board and the chancellor will determine the appropriate expenditure levels on a case-by-case and year-by-year basis. Therefore, expenditures will be determined at a later date.

State Budget

Revenues	2017/18	2018/19	2019/20
State General Fund Support Appropriation (base)	\$2,857,616,000	\$3,037,992,000	\$3,195,339,000
State Contribution for PERS retirement	23,140,000	20,862,000	23,170,000
State Revenue Assumptions:			
Governor's Office General Fund Plan	157,236,000	136,485,000	141,945,000
Tuition Fee Increase (undergraduate)	TBD	TBD	TBD
Tuition Fee Increase (graduate)	TBD	TBD	TBD
Tuition Fee Increase (doctorate)	TBD	TBD	TBD
Tuition Fee Increase (non-resident)	TBD	TBD	TBD
New Student Success Fees	TBD	TBD	TBD
General Obligation & Lease Revenue Debt Service Revenue from State (base)	311,809,000	316,879,000	316,879,000
Gov Office commitment to lease revenue bond debt service payments	5,070,000	0	0
Net Tuition Fee & Other Fee Revenue (base)	2,378,855,000	2,378,855,000	2,378,855,000
Net Tuition Fee Revenue From Growth (No Enrollment Growth Projected)	0	0	0
Totals, Revenues	\$5,733,726,000	\$5,891,073,000	\$6,056,188,000
Expenditures	2017/18	2018/19	2019/20
Operations (base)	\$5,236,471,000	\$5,416,847,000	\$5,574,194,000
State Contribution for PERS retirement	23,140,000	20,862,000	23,170,000
Mandatory Costs	\$18,098,000	TBD	TBD
Employee Compensation Current Contracts	\$139,138,000	TBD	TBD
Employee Compensation Pool - Open Contracts	0	TBD	TBD
Graduation Initiative 2025	0	TBD	TBD
Funded Student Enrollment Increase - 1% per year	0	TBD	TBD
General Obligation & Lease Revenue Debt Service Payments (base)	311,809,000	316,879,000	316,879,000
Governor's Office commitment to lease revenue bond debt service payments	5,070,000	0	0
Facilities & Infrastructure	0	TBD	TBD
All Other Operating Expenditures/Reductions To Be Determined by CSU	0	136,485,000	141,945,000
Totals, Expenditures	\$5,733,726,000	\$5,891,073,000	\$6,056,188,000
Balance	\$0	\$0	\$0
Notes:			
TBD = To be determined by CSU leadership			
The State Budget must includes a reference to student success fees, which are campus-based fees that are collected, retained, and expended at campuses. These fees are not a systemwide revenue source and it is inappropriate to associate these fees with other systemwide revenue sources.			
Net Tuition Fee & Other Fee Revenue excludes State University Grant (SUG) estimates. SUG is a tuition fee waiver program for qualified students with financial need. It is revenue foregone by CSU (i.e. no actual collection and redistribution of money). Annual foregone revenue is in excess of \$660 million.			

(2) Enrollment Projections

Requirement: Projections of resident and non-resident enrollment in each of those years.

The three year budgets shown above include the State Budget assumption of zero funded enrollment increases each year.

Enrollment funding is based on FTES; this report translates that growth to a headcount number using currently available ratios. Two of the variables that affect the size of each new entering class are: 1) available resources and 2) the ratio of headcount to full-time equivalent students. As the CSU improves year-to-year retention rates, and continues to advise students toward a four-year path to a degree, the new headcount to FTES ratio will get closer and closer to 1:1. If new funds were available in each of the next three years it would allow for modest increases in enrollment and allow the CSU to focus on a timelier degree completion with more students enrolling in 15 or more units each term.

The CSU has not set specific non-resident enrollment targets; however, it is projected that non-resident enrollment will continue to make up around six percent of total enrollment. Non-resident students are not considered in the overall budget picture the way resident student targets are determined. The state does not fund the CSU for non-resident enrollment; rather these students are charged non-resident tuition in addition to state university tuition, to cover the full cost of their enrollment at the CSU.

Resident and Non-Resident Enrollment – Headcount		
College Year	Resident	Non-Resident
2011-2012	404,946	17,117
2012-2013	407,697	18,516
2013-2014	416,109	22,048
2014-2015	424,377	26,832
2015-2016	436,648	29,038
2016-2017 (Projected)	441,014	29,328
2017-2018 (Projected)	441,014	29,328
2018-2019 (Projected)	441,014	29,328
2019-2020 (Projected)	441,014	29,328

(3) Goals for 16 Performance Measures

Requirement: Goals for 16 performance measures (described in state law) in each of those years.

Measures 1 – 4: Access

Measure 1: The number of CCC transfer students enrolled and the percentage of CCC transfer students as a proportion of the total number of undergraduate students enrolled.

Measure 2: The number of new CCC transfers students enrolled and the percentage of new CCC transfer students as a proportion of the total number of new undergraduate students enrolled.

Measures 1 and 2 ask for the number and proportion of CCC transfers within the total CSU population, and as a part of each new entering class. The tables below show the current trend within the CSU population, and projections based zero funded enrollment growth. Transfer enrollment is affected by the CSU budget more than most measures. Table 1 shows how transfer enrollment will grow as a percentage of the total population because campuses will be able to accept and enroll transfers for both the fall and spring terms.

Measure 3: The number of low-income students enrolled and the percentage of low-income students as a proportion of the total number of undergraduate students enrolled.

Measure 4: The number of new low-income students enrolled and the percentage of low-income students as a proportion of the total number of new undergraduate students enrolled.

Measures 3 and 4 focus on the total number and proportion of low-income students within the undergraduate population and within the population of new students each year. Low-income was defined by the legislation to mean Pell-eligible students. While the CSU does not have direct outreach programs to communities based on socio-economic status, we do continue our efforts to ensure genuine access for students from underrepresented communities in the state, and there is certainly crossover between our underrepresented students and students who are eligible for federal Pell grants.

The headcount numbers are based on the percentage predicted from the enrollment projections associated with the State Budget. We believe that this measure is highly influenced by factors external to the university including the health and stability of the economy and the ability of students and families to afford college. During challenging economic times Pell eligibility will increase. When the economy stabilizes, and unemployment goes down, Pell eligibility will decrease. We project the percentage of Pell-eligible students will settle just over 50 percent, eventually returning to a level seen in previously stable economic periods.

Ensuring the academic success of all California students and particularly low-income students remains a steadfast CSU priority. It is believed that this measure is focusing on the CSU's ability to provide access to all cross sections of the California population. The CSU is intensifying efforts to close the achievement gap for low-income students by 2025, and will continue extensive outreach and retention efforts to these populations. Access with the opportunity to succeed for all college going students is a critical part of CSU's mission. Meeting the financial aid needs of our students to ensure all have the support to academically succeed remains a priority.

Table 1 CCC Transfer Enrollment		
Fall Term	Headcount	Percent of Total Undergraduates
2011	129,246	36.4%
2012	134,958	36.8%
2013	136,352	36.2%
2014	138,342	35.9%
2015	143,445	36.0%
2016 (Projected)	144,879	36.0%
2017 (Projected)	144,879	36.0%
2018 (Projected)	144,879	36.0%
2019 (Projected)	144,879	36.0%

Table 2 NEW CCC Transfer Enrollment		
College Year	Headcount	Percent of Total New Undergraduates
2011-2012	49,467	45.3%
2012-2013	42,745	42.0%
2013-2014	55,053	46.3%
2014-2015	56,134	46.3%
2015-2016	56,539	46.1%
2016-2017 (Projected)	58,235	46.6%
2017-2018 (Projected)	58,817	46.8%
2018-2019 (Projected)	59,405	46.8%
2019-2020 (Projected)	59,999	46.8%

Table 3		
Low-Income Student Enrollment		
Fall Year	Pell-Recipient Headcount	Percent of Total Undergraduates
2010	146,302	41.9%
2011	164,951	44.9%
2012	173,553	45.6%
2013	188,486	48.1%
2014	195,754	48.3%
2015 (Projected)	206,926	49.6%
2016 (Projected)	212,831	50.5%
2017 (Projected)	215,868	51.1%
2018 (Projected)	218,948	51.4%

Table 4		
NEW Low-Income Student Enrollment		
College Year	New Pell-Recipient Headcount	Percent of Total New Undergraduates
2010-2011	49,861	44.6%
2011-2012	53,582	47.7%
2012-2013	51,693	48.9%
2013-2014	62,367	50.5%
2014-2015	65,447	51.6%
2015-2016 (Projected)	66,237	51.6%
2016-2017 (Projected)	66,701	51.6%
2017-2018 (Projected)	67,168	51.6%
2018-2019 (Projected)	67,638	51.6%

Measures 5 - 10: Earned Degrees

Measure 5: The four-year graduation rate for students who entered the university four years prior and, separately, for low-income students in that cohort.

Measure 6: The four-year and six-year graduation rates for students who entered the university six years prior and separately, for low-income students in that cohort.

Measures 5 and 6 are shown in Tables 5 and 6. These two measures set graduation rate goals for students who entered the CSU as a freshman four and six years ago, respectively. Both tables show graduation rates for students receiving Pell grants, students not receiving Pell grants, and the total rate for all undergraduates. The CSU is committed to increasing graduation rates for all students, and has

recommitted to those efforts in phase II of the Graduation Initiative 2025. The goals shown for the graduating classes of 2017, 2018, and 2019 reflect the rates for cohorts that entered four and six years prior. New money allocated to the CSU in 2017-2018, 2018-2019 and 2019-2020 will not have a measurable effect on students who entered the CSU four and six years prior. The goals shown below continue along the current trend. Increased state funding in these years will certainly have an effect on the graduation rates we are able to achieve for the cohorts that begin at the CSU during those same years with emphasis on closing the gap between Pell and non-Pell students, and the gap for underrepresented students.

Measure 7: The two-year transfer graduation rate for students who entered the university two years prior and, separately, for low-income students in that cohort.

Measure 8: The two-year and three-year transfer graduation rates for students who entered the university three years prior and, separately, for low-income students in that cohort.

Measure 9: The two-year, three-year, and four-year transfer graduation rates for students who entered the university four years prior and, separately, for low income students in that cohort.

Tables 7, 8, and 9 are based on each new cohort of transfer students who then graduate two, three, or four years later. There is a significant increase in graduation rates between two and three years, and even more in year four. The projections for graduation years 2017, 2018, and 2019 continue to increase for all three measurements, with the fastest growth within the three-year group. Campuses have not traditionally had separate transfer graduation rates, but have considered them as a part of their new graduation initiative goals for 2025. Unlike the first time freshman graduation rates, two-year transfer rates could be affected by larger increases in funding from the state in 2017-2018, as reported for the class of 2019. The CSU will continue to work to increase graduation rates for all students, and especially to close the gap for underrepresented minority students, and students receiving Pell grants.

As more students enroll in the CSU with Associate Degrees for Transfer (ADT), and are guaranteed that they can graduate with 60 CSU units, the two-year graduation rates are expected to exceed their current trend. However, with only two years of ADT students in the CSU, there is not enough information available at this time to modify the estimated graduates within any of the CSU graduation rate tables.

Measure 10: The number of degree completions annually, in total and for the following categories: freshman entrants, CCC transfers, graduate students, and low-income students (in all categories).

Total degree completions for freshmen, CCC transfers, graduate students and all students are shown in table 10. A funding increase directly affects the number of courses that can be offered each term and allows the CSU to continue funding other priorities such as faculty hiring, additional academic advisors, and the expansion of high-impact practices that affect student success and completion.

Table 5				
4-year First-Time, Full-Time Freshmen Graduation Rates				
Fall Cohort	Graduation Year	Receiving Pell Grants	Not Receiving Pell Grants	All Students
2007	2011	9.6%	18.7%	15.9%
2008	2012	10.0%	19.2%	16.2%
2009	2013	11.2%	21.9%	17.8%
2010	2014	11.8%	24.0%	18.6%
2011	2015	12.0%	25.5%	19.1%
2012 (Projected)	2016	13.5%	26.3%	20.1%
2013 (Projected)	2017	15.0%	27.1%	21.1%
2014 (Projected)	2018	16.5%	27.9%	22.1%
2015 (Projected)	2019	19.0%	29.5%	24.1%

Table 6				
6-Year First-Time, Full-Time Freshmen Graduation Rates				
Fall Cohort	Graduation Year	Receiving Pell Grant	Not Receiving Pell Grant	All Students
2005	2011	44.3%	54.5%	51.3%
2006	2012	44.2%	54.6%	51.4%
2007	2013	45.4%	54.7%	51.8%
2008	2014	47.9%	57.0%	54.0%
2009	2015	51.7%	60.3%	57.0%
2010 (Projected)	2016	53.0%	64.0%	59.0%
2011 (Projected)	2017	54.3%	65.5%	60.0%
2012 (Projected)	2018	55.7%	67.0%	61.0%
2013 (Projected)	2019	57.1%	68.6%	62.0%

Table 7				
Two-year California Community College Transfer Graduation Rates				
Fall Cohort	Graduation Year	Receiving Pell Grants	Not Receiving Pell Grant	All Transfers
2009	2011	22.9%	25.6%	24.5%
2010	2012	26.1%	29.3%	27.8%
2011	2013	24.9%	28.6%	26.7%
2012	2014	27.3%	29.4%	28.3%
2013	2015	29.8%	31.4%	30.5%
2014 (Projected)	2016	31.3%	33.0%	32.0%
2015 (Projected)	2017	32.3%	33.8%	32.8%
2016 (Projected)	2018	33.8%	35.1%	34.2%
2017 (Projected)	2019	35.5%	36.3%	35.8%

Table 8				
Three-Year California Community College Transfer Graduation Rates				
Fall Cohort	Graduation Year	Receiving Pell Grant	Not Receiving Pell Grant	All Transfers
2008	2011	51.8%	56.1%	54.6%
2009	2012	54.2%	57.8%	56.3%
2010	2013	59.7%	61.9%	60.9%
2011	2014	59.4%	63.2%	61.3%
2012	2015	61.7%	63.2%	62.4%
2013 (Projected)	2016	63.9%	65.3%	64.5%
2014 (Projected)	2017	65.4%	66.5%	65.8%
2015 (Projected)	2018	67.0%	67.8%	67.2%
2016 (Projected)	2019	68.8%	69.3%	69.0%

Table 9				
Four-Year California Community College Transfer Graduation Rates				
Fall Cohort	Graduation Year	Receiving Pell Grant	Not Receiving Pell Grant	All Transfers
2007	2011	62.6%	65.7%	64.6%
2008	2012	65.1%	68.2%	67.2%
2009	2013	67.6%	70.4%	69.3%
2010	2014	72.0%	73.4%	72.8%
2011	2015	71.6%	74.2%	72.9%
2012 (Projected)	2016	73.4%	75.0%	74.0%
2013 (Projected)	2017	74.8%	76.0%	75.3%
2014 (Projected)	2018	76.0%	77.0%	76.3%
2015 (Projected)	2019	77.3%	78.1%	77.6%

Table 10					
Total Degree Completions					
College Year	Freshmen Entrants	CCC Transfer Students	Graduate Students	Total*	Low-Income Students*
2011-2012	30,245	37,990	19,725	96,152	31,600
2012-2013	32,569	41,858	19,406	101,209	39,837
2013-2014	34,330	43,775	18,590	103,781	44,629
2014-2015	36,720	42,831	18,845	105,786	47,574
2015-2016	38,770	47,034	20,788	112,832	51,226
2016-2017 (Projected)	40,854	48,093	21,144	116,331	54,175
2017-2018 (Projected)	43,050	49,176	21,506	119,972	57,294
2018-2019 (Projected)	45,364	50,283	21,874	123,761	60,592
2019-2020 (Projected)	47,803	51,415	22,248	127,706	64,080

**Total includes all degree recipients, including those not reflected in the categories above (e.g. Non-California community college transfers, etc.). Low-income students' degrees for 2015-2016 are estimates as Pell awards data are not final.*

Measures 11 - 15: Cost Efficiency and Time-to-Degree

Measure 11: The percentage of freshmen entrants who have earned sufficient course credits by the end of their first year of enrollment to indicate that they will graduate within four years.

Measure 12: The percentage of CCC transfer students who have earned sufficient course credits by the end of their first year of enrollment to indicate that they will graduate within two years.

Measure 11 asks the CSU to report the number of students who have finished 30 semester units after their first year – indicating their progress toward graduating with 120 units in four years. Table 11 shows the percentage of freshmen entrants who return to the CSU for their second year, having completed 30 units in their first year. This is not something the CSU has traditionally measured, but the current trend shows consistent growth in the percentage of students completing 30 units in their first year. As campuses continue to examine academic policies and the high-impact practices that affect retention and graduation, this type of measure will continue to be examined.

To address Measure 12, the CSU cannot accurately measure the number of units taken by CCC transfers in their first year at the CSU as a measure for that student being “on track” to graduate in two years. Most CCC transfer students have taken well over 60 units when they transfer to the CSU, and the CSU will accept up to 70 units. The determination of which of those 60-plus units will apply toward their bachelor’s degree does not happen until a student applies for graduation, at which time a different set of transfer credits may be applied to the degree, than was intended when the student first enrolled.

Table 11		
30 or more units at start of Year 2		
Fall Enrollment	% of Students with 30 Units or More	% of Students with Less than 30 Units
2011	47.3%	52.7%
2012	47.3%	52.7%
2013	48.0%	52.0%
2014	50.3%	49.7%
2015	51.5%	48.5%
2016 (Projected)	52.7%	47.3%
2017 (Projected)	54.0%	46.0%
2018 (Projected)	55.5%	44.5%
2019 (Projected)	57.0%	43.0%

Measure 13: For all students, the total amount of funds received from all sources specified for the year, divided by the number of degrees awarded that same year.

Table 13 Revenue per Degree – All	
2017-2018	\$43,466
2018-2019	\$43,133
2019-2020	\$42,789

Measure 14: For undergraduate students, the total amount of funds received from all sources specified for the year expended for undergraduate education, divided by the number of undergraduate degrees awarded that same year.

Table 14 Revenue per Degree - Undergraduate	
2017-2018	\$48,370
2018-2019	\$47,572
2019-2020	\$46,780

Measure 15: The average number of CSU course credits and the total course credits, including credits accrued at other institutions, accumulated by all undergraduate students who graduated, and separately for freshman entrants and CCC transfer students.

Measure 15, like measure 12, asks a question that does not yield a clear answer. What it shows is that all students, whether they entered as freshmen or transfers, have non-CSU units applied to their transcripts upon graduation; this can include upper division, lower division, and Advanced Placement units. The data available centrally includes total units earned at time of degree and total units taken elsewhere, either transferred in, or through Advanced Placement credit. This leaves derived CSU units which are not a real representation of the units taken or used for a specific degree. Campuses may be able to better answer this question for freshman entrants, but transfer units are not fully applied toward a degree until a student applies for graduation. Therefore, a campus would have difficulty answering this question until the student's last term at the CSU.

The CSU requires all academic programs to be as close to 120 required units as possible. Approximately 95 percent of programs are now at that level. Programs above 120 units have reviewed their academic requirements to ensure that their requirements in excess of 120 units are necessary to meet the learning objectives required of its graduates.

Table 15 Total Units Earned, per Bachelor's Degree						
College Year	Freshmen Entrants		California Community College Transfers		Total Undergraduate Students	
	CSU Units*	Total Units	CSU Units*	Total Units	CSU Units*	Total Units
2011-2012	128	139	61	141	90	141
2012-2013	129	139	59	141	89	141
2013-2014	129	139	58	141	88	141
2014-2015	128	138	57	141	88	141
2015-2016	127	138	56	141	87	140
2016-2017 (Projected)	127	138	56	141	87	140
2017-2018 (Projected)	127	138	56	141	87	140
2018-2019 (Projected)	127	138	56	141	87	140
2019-2020 (Projected)	127	138	56	141	87	140

*CSU Units is derived from Total Units minus units earned elsewhere. It is not a direct reporting of CSU units taken.

Measure 16: STEM Earned Degrees

Measure 16: The number of degree completions in science, technology, engineering, and mathematics (STEM) fields, in total, and separately for undergraduate students, graduate students, and low-income students.

There is significant demand in California and nationwide for graduates with degrees in STEM fields. The CSU currently tracks STEM and health disciplines within STEM and are reporting both here.

Table 16a STEM Degrees, (excluding health)				
College Year	Undergraduate Students	Graduate Students	Total	Low-Income Students*
2011-2012	13,921	4,187	18,108	5,314
2012-2013	15,361	3,960	19,321	6,963
2013-2014	17,061	3,817	20,878	8,397
2014-2015	18,580	4,298	22,878	9,415
2015-2016	20,201	5,693	25,894	10,462
2016-2017 (Projected)	21,719	6,090	27,809	11,238
2017-2018 (Projected)	23,352	6,514	29,866	12,071
2018-2019 (Projected)	25,107	6,968	32,075	12,966
2019-2020 (Projected)	26,994	7,453	34,447	13,927

Table 16b				
STEM Degrees, Health Only				
College Year	Undergraduate Students	Graduate Students	Total	Low-Income Students*
2011-2012	4,924	1,908	6,832	1,882
2012-2013	5,592	1,967	7,559	2,548
2013-2014	6,223	1,967	8,190	3,028
2014-2015	6,558	2,058	8,616	3,424
2015-2016	7,065	2,140	9,205	3,805
2016-2017 (Projected)	7,584	2,206	9,790	4,087
2017-2018 (Projected)	8,143	2,274	10,417	4,390
2018-2019 (Projected)	8,743	2,344	11,086	4,716
2019-2020 (Projected)	9,385	2,416	11,801	5,066

AGENDA

COMMITTEE ON AUDIT

Meeting: 1:30 p.m., Tuesday, November 15, 2016
Glenn S. Dumke Auditorium

Douglas Faigin, Chair
John Nilon, Vice Chair
Lillian Kimbell
Hugo N. Morales
Lateefah Simon

Consent Items

Approval of Minutes of the Meeting of September 20, 2016

1. Status Report on Current and Follow-up Internal Audit Assignments, *Information*

Discussion Item

2. Report on the New Organization Structure of the Office of Audit and Advisory Services, *Information*

**MINUTES OF THE MEETING OF
COMMITTEE ON AUDIT**

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

September 20, 2016

Members Present

Douglas Faigin, Chair
John Nilon, Vice Chair
Lillian Kimbell
Hugo N. Morales
Lateefa Simon
Rebecca Eisen, Chair of the Board
Timothy P. White, Chancellor

Trustee Faigin called the meeting to order.

Approval of Minutes

The minutes of July 19, 2016, were approved as submitted.

Status Report on Current and Follow-up Internal Audit Assignments

With the concurrence of the committee, Trustee Faigin presented agenda item 1 as a consent information item.

Report on Responsibilities of the Office of Audit and Advisory Services

Mr. Larry Mandel, Vice Chancellor and Chief Audit Officer, provided information regarding responsibilities of the Office of Audit and Advisory Services.

Trustee Nilon commended Mr. Mandel on his report and asked whether there is a systemwide hotline. Mr. Mandel responded that, while there is not a systemwide hotline, some campuses do have their own. Whistleblower complaints are periodically received at the chancellor's office and handled by either internal audit or human resources depending upon the nature of the complaint.

Trustee Eisen inquired about the amount of resources dedicated to audits of auxiliary organizations. Mr. Mandel responded that audits of auxiliary organizations have been done on a cyclical basis since 1998 per Board of Trustees direction, and the redesign of the audit function would be brought forward to the next meeting, which includes performing audits of auxiliaries based on risk versus time thereby making better use of audit resources.

2

Aud

Trustee Eisen further inquired about investigations of misappropriations of funds, specifically whether audit works with the legal department. Mr. Mandel explained that although audit receives notifications from the campuses, the campuses complete the investigations and keep audit informed. Mr. Fram Virjee, Executive Vice Chancellor and General Counsel, added that campus counsel would be involved at the campus level.

Trustee Faigin shared his thoughts on the degree of involvement by both the campuses and the audit office with respect to wrongdoing and the recently initiated audit of International Activities.

Trustee Faigin adjourned the Committee on Audit.

COMMITTEE ON AUDIT

Status Report on Current and Follow-up Internal Audit Assignments

Presentation By

Larry Mandel
Vice Chancellor and Chief Audit Officer
Office of Audit and Advisory Services

Summary

This item includes both a status report on the 2016 audit plan and follow-up on past assignments. For the 2016 year, assignments were made to conduct reviews of Auxiliary Organizations, Delegations of Authority, Academic Departments, Emergency Management, International Activities, Construction, Student Activities, Information Security, Cloud Computing, and Information Technology (IT) Disaster Recovery Planning. In addition, follow-up on current/past assignments (Auxiliary Organizations, Information Security, Student Activities, Academic Departments, Delegations of Authority, Cloud Computing, and Emergency Management) was being conducted on approximately 35 prior campus/auxiliary reviews. Attachment A summarizes the reviews in tabular form.

Status Report on Current and Follow-up Internal Audit Assignments

Auxiliary Organizations

The initial audit plan indicated that approximately 267 staff weeks of activity (26.1 percent of the plan) would be devoted to auditing internal compliance/internal control at eight campuses/29 auxiliaries. Five campus/16 auxiliary reports have been completed, and report writing is being completed for two campuses/eight auxiliaries.

Delegations of Authority

The initial audit plan indicated that approximately 48 staff weeks of activity (4.7 percent of the plan) would be devoted to a review of the management of processes for administration of purchasing and contracting activities, motor vehicle inspections, and real and personal property transactions. Six campuses will be reviewed. Six campus reports have been completed.

Operational/Financial Reviews

Academic Department Fiscal Review

The initial audit plan indicated that approximately 47 staff weeks of activity (4.7 percent of the plan) would be devoted to a review of college/department administrative and financial controls. Six campuses will be reviewed. Five campus reports have been completed, and fieldwork is being conducted at one campus.

Emergency Management

The initial audit plan indicated that approximately 50 staff weeks of activity (4.8 percent of the plan) would be devoted to a review of campus emergency management policies and procedures to ensure compliance with CSU and state and federal compliance requirements. Six campuses will be reviewed. Two campus reports have been completed, report writing is being completed for two campuses, and fieldwork is being conducted at two campuses.

International Activities

The initial audit plan indicated that approximately 50 staff weeks of activity (4.8 percent of the plan) would be devoted to a review of campus international programs and activities to ensure compliance with CSU policies and other regulatory requirements. Six campuses will be reviewed. Report writing is being completed for five campuses, and fieldwork is being conducted at one campus.

Construction

The initial audit plan indicated that approximately 47 staff weeks of activity (4.6 percent of the plan) would be devoted to a review of design budgets and costs; the bid process; invoice processing and change orders; project management, architectural, and engineering services; contractor compliance; cost verification of major equipment and construction components; the closeout process and liquidated damages; and overall project accounting and reporting. Six projects will be reviewed. Three campus reports have been completed, one report is awaiting a campus response prior to finalization, report writing is being completed for one project, and fieldwork is being conducted for one project.

Student Activities

Due to resource constraints, we were unable to complete three Student Activities audits in 2015. The 2016 audit plan indicated that approximately 25 staff weeks of activity (2.5 percent of the plan) would be devoted to completion of these reviews that ensure compliance with CSU policies and other regulatory requirements. Three campuses will be reviewed. Three campus reports have been completed.

Information Technology Reviews and Support

Information Security

The initial audit plan indicated that approximately 46 staff weeks of activity (4.5 percent of the plan) would be devoted to a review of the activities and measures undertaken to protect the confidentiality, integrity, access to, and availability of information. Six campuses will be reviewed. Two campus reports have been completed, two campus reports are awaiting a campus response prior to finalization, report writing is being completed for one campus, and fieldwork is being conducted at one campus.

Cloud Computing

The initial audit plan indicated that approximately 26 staff weeks of activity (2.5 percent of the plan) would be devoted to a review of activities pertaining to the use of third-party cloud computing/internet service providers, including a review of contractual provisions related to service availability, data ownership, backup and recovery, and protection of sensitive and/or proprietary information. Four campuses will be reviewed. Two campus reports have been completed, one campus report is awaiting a campus response prior to finalization, and report writing is being completed for one campus.

Information Technology Disaster Recovery Planning

The initial audit plan indicated that approximately 26 staff weeks of activity (2.6 percent of the plan) would be devoted to a review of program and facility readiness and resource planning for the recovery of data processing services following a catastrophic event. Four campuses will be reviewed. Report writing is being completed for three campuses.

Technology Support

The initial audit plan indicated that approximately 17 staff weeks of activity (1.6 percent of the plan) would be devoted to technology support for non-information technology specific audits and advisory services reviews. The provision of support is ongoing.

Advisory Services

The initial audit plan indicated that approximately 220 staff weeks of activity (21.6 percent of the plan) would be devoted to partnering with management to identify solutions for business issues, offering opportunities to improve the efficiency and effectiveness of operating areas, and assisting with special requests, while ensuring the consideration of related internal control issues. Reviews are ongoing.

Investigations

The Office of Audit and Advisory Services is periodically called upon to provide investigative reviews, which are often the result of alleged defalcations or conflicts of interest. In addition, whistleblower investigations are being performed on an ongoing basis, both by referral from the state auditor and directly from the CSU Chancellor's Office. Forty-three staff weeks have been set aside for this purpose, representing approximately 4.2 percent of the audit plan.

Committees/Special Projects

The Office of Audit and Advisory Services is periodically called upon to provide consultation to the campuses and/or to participate on committees such as those related to information systems implementation and policy development, and to perform special projects. Thirty-eight weeks have been set aside for this purpose, representing approximately 3.8 percent of the audit plan.

Audit Support

Audit Follow-up

The audit plan indicated that approximately 16 staff weeks of activity (1.6 percent of the plan) would be devoted to follow-up on prior audit recommendations. The Office of Audit and Advisory Services is currently tracking approximately 35 current/past assignments (Auxiliary Organizations, Information Security, Student Activities, Academic Departments, Delegations of Authority, Cloud Computing, and Emergency Management) to determine the appropriateness of the corrective action taken for each recommendation and whether additional action is required.

Annual Risk Assessment

The Office of Audit and Advisory Services annually conducts a risk assessment to determine the areas of highest risk to the system. Eleven staff weeks have been set aside for this purpose, representing approximately 1.1 percent of the audit plan.

Administration

Day-to-day administration of the Office of Audit and Advisory Services represents approximately 4.3 percent of the audit plan.

Status Report on Current and Follow-Up Internal Audit Assignments
(as of 11/3/2016)

	2016 ASSIGNMENTS									FOLLOW-UP PAST/CURRENT ASSIGNMENTS				
	Aux Orgs	Info Security	Student Activities	Acad Dept Fiscal Review	Deleg of Auth	Cloud Comptg	Emerg Mgmt	IT Dis Recov	Intl Activities	Auxiliary Organizations			Information Security	
										●No.	*Recs	**Mo.	*Recs	**Mo.
BAK			AC					RW		4	35/35	-	10/10	-
CHI						AC			RW	3	22/32	7	21/21	-
CI		AI	AC		AC					3	32/32	-		
DH				AC			AC			3	31/36	8		
EB		AC					FW			3	31/31	-	0/9	2
FRE				AC				RW		6	36/36	-	11/11	-
FUL						AC	FW			4	30/30	-		
HUM	AC						RW			4	0/14	1	4/4	-
LB				AC						4	18/18	-	6/6	-
LA	RW	AI								4				
MA					AC					2	13/13	-	7/7	-
MB		RW							RW	2	23/23	-		
NOR		AC							RW	5	19/19	-	0/8	2
POM	AC		AC						FW	2	17/20	4		
SAC					AC					5	41/41	-		
SB									RW	4	23/23	-	10/10	-
SD	AC								RW	4	4/15	3	6/7	6
SF					AC	AI				3	17/17	-	9/9	-
SJ							RW			5	26/26	-	17/17	-
SLO		FW					AC			3	11/11	-		
SM	AC			FW		RW				4	17/17	-		
SON				AC	AC					3	4/4	-		
STA	RW			AC				RW		4			21/21	-
CO	AC				AC					2	1/1	-		
SYS														

FW = Field Work In Progress
RW = Report Writing in Progress
AI = Audit Incomplete (awaiting formal exit conference and/or campus response)
AC = Audit Complete

* The number of recommendations satisfactorily addressed followed by the number of recommendations in the original report.
** The number of months recommendations have been outstanding from date of report.
● The number of auxiliary organizations reviewed.

Status Report on Current and Follow-Up Internal Audit Assignments
(as of 11/3/2016)

	FOLLOW-UP PAST/CURRENT ASSIGNMENTS									
	Student Activities		Academic Dept. Fiscal Review		Delegations of Authority		Cloud Computing		Emergency Management	
	*Recs	**Mo.	*Recs	**Mo.	*Recs	**Mo.	*Recs	**Mo.	*Recs	**Mo.
BAK	3/4	3								
CHI							0/4	3		
CI	2/2	-			0/6	2				
DH			0/10	4					0/4	2
EB										
FRE			2/7	4						
FUL	5/5	-					1/4	3		
HUM										
LB			2/4	6						
LA										
MA					0/6	1				
MB										
NOR										
POM	3/3	-								
SAC	1/1	-			0/3	1				
SB										
SD										
SF					3/4	5				
SJ										
SLO									0/3	1
SM	2/2	-								
SON			5/5	-	0/1	1				
STA			0/6	4						
CO					0/4	1				
SYS										

* The number of recommendations satisfactorily addressed followed by the number of recommendations in the original report.

** The number of months recommendations have been outstanding from date of report.

- The number of auxiliary organizations reviewed.

COMMITTEE ON AUDIT

Report on the New Organization Structure of the Office of Audit and Advisory Services

Presentation By

Larry Mandel
Vice Chancellor and Chief Audit Officer
Office of Audit and Advisory Services

Summary

At the May 2016 meeting of the Committee on Audit, a plan was put forth for implementation of the remaining recommendations contained in the quality assurance review of the Office of Audit and Advisory Services (OAAS). The plan strengthens the effectiveness of the audit function and provides increased assurance to the chancellor and the Board of Trustees that significant risks to the system are sufficiently understood and assessed and are receiving appropriate audit coverage, while adding value to both campuses and auxiliary organizations and further mitigating risk.

There are numerous elements to the new effort, but high on the list are: a) identifying risk in a more targeted fashion, b) a change in focus from the entire system to individual campuses, c) an increased focus on greater potential risks, rather than relying on arbitrary, routine schedules, d) an increase in the number of auditing staff members to carry out these new directives, e) new auditing procedures to review auxiliary organizations and sponsored programs, f) new directives to employ continuous auditing techniques for more focused and higher quality audits, and g) a new emphasis on meeting increasing demand for investigative audits.

Current Organization Structure and Resources

The current organization has a centralized audit staff that travels to each of the 23 campuses to perform audits identified via an annual risk assessment, cyclical internal compliance/internal control reviews of each auxiliary organization, construction audits, advisory services and investigations. Although some campuses have "internal auditors," some of whom do audits while others do audit coordination, there is no reporting relationship between these campus auditors and the OAAS, and there is no assurance that campus work is performed in accordance with professional standards. The positions report organizationally to campus presidents or finance officers. In this current centralized model, the quality assurance team indicated that ambiguity of the roles and duplication of efforts can occur, and the OAAS may not be aware of issues and risks occurring at the campus level.

Current OAAS resources allow for 25 audit positions to perform a wide variety of audit and other activities such as risk assessments, developing audit plans, executing audits and writing reports, reviewing workpapers and reports, conducting exit conferences and follow-up, and performing investigations and advisory services for 23 campuses, the chancellor's office (CO), and 86 auxiliary organizations.

While Education Code Section 89045, enacted by Chapter 1406 of the Statutes of 1969, provides for the establishment of an internal auditing function reporting directly to the Trustees of the CSU, it does not define the organizational structure of the internal auditing function nor the resources needed to sufficiently cover risks to the organization.

New Organization Structure, Benefits and Resource Requirements

The new OAAS organization structure sufficiently addresses quality assurance team concerns and adds value to both campuses and auxiliary organizations. Benefits of the new organization structure include audits and advisory services that are better aligned with campus and auxiliary organization risks and systemwide goals and strategies; improved ability to provide audit and advisory services that enable and facilitate campuses and auxiliary organizations to be successful; enhanced relationships with campuses, auxiliary organizations, and executive management thereby improving awareness of risks and controls; employment of continuous auditing techniques enabling more focused and higher quality audits; enhanced audit coverage for sponsored programs leading to more in-depth and effective audits; and improved investigative resources. The new organization structure includes the following functional and organizational changes:

1. The audit function remains centralized but is reorganized and better resourced to improve awareness of issues and risks occurring at the campus level and within auxiliary organizations. The new plan will align the division to better assist university management in the effective discharge of fiduciary and administrative responsibilities, including management's increased responsibilities for maintaining effective systems of internal control in response to Government Code Sections 13400 through 13407, known as the State Leadership Accountability Act.
2. Information Technology (IT) and Construction audits, Advisory Services and Investigations continue to be handled as they are now, but Auxiliary Organization audits will be handled as any campus audit based upon risk rather than timing. Internal compliance/internal control reviews of auxiliary organizations have been performed by a separate team of auditors on a triennial basis since 1999 and have resulted in notable improvements in internal controls and compliance. Changing the approach to Auxiliary Organization audits is not only timely but also recognizes CSU's increased reliance on their resources, which often come with increased commercial and regulatory risks;

facilitates and provides for more effective reviews of areas with both campus and auxiliary components; and permits more focused and in-depth reviews of selected auxiliary functions.

3. Campus audits will be managed by four audit managers each responsible for six campuses/CO. This concentrated span of responsibility permits each audit manager to work more closely with an individual campus to better understand the nuances and needs of each campus and be a readily available resource for advice on internal controls, risk issues, fraud situations, and sound business practices; fosters a deeper relationship with campus executive management and auditors; improves awareness of individual campus issues and risks; improves knowledge of campus specific policies, procedures and systems; facilitates proactive identification of campus specific/unique topics that could be included in the campus audit plan; permits better scheduling flexibility to reduce scheduling conflicts; and better positions the audit function to perform audits directed towards improved efficiency and effectiveness.
4. The four audit managers will each be staffed with four internal/senior auditors who will execute audits. This concentrated group model permits the internal/senior auditors to also better understand the nuances and needs of each campus and its policies, procedures and systems; fosters a deeper relationship with campus executive management and auditors; and enables the auditors to more efficiently and effectively execute audits and potentially reduce fieldwork. An added benefit of this group model is resource allocation flexibility to effectively provide coverage for big versus small campuses and smooth the effects of travel and staff turnover.
5. Continuous auditing will be designed to spot potential difficulties before they become big problems. Continuous auditing will use computer assisted audit techniques/tools or other data analysis tools. It will be employed on campus data to analyze large volumes of data, look for anomalies and trends, complement the existing risk assessment process and add to our awareness of campus-level/auxiliary organization issues and risks. Continuous auditing enables the audit function to determine more proactively, quickly, and accurately where to focus attention and resources thereby improving the quality of its audits and support of management, and potentially reducing fieldwork.
6. A dedicated internal/senior auditor will be added and be responsible for performing audits of sponsored programs. Sponsored programs are usually research efforts primarily funded through grants, often from the federal government and now amounting to approximately a half-billion dollars. Naturally, the federal government wants to be certain this significant investment is being used properly and most efficiently. The position will be staffed with someone already knowledgeable in the area thereby leading to more in-depth and effective audits of this important area. Current audit resources only

provide for high level reviews during auxiliary organizations audits with more focused reviews of selected campuses every three to five years. This position aligns the audit function to support the university's initiative to increase funding from grants and contracts to improve student achievement and success.

7. A senior IT auditor will be added to provide adequate IT support to campus and auxiliary organization audits, advisory services, and continuous monitoring, as well as ensure adequate coverage of emerging technologies.
8. A senior investigative auditor will be added to meet the increased demands of the investigative function, eliminate the need to borrow resources from the campus audit team, and provide adequate resources to ensure that control failures resulting in campus fiscal improprieties are properly resolved. A more robust investigative function could also implement strategies to improve fraud awareness and education.
9. A current senior audit manager will manage the sponsored programs and construction audits; be responsible for coordination and deployment of the annual risk assessment; develop and maintain the continuous auditing initiative; develop and maintain campus/system risk profiles from information provided by the four audit managers, key campus statistics, perusal of campus websites, and research on current/emerging risks in higher education and CSU strategic initiatives; implement and maintain an independent department quality assurance program in accordance with professional standards; ensure adherence to consistent and best practices throughout the department, and administer the department's automated workpaper system. This position could also develop risk assessments to proactively identify risks for potential advisory services review and control self-assessment tools to support campus management in its responsibility for the design, implementation, and monitoring of internal controls; and might also develop and maintain an internal audit newsletter, which could provide management with valuable information on internal controls and campus best practices.
10. The annual audit plan will include not only audits and advisory services reviews of items of highest risk to the system as a whole but more importantly audits of campus specific/unique risks. The campus specific audits not only add value to the campuses but also improve awareness of campus and auxiliary organization issues and risks.
11. The new OAAS organization structure will be phased in over a four-year period. Two audit managers, a senior sponsored programs auditor, and a senior investigative auditor will be added the first year. A senior IT auditor and an internal/senior auditor will be added in the second year, and two internal/senior auditors will be added in each of the third and fourth years.

AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: 1:45 p.m., Tuesday, November 15, 2016
Glenn S. Dumke Auditorium

Hugo N. Morales, Chair
Thelma Meléndez de Santa Ana, Vice Chair
Silas H. Abrego
Adam Day
Douglas Faigin
Jean P. Firstenberg
J. Lawrence Norton

Consent Items

Approval of Minutes of the Meeting of September 20, 2016

1. Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees, *Action*
2. Annual Report on Vice President Compensation, Executive Relocation, and Executive Transition, *Information*

Discussion Item

3. Revision of Title 5 Regulations – Amendment of California State University Conflict of Interest Code, *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**

September 20, 2016

Members Present

Hugo N. Morales, Chair
Silas H. Abrego
Adam Day
Rebecca Eisen, Chair of the Board
Douglas Faigin
Jean P. Firstenberg
J. Lawrence Norton
Timothy P. White, Chancellor

Chair Morales called the meeting to order.

Approval of Minutes

The minutes from the July 19, 2016 meeting were approved as submitted.

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

This item set the compensation for the interim vice chancellor, Human Resources of the California State University system. Chancellor Timothy P. White recommended that G. Andrew Jones receive an annual salary of \$281,834 effective August 31, 2016, the date of his appointment, and that he should also receive additional benefits as cited in Agenda Item 1 of the Committee on University and Faculty Personnel at the September 20-21, 2016 meeting of the Board of Trustees.

The Committee on University and Faculty Personnel passed the motion to recommend approval of the item as stated in Agenda Item 1. (RUFPP 09-16-09)

Proposed Revision of Title 5 Regulations – Amendment of California State University Conflict of Interest Code

Interim Vice Chancellor Jones provided a brief update on proposed changes to The California State University Conflict of Interest Code. The Fair Political Fair Political Practices Commission (FPPC) is the governing authority that approves Conflict of Interest Code updates. The FPPC recommended several changes to the current code which were presented to the Board of Trustees.

The Board of Trustees will take action on approval of these changes at the November 2016 Board of Trustees meeting.

Trustee Day inquired if he could receive additional information on the consolidation of the categories and whether the FPPC had already reviewed and approved the new categories. Interim Vice Chancellor Jones indicated that a tracking document would be provided to illustrate how the categories were consolidated. Mr. Jones also stated that the California State University has been in consultation with the FPPC during this process and the FPPC has already approved the consolidated categories.

Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees

Interim Vice Chancellor Jones provided a brief update on proposed changes to California State University Outside Employment Disclosure policy. The changes honors the California State University's commitment to the Legislature and the public, and complies with the Budget Act of 2016. The Board of Trustees will take action on approval of these changes at the November 2016 Board of Trustees meeting.

Trustee Kimbell and Trustee Day asked if individual outside employment comes to the Board for approval. Interim Vice Chancellor Jones indicated the employee's supervisor would approve their outside employment. Senior Management employees' outside employment would be reported annually to the Board for approval and public comment.

Lieutenant Governor Newsom asked for a further explanation of commitment versus interest in the policy. Interim Vice Chancellor Jones provided a brief overview of each term.

Chair Morales adjourned the meeting.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees

Presentation By

Andrew Jones
Interim Vice Chancellor
Human Resources

Summary

The Board of Trustees reviewed suggested changes to the policy on Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees of the California State University at the September 20-21, 2016 meeting.

The final document is presented as Attachment A.

Recommended Action

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that the Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees, as cited in Agenda Item 1 of the Committee on University and Faculty Personnel at the November 15-16, 2016 meeting of the Board of Trustees, is adopted.

Date: November 16, 2016

Code: HR 2016-05

Supersedes: HR 2016-01
HR 2014-12
HR 2013-11

Reference: HR 2002-05

To: CSU Presidents, Vice Presidents, HR Officers, AVPs/Deans of Faculty Affairs and campus designees responsible for outside employment disclosure

Subject: Revised Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees

Summary

The Outside Employment Disclosure Requirements for MPP and Executive Employees have been revised to include the following:

- Clarify that the policy applies to all MPP and Executive employees (full-time and part-time)
- Clarify that outside employment may not create conflict of commitment or conflict of interest
- All MPP and Executive employees are required to submit an Outside Employment Disclosure Form at least annually, even if there is no outside employment to report
- Defines Senior Management as Executive employees and Vice Presidents. This group will be required to submit for review and approval a detailed Outside Employment Disclosure Form
- The Outside Employment Disclosure Form for MPP employees has been revised, and a separate Form has been created for Senior Management employees
- Campuses are required to submit a detailed report on outside employment disclosures of Senior Management employees to the Chancellor's Office annually by **July 31**
- The Board of Trustees shall annually review, provide the opportunity for public discussion, and approve the outside employment endeavors of all Senior Management employees
- The Chancellor's Office Systemwide HR will be responsible for maintaining a public website reporting the outside employment endeavors of Senior Management

Action Items

Develop procedures to manage the disclosure process and communicate the revised requirements to all MPP and Executive employees at the campus.

Update campus Outside Employment Disclosure Forms.

All MPP and Executive employees are required to submit an Outside Employment Disclosure Form at least annually.

Campuses must submit a detailed report on outside employment of Senior Management employees to the Chancellor's Office annually by **July 31**.

Affected Employee Group(s)/Units

All (full-time and part-time) MPP and Executive employees

Definition(s)

Appropriate Administrator: The administrator to whom the MPP or Executive employee directly reports

Conflict of Commitment: In the context of this policy, a conflict of commitment is any outside work that creates a perceived or actual conflict with an employee's ability to perform normal CSU work

assignments, maintain satisfactory performance, and meet his/her responsibilities to the CSU

Conflict of Interest: The Political Reform Act prohibits an employee from making, participating in the making, or influencing a governmental decision in which the employee has a financial interest

Executive Employee: Includes the Chancellor, Executive Vice Chancellors, Vice Chancellors, and Presidents

Management Personnel Plan (MPP):

As defined in Title 5 of the California Code of Regulations, Article 2.2, "MPP" refers to employees designated as "management" or "supervisory" under the Higher Education Employer-Employee Relations Act (HEERA). This includes Executive employees

Outside Employment: Any employment not compensated through the CSU payroll, including CSU foundation and CSU auxiliary employment. Unpaid volunteer work does not apply to this policy

Reportable Employment/Income:

Any work for which a W-2 or 1099 is issued. Reportable income can come from a number of sources, including but not limited to one-time speeches/presentations, paid work for profit or non-profit entities, and paid service on a board of directors. Passive income (e.g., payments for services performed in the past, including royalties for writing, copyrighted work, research, and patented materials) is not reportable

Senior Management: For the purposes of this policy, this term shall include Executives (Chancellor, Executive Vice Chancellors, Vice Chancellors, Presidents) and Vice Presidents

Details

Policy Statement

Outside employment activities, while often mutually beneficial to the CSU and the employees themselves, must not conflict with an employee's ability to meet his/her responsibilities to the CSU and at all times act in the best interest of CSU. Therefore, it is the policy of the CSU to provide a transparent system of disclosure, approval, and documentation of outside employment activities performed by CSU MPP and Executive employees to identify any potential conflicts of commitment and/or conflicts of interest. This policy complies with Section 42740 of Title 5, California Code of Regulations and frames the rules and procedures to delineate permissible outside employment activities. Campuses are required to establish procedures to implement this policy requirement.

Background

In response to the California State Auditor (CSA) recommendation on CSU Compensation Practices, the Board of Trustees (BOT) approved the following addition to Title 5 of the California Code of Regulations in January 2013:

§ 42740. Outside Employment – Management and Executive Employees.

Management Personnel Plan and executive employees shall be required to report outside employment for the identification of and to preclude any conflict of commitment. The Chancellor is responsible for implementing this section.

NOTE: Authority cited: Sections 89030 and 89500, Education Code. Reference cited: Section 89030 and 89500, Education Code.

The BOT resolution¹ required the annual disclosure and approval of all outside employment not compensated through the CSU payroll for MPP and Executive employees.

In April 2016, the CSU renewed its commitment to the State Legislature and the public to improve its policy, transparency, and accountability by revising the outside disclosure requirements for MPP and Executive employees. New requirements were also enacted under the Budget Act of 2016, signed into law by Governor Brown in June 2016. This policy update honors CSU's commitment to the Legislature and complies with the Budget Act of 2016. This updated policy goes into effect on January 1, 2017.

Disclosure Reporting Requirements

MPP and Executive employees are individually responsible and held accountable for ensuring that their outside employment activities do not create any actual or perceived conflict of commitment and/or conflict of interest to the CSU. All full-time and part-time MPP (including Executive) employees are expected to monitor and report any and all outside work for which they are being compensated. These employees are required to submit a disclosure form at least annually, even if there is no outside employment to report.

MPP and Executive employees should be given a copy of this policy and will be required to submit a written report of any outside employment at the following times:

- **At the time of hire or appointment** — Prospective MPP and Executive employees must disclose all current outside employment as a precondition of hire.
- **Annually** – All MPP and Executive employees must submit an annual disclosure by **July 15** of each year, reporting on outside employment held the previous calendar year (January 1 through December 31).
- **Within 30 days of accepting outside employment** – Employees must advise their supervisor of the outside employment opportunity within 30 days of accepting any outside employment.
- **Upon Request** – Employees shall provide any requested information within 10 days of an appropriate administrator's request.

The written disclosure statement shall include the nature of outside employment held, time commitment, and expected duration. In addition to providing the information above, members of Senior Management (which consists of Executives and Vice Presidents) are required to disclose details of the outside employment, including the organization name, total compensation received, whether the business has had dealings with the CSU, and whether the employee was involved in making any decisions that affect CSU's dealings with the outside employer. A revised sample disclosure form for MPP employees has been provided in Attachment A. Attachment B contains a separate Outside Employment Disclosure Form that has been created for Senior Management employees. Campuses may use electronic forms to satisfy the reporting requirement.

Campuses should designate an employee responsible for this function and develop procedures to manage the disclosure process for MPP and Executive employees. Campuses are also required to maintain these records in accordance with Section 1.17 of CSU's Records Retention Policy (at least 4 years from the date of the document), which can be found at <http://www.calstate.edu/recordsretention/>.

Determining Conflicts of Commitment

The following is a partial list of possible conflicts of commitment that merit a case-by-case examination of the outside employment activity to determine whether the activity should be managed appropriately, reduced or eliminated. Conflict of commitment may be found if the outside employment activity results in:

- A reduction of the employee's time and energy devoted to CSU activities
- The use of CSU property or other resources without authority (other than de minimus)
- An influence over the way the employee performs his/her CSU responsibilities
- The disclosure of confidential or proprietary information acquired through the performance of CSU duties
- Acting against the CSU's best interest or in conflict with the CSU's mission and goals

¹ Link to Board of Trustees Resolution #RUF01-13-01: <http://www.calstate.edu/BOT/resolutions/jan2013.pdf>

- The violation of CSU policies, procedures or practices

The primary commitment of Executive employees must be to the fulfillment of their regular CSU university responsibilities. As a reminder, Executive employees may serve on up to two corporate boards. Approval from the Chancellor is required prior to accepting service on a corporate board. Notice and approval are not required for service on non-profit boards. These requirements protect the public interest and support reinforcement of this policy.

Determining Conflicts of Interest

No CSU MPP or Executive employee may make, participate in making, or influence a governmental decision in which he/she has a financial interest as defined by the Political Reform Act. A conflict of interest exists if the outside employment creates a financial interest on the part of the employee that precludes the employee from making decisions within the scope of the employee's duties.

Document Review – MPP Employees (excluding Senior Management)

All MPP employees are expected to reduce or eliminate outside employment if any perceived or actual conflicts of commitment or interest are found. Outside employment disclosures should be reviewed for any perceived or actual conflicts of commitment or interest by an appropriate administrator. The appropriate administrator who reviews these forms shall be the person to whom the employee reports.

If the employee's manager or the appropriate administrator determines there is a perceived or actual conflict of commitment and/or conflict of interest in the outside employment activity, and the employee disagrees with this determination, it should be noted on the outside employment disclosure form and escalated to the next level of review. This second and final level of review should be conducted by an independent review committee appointed by the President or Chancellor or his/her designee. The recommendation provided at this level shall be the final determination.

Document Review and Approval – Senior Management Employees

To protect the interests of the public and the CSU, all Senior Management employees are expected to perform outside employment free of any perceived or actual conflicts of commitment or interest. All outside employment disclosures should be reviewed for any perceived or actual conflicts of commitment or interest and approved by the President or his/her designee, and for all Executive employees, by the Chancellor or his/her designee. In addition, the Board of Trustees shall annually review, provide the opportunity for public discussion, and approve the outside employment endeavors of all Senior Management employees.

If the outside employment requires a second level of review for approval, an independent review committee appointed by the Chancellor (or the Board of Trustees for the Chancellor) or his/her designee and the Vice Chancellor of Human Resources, in consultation with the Office of General Counsel, shall review the outside employment disclosure. The recommendation provided at this level shall be the final determination.

Violations of Policy

Noncompliance and violations of this policy will be subject to corrective action, consistent with how the CSU addresses any policy violations² and will depend on the severity of the conduct.

Chancellor's Office and Board of Trustees Review

Campuses are required to submit a summary report (see Attachment D for a template) on outside employment disclosures to the Chancellor's Office annually by **July 31**. Reports should be sent to CSUOutsideEmployment@calstate.edu. Annual reminders will be sent from Systemwide HR. The report shall include the following:

- Percentage of MPP employees with outside employment at the campus
- Disclosure of all outside employment details for Senior Management

² 5 Cal. Code Reg. §§42722, 42723

- Additional information as requested by the Systemwide HR office

Outside employment disclosure forms are public records and are subject to the California Public Records Act. To increase transparency, protect public interest, and ensure public trust, the CSU will publicly post the outside employment activities of Senior Management employees, which include the Chancellor, Executive Vice Chancellors, Vice Chancellors, Presidents, and Vice Presidents. The Chancellor's Office Systemwide HR will be responsible for maintaining a public website reporting the outside employment endeavors of Senior Management.

Questions regarding this policy should be directed to Systemwide Human Resources at (562) 951-4411 or your campus department. This document is available on the Human Resources Policies Website at <https://cyou.calstate.edu/Policies/HRPolicies/Forms/Default.aspx>.

AJ/LH/tl

Attachments

Outside Employment Disclosure Form For Management Personnel Plan (MPP) Employees³

Requirements: *This form is to be completed as appropriate by MPP employees (excluding Vice Presidents and Executive employees) pursuant to Section 42740 of Title 5, California Code of Regulations.*

Name: _____ Position/Title: _____

Campus: _____ Department: _____

Type of Disclosure (Check at least one box):

- Annual:** The period covered is January 1, 20____, through December 31, 20____.
- OR-** The period covered is ____/____/20____ (Time of hire or appointment) through December 31, 20____.
- Time of Hire or Appointment**
- Accepted outside employment:** Outside employment accepted ____/____/20____
- Administrator request:** The period covered is ____/____/20____ through ____/____/20____
- OR -** Current outside employment beginning ____/____/20____

Outside Employment Status (Select one):

- I have outside employment to report (complete table below).
- I have no outside employment report.

	Nature of Outside Employment Held	Time Commitment	Expected Duration
1			
2			

I affirm that the information on this form is accurate to the best of my knowledge, that I have read and understand my obligations under the CSU's policy on Outside Employment Disclosure, and that I will comply with the conditions and restrictions imposed by the CSU to manage, reduce, or eliminate conflicts of commitment/interest. I certify that my time commitment to the outside employer(s), if applicable, does not create a conflict of commitment/interest that would interfere with CSU work assignments and satisfactory performance. I also commit to providing an updated form to my immediate supervisor whenever a significant change occurs in the information I have provided. *(Complete and sign below)*

Employee Signature: _____ Date: _____

Reviewed by:

Name: _____ Date: _____

Administrator's Signature: _____

If applicable, submit Form and attachments to the independent review committee for additional review and approval. Submit completed Form to HR.

³ For Vice Presidents and Executive employees, see the Outside Employment Disclosure Form for Senior Management employees

Outside Employment Disclosure Form For Senior Management Employees

Requirements: This form must be completed by all Senior Management employees (includes the Chancellor, Executive Vice Chancellors, Vice Chancellors, Presidents, and Vice Presidents) pursuant to Section 42740 of Title 5, California Code of Regulations and the 2016 Budget Act under the following conditions: upon hire, annually by **July 15**, within 30 days of accepting outside employment, and within 10 days of request by an appropriate administrator.

1. Employee Information: Campus: _____
Name: _____ Title: _____

2. Type of Disclosure (Check at least one box):

- Annual:** The period covered is January 1, 20___, through December 31, 20___.
 -OR- The period covered is ___/___/20__ (Time of hire/appointment) through December 31, 20___.
 Time of Hire or Appointment
 Accepted outside employment: Outside employment accepted ___/___/20___
 Administrator request: The period covered is ___/___/20___ through ___/___/20___
 -OR- Current outside employment beginning ___/___/20___

3. Outside Employment Involvement (Select "Yes" or "No" for each):

Types of services engaged in during disclosure period:	Please select one:	
Paid service* on a federal, state, or local government agency committee, panel, or commission	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* as an officer or member on a non-profit or for-profit board	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* to organization(s) that further the interests of higher education	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Pay* for presentation(s) at scholarly colloquia and conferences, speaker at an event, and/or guest lecturer	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid* consulting/professional advising activities	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* as an expert witness	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid service* on committees/advisory groups to other universities outside the CSU	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid* for developing scholarly communications or conducting editorial work in books, journal articles, movies, television productions or similar works	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Paid* review of journal/book manuscripts, grant or contract proposals	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Other (please specify any other service for which compensation was received): _____		

If you answered YES to any of these questions, you have outside employment to report.

*Does not include reasonable incidentals (e.g., travel, meals).

4. Outside Employment Status (Select one):

- I have outside employment to report.
 I have no outside employment report (skip to Section 6 for signature and submit).

5. Detailed Reporting (attach additional pages as necessary):

Outside Employment/Activity 1:

1. Name of outside employer or business: _____
2. Duration of employment: _____
3. Describe the nature of the outside employment: _____
4. Total anticipated time to be served/Total time served (hrs): _____

5. Total compensation received including equity or deferred compensation: _____
6. Does the outside employer have any business dealings with CSU? If "yes", please explain.

7. Are you involved in making any decisions affecting CSU's dealings with the outside employer (either directly or indirectly)? Describe:

8. Additional comments (e.g., if compensation was donated, disclose here):

Outside Employment/Activity 2:

1. Name of outside employer or business: _____
2. Duration of employment: _____
3. Describe the nature of the outside employment: _____

4. Total anticipated time to be served/Total time served (hrs): _____
5. Total compensation received including equity or deferred compensation: _____

6. Does the outside employer have any business dealings with CSU? If "yes", please explain.

7. Are you involved in making any decisions affecting CSU's dealings with the outside employer (either directly or indirectly)? Describe: _____

8. Additional comments (e.g., if compensation was donated, disclose here):

6. Certification and Review

To be completed by the Employee:

I hereby affirm that the information on this form is accurate to the best of my knowledge, that I have read and understand my obligations under the CSU's policy on Outside Employment Disclosure, and that I will comply with the conditions and restrictions imposed by the CSU to manage, reduce, or eliminate conflicts of commitment/interest. I certify that my time commitment to the outside employer(s), if applicable, does not create a conflict of commitment/interest that would interfere with CSU work assignments and satisfactory performance. I also commit to providing an updated form to my immediate supervisor whenever a significant change occurs in the information I have provided.

Signature

Date

To be completed by the Employee's Immediate Supervisor/Appropriate Administrator:

I have reviewed this disclosure form and assessed whether the outside employment described above will create a conflict of commitment or interest between the employee and the CSU. I find that:

- the information submitted does not present a conflict of commitment or conflict of interest.
- the information submitted may present a conflict of commitment or a conflict of interest.

Comments/recommendations (*attach additional pages if necessary*):

If applicable, submit Form and attachments to the independent review committee for additional review and approval. Submit completed Form to HR.

Administrator's Name (Print): _____ **Title, Dept:** _____

Signature

Date

IF APPLICABLE - INDEPENDENT REVIEW COMMITTEE (FINAL LEVEL OF REVIEW)

Committee members:

_____	_____
_____	_____
_____	_____
_____	_____

Select one:

- The outside employment does not present a conflict of commitment or conflict of interest.
- The outside employment presents a conflict of commitment or conflict of interest.

Determination/Recommendation (Attach additional pages if necessary):



Outside Employment Policy for MPP and Executives Frequently Asked Questions

1. Who is required to report outside employment?

All MPP and Executive employees, whether part-time or full-time, are required to complete the Outside Employment Disclosure Form even if they do not have any outside employment to report (see Attachments A and B).

2. What are MPP and Executive employees expected to report?

MPP and Executive employees are expected to report outside work for which the employees are being compensated and result in reportable income. "Reportable income" is any work for which a W-2 or 1099 is issued.

3. When must MPP and Executive employees disclose outside employment?

MPP and Executive employees must disclose outside employment under the following instances:

- **At the time of hire or appointment** — Prospective MPP and Executive employees must disclose all current outside employment as a precondition of hire.
- **Annually** – All MPP and Executive employees must submit an annual disclosure by **July 15** of each year, reporting on outside employment held the previous calendar year (January 1 through December 31).
- **Within 30 days of accepting outside employment** – Employees must advise their supervisor of the outside employment opportunity within 30 days of accepting any outside employment.
- **Upon Request** – Employees shall provide any requested information within 10 days of an appropriate administrator's request.

4. Why are there outside employment disclosure requirements for MPPs and Executives?

The need to report compensatory outside employment initially resulted from a California State Auditor (CSA) finding on CSU Compensation Practices and a Board of Trustees Resolution approving the addition to Title 5 of the California Code of Regulations. In April 2016, the CSU renewed its commitment to the State Legislature and the public to improve its policy, transparency, and accountability by revising the outside disclosure requirements for MPP and Executive employees. New requirements were also enacted under the Budget Act of 2016, signed into law by Governor Brown in June 2016. This policy update honors CSU's commitment to the Legislature and complies with the Budget Act of 2016.

5. Why are there two separate forms for reporting?

The Outside Employment Disclosure Form for Senior Management Employees (Attachment B) is a detailed reporting form that is required for all Executive employees and Vice Presidents. Attachment A (Outside Employment Disclosure Form for MPP Employees) is for all other MPP employees.

6. Who is considered "Senior Management"?

Senior Management, for the purpose of this policy, includes the Chancellor, Executive Vice Chancellors, Vice Chancellors, Presidents, and Vice Presidents.

7. Why must outside employment for Senior Management be disclosed publicly?

It is required under the Budget Act of 2016.

8. Are Vice Presidents required to submit both forms (Attachment A and Attachment B)?

No, Vice Presidents are only required to submit Attachment B.

9. Are prospective MPP/Executive employees required to submit the Form even if they do not have outside employment?

Yes, the policy requires all prospective MPP and Executive employees to complete the Disclosure Form even if he/she does not have outside employment to report.

10. If an MPP employee works one or two days only on an outside employment engagement, do they have to report it under this policy?

Yes, as stated in the policy, "MPP and Executive employees are expected to report any and all outside work for which the employees are being compensated." Any work that results in reportable income (for which a 1099 or W-2 is issued) must be reported, no matter the time commitment.

11. If an MPP/Executive employee accepts an honorarium for giving a speech or presentation, does it have to be reported as outside employment?

Yes. MPP/Executive employees are required to report all outside work for which they receive compensation. As a reminder, an employee may not accept an honorarium from a reportable source (i.e., a source the employee will be required to disclose on an annual Form 700 Statement of Economic Interest). Cal. Govt. Code §89502.

12. Does the supervisor have the ability to tell the employee that the outside employment is a conflict and they cannot do the work?

Yes. The appropriate administrator has the authority to advise the individual that his/her outside employment conflicts with CSU employment, and that the conflict can no longer continue.

If so, can the employee be disciplined or discharged if they do not comply with the policy?

Noncompliance and violations of this policy will be subject to corrective action, consistent with how the CSU addresses any policy violations and will depend on the severity of the conduct.

13. Is documentation required to support that the outside employment "interfered with normal work assignments" or affected "satisfactory performance"?

As with any disciplinary action and/or unfavorable performance review, these situations must be documented appropriately and in the same manner. Campus performance evaluation/assessment procedures should support these actions.

14. When administrators sign the Disclosure Form that employees submit, are they actually approving the outside employment?

Yes, only if the administrator is reviewing it for Senior Management employees. For MPP employees, the administrator's signature confirms that the administrator has reviewed the employee's outside employment and has determined that no conflict of commitment or conflict of interest exists.

15. What happens if the employee refuses to provide the information?

The administrator should acknowledge, sign, and indicate on the disclosure form that the employee refused to sign the form. Further action will be required to evaluate the employee on failure to adhere to a policy requirement.

16. What is "too much" outside employment?

"Too much" outside employment is one that interferes with CSU work assignments and employee performance.

17. If the work that is being performed does not conflict with the employee's work for the CSU and does not occur during CSU business hours, is this still reportable?

Yes.

18. If the employee is not performing work but is receiving passive income (e.g., royalty payments) for service(s) performed in the past, does this need to be disclosed?

No.

19. If the industry in which outside employment is being performed has no affiliation with the CSU, is it still reportable?

Yes.

20. What constitutes a conflict of commitment?

A conflict, in the context of this policy, means any outside work that conflicts with an employee's ability to perform normal CSU work assignments, maintain satisfactory performance, and meet his/her responsibilities to the CSU. Please refer to the "Determining Conflicts of Commitment" section of the policy for further information.

21. Where are completed forms filed, in the employee's personnel file or a separate file?

Completed forms shall be kept in a separate file and maintained in a fashion that allows Systemwide HR to efficiently access these files in the event of an audit.

22. Exactly what must the MPP disclose about his/her outside employment?

For MPP employees (excluding Senior Management), the Disclosure Form only requires the information about the nature of outside employment held, time commitment, and expected duration. "Nature" in this context can be used to categorize the role or category of employment services being performed (e.g., supervisor, president, manager, consultant). Senior Management employees have a separate and more comprehensive disclosure requirement.

23. What if the employee does not agree with the perception of work conflict?

The appropriate CSU administrator is responsible for determining if a work conflict exists, made in consideration of the employee's CSU work assignments and performance. If the employee does not agree that there is a conflict of commitment, it should be noted in the outside employment disclosure form and escalated to the next level of review, which will involve an independent review committee. See "Document Review – MPP Employees (excluding Senior Management)" and "Document Review and Approval – Senior Management Employees" sections in the policy for more information.

24. Will the Chancellor be asking the Presidents to report outside employment?

Yes. This policy applies to all Executive and MPP employees, including the campus presidents. The Chancellor will administer the policy to Presidents.

25. Why do campuses have to report outside employment of their presidents and vice presidents to the Chancellor's Office?

The CA State Legislature requires the Chancellor's Office to report outside employment activities of Senior Management employees publicly on an annual basis. The Chancellor's Office will maintain a public website reporting the outside employment endeavors of these individuals, and will be requiring campuses to report this information to the Chancellor's Office annually by **July 31**.

26. What is required on the annual report submitted to the Chancellor's Office?

The report shall include the percentage of MPP employees with outside employment at the campus, detailed disclosure of all outside employment activity for Senior Management, and any additional information as requested by the Systemwide HR office. Annual reminders will be sent from Systemwide HR detailing the required contents of the report.

27. Will my Outside Disclosure Form be posted on the internet?

The Chancellor's Office Systemwide HR will be responsible for maintaining a public website reporting the outside employment endeavors of Senior Management employees. All forms are public records and subject to production under the California Public Records Act.

Outside Employment Activity Disclosure for Senior Management - Final Report

California State University, [Campus]

Reporting Year: January 1, 20XX to December 31, 20XX

Attachment D

Percentage of MPP employees who disclosed
 outside employment: **XX%**

Employee Name	CSU Working Title	Name of Outside employer/business	Role	Duration of employment	Total time served (Hrs)	Total compensation received (\$)	Additional Comments
John Doe	President	Company ABC	Board member	1/1/2015-6/30/2015	2 hrs/week (52 hours total)	\$1,000	Compensation was gifted to campus.
		Company XYZ	Consultant	December 1-3, 2015	5 hours total	\$200	Compensation was paid in company shares.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

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

Presentation By

Andrew Jones
Interim Vice Chancellor
Human Resources

Summary

At the January 22-23, 2008 meeting of the California State University (CSU) Board of Trustees a resolution (RBOT 01-08-01) was adopted requiring the chancellor to provide an annual report on vice presidential compensation actions, executive relocation costs, and executive transition programs. This reporting requirement was recommended by the Bureau of State Audits (now California State Auditor) in 2007 following an audit on employee compensation management. There were no findings of violation of CSU policies and audit recommendations focused on strengthening guidelines and improved monitoring. Since then internal processes have improved and regular reporting has taken place. This agenda item will share the annual reports 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 24 vice presidents with compensation actions during the reporting period (September 1, 2015 – August 31, 2016). This includes the filling of 10 vacant positions and compensation changes to 14 existing vice presidents. To address market and internal comparability issues, presidents at three CSU campuses recommended equity and retention increases for a total of seven vice presidents.

As previously shared with the Board, Chancellor Timothy P. White authorized a two percent compensation pool for eligible unrepresented employees for fiscal year 2016-2017. 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. Erika Beck
President, CSU Channel Islands
From Henderson, Nevada
Relocation of household goods and property: \$17,941.54
Temporary housing: \$5,150.00
Home sale fees and expenses: \$31,179.51

- Dr. Gayle Hutchinson
President, CSU Chico
From Ventura, California
Relocation of household goods and property: \$5,005.00
Travel expense: \$955.00

- Dr. Mary Papazian
President, San José State
From New Haven, Connecticut
Relocation of household goods and property: \$55,370.45
Temporary housing: \$4,474.42
Home sale fees and expenses: \$44,190.00
Travel expense: \$324.39

- Dr. Judy Sakaki
President, Sonoma State
From Sacramento, California
Relocation of household goods and property: \$31,375.06
Home sale fees and expenses: \$44,905.00

- Dr. Ellen Junn
President, Stanislaus State
From Redondo Beach, California
Relocation of household goods and property: \$8,192.68
Temporary housing: \$1,391.93
Travel expense: \$743.01

Executive Transition

Trustee policy requires the chancellor to report annually on all existing transition programs. Currently, three individuals are in transition assignments. Details regarding the assignments were previously shared with the Board. A summary is provided below:

Trustee Professor Program:

The trustee professor program is available to executives appointed to an executive position prior to November 18, 1992, who have academic tenure and are leaving their executive position. The first year of the program is provided as a transitional year. Upon conclusion of the initial year appropriate duties are established in consultation with the chancellor and the respective campus president.

Dr. Ruben Armiñana – President Emeritus
Effective: July 1, 2016 – June 30, 2017
Salary: \$233,884

Dr. Armiñana entered into a one-year transitional period, to which he is entitled, under the provisions of the program. Upon conclusion of the initial year, he will be eligible to assume the duties of a professor in his discipline or an assignment agreeable to the respective campus president, or a combination of the two.

Dr. Armiñana is the last executive eligible to enter into the trustee professor program. The program was superseded by the executive transition program and subsequent transition II program.

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.

Dr. Richard R. Rush – President Emeritus
Effective: August 8, 2016 – August 7, 2017
Salary: \$225,386

Dr. Paul J. Zingg – President Emeritus
Effective: July 1, 2016 – June 30, 2017
Salary: \$227,750

After leaving executive office, Dr. Rush and Dr. Zingg entered into a one-year transitional period to which each was entitled. During this transition period Dr. Rush and Dr. Zingg have been available for advice and counsel on matters pertaining to CSU Channel Islands and CSU Chico, respectively. Additionally, they remain available to the chancellor and to other system executive/vice chancellors for advice and counsel on matters pertaining to the CSU.

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 position and who separate from their executive position in order to assume previously identified CSU employment.

There are no participants in the transition II program.

Vice President Compensation Actions

Filled Vacancies

Campus	Name	Title	Effective M/Y	Salary	Supplemental Compensation
East Bay	Inch, Edward	Provost and Vice President for Academic Affairs	8/2016	\$240,000	
East Bay	Chaw, Debra	Vice President, Administration and Finance/CFO	12/2015	\$225,000	
Fresno	Adishian-Astone, Deborah	Vice President for Administration	6/2016	\$230,004	
Humboldt	Enyedi, Alexander	Provost and Vice President for Academic Affairs	1/2016	\$230,000	
Long Beach	Jersky, Brian	Provost and Sr. Vice President, Academic Affairs	7/2016	\$250,008	Auto Allowance \$600/month – paid with Non-General Funds
Long Beach	Yao, Min	Vice President/Chief Information Officer*	5/2016	\$221,004	Auto Allowance \$600/month – paid with Non-General Funds
Los Angeles	Wada-McKee, Nancy	Vice President for Student Life	3/2016	\$206,716	
Pomona	Manning, Danielle	Vice President for Administration, Finance and Strategic Development/CFO	7/2016	\$250,020	
Pomona	Jarnagin, Lea	Vice President for Student Affairs	7/2016	\$205,008	
San Jose	Faas, Charles	Vice President for Administration and Finance/CFO	6/2016	\$245,004	

*New position at campus.

Other Compensation Changes

Campus	Name	Title	Effective M/Y	Description of Change	Salary After Change or Amount Paid
Bakersfield	Davis, Thomas	Vice President for Business and Administrative Services	10/2015	Change in responsibilities	\$225,000
Pomona	Alva, Sylvia	Provost and Vice President for Academic Affairs	7/2016	Change in responsibilities	\$252,000
San Luis Obispo	Humphrey, Keith	Vice President for Student Affairs	1/2016	Change in responsibilities	\$229,296
Monterey Bay	Saunders, Kevin	Vice President for Administration and Finance	1/2016	Equity increase	\$209,616
Monterey Bay	Higgs, Ronnie	Vice President for Student Affairs and Enrollment Services	1/2016	Equity increase	\$195,840
Monterey Bay	Zappas, Barbara	Vice President for University Development	1/2016	Equity increase	\$180,000
San Marcos	Checa, Lorena	Vice President, Student Affairs	11/2015	Equity increase	\$203,727
San Marcos	Prado-Olmos, Patricia	Vice President for Community Engagement	11/2015	Equity increase	\$185,400
San Francisco	Cortez, Ron	Vice President and CFO, Administration and Finance	7/2016	Retention	\$250,788
San Francisco	Hong, Luo Luo	Vice President of Student Affairs and Enrollment Management	7/2016	Retention	\$228,600
Fullerton	Saks, Greg	Vice President for Advancement	10/2015	Auto Allowance – paid with Non-General Funds	\$800/month
San Marcos	Checa, Lorena	Vice President, Student Affairs	3/2016	Additional duties – temporary	\$10,186 One-time Pymt
San Diego	Enwemeka, Chukuka	Provost and Senior Vice President for Academic Affairs	7/2016	2015/16 MPP Merit Bonus Program – established goals met	\$26,626 Merit Bonus Pymt
San Diego	Carleton, Mary Ruth	Vice President, University Relations and Development	7/2016	2015/16 MPP Merit Bonus Program – established goals met	\$25,288 Merit Bonus Pymt

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Revision of Title 5 Regulations – Amendment of California State University Conflict of Interest Code

Presentation By

Andrew Jones
Interim Vice Chancellor
Human Resources

Summary

An information item was presented to the Board of Trustees at the September 20-21, 2016 meeting which proposed changes to The California State University Conflict of Interest Code. The final documents are presented for action as Attachments A and B, including the Designated Positions List (which identifies changes to designated positions), which can be accessed at <https://www2.calstate.edu/csu-system/transparency-accountability/Documents/Designated-Positions-List-Final.pdf>.

Since changing The California State University Conflict of Interest Code required an amendment to Title 5 of the *California Code of Regulations*, this item was noticed for a public hearing, as required by law.

Upon approval by the Board of Trustees, the amendment will be submitted to the Fair Political Practices Commission for final approval.

Recommended Action

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of The California State University acting under the authority of Sections 87300 and 87306 of the Government Code and Section 89030.1 of the Education Code, that the Board hereby amends the California State University Conflict of Interest Code in Article 20 of Subchapter 7, Chapter 1, Division 5 of Title 5 of the *California Code of Regulations* as specified in Agenda Item 3 of the November 15-16, 2016, meeting of the Board of Trustees Committee on University and Faculty Personnel; and be it further

U&FP

Agenda Item 3

November 15-16, 2016

Page 2 of 2

RESOLVED, that The California State University has determined that the amendment of the regulation will not impose a cost or savings on any state agency; will not impose a cost or savings on any local agency or school district that is required to be reimbursed under Section 17561 of the *Government Code*; will not result in any costs or savings in federal funding to the State; and will not impose a mandate on local agencies or school districts; and be it further

RESOLVED, that the Board of Trustees delegates to the Chancellor of The California State University authority to further adopt, amend, or repeal this regulation pursuant to Education Code Section 89030.1 if the further adoption, amendment, or repeal is required and is nonsubstantial or solely grammatical in nature, or sufficiently related to the original text that the public was adequately placed on notice that the change could result from the originally proposed regulation action.

**THE CALIFORNIA STATE UNIVERSITY
CONFLICT OF INTEREST CODE**

The Political Reform Act (Government Code Sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission (FPPC) has adopted a regulation (2 California Code of Regulations Section 18730) that contains the term of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices designating positions and establishing disclosure categories shall constitute the conflict of interest code of the California State University.

Individuals holding designated positions in the Office of the Chancellor, Trustees, and any officials who are determined to manage public investments within the meaning of Government Code Section 87200 shall file their statements of economic interests with the FPPC Conflict of Interest filing officer at the Office of the Chancellor. Individuals holding designated positions at any campus shall file their statements of economic interests with the FPPC Conflict of Interest filing officer at the respective campus. The filing officer will make the statements available for inspection and reproduction. (Government Code Section 81008.) Upon receipt of the Statements (Form 700) filed by Trustees, except ex-officio members who serve as such due to their elected state offices and are excluded by Government Code Section 87302(b), and upon receipt of the Statements (Form 700) for any officials who are determined to manage public investments within the meaning of Government Code Section 87200, the Office of the Chancellor shall make and retain a copy and forward the original of these statements to the Fair Political Practices Commission.

NOTE: Authority cited: Sections 81008, 87300, and 87306, Government Code. Reference: Section 87302, Government Code.

**THE CALIFORNIA STATE UNIVERSITY CONFLICT OF INTEREST CODE
DISCLOSURE CATEGORIES**

INTRODUCTION

For designated employees of a campus of the California State University, "the campus" shall mean the campus of the employee's service.

For designated employees in the headquarters office, "the campus" shall mean each campus of the California State University including the headquarters office or any or all of these.

Each designated employee is assigned to one or more of the following disclosure categories and must disclose reportable financial interests in each category assigned.

Designated employees need not report any investment in a business entity or real property worth less than \$2,000 or any source of income, including gifts, loans and travel payments, which aggregated less than \$500 (if a gift, less than \$50) during the calendar year prior to filing. An interest in real property used as the designated employee's principal residence need not be reported.

CATEGORY "1"

Interests in real property located within two miles of the campus at which the designated employee works, or within two miles of land owned or used, or proposed for acquisition or use by the campus.

CATEGORY "2"

Investments and business positions in business entities and income, including gifts, loans, and travel payments, from sources of the type which, within the last two calendar years, have contracted with the California State University to either (a) supply goods or services, and/or (b) perform construction work. This disclosure is limited to the types of contracts over which the designated employee has authority or influence.

CATEGORY "3"

Interests in real property located within the State of California.

CATEGORY "4"

All investments and positions in business entities, and income, including gifts, loans and travel payments, from any business or nonprofit entities (other than an entity deemed by the FPPC as exempt under FPPC regulation 18755) which will be providing funds, or support for the research project for which the filer is the principal investigator. (The required disclosure shall be made on FPPC Form 700-U).

CATEGORY "5"

All investments and business positions in business entities, and income (including gifts, loans and travel payments) from sources which are of the type in which California State University funds are or may be invested.

CATEGORY "6"

Investments and business positions in any business entity or income, including gifts, loans, and travel payments, from sources of the type which, within the last two calendar years, have contracted with the California State University to purchase goods or services, including agricultural commodities or other products, which are sold by the campus.

CATEGORY "7"

Consultants shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation: The Chancellor or President as appropriate may determine in writing that a particular consultant, although serving in a "designated position", is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this category "7". Such written determination shall include a description of the consultant's duties and based upon that description, a statement of the extent of disclosure requirements. The Chancellor or President's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

CATEGORY "8"

All interests in real property, all investments, all income, including gifts, loans and travel payments, and business positions.

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 2:15 p.m., Tuesday, November 15, 2016
Glenn S. Dumke Auditorium

J. Lawrence Norton, Chair
Maggie K. White, Vice Chair
Silas H. Abrego
Lillian Kimbell
Thelma Meléndez de Santa Ana
Lateefah Simon
Steven G. Stepanek

Consent Item

Approval of Minutes of the Meeting of September 20, 2016

Discussion Item

1. Statement of State Legislative Principles for 2017-2018, *Information*

**MINUTES OF THE MEETING OF
COMMITTEE ON GOVERNMENTAL RELATIONS**

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

September 20, 2016

Members Present

J. Lawrence Norton, Chair
Maggie K. White, Vice Chair
Silas H. Abrego
Rebecca D. Eisen, Chair of the Board
Lillian Kimbell
Thelma Meléndez de Santa Ana
Lateefah Simon
Steven G. Stepanek
Timothy P. White, Chancellor

Trustee Norton called the meeting to order.

The committee heard public comment.

Approval of Minutes

The minutes of July 19, 2016, were approved as submitted.

Proposition 55 – Tax Extension to Fund Education and Healthcare

Mr. Garrett P. Ashley, vice chancellor for university relations and advancement, reported that there will be 17 statewide initiatives on the November ballot. At the request of State Superintendent of Public Instruction Tom Torlakson, Proposition 55 is being brought before the board for consideration.

Ms. Kathleen Chavira, assistant vice chancellor for advocacy and state relations, reported that Proposition 55 would extend the personal income tax increase enacted by the passage of Proposition 30 for an additional 12 years, which could generate between \$4 billion and \$9 billion annually. The revenue would allow K-12 and community colleges to fund a variety of support services and improve the college readiness of first-time freshman and transfer applicants. In addition, the availability of these funds would ease state budgetary pressures and would likely result in more General Fund resources for other discretionary purposes, including higher education.

The committee recommended approval by the board of the proposed resolution (RGR 09-16-13) to endorse the Tax Extension to Fund Education and Healthcare to ensure continued investments in public education in the State of California.

State Legislative Update

Mr. Ashley reported that the legislature returned from summer recess to complete the final month of the legislative session. Of the more than 2,300 bills introduced in 2016, 1,300 passed out of the legislature. The governor has until September 30 to sign or veto bills sent to him.

Ms. Chavira gave an overview of key bills that impact the CSU:

- ***CSU Investment Authority (SB 1412 Block)***: This bill allows the CSU to invest in mutual funds and real estate investment trusts, with no more than 30 percent of funds placed in these new options. The intent is to boost annual returns, providing funding for CSU deferred maintenance and infrastructure needs. This bill has been signed into law.
- ***Lottery Fund Payments (AB 2215 Medina/Baker)***: The bill makes a technical change to government code regarding how the State Controller's Office distributes state lottery funds to the CSU. This bill was signed into law.

Other bills of interest to the CSU include those dealing with a CSU doctorate of audiology program, a four-year pledge program, food insecurity, free digital course materials, and a tuition waiver for students appointed to the California Student Aid Commission.

Following a discussion among board members on trustee involvement and input on CSU bill positions, Trustee Norton said a follow-up conversation is needed to clarify the process.

Joint Memorandum of Understanding – Voter Registration and Engagement

Chancellor Timothy P. White, Lieutenant Governor Gavin Newsom, Secretary of State Alex Padilla and California State Student Association President David Lopez presented the memorandum of understanding between the Secretary of State, the CSU and CSSA on voter registration and engagement. The MOU outlines the shared responsibility of the campuses, students and the state in supporting student civic engagement.

Trustee Norton adjourned the meeting.

COMMITTEE ON GOVERNMENTAL RELATIONS

Statement of State Legislative Principles for 2017-2018

Presentation By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

Kathleen Chavira
Assistant Vice Chancellor
Advocacy and State Relations

Summary

This item contains the proposed Statement of State Legislative Principles for 2017-2018.

Background

At the beginning of every two-year legislative session, the Board of Trustees adopts a formal Statement of Legislative Principles for the California State University. The principles provide basic parameters to guide positions taken by the chancellor and system representatives on matters pending before the California legislature.

Statement of Legislative Principles

As the state's greatest producer of bachelor's degrees, the California State University plays a critical role in arming future leaders with the skills and knowledge for them to thrive in the workforce, drive the economy and actively contribute to the quality of life in California. The CSU achieves these results by providing affordable, accessible and high-quality education, as outlined in the Master Plan for Higher Education. The system and its leaders, faculty and staff remain committed to this important work for the betterment of today and tomorrow.

The following constitute the core principles guiding recommendations on legislation:

1. Work with the legislature and governor to allow the California State University to continue its oversight of academic affairs and matters relating to the internal governance of the university.
2. Preserve the integrity of the collective bargaining process.

3. Remain neutral on matters in which the state seeks to legislate the general public health and safety while not singling out the California State University.
4. Preserve the integrity of the California State University's budgetary process, and seek adequate funding to serve current and future students, support the work of faculty and staff, provide for ongoing operations, capital outlay and infrastructure needs, and to meet the workforce demands of the state.
 - a. Provide that all funds must be appropriated to the Board of Trustees.
 - b. Proposals for operational, student success and academic programs, and capital outlay needs, must be approved and prioritized by the Board of Trustees.
 - c. Provide the operational authority and flexibility, as well as the necessary tools, for the university to respond to the needs of students and the state.
5. Seek to influence the outcome of issues which, while not affecting the California State University alone, would have a disproportionate impact on the university's activities.
6. Seek to secure representation of the California State University on appropriate boards, commissions, task forces, study groups, etc., whose work may have a significant impact on the system. Representatives to such bodies shall be appointed by the Board of Trustees or the Chancellor.
7. As both the chief administrative officer and a trustee, the chancellor is recognized and designated by the Board of Trustees as the spokesperson for the California State University regarding its positions on state and federal legislative proposals. When practical, the position to be taken on a legislative proposal should be discussed with the chair and vice chair of the Committee on Governmental Relations before that position is communicated to the Legislature. Unresolved positions on a legislative proposal will be decided by the chancellor in consultation with the chair of the board. When practical, changes in position on pending legislative proposals will be shared with the chair and vice chair of the Committee on Governmental Relations prior to communication of the change to the legislature. When this is not practical, changes in position will be shared with the chair and vice chair of the Committee on Governmental Relations immediately following communication of the change to the legislature.

The following resolution will be recommended for adoption in January:

RESOLVED, by the Board of Trustees of the California State University, that the Statement of Legislative Principles for 2017-2018 be adopted; and be it further

RESOLVED, that the chancellor is authorized to take positions on pending legislation on behalf of the California State University system; but prior to taking or changing such positions on legislative matters, the chancellor shall consult, when practical, with the chair and vice chair of the Committee on Governmental Relations; and be it further

RESOLVED, that any unresolved positions on a legislative proposal will be decided by the chancellor in consultation with the chair of the board; and be it further

RESOLVED, that the chancellor shall keep the Board of Trustees regularly informed of the positions taken and of such other matters affecting governmental relations as deemed necessary and desirable.

AGENDA

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Meeting: 3:15 p.m., Tuesday, November 15, 2016
Glenn S. Dumke Auditorium

Silas H. Abrego, Chair
Lateefah Simon, Vice Chair
Douglas Faigin
John Nilon
Maggie K. White

Consent Item

Approval of Minutes of the Meeting of September 20, 2016

Discussion Items

1. Naming of the Hollywood Foreign Press Association Wing – California State University, Northridge, *Action*
2. Naming of the Fowler College of Business Administration – San Diego State University, *Action*

**MINUTES OF THE MEETING OF
COMMITTEE ON INSTITUTIONAL ADVANCEMENT
Office of the Chancellor
Glenn S. Dumke Auditorium
401 Golden Shore
Long Beach, California**

September 20, 2016

Members Present

Silas H. Abrego, Chair
Lateefah Simon, Vice Chair
Rebecca D. Eisen, Chair of the Board
Douglas Faigin
John Nilon
Maggie K. White
Timothy P. White, Chancellor

Trustee Abrego called the meeting to order.

Approval of Minutes

The minutes of July 19, 2016, were approved as submitted.

Naming of the Don B. Huntley College of Agriculture – California State Polytechnic University, Pomona

Mr. Garrett Ashley, vice chancellor for university relations and advancement, reported that the proposed naming recognizes Dr. Huntley's gift of his pistachio farm valued at \$16.4 million to benefit the College of Agriculture. This gift will create a lasting legacy, providing resources for research, scholarship and polytechnic teaching and learning.

Cal Poly Pomona President Soraya Coley and Chancellor Timothy P. White thanked Dr. Huntley for his generosity and steadfast support of the university's mission, vision and values.

The committee approved the proposed resolution (RIA 09-16-09) that the College of Agriculture at California State Polytechnic University, Pomona be named the Don B. Huntley College of Agriculture.

Naming of the James M. Rosser Hall – California State University, Los Angeles

Mr. Ashley reported that the proposed naming recognizes the 34-year presidency of James M. Rosser, one of the longest serving presidents of a public university in the nation. President Emeritus Rosser has been one of the largest and most consistent donors to the campus, with gifts funding a seven-figure endowed scholarship for scholar-athletes majoring in STEM fields.

Inst. Adv.

Cal State LA President William Covino and Chancellor White thanked Dr. Rosser for his continued support of Cal State LA and celebrated the impact of his legacy on CSU students, faculty, staff and alumni.

The committee approved the proposed resolution (RIA 09-16-10) that Wing B of the Wallis Annenberg Integrated Sciences Complex at California State University, Los Angeles be named the James M. Rosser Hall.

2016-2017 California State University Trustees' Award for Outstanding Achievement

Trustee Abrego shared that each year the CSU Board of Trustees provides scholarships to students who demonstrate superior academic performance, personal accomplishments, community service and financial need.

Chancellor White thanked trustees and members of the CSU Foundation board for their contributions to the CSU Trustees' scholarships. He introduced Trustee Emeritus Ali C. Razi, CSU Foundation Board of Governors member and CSU Trustees' Award selection committee chair, whose leadership continues to expand this scholarship program.

The board recognized the recipients of the 2016-2017 CSU Trustees' Award for Outstanding Achievement, including a video on the top Razi scholar, Kathryn Grizzle from California State University, San Bernardino.

Trustee Abrego adjourned the meeting.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Naming of the Hollywood Foreign Press Association Wing – California State University, Northridge

Presentation By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

Dianne F. Harrison
President
California State University, Northridge

Summary

This item will consider naming the south wing of Manzanita Hall at California State University, Northridge, as the Hollywood Foreign Press Association Wing.

This proposal, submitted by California State University, Northridge, meets the criteria and other conditions specified in the Board of Trustees Policy on Naming California State University Facilities and Properties, including approval by the system review panel and the campus academic senate.

Background

The proposed naming of the facility recognizes a recent \$2 million contribution by the Hollywood Foreign Press Association to the Department of Cinema and Television Arts in the Mike Curb College of Arts, Media, and Communication at CSUN. The gift will be used to establish a scholarship endowment and upgrade equipment and systems in the Department of Cinema and Television Arts. The scholarship endowment, named the Hollywood Foreign Press Association Scholars Program Fund, will advance undergraduate and graduate opportunities for low-income and traditionally underrepresented populations in the entertainment industry. The gift to upgrade systems will bring the Hollywood Foreign Press Association Senior Film Edit Suite, Hollywood Foreign Press Association Film Sound Mix Studio, the Automatic Dialog Replacement/Foley Stage, and Television Studio and Control Room up to current industry standards. The gift will also provide an endowment for technology upgrades in the future.

Inst. Adv.
Agenda Item 1
November 15-16, 2016
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The Mike Curb College of Arts, Media, and Communication and its Department of Cinema and Television Arts have benefitted from the relationship with the Hollywood Foreign Press Association, beginning with an initial gift of \$15,000 in 1996. Prior to this most recent \$2 million gift, the Hollywood Foreign Press Association has given \$945,000 to CSUN, enabling the College and the Department of Cinema and Television Arts to enjoy programmatic enhancements and support students and senior film projects through Hollywood Foreign Press Association Fellows program grants.

The Hollywood Foreign Press Association, in conjunction with its Golden Globe Awards producing partner, Dick Clark Productions, gives millions of dollars annually to education programs. Known worldwide for its Golden Globe Awards and its multi-million dollar donations to charity, the Hollywood Foreign Press Association has humble origins, starting as a group of international journalists with a shared desire to efficiently and accurately cover all aspects of the entertainment world. There are approximately 90 member journalists representing media across the globe. The \$2 million dollar gift to CSUN is the largest such gift in Hollywood Foreign Press Association history.

Recommended Action

The following resolution is recommended for approval:

RESOLVED, by the Board of Trustees of the California State University, that the south wing of Manzanita Hall at California State University, Northridge be named as the Hollywood Foreign Press Association Wing.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Naming of the Fowler College of Business Administration – San Diego State University

Presentation By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

Elliot Hirshman
President
San Diego State University

Summary

This item will consider naming the College of Business Administration at San Diego State as the Fowler College of Business Administration.

This proposal, submitted by San Diego State, meets the criteria and other conditions specified in the Board of Trustees Policy on Naming California State University Academic Entities, including approval by the system review panel and the campus academic senate.

Background

The proposed naming recognizes the \$25 million pledge by Ron L. Fowler to San Diego State, including \$10 million for the Fowler Scholars Program, \$10 million for the Fowler Professorships, \$2 million for the Fowler Lectureship Series, \$1.5 million for the Fowler International Experience and \$1.5 million for other projects. This is a challenge gift intended to incentivize other matching donations, thereby providing an overall impact of a \$50 million endowment.

With his latest gift to San Diego State, Mr. Fowler is the most generous donor in school history. His support to the university has been recognized with the naming of the Fowler Athletics Center, the Fowler Family Ballroom and the Fowler Family Wing of the Campanile Foundation in the Parma Payne Goodall Alumni Center, and the Fowler Press Box at Tony Gwynn Stadium.

In the past decades, Mr. Fowler has donated more than \$13 million for a variety of campus programs and initiatives including entrepreneurship, athletics, capital projects, the College of Business and alumni engagement. He is the chair emeritus of The Campanile Foundation board of directors, serving from 1999 to 2008, and was a founding donor to the Entrepreneurial Management Center. In 2005, Mr. Fowler received an honorary doctorate from San Diego State.

Beyond his generosity to San Diego State University, Mr. Fowler is a well-respected business and philanthropic leader throughout the San Diego region. Mr. Fowler serves as the chairman and CEO of Liquid Investments Inc., which specializes in beverage distribution. He is also the executive chairman and minority owner of the San Diego Padres Baseball Club.

In the community, Mr. Fowler has served as the chair of the University of San Diego's board of trustees, providing financial backing to build a state-of-the-art baseball facility – named Fowler Park – on the campus. Mr. Fowler has also served in various leadership roles with the Greater San Diego Sports Association, the San Diego Hall of Champions, the San Diego International Sports Council, the Mayor's Taskforce on Padres Planning, the San Diego Super Bowl Task Force and the 2003 Super Bowl Host Committee.

Mr. Fowler's legacy of generous leadership has been recognized by the San Diego County Board of Supervisors, the San Diego Regional Economic Development Corporation, the Downtown San Diego Partnership, Big Brothers/Big Sisters of San Diego County, the Huntington's Disease Society of America, the San Diego Hall of Champions and the San Diego Chamber of Commerce.

Mr. Fowler earned a bachelor's degree in business and economics from St. Thomas College and a master's degree in business administration from the University of Minnesota. He and his wife, Alexis, are the parents of five children and grandparents of two girls.

Recommended Action

The following resolution is recommended for approval:

RESOLVED, by the Board of Trustees of the California State University, that the College of Business Administration at San Diego State University be named as the Fowler College of Business Administration.

AGENDA

JOINT COMMITTEES ON EDUCATIONAL POLICY AND CAMPUS PLANNING, BUILDINGS AND GROUNDS

Meeting: 3:45 p.m., Tuesday, November 15, 2016
Glenn S. Dumke Auditorium

**Committee on Educational
Policy**

Lillian Kimbell, Chair
Jane W. Carney, Vice Chair
Silas H. Abrego
Douglas Faigin
Debra S. Farar
Jean P. Firstenberg
Thelma Meléndez de Santa Ana
Steven G. Stepanek
Maggie K. White

**Committee on Campus Planning,
Buildings and Grounds**

Steven G. Stepanek, Chair
John Nilon, Vice Chair
Jane W. Carney
Adam Day
Thelma Meléndez de Santa Ana
J. Lawrence Norton
Peter J. Taylor

Consent Item

Approval of Minutes of the Meeting of May 20, 2014

Discussion Item

1. Progress Towards CSU Environmental Sustainability Goals, *Information*

**MINUTES OF THE MEETING OF THE
JOINT COMMITTEES ON
EDUCATIONAL POLICY AND CAMPUS PLANNING, BUILDINGS AND GROUNDS**

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

May 20, 2014

Members Present

Educational Policy Committee

Debra S. Farar, Vice Chair
Rebecca D. Eisen
Lupe C. Garcia
Lillian Kimbell
J. Lawrence Norton
Steven G. Stepanek
Cipriano Vargas

**Campus Planning, Buildings and
Grounds Committee**

Rebecca D. Eisen, Chair
J. Lawrence Norton, Vice Chair
Adam Day
Lillian Kimbell
Cipriano Vargas

Gavin Newsom, Lieutenant Governor
Bob Linscheid, Chair of the Board
Timothy P. White, Chancellor

Public Comment

Trustee Rebecca Eisen convened the meeting and introduced the public speakers. Real Food Campaign representatives and CSU students Ms. Jessica Gonzalez (Cal Poly Pomona), Mr. Victor Arrendondo (Humboldt), and Ms. Jacqueline Martinez (Humboldt) expressed support for the proposed sustainability policy that includes a real food commitment.

Ms. Colleen McKinney, Los Angeles Food Policy Council, encouraged the Board of Trustees to adopt real food purchasing as part of the sustainability policy as a signal of the CSU's commitment to the real food campaign. She added that as a large institution, the CSU's purchasing power means enormous positive influence on food production practices from environmental sustainability to fair wages and safe work environments.

California State University Sustainability Policy Proposal

Trustee Eisen introduced Assistant Vice Chancellor Elvyra F. San Juan and Senior Director Ken O'Donnell to present the item. Ms. San Juan explained the role of the Chancellor's Office staff in assisting the campuses in implementing the proposed policy. The two primary focus areas are to share best practices across the system and to seek funding for energy conservation and implementation of sustainable practices across all business units of the university.

Ms. San Juan introduced Carina Sass, Associate Director of the Center for Community Engagement and Dr. Ingrid Martin, Professor of Marketing in the College of Business Administration, both from California State University, Long Beach, to demonstrate academic program collaborations that integrate sustainability into the curriculum using the campus and the community as a living lab.

Ms. Sass characterized service learning as a teaching approach that integrates service into the curriculum—striving to meet significant community needs while providing students with a rich learning experience. She showcased the Villages at Cabrillo in west Long Beach, a 27-acre community built on former navy housing land, where non-profit organizations provide shelter, permanent housing, and services for approximately 1,000 homeless or previously homeless people. Dr. Martin explained the Saturday Masters of Business Administration program integrates sustainability and community engagement at the Villages at Cabrillo, where students develop projects to address a specific need of the community such as solar carports and improvements to the community garden. One of the key outcomes of these partnerships are that the students gain as much from what they do with the partners as the partners gain from the knowledge and skills that the students bring to the relationship.

CSU Chico President Paul Zingg shared that for more than ten years the campus has been infusing the principles of sustainable development into its curriculum, with the campus catalog listing over 250 classes from across all academic disciplines that identify student learning outcomes in sustainability. In a recent general education (GE) redesign, several of these classes were assembled into a sustainability pathway that fulfills GE competencies and presents a cohesive multi-disciplinary perspective on sustainability. This GE program culminates in a capstone course utilizing the campus as a living laboratory experience. Students completing 18 units in this curriculum not only gain a deeper understanding of the dynamics between socioeconomic structures and environmental realities, but also receive a GE minor in sustainability studies.

Many CSU Chico students engage in sustainability work, including the student-run Associated Students recycling program founded in 1996 and the "This Way to Sustainability" conference initiated in 2005.

CSU Chico also has a long standing sustainability partnership with the City of Chico. This partnership has led to strong progress on shared regional sustainability goals. Students and faculty have served on the city's sustainability task force since its inception in 2007. The university conducted the city's first greenhouse gas emissions inventory and developed the city's 2020 climate action plan.

In closing, President Zingg noted that CSU Chico was one of the 12 founding institutions that signed onto the American College and University President's Climate Commitment, later joined by other CSU campuses. The campus also signed on to the *Alliance for Resilient Campuses* along with CSU Northridge and Chancellor Timothy White.

Mr. O'Donnell commented that the creation of a sustainability minor program is being considered by some CSU campuses and community colleges and there is broad grassroots support for sustainability in the curriculum. Discussions are in place with the statewide academic senate about building the minor into the transfer apparatus for the state.

Ms. San Juan provided an overview of the draft 2014 Sustainability Report which is an update to the report published in 2011. The report reflects the proposed trustees' goals in anticipation of the meeting today. The report includes information across the different categories of sustainability for the system, introducing procurement and food services, transportation demand management, and the academic programs.

Trustee Eisen encouraged board members to read the report noting that the chancellor's remarks at the beginning are exceptional and uplifting. The report breaks down the various aspects of the CSU's sustainability policy, describes the goals, and gives examples of what campuses are already doing in this area.

Lt. Governor Newsom expressed his support for the policy and integration of curriculum and student learning with community partners. He commented the CSU is uniquely positioned to lead the charge towards an economically sustainable future.

The committee recommended approval of the proposed resolution (RJEPCPBG 05-14-01).

Trustee Eisen adjourned the meeting.

**JOINT COMMITTEES ON
EDUCATIONAL POLICY AND CAMPUS PLANNING, BUILDINGS AND GROUNDS**

Progress Towards CSU Environmental Sustainability Goals

Presentation By

Elvyra F. San Juan
Assistant Vice Chancellor
Capital Planning, Design and Construction

Colleen Hatfield
Director of the Institute for Sustainable Development
California State University, Chico

Helen Cox
Director of Institute for Sustainability
California State University, Northridge

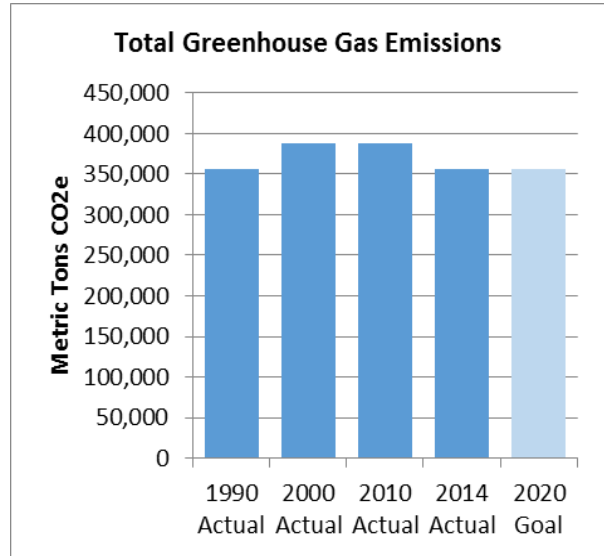
Summary of Systemwide Progress

The 2014 Sustainability Policy adopted by the CSU Board of Trustees in May 2014 established environmental sustainability goals for the CSU across a broad range of operational areas (RJEPCPBG 05-14-01). While many of the goals are based on data that is already reported to the Chancellor's Office, the 2014 Sustainability Policy is broader in scope than previous policies and established several goals in new policy areas.

This interim report provides an update on progress towards the policy goals for which the Chancellor's Office already receives data from campuses, as well as an update on our work to expand the scope of data collection at both the campus and systemwide levels to allow for a more complete assessment of progress. It is anticipated the next report will occur in January 2018 in order to complete data collection for the 2016-2017 fiscal year.

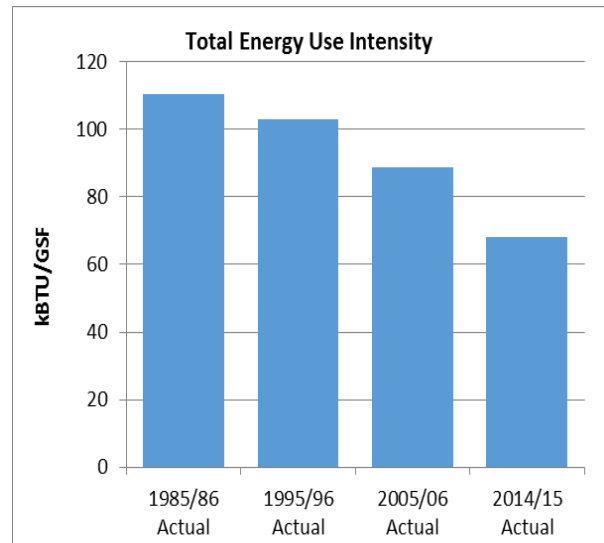
Greenhouse Gas Emissions

The CSU has already met and exceeded its 2020 goal for reducing greenhouse gas (GHG) emissions. The 2014 Sustainability Policy sets a goal of reducing GHG emissions to its 1990 level or below by 2020, consistent with the statewide GHG reduction target set by AB 32. The chart to the right shows that in 2014, the systemwide GHG emissions were already less than one percent higher than the 1990 level and the emissions will decrease further as the CSU increases its use of on-site and purchased renewable energy (as measured in metric-tons of carbon dioxide equivalent, CO₂e).



Energy Efficiency

The CSU has made significant efforts to meet the Sustainability Policy goals of improving energy efficiency. Systemwide energy use intensity has continued to decrease, as shown in the Total Energy Use Intensity chart. The CSU has installed \$128 million of energy efficiency projects since 2005 through the CSU/UC energy efficiency partnership. The CSU has received more than \$30 million to leverage the state and CSU energy efficiency project funding. These upgrades have included LED lighting, building retro-commissioning, installation of high-efficiency heating and cooling systems, and building envelope improvements.

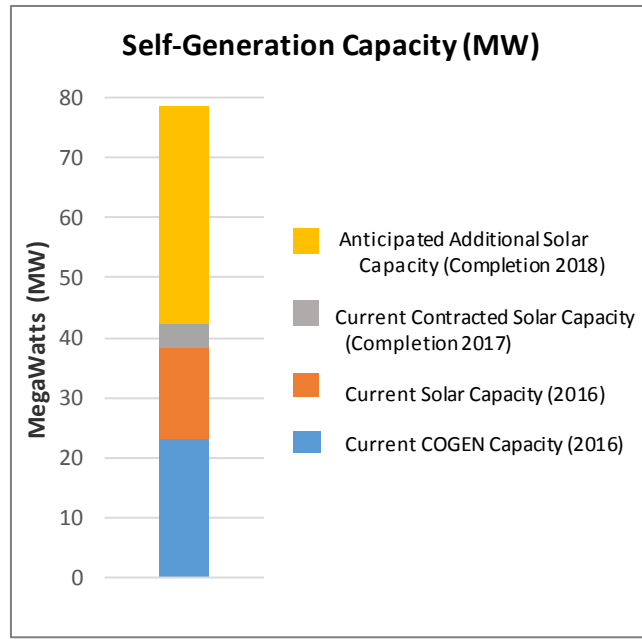


Renewable Energy

The CSU has met its goal of exceeding the State of California and California Public Utilities Commission Renewable Portfolio Standard (RPS) sooner than the established goal of procuring 33 percent of its electricity needs from renewable sources by 2020. In 2014, the CSU purchased 34 percent renewable power through its Direct Access service provider for 10 campuses. The balance of the CSU campuses procure power from their respective utility providers. These providers are also required to meet RPS standards. Additionally, the CSU will expand its use of renewable power as described below.

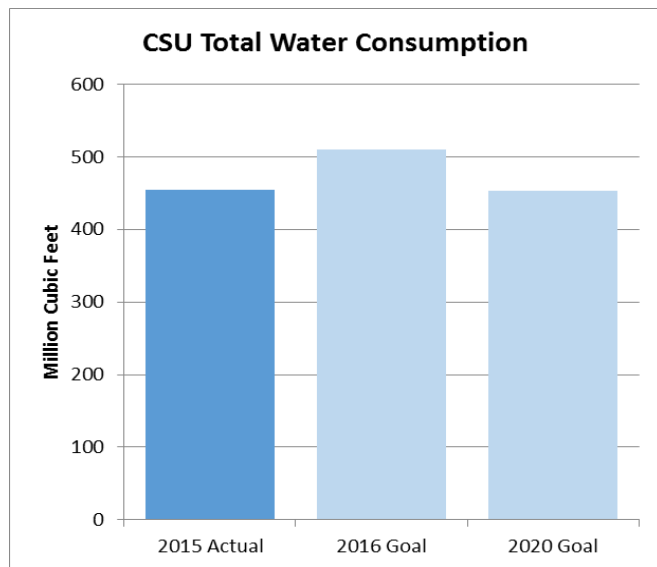
Self-Generation Capacity

The CSU is on track to meet the goal of 80 MW of self-generation capacity by 2020. The CSU currently has 19.5 MW of solar photovoltaic capacity, including 4 MW of contracted solar to be completed in 2017, and an additional 23 MW of cogeneration capacity on the campuses. To add more solar power, the planning for the Solar Energy, Phase 4 project has started. It is anticipated the implementation will result in a total of 78.5 MW of self-generation capacity by 2018. After the initial round of solar projects has been completed, campuses will have the option under the proposed master enabling agreement to add additional solar capacity to meet and exceed the 80 MW goal by 2020.



Water Conservation

The CSU has already met the 2016 water conservation goal of reducing water use 10 percent, and is on track to meet the 2020 goal of reducing water consumption by 20 percent if current conservation trends continue. The CSU has reduced systemwide 2015 water use by nearly 20 percent from 2013 levels. This conservation target was met through campus projects including behavior change, landscaping upgrades, plumbing fixture changes using various fund sources.



University Sustainability

Integration of Sustainability into the Academic Curriculum

In keeping with the policy adopted in 2014, which called for the CSU to “seek to further integrate sustainability into the academic curriculum working within the normal campus

consultative process,” CSU campus faculty have developed courses in which students confront real-world sustainability problems and address the planet’s environmental challenges. For example the Campus as a Living Lab (CALL) concept of course design was the outcome of National Science Foundation funding, *Mobilizing STEM Education for a Sustainable Future*.

The CALL initiative set an ambitious goal to seek interested faculty and facilities operations staff who would work together to incorporate a university sustainability challenge into course curricula. With the severe CSU budget reductions, the program sought to provide value to university operations by helping to address a facility sustainability goal while at the same time providing students an opportunity to work on solving a real-world campus problem. Campus operations staff is tasked to identify a sustainability problem and to work with an interested faculty member to redesign a course that would incorporate student learning and activities that respond to the campus challenge.

The CALL program has the potential to provide the campus real cost savings through the collection and analysis of data; assessment and implementation of technologies; and communication of programs and policies. The diversity of the CSU’s physical infrastructure, the complexity of federal, state, and local regulations, and the continual need to improve efficiency provide opportunities to develop student problem solving, critical thinking, and research skills.

Through the initiative, 57 CALL projects have been developed including two learning communities. Examples of linked courses and campus operations include:

- Biology: Water-wise landscaping, zero landscape waste
- Environmental Sciences: Re-use of green and food waste
- Capstone courses: Sustainable sites on campus
- Energy: Energy performance analysis, building energy analysis
- Transportation: Campus transportation system analysis and alternative transportation
- Restorative Ecology: Campus creeks
- Electrical Engineering: Meters for residential life, electrical distribution monitoring
- Campus Sustainability Awareness Campaigns

In addition, the CSU has many faculty, institutes, and centers engaged in teaching of the planet’s challenges. One example includes Cal Poly San Luis Obispo’s National Resilience Initiative Western Center¹ where CSU faculty make contributions to California’s climate action and resilience planning frameworks. We look to the campuses to carry out this aspect of board policy by continuing to integrate sustainability into the curriculum

¹ <http://www.caed.calpoly.edu/caed-selected-member-national-resiliency-initiative-network>

Campuswide Sustainable Practices

Climate Leadership Commitments

Fifteen CSU campus presidents have signed one of the two Climate Leadership Commitments (formerly known as the American College and University Presidents' Climate Commitment) created by the Second Nature organization. These 15 campuses have committed to developing Climate Action Plans that include carbon neutrality goals within three years of signing the commitment. Seven of these campuses have signed an additional commitment to conduct a vulnerability assessment as part of a comprehensive climate resilience plan, which will outline the steps needed to take in order to adapt to the expected impacts of climate change. A resilience plan goes beyond campus preparedness for climate change and integrates planning with the local community. These Climate Leadership Commitments align with the CSU and the state's policy goals in addressing greenhouse gas emission reductions.

The CSU is supporting the fifteen campuses that are Climate Leadership Commitment signatories by organizing climate resilience planning initiatives and training. Recently, the Chancellor's Office joined as an affiliate member of the Association of Regional Collaboratives for Climate Adaptation². This partnership will provide a number of resources and opportunities to support CSU campuses in the adaptation and resilience planning process, as well as provide a forum to further extend the CSU's academic leadership in this field.

AASHE STARS

Seven CSU campuses currently participate in the Sustainability Tracking and Assessment Rating System (STARS) created by the Association for the Advancement of Sustainability in Higher Education (AASHE). STARS is a reporting framework for universities to assess their sustainability performance. Eight additional CSU campuses will participate in STARS next year. The STARS framework awards points for sustainability performance in many of the operational areas covered by the 2014 policy.

Sustainability Officers

The policy encourages campuses to designate a sustainability officer who will be responsible for carrying out and coordinating campus sustainability efforts. Currently, 20 campuses have designated a sustainability officer, and a few campuses have multiple staff positions. These sustainability officers may report under Academic Affairs or Administrative Affairs. Monthly conference calls are used to communicate progress on initiatives and to share model practices and knowledge.

² <http://www.arccacalifornia.org/>

Current Chancellor's Office Efforts/Ongoing Initiatives

Sustainability Metrics

The scope of the 2014 Sustainability Policy includes policy goals in operational areas not covered by previous CSU sustainability policies. As a result, work is underway in consultation with the campuses to find common quantitative and/or qualitative metrics to promote consistent reporting. Input on metrics have been received from 18 campuses to assist in the development of a standardized reporting format to track sustainability progress.

Based on the information provided by campuses at this time, the AASHE STARS reporting system seems to provide the common framework for data collection for the majority of campuses. The CSU is collaborating to define metrics for each policy goal and collect data to provide a meaningful assessment of the CSU's sustainability performance.

Sustainable Procurement

The Chancellor's Office will increase efforts on supporting the sustainable procurement policy goals this year. Staff is analyzing expenditures systemwide and defining criteria for assessing performance in sustainable procurement. The 2014 Sustainability Policy encourages campuses to increase their recycled content purchases in all Buy Recycled³ program product categories. Staff will also work with its systemwide vendors and campuses to assess and implement measures such as an auto-substitution program, where appropriate, to make the more sustainable products the purchasing default option.

Sustainable Food Purchasing

This area has been a challenge to address from a systemwide perspective and as a result dropped to a lower priority in terms of implementation of sustainable model practices. Campuses may contract out to a food service provider and/or use in-house university staff or auxiliary operations staff to serve the campus community. Some campuses are using the Real Food Challenge reporting framework but found it prohibits any staff from entering or viewing data and restricts this role to students. As result, the sustainability metrics provided by the campuses, review of the AASHE food tracking and criteria along with review of other higher education food purchasing policies and goals are needed actions in this area. The four Real Food Challenge criteria are expected to remain prominent in the systemwide discussion: Local and Community Based, Fair, Ecologically Sound, and Humane.

³ State Agency Buy Recycled Campaign (SABRC) is a joint effort between the Department of General Services and the California Department of Resources Recycling and Recovery to increase the purchase of recycled-content products instead of non-recycled-content products. The SABRC identifies key product categories for recycled materials and sets minimum thresholds for the total recycled content in each product category.

Next Steps

The CSU has made significant progress toward the sustainability goals set out by the Board of Trustees and staff continues to address the broader areas of sustainable practices across all areas of the university. Staff anticipates returning to the Board of Trustees in January 2018 with a complete report on the 2014 Sustainability Policy, metrics and reporting framework along with recommendations for the board's consideration to update the policy.

The State of California's sustainability policies have continued to evolve and notably, environmental justice and climate resilience have featured prominently. Every CSU campus can be leveraged to serve as a hub in the communities we share to build capacity for resilience in the face of impacts from climate change. Serving disadvantaged communities and leading communities to successfully adapt to climate change are topics the board could consider for inclusion in future sustainability policies.

AGENDA

COMMITTEE ON COLLECTIVE BARGAINING

Meeting: 9:30 a.m., Wednesday, November 16, 2016
Munitz Conference Room—Closed Session
Government Code §3596(d)

10:00 a.m., Wednesday, November 16, 2016
Glenn S. Dumke Auditorium —Open Session

Adam Day, Chair
Peter J. Taylor, Vice Chair
Debra S. Farar
Lillian Kimbell
Hugo N. Morales
John Nilon
J. Lawrence Norton

Open Session– Glenn S. Dumke Auditorium

Consent Item

Approval of Minutes of the Meeting of July 19, 2016

Discussion Items

1. Ratification of the Collective Bargaining Agreement with Bargaining Unit 11, the International Union United Automobile Aerospace and Agricultural Implement Workers of America (UAW), AFL-CIO, *Action*
2. Ratification of the Collective Bargaining Agreement with Bargaining Unit 14, the California State University Employees Union (CSUEU), SEIU Local 2579, *Action*

**MINUTES OF MEETING OF
COMMITTEE ON COLLECTIVE BARGAINING**

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

July 19, 2016

Members Present

Lupe C. Garcia, Chair
Peter J. Taylor, Vice Chair
Adam Day
Debra S. Farar
Lillian Kimbell
Hugo N. Morales
J. Lawrence Norton
Timothy P. White, Chancellor
Rebecca Eisen, Chair of the Board

Chair Garcia called the Committee on Collective Bargaining to order.

Approval of Minutes

The minutes of the May 24, 2016 meeting were approved as submitted.

Presentation of Action Item

Vice Chancellor Lori Lamb presented the action item.

Public Speakers

The committee heard from 5 public speakers who spoke on various topics.

Action Item

The committee then unanimously approved the following action item:

1. Ratification of the Collective Bargaining Agreement with Bargaining Unit 13, the California State University Employees Union (CSUEU), SEIU Local 2579

Chair Garcia then adjourned the committee meeting.

COMMITTEE ON COLLECTIVE BARGAINING

Ratification of the Collective Bargaining Agreement with Bargaining Unit 11, the International Union United Automobile Aerospace and Agricultural Implement Workers of America (UAW), AFL-CIO

Presentation By

Andrew Jones
Interim Vice Chancellor
Human Resources

Summary

The collective bargaining agreement between the California State University and Bargaining Unit 11, the International Union United Automobile Aerospace and Agricultural Implement Workers of America (UAW), AFL-CIO, will be presented to the Board of Trustees for ratification.

Recommended Action

The following resolution is recommended for ratification:

RESOLVED, by the Board of Trustees of the California State University, that the collective bargaining agreement between the California State University and Bargaining Unit 11, the International Union United Automobile Aerospace and Agricultural Implement Workers of America (UAW), AFL-CIO, is hereby ratified.

COMMITTEE ON COLLECTIVE BARGAINING

Ratification of the Collective Bargaining Agreement with Bargaining Unit 14, the California State University Employees Union (CSUEU), SEIU Local 2579

Presentation By

Andrew Jones
Interim Vice Chancellor
Human Resources

Summary

The collective bargaining agreement between the California State University and Bargaining Unit 14, the California State University Employees Union (CSUEU), SEIU Local 2579, will be presented to the Board of Trustees for ratification.

Recommended Action

The following resolution is recommended for ratification:

RESOLVED, by the Board of Trustees of the California State University, that the collective bargaining agreement between the California State University and Bargaining Unit 14, the California State University Employees Union (CSUEU), SEIU Local 2579, is hereby ratified.

AGENDA

COMMITTEE ON ORGANIZATION AND RULES

Meeting: 10:40 a.m., Wednesday, November 16, 2016
Glenn S. Dumke Auditorium

Debra S. Farar, Chair
Jean P. Firstenberg, Vice Chair
Jane W. Carney
Adam Day
Steven G. Stepanek
Peter J. Taylor
Maggie K. White

Consent Items

Approval of Minutes of the Meeting of May 24, 2016

1. Approval of California State University Board of Trustees' Meeting Dates for 2018, *Action*

**MINUTES OF MEETING OF
COMMITTEE ON ORGANIZATION AND RULES**

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

May 24, 2016

Members Present

Lillian Kimbell, Chair
Steven G. Stepanek, Vice Chair
Douglas Faigin
Hugo N. Morales
Lou Monville, Chair of the Board
Timothy P. White, Chancellor

Trustee Lillian Kimbell called the meeting to order.

Public Comments

There were no public speakers.

Approval of the Minutes

The minutes of the March 8, 2016 meeting were approved as submitted.

Revision of Standing Orders – Delegation of Capital Outlay Project Approval and Schematic Design Approval

Trustee Kimbell presented agenda item 1 as a consent action item. The committee recommended approval of the proposed resolution (ROR 05-16-02).

Trustee Kimbell adjourned the Committee on Organization and Rules.

COMMITTEE ON ORGANIZATION AND RULES

Approval of California State University Board of Trustees' Meeting Dates for 2018

Presentation By

Debra S. Farar
Committee Chair

Summary

In an effort to honor and observe national Election Day on November 6, 2018, Chancellor's Office staff worked closely with the University of California Regent's Office to mitigate any conflict with their November meeting. All other meeting dates are proposed as normally scheduled.

The following schedule of the CSU Board of Trustees' meetings for 2018 is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that the following schedule of meetings for 2018 is adopted:

Proposed 2018 Meeting Dates

January 30-31, 2018	Tuesday – Wednesday	Chancellor's Office
March 20-21, 2018	Tuesday – Wednesday	Chancellor's Office
May 15-16, 2018	Tuesday – Wednesday	Chancellor's Office
July 24-25, 2018	Tuesday – Wednesday	Chancellor's Office
September 11-12, 2018	Tuesday – Wednesday	Chancellor's Office
November 13-14, 2018	Tuesday – Wednesday	Chancellor's Office

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

**California State University
Office of the Chancellor
Glenn S. Dumke Auditorium
401 Golden Shore
Long Beach, CA 90802**

November 16, 2016

Presiding: Rebecca D. Eisen, Chair

10:45 a.m. Board of Trustees Dumke Auditorium
Call to Order
Roll Call
Public Speakers
Chair's Report
Chancellor's Report
Report of the Academic Senate CSU: Chair—Christine Miller
Report of the California State Student Association: President—David Lopez
Report of the California State University Alumni Council: President—Dia S. Poole

Board of Trustees

Consent Agenda

Approval of the Minutes of the Board of Trustees Meeting of September 21, 2016
Approval of Committee Resolutions as follows:

Committee on Finance

1. Approval to Issue Trustees of the California State University Systemwide Revenue Bonds and Related Debt Instruments for Projects at Monterey Bay, Sacramento, and San José
2. Approval of the 2017-2018 Lottery Budget
5. Approval of the 2017-2018 Support Budget Request
6. Conceptual Approval of a Public-Private Partnership Project with the Los Angeles Football Club to Develop a Performance Center at California State University, Los Angeles

*The Board of Trustees is a public body, and members of the public have a right to attend and participate in its meetings. This schedule of meetings is established as a best approximation of how long each scheduled meeting will take to complete its business. Each meeting will be taken in sequence, except in unusual circumstances. Depending on the length of the discussions, which are not possible to predict with precision in advance, the scheduled meeting times indicated may vary widely. The public is advised to take this uncertainty into account in planning to attend any meeting listed on this schedule.

Committee on Campus Planning, Buildings and Grounds

1. California State University, Monterey Bay Student Union Project: Approval of the Master Plan Revision, the Amendment of the 2016-2017 Capital Outlay Program, and Schematic Plans
2. California State University, Long Beach College of Continuing and Professional Education Classroom Building Project: Approval of the Amended 2016-2017 Capital Outlay Program and Schematic Plans
3. Approval of Schematic Plans for CSU Projects at Dominguez Hills, Los Angeles, Monterey Bay, Sacramento and San José
4. California State Polytechnic University, Pomona Student Housing Replacement Project: Certification of the Final Environmental Impact Report and Approval of the 2016 Master Plan Revision

Joint Committees on Finance and Campus Planning, Buildings and Grounds

1. Approval of the 2017-2018 Capital Outlay Program, 2017-2018 through 2021-2022 Five-Year Facilities Renewal and Improvement Plan, and Multi-Year Bond Authorization

Joint Committees on Educational Policy and Finance

1. Academic Sustainability Plan

Committee on University and Faculty Personnel

1. Outside Employment Disclosure Requirements for Management Personnel Plan (MPP) and Executive Employees
3. Revision of Title 5 Regulations – Amendment of California State University Conflict of Interest Code

Committee on Institutional Advancement

1. Naming of the Hollywood Foreign Press Association Wing – California State University, Northridge
2. Naming of the Fowler College of Business Administration – San Diego State University

Committee on Organization and Rules

1. Approval of California State University Board of Trustees’ Meeting Dates for 2018

*The Board of Trustees is a public body, and members of the public have a right to attend and participate in its meetings. This schedule of meetings is established as a best approximation of how long each scheduled meeting will take to complete its business. Each meeting will be taken in sequence, except in unusual circumstances. Depending on the length of the discussions, which are not possible to predict with precision in advance, the scheduled meeting times indicated may vary widely. The public is advised to take this uncertainty into account in planning to attend any meeting listed on this schedule.

**MINUTES OF THE MEETING
OF BOARD OF TRUSTEES**

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

September 21, 2016

Trustees Present

Rebecca D. Eisen, Chair
Adam Day, Vice Chair
Silas Abrego
Jane Carney
Douglas Faigin
Debra S. Farar
Jean Picker Firstenberg
Lillian Kimbell
Thelma Meléndez de Santa Ana
Hugo N. Morales
John Nilon
J. Lawrence Norton
Jorge Reyes Salinas
Steven Stepanek
Maggie K. White
Timothy P. White, Chancellor

Chair Eisen called the meeting of the Board of Trustees to order.

Public Comment

The board of heard from several individuals during the public comment period: William Blischke, President, CSU-ERFA, spoke to the board about the graduation initiative; Pat Gantt, President, CSUEU addressed the board regarding proposition 55; Loretta Seva'aetasi, CSUEU Vice President for Finance, addressed the board about the student success initiative; Sergio Roldan, CSUEU unit representative spoke to the board about outsourcing of work; Susan Smith, CSUEU, Vice President representative, spoke to the board about public comment during the board meeting; Ricardo Uc, CSUEU Vice Chair Unite 9, spoke to the board about legislation by CSUEU's AB2386; Elizabeth Sanchez, student CSU, Fullerton, (SQE) spoke about hate crimes on campus; Karen Guzman, CSU, San Marcos student (SQE), spoke to the board about the graduation initiative; Sandip Roy, UAW 4123 President, spoke to the board about talks regarding tuition waivers with the bargaining team; Megan Bronson, UAW, Fresno, spoke to the board about her struggles as a full time working student; Jeanette Hernandez, UAW (Fullerton) spoke to the board about her fear and anxiety about the cost of tuition and living conditions as a student; Nick Bockelman, UAW (Fullerton) spoke to the board about the rising cost of tuition; Lydia Wood, UAW (San Diego) spoke to the board about student debt.

Chair's Report

Chair Eisen's complete report can be viewed online at the following URL:

<http://www.calstate.edu/BOT/chair-reports/sept2016.shtml>

Chancellor's Report

Chancellor Timothy P. White's complete report can be viewed online at the following URL:

<https://www2.calstate.edu/csu-system/board-of-trustees/chancellor-reports/Pages/September-21-2016.aspx>

Report of the Academic Senate CSU

CSU Academic Senate Chair, Christine M. Miller's complete report can be viewed online at the following URL:

http://www.calstate.edu/AcadSen/Records/Chairs_Reports/documents/September_21_2016_Chairs_BOT_Rept.pdf

Report of the California State University Alumni Council

Alumni Council President, Dia S. Poole's complete report can be viewed online at the following URL: <http://www.calstate.edu/alumni/council/bot/20160921.shtml>

Report from the California State Student Association

CSSA President David M. Lopez complete report can be viewed online at the following URL:

http://www.csustudents.org/wp-content/uploads/2016/09/09-16-bot_report_lopez.pdf

Board of Trustees

The minutes of the meeting of July 19, 2016 were approved as submitted.

Chair Eisen asked to move all the consent items for approval. There was a second.

The Board of Trustees approved the following resolutions:

Board of Trustees

Conferral of the Title of President Emeritus– Mohammad H. Qayoumi (RBOT 09-16-13)

RESOLVED, by the Board of Trustees of the California State University, that this board confers the title of President Emeritus on Mohammad H. Qayoumi, with all the rights and privileges thereto.

Committee on Educational Policy

Graduation Initiative 2025 (REP 09-16-03)

RESOLVED, by the Board of Trustees of the California State University, that:

1. The proposed Graduation Initiative 2025 goals for the CSU system and campuses are adopted as herein presented.
 2. Plans to achieve the results specified for the CSU system and campuses are adopted as presented herein.
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Committee on Finance

Approval to Issue Trustees of the California State University Systemwide Revenue Bonds and Related Debt Instruments for a Project at California State University, Sacramento (RFIN 09-16-10)

Orrick, Herrington & Sutcliffe LLP, as bond counsel, prepared resolutions presented at the September 20-21, 2016 meeting of the CSU Board of Trustees that authorize interim and permanent financing for the projects described in Agenda Item 1 of the Committee on Finance. The proposed resolutions will achieve the following:

1. Authorize the sale and issuance of Systemwide Revenue Bond Anticipation Notes and/or the related or stand-alone sale and issuance of the Trustees of the California State University Systemwide Revenue Bonds in an aggregate amount not-to-exceed \$45,900,000 and certain actions relating thereto.
2. Provide a delegation to the chancellor; the executive vice chancellor and chief financial officer; the assistant vice chancellor, Financial Services; and the assistant vice chancellor, Financing, Treasury, and Risk Management; and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

Final Approval of a Public-Public Partnership Project for the Development of a Public Charter School at California State University, Monterey Bay (RFIN 09-16-11)

RESOLVED, by the Board of Trustees of the California State University, that the development of the Monterey Bay Charter School on the campus of California State University, Monterey Bay as described in Agenda Item 4 of the September 20-21, 2016 meeting of the Committee on Finance is approved, and that the chancellor, the executive vice chancellor and chief financial officer, and their designees are authorized to execute the agreements necessary to complete the transaction.

Joint Committees on Finance and Campus Planning, Buildings and Grounds

Approval of the Draft 2017-2018 Capital Outlay Program and the Draft 2017-2018 through 2021-2022 Five-Year Facilities Renewal and Capital Improvement Plan (RFIN/CPBG 09-16-01)

RESOLVED, by the Board of Trustees of the California State University, that:

1. The Draft 2017-2018 through 2021-2022 Five-Year Facilities Renewal and Capital Improvement Plan is approved; and
 2. The Draft 2017-2018 Capital Outlay Program included in the five-year plan distributed with the agenda is approved.
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Committee on Campus Planning, Buildings and Grounds

Approval of Schematic Plans for California State University, Sacramento (RCPBG 09-16-09)

RESOLVED, by the Board of Trustees of the California State University, that:

1. The proposed project will not have significant adverse impacts on the environment and the project will benefit the California State University.
2. The schematic plans for California State University, Sacramento University Union Renovation and Expansion, Phase I are approved at a project cost of \$53,181,000 at CCCI 6151.

Approve the 2016 Master Plan Revision, Amendment of the 2016-2017 Capital Outlay Program, and Schematic Plans for the Monterey Bay Charter School, Phase 1 at California State University, Monterey Bay (RCPBG 09-16-10)

RESOLVED, by the Board of Trustees of the California State University, that:

1. The board hereby adopts the Final IS/MND for the Monterey Bay Charter School project dated July 7, 2016 as complete and in compliance with CEQA.
2. The mitigation measures identified in the Mitigation Monitoring and Reporting Program are hereby adopted and shall be monitored and reported in accordance with the Mitigation Monitoring and Reporting Program for Agenda Item 2 of the September 20-21, 2016, meeting of the Board of Trustees' Committee on Campus Planning Buildings and Grounds, which meets the requirements of CEQA (Public Resources Code, Section 21081.6).
3. The above information is on file with The California State University, Office of the Chancellor, Capital Planning, Design and Construction, 401 Golden Shore, Long Beach, California 90802-4210, and at California State University Monterey Bay, Campus Planning and Development, 100 Campus Center, Seaside, California 93955-8001.

4. The California State University, Monterey Bay Campus Master Plan Revision dated September 2016 is approved.
 5. The 2016-2017 Capital Outlay Program is amended to include \$12,774,000 for preliminary plans, working drawings, and construction for the California State University, Monterey Bay “Monterey Bay Charter School.”
 6. The chancellor is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
 7. The schematic plans for the California State University, Monterey Bay “Monterey Bay Charter School, Phase 1” project are approved at a project cost of \$12,774,000 at CCCI 6255.
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Committee on University and Faculty Personnel

Executive Compensation: Interim Vice Chancellor, Human Resources, California State University (RUF 09-16-09)

RESOLVED, by the Board of Trustees of the California State University, that Mr. G. Andrew Jones shall receive a salary set at the annual rate of \$281,834 effective August 31, 2016, the date of his appointment as interim vice chancellor, Human Resources of the California State University; and be it further

RESOLVED, that Mr. Jones shall receive additional benefits as cited in Agenda Item 1 of the Committee on University and Faculty Personnel at the September 20-21, 2016 meeting of the Board of Trustees.

Committee on Governmental Relations

Proposition 55 - Tax Extension to Fund Education and Healthcare (RGR 09-16-03)

RESOLVED, by the Board of Trustees of the California State University, that it hereby endorses the Tax Extension to Fund Education and Healthcare to ensure continued investments in public education in the State of California.

Committee on Institutional Advancement

**Naming of the Don B. Huntley College of Agriculture – California State Polytechnic University, Pomona
(RIA 09-16-09)**

RESOLVED, by the Board of Trustees of the California State University, that the College of Agriculture at California State Polytechnic University, Pomona be named as the Don B. Huntley College of Agriculture.

**Naming of the James M. Rosser Hall – California State University, Los Angeles
(RIA 09-16-10)**

RESOLVED, by the Board of Trustees of the California State University, that Wing B of the Wallis Annenberg Integrated Sciences Complex at California State University, Los Angeles be named the James M. Rosser Hall.