

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 9-10, 2021**

Time**	Committee	Location¹
<i>TUESDAY, NOVEMBER 9, 2021</i>		
8:30 a.m.	<u>Board of Trustees—Closed Session</u> Executive Personnel Matters Government Code §11126 Pending Litigation Government Code §11126 Hernandez, et al. v. The Fraternity of Phi Gamma Delta, et al. Lin v. Upshaw, et al. Jane Doe v. CSU, et al. Anticipated Litigation	Munitz Conference Room
9:15 a.m.	<u>Committee on Collective Bargaining—Closed Session</u> Government Code §3596(d)	Munitz Conference Room
10:00 a.m.	<u>Public Comment—Open Session</u>	
11:30 a.m.	<u>Luncheon</u>	

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

Agendas, notices, and information on addressing the Board of Trustees may be found on Board of Trustees website: <https://www.calstate.edu/csu-system/board-of-trustees/Pages/default.aspx>

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TUESDAY, NOVEMBER 9, 2021 (cont.)

12:30 p.m. Committee on Collective Bargaining – Open Session
Consent

- Action* 1. Approval of Minutes
- Action* 2. Ratification of the Successor Collective Bargaining Agreement with Bargaining Unit 10, International Union of Operating Engineers, Stationary Engineers (IUOE), Local 39, AFL-CIO
- Action* 3. Ratification of the Successor Collective Bargaining Agreement with Bargaining Unit 11, United Auto Workers, Local 4123 (UAW)
- Action* 4. Adoption of Initial Proposals for a Successor Collective Bargaining Agreement with Bargaining Unit 6 (Skilled Crafts), Teamsters Local 2010

12:35 p.m. Committee on Campus Planning, Buildings and Grounds
Consent

- Action* 1. Approval of Minutes
- Discussion**
- Action* 2. California State University, Chico - Butte Hall Replacement Project
- Action* 3. Update to the 2021-2022 through 2025-2026 Multi-Year Capital Plan

1:10 p.m. Committee on Educational Policy
Consent

- Action* 1. Approval of Minutes
- Discussion**
- Information* 2. Proposed Name Change for Humboldt State University
- Information* 3. Recommended Amendment to Title 5 Regarding the Intersegmental General Education Transfer Curriculum (IGETC)
- Information* 4. Graduation Initiative 2025

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TUESDAY, NOVEMBER 9, 2021 (cont.)

2:55 p.m. Committee on Finance

Consent

- Action* 1. Approval of Minutes
- Action* 2. 2022-2023 Lottery Budget and Report
- Information* 3. Reporting of Auxiliary Liquidity Loans Approved by the Chancellor under Delegated Authority

Discussion

- Action* 4. Approval of the 2022-2023 Operating Budget Request
- Information* 5. California State University Annual Investment Report

4:00 p.m. Committee on Institutional Advancement

Consent

- Action* 1. Approval of Minutes

Discussion

- Action* 2. Naming of the Wendy Gillespie Center for Advancing Global Business – San Diego State University
- Action* 3. Naming of Alistair McCrone Hall – Humboldt State University
- Action* 4. Naming of California State University Facilities and Properties Policy Revision
- Action* 5. Naming of California State University Academic and Athletic Programs Policy Revision

WEDNESDAY, NOVEMBER 10, 2021

9:00 a.m. Committee on University and Faculty Personnel

Consent

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

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WEDNESDAY, NOVEMBER 10, 2021 (cont.)

**9:15 a.m. Committee on Audit
Consent**

Action 1. Approval of Minutes

Discussion

Information 2. Status Report on Audit and Advisory Services Activities

9:45 a.m. Board of Trustees

Call to Order

Roll Call

Chair's Report

Chancellor's Report

Academic Senate CSU Report: *Chair—Robert Keith Collins*

California State Student Association Report: *President—Isaac Alferos*

California State University Alumni Council Report: *President—Jeremy Addis-Mills*

Consent

Action 1. Approval of the Minutes of the Board of Trustees Meeting of September 15, 2021

Action 2. Approval of Committee Resolutions as follows:

Committee on Campus Planning, Buildings and Grounds

2. California State University, Chico – Butte Hall Replacement Project
3. Update to the 2021-2022 through 2025-2026 Multi-Year Capital Plan

Committee on Finance

2. 2022-2023 Lottery Budget and Report
4. Approval of the 2022-2023 Operating Budget Request

Committee on Institutional Advancement

2. Naming of the Wendy Gillespie Center for Advancing Global Business – San Diego State University
3. Naming of Alistair McCrone Hall – Humboldt State University
4. Naming of California State University Facilities and Properties Policy Revision

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5. Naming of California State University Academic and Athletic Programs Policy Revision

Committee on University and Faculty Personnel

2. Annual Report on Outside Employment for Senior Management Employees

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REVISED

Addressing the Board of Trustees

Members of the public have the opportunity to observe the meeting in-person or online and to offer public comment as follows:

- The meeting is broadcast via the [livestream](#) through the Board of Trustees website.
- **For in-person attendance:** Currently, the City of Long Beach requires all persons to wear a mask that fully covers their nose and mouth while indoors, regardless of vaccination status. To be admitted to the Dumke Auditorium, members of the public will be required to show proof they are fully vaccinated, or a negative COVID-19 test result from the past 48 hours. In addition, the Dumke Auditorium will have limited seating to ensure proper physical distancing. Visitors who do not comply with the safety measures, or if the Dumke Auditorium has reached 50% capacity, will be asked to watch the meeting via the livestream on the Board of Trustees website through their phone or computer.
- All public comment (for all committee and plenary sessions) will take place on **Tuesday, November 9**, at the start of the Board of Trustees' open session (**scheduled to begin at approximately 10:00 a.m.**)
- **Written comments** may be emailed in advance of the meeting by **12:00 p.m. on Monday, November 8**, to trusteesecretariat@calstate.edu. To the extent possible, all written comments will be distributed to members of the board, or its appropriate committee, prior to the beginning of the board or committee meeting.
- Members of the public who wish to offer public comment *during the meeting* may do so **in-person or virtually/telephonically** by providing a written request **by 12:00 p.m. on Monday, November 8** to trusteesecretariat@calstate.edu. The request should also identify the agenda item the speaker wishes to address or the subject of the intended presentation if it is unrelated to an agenda item. Efforts will be made to accommodate each individual who has requested to speak.

The purpose of public comment is to provide information to the board and not evoke an exchange with board members. Questions that board members may have resulting from public comment will be referred to appropriate staff for response.

In fairness to all speakers, and to allow the committees and board members to hear from as many speakers as possible while at the same time conducting the public business of their meetings within the time available, **public comment will be limited to 1 minute per speaker** (or less depending on

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the number of speakers wishing to address the board.) Ceding, pooling, or yielding remaining time to other speakers is not permitted. Speakers are requested to make the best use of their public comment opportunity and follow the established rules.

Requests for reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act, shall be made as follows:

- By email: trusteesecretariat@calstate.edu, or
- By telephone: (562) 951-4020

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AGENDA

COMMITTEE ON COLLECTIVE BARGAINING

Meeting: 9:15 a.m., Tuesday, November 9, 2021
Munitz Conference Room—Closed Session
Government Code §3596(d)

12:30 p.m., Tuesday, November 9, 2021
Glenn S. Dumke Auditorium—Open Session

Debra S. Farar, Chair
Lateefah Simon, Vice Chair
Adam Day
Douglas Faigin
Jack McGrory
Christopher Steinhauser

Open Session—Glenn S. Dumke Auditorium

- Consent**
1. Approval of Minutes of the Meeting of May 18, 2021, *Action*
 2. Ratification of the Successor Collective Bargaining Agreement with Bargaining Unit 10, International Union of Operating Engineers, Stationary Engineers (IUOE), Local 39, AFL-CIO, *Action*
 3. Ratification of the Successor Collective Bargaining Agreement with Bargaining Unit 11, United Auto Workers, Local 4123 (UAW), *Action*
 4. Adoption of Initial Proposals for a Successor Collective Bargaining Agreement with Bargaining Unit 6 (Skilled Crafts), Teamsters Local 2010, *Action*

**MINUTES OF THE MEETING OF
COMMITTEE ON COLLECTIVE BARGAINING**

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

May 18, 2021

Members Present

Christopher Steinhauser, Chair
Douglas Faigin, Vice Chair
Debra S. Farar
Wenda Fong
Jack McGrory
Peter J. Taylor

Lillian Kimbell, Chair of the Board
Joseph I. Castro, Chancellor

Public Speakers

Due to the virtual format of the May 17-19, 2021 meeting, all public comment took place at the beginning of the meeting's open session prior to all committees. There were twenty-six (26) speakers who commented on items related to Collective Bargaining.

Chair Steinhauser called the Committee on Collective Bargaining to order.

Consent Agenda

Chair Steinhauser presented the consent agenda consisting of the minutes of the November 17, 2020 meeting; and noted agenda item 2, Adoption of Initial Proposals for a Successor Collective Bargaining Agreement with Bargaining Unit 11, United Auto Workers Local 4123. The consent agenda was approved as submitted.

Chair Steinhauser then adjourned the committee meeting.

***PLEASE NOTE: Due to the Governor's proclamation of a State of Emergency resulting from the threat of COVID-19, and pursuant to the Governor's Executive Orders N-25-20 and N-29-20 issued on March 12, 2020 and March 17, 2020, respectively, all members of the Board of Trustees may participate in meetings remotely, either by telephonic or video conference means. Out of consideration for the health, safety and well-being of the members of the public and the Chancellor's Office staff, the May 17-19, 2021 meeting of the CSU Board of Trustees was conducted entirely virtually via Zoom teleconference.**

COMMITTEE ON COLLECTIVE BARGAINING

Ratification of the Successor Collective Bargaining Agreement with Bargaining Unit 10, International Union of Operating Engineers, Stationary Engineers (IUOE), Local 39, AFL-CIO

Presentation By

Evelyn Nazario
Vice Chancellor
Human Resources

Summary

The successor collective bargaining agreement between the California State University and Bargaining Unit 10, International Union of Operating Engineers, Stationary Engineers (IUOE), Local 39, 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 successor collective bargaining agreement between the California State University and Bargaining Unit 10, International Union of Operating Engineers, Stationary Engineers (IUOE), Local 39, AFL-CIO, is hereby ratified.

COMMITTEE ON COLLECTIVE BARGAINING

Ratification of the Successor Collective Bargaining Agreement with Bargaining Unit 11, United Auto Workers, Local 4123 (UAW)

Presentation By

Evelyn Nazario
Vice Chancellor
Human Resources

Summary

The successor collective bargaining agreement between the California State University and Bargaining Unit 11, United Auto Workers, Local 4123 (UAW), 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 successor collective bargaining agreement between the California State University and Bargaining Unit 11, United Auto Workers, Local 4123 (UAW), is hereby ratified.

COMMITTEE ON COLLECTIVE BARGAINING

Adoption of Initial Proposals for a Successor Collective Bargaining Agreement with Bargaining Unit 6 (Skilled Crafts), Teamsters Local 2010

Presentation By

Evelyn Nazario
Vice Chancellor
Human Resources

Summary

The initial proposals for a successor collective bargaining agreement between the California State University and Bargaining Unit 6 (Skilled Crafts), Teamsters Local 2010, will be presented to the Board of Trustees for adoption. The proposals are attached to this item.

Recommended Action

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that the initial proposals for a successor collective bargaining agreement between the California State University and Bargaining Unit 6 (Skilled Crafts), Teamsters Local 2010, is hereby adopted.

**The California State University's
Initial Collective Bargaining**

Proposals

Between

The Board of Trustees

Of

The California State University

And

Teamsters Local 2010

(Bargaining Unit 6)

November 2021

Bargaining Unit 6
2022 Successor Agreement Negotiations
California State University Bargaining Proposals

Article 1 – Recognition

- Review classifications and propose amendments as appropriate.

Article 4 – Contracting Out

- Modify language to provide operational flexibility and efficiencies.

Article 6 – Non-Discrimination

- Review to align with current law and in conformity with Executive Orders.

Article 7 – Union Rights

- Review and amend existing language regarding union leave and release time.

Article 9 – Grievance Procedure

- Review process and propose amendments consistent with having grievances resolved in a timely manner.

Article 10 – Appointment

- Review and amend as appropriate provisions in relation to appointments.

Article 14 – Corrective Action

- Review and amend as appropriate provisions in relation to reprimands.

Article 18 – Leaves of Absence with Pay

- Review and amend provisions relating to leaves of absence with pay.

Article 19 – Leaves of Absence without Pay

- Review and amend provisions relating to leaves of absence without pay.

Article 20 – Assignment/Reassignment

- Modify temporary assignments and other associated language.

Article 22 – Hours of Work

- Modify language to increase operational efficiencies and flexibility in assignments.

Article 23 – Overtime

- Modify language to increase operational efficiencies.

Article 24 – Salary

- Propose a salary adjustment to all bargaining unit employees to be developed in bargaining.

Article 25 – Benefits

- Review Benefits article and propose amendments to be developed in bargaining as appropriate.

Article 26 – Apprenticeship Program

- Modify and revise to bring article in-line with current policies and regulations.

Article 28 – Health & Safety

- Review and amend as appropriate provisions in relation to health and safety.

Article 32 – Duration and Implementation

- Modify and revise the term of the contract and other associated language.

Appendices and Side Letters

- The CSU will review all Appendices and Side Letters, and make proposals to amend, retain, or delete as appropriate.

Attachment A
CB – Agenda Item 4
November 9-10, 2021
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The University reserves the right to add to, modify, or delete proposals for any/all Articles during the course of negotiations, in accordance with applicable laws.



TEAMSTERS LOCAL 2010

An Affiliate of the International Brotherhood of Teamsters

Jason Rabinowitz

Secretary Treasurer and Principal Officer

October 22, 2021

Steve James
Joseph Jelincic
CSU Office of the Chancellor
401 Golden Shore
Long Beach, CA

Dear Mr. James,
Dear Mr. Jelincic,

Below you will find Teamsters Local 2010's initial proposals for successor contract bargaining for Bargaining Unit 6. These proposals are made in accordance with California Government Code §3595 and Article 32 of the current Collective Bargaining Agreement (CBA) between the parties. These proposals shall commence negotiations for a successor agreement to the current CBA expiring June 30, 2022. Teamsters Local 2010 reserves the right to make additions to, modify, or delete these proposals and to introduce new proposals during negotiations.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Rabinowitz", written in a cursive style.

Jason Rabinowitz
Secretary-Treasurer/Principal Officer
Teamsters Local 2010

Teamsters Local 2010's Initial Proposals for Unit 6 Successor Contract Negotiations
October 22, 2021

Article 1 - Recognition

- Teamsters Local 2010 will propose updates to the list of recognized bargaining unit classes.
- Teamsters Local 2010 will propose a change to the process for reviewing recognized bargaining unit classes.

Article 2 - Definitions

- Teamsters Local 2010 will propose additional definitions of terms where relevant to the CBA.

Article 4 - Contracting Out

- Teamsters Local 2010 will propose language changes to ensure fairer processes around contracting out and other privatization of CSU facilities that undermine the bargaining unit and its work as recognized under the CBA.

Article 6 - Non-Discrimination

- Teamsters Local 2010 will propose amendments to ensure a fair process to address instances of workplace discrimination.
- Teamsters Local 2010 will propose new language to ensure fair and respectful treatment in the workplace.

Article 7 - Union Rights

- Teamsters Local 2010 will propose language to ensure that Unit 6 members' rights to engage in union activity is adequately protected.

Article 8 - Concerted Activities

- Teamsters Local 2010 will propose changes to clarify the language around concerted activities.

Article 9 – Grievance Procedure

- Teamsters Local 2010 will propose changes and improvements to the grievance procedure to provide for fair and efficient resolution of disputes.

Article 10 - Appointment

- Teamsters Local 2010 will propose modifications to address the use of temporary employees.
- Teamsters Local 2010 will propose modifications to the interview and hiring process.

Article 11 - Probationary Period

- Teamsters Local 2010 will propose language to ensure that employees serve reasonable probationary periods.

Article 12 - Evaluation

- Teamsters Local 2010 will propose changes to existing language to ensure a fair evaluation process.

Article 13 - Personnel File

- Teamsters Local 2010 will propose changes to bring Article in line with proposed changes in Article 14.

Article 14 - Corrective Action

- Teamsters Local 2010 will propose amendments to provisions on letters of reprimand and retention of these records.
- Teamsters Local 2010 will propose clarifying existing language on discipline.

Article 15 - Employee Rights

- Teamsters Local 2010 will propose making current language clear with regards to our members' access to Union representation and protections under existing law.

Article 16 - Vacation

- Teamsters Local 2010 will propose amendments to better reflect our members' years of service.
- Teamsters Local 2010 will propose new language around emergency vacation.

Article 18 - Leaves of Absence With Pay

- Teamsters Local 2010 will propose allowing our members to use their accrued time as needed.
- Teamsters Local 2010 will propose establishing a clear definition for reporting under this Article.

Article 20 - Assignment-Reassignment

- Teamsters Local 2010 will propose changes to assignments/reassignments and to protect Bargaining Unit 6 work.

Article 22- Hours of Work

- Teamsters Local 2010 will propose modifying the shift schedules.
- Teamsters Local 2010 will propose a fair and reasonable process for the assignment of alternate work schedules.
- Teamsters Local 2010 will propose changes in the use of voluntary training time.

Article 23 - Overtime

- Teamsters Local 2010 will propose changes to overtime premium pay and expenses for Unit 6 employees.

Article 24 - Salary

- Teamsters Local 2010 will propose fair compensation for the essential work our members do to ensure health, safety, and continued operations at the CSU.

Article 25 - Benefits

- Teamsters Local 2010 will propose language to enhance access to and quality of member benefits.

Article 26 - Apprenticeship Programs

- Teamsters Local 2010 will propose new language to provide a path for apprentices to earn career positions at the CSU upon completion of their program.

Article 28 - Health & Safety

- Teamsters Local 2010 will propose expanding the ability of Unit 6 employees to attend health and safety trainings.
- Teamsters Local 2010 will propose new language on personal protective equipment.

Article 32 - Duration and Implementation

- Teamsters Local 2010's proposal will be forthcoming.

Article 33 – Reasonable Accommodation

- Teamsters Local 2010 will propose a new article to ensure a fair process for our members to receive appropriate workplace accommodations for any disabilities.

Appendices and Side Letters

- Will review and update appendices/side letters where appropriate.

AGENDA

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Meeting: 12:35 p.m., Tuesday, November 9, 2021
Glenn S. Dumke Auditorium

Jane W. Carney, Chair
Wenda Fong, Vice Chair
Larry L. Adamson
Adam Day
Maria Linares
Julia I. Lopez
Anna Ortiz-Morfit
Romey Sabalius

- Consent** 1. Approval of Minutes of the Meeting of May 18, 2021, *Action*
- Discussion** 2. California State University, Chico - Butte Hall Replacement Project, *Action*
3. Update to the 2021-2022 through 2025-2026 Multi-Year Capital Plan, *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 Auditorium*
401 Golden Shore
Long Beach, California**

May 18, 2021

Members Present

Jane W. Carney, Chair
Lateefah Simon, Vice Chair
Larry L. Adamson
Jack Clarke Jr.
Anna Ortiz-Morfit
Krystal Raynes
Romey Sabalius
Peter J. Taylor

Lillian Kimbell, Chair of the Board
Joseph I. Castro, Chancellor

Trustee Jane W. Carney called the meeting to order.

Public Comment

Public comment occurred at the beginning of the meeting's open session prior to all committees. No public comments were made pertaining to committee agenda items.

Consent Agenda

The minutes of the March 23, 2021, meeting of the Committee on Campus Planning, Buildings and Grounds were approved as submitted.

***PLEASE NOTE: Due to the Governor's proclamation of a State of Emergency resulting from the threat of COVID-19, and pursuant to the Governor's Executive Orders N-25-20 and N-29-20 issued on March 12, 2020, and March 17, 2020, respectively, all members of the Board of Trustees may participate in meetings remotely, either by telephonic or video conference means. Out of consideration for the health, safety and well-being of the members of the public and the Chancellor's Office staff, the May 17-19, 2021, meeting of the CSU Board of Trustees was conducted entirely virtually via Zoom teleconference.**

CPB&G
Agenda Item 1
November 9-10, 2021
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California Environment Quality Act Report

This information item provided an overview of the California Environmental Quality Act (CEQA), the role and responsibilities of the Board of Trustees in considering CEQA actions, and the types of support available to campuses in this area.

Following the presentation, Trustee Carney commented that this is an area of great importance and requested a copy of the Quick Start Climate Action Planning Guide, she encouraged other trustees to request a copy if desired.

Trustee Carney adjourned the Committee on Campus Planning, Buildings and Grounds.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

California State University, Chico Butte Hall Replacement Project

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Gayle E. Hutchinson
President
California State University, Chico

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

Summary

This agenda item requests approval of schematic plans for the California State University, Chico Butte Hall Replacement project.

Project

Collaborative Design-Build Contractor: Turner Construction
Project Architect: AC Martin

Background and Scope

California State University, Chico proposes to design and construct Butte Hall Replacement (#102¹) located on the east edge of campus, northeast of Ayres Hall (#4), and south of Big Chico Creek, on the site of the existing Physical Science Building (#8). This project will allow for the College of Behavioral and Social Sciences to locate most of its programs in one building. This project will replace all functions located in the existing Butte Hall (#29) and faculty offices and student services space located in Meriam Library (#54), Trinity Hall (#19), Tehama Hall (#92), Aymer J. Hamilton Building (#2), and 25 Main Street (#201). The project includes space for anthropology and geography labs, active-learning classrooms, graduate research studios, faculty offices, and administrative and support areas. Originally approved as a renovation project, Butte Hall was found to have hazardous materials, which, when disturbed during demolition, would

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

drive up project costs unreasonably. Replacement of Butte Hall better supports the campus mission of health and safety for students, faculty, and staff.

The Physical Science Building, Physical Science Greenhouse (#65), and Headhouse (#66) will be demolished as part of a separate project. The space vacated in the existing Butte Hall will be used for temporary surge space for future major capital replacement building projects.

The new academic building creates a bookend for the campus' east-west connection that will provide space to facilitate great teaching, inspire thought, and support and reinforce Chico's student focused initiatives, as well as engage with the community. The site planning approach is informed by the campus Master Plan and environmental attributes specific to this site including the Big Chico Creek, Children's Park, existing utility lines, fire access and solar orientation. The building massing is informed by the scale of the existing buildings, the programmatic elements, access to daylight, and accommodation of solar panels. The two rectangular volumes arranged about a three-story interior garden that provides student gathering space. The primary exterior brick material is prevalent on campus. The warmth of wood is added with a natural fiber compound, fabricated from rice husks, that looks like wood and requires minimal maintenance.

The new 94,600 gross square foot (GSF) three-story facility will consist of a steel-moment framed structure with light-weight concrete-filled metal deck roofs and floors, supported on steel beams, and columns bearing on concrete spread footings. The site will be treated by a ground-enhancement system to improve soil conditions.

This building will utilize several strategies to reduce energy use and meet greenhouse gas emissions (GHG) reduction targets below baseline emissions to achieve the goal of a net zero building. A significant goal of the project is to design a building that has sufficient roof space for onsite solar panels to offset the energy needs of the building. The combination of solar, and other efficient systems will provide for an annual savings of \$143,526 and an elimination of GHG emissions. In addition, particular attention will be paid to an efficient exterior envelope, maximizing daylight, and water efficiency and biophilic design. The project will seek Leadership in Energy and Environmental Design (LEED) Silver certification, but with a zero net energy and carbon neutrality goal, the project may achieve higher certification.

Timing (Estimated)

Preliminary Plans Completed	December 2021
Working Drawings Completed	September 2022
Construction Start	October 2022
Occupancy	May 2024

Basic Statistics

Gross Building Area	94,600 square feet
Assignable Building Area	57,900 square feet
Efficiency	61 percent

Cost Estimate – California Construction Cost Index (CCCI) 7528²

Building Cost (\$715 per GSF)		\$67,655,000
<i>Systems Breakdown (\$ per GSF)</i>		
a. Substructure (Foundation)	\$ 26.29	
b. Shell (Structure and Enclosure)	\$ 187.35	
c. Interiors (Partitions and Finishes)	\$ 141.12	
d. Services (HVAC, Plumbing, Electrical, Fire)	\$ 185.38	
e. Built-in Equipment and Furnishings	\$ 11.47	
f. Special Construction & Demolition	\$ 27.27	
g. General Requirements	\$ 28.33	
h. General Conditions and Insurance	\$ 107.95	
 Site Development		 <u>2,337,000</u>
 Construction Cost		 \$69,992,000
Fees		8,062,000
Contingency		11,258,000
Services		<u>4,202,000</u>
 Total Project Cost (\$989 per GSF)		 \$93,514,000
Fixtures, Furniture & Movable Equipment		<u>5,149,000</u>
 Grand Total		 <u>\$98,663,000</u>

The project cost estimate includes a breakdown of several central project cost elements. The Building Cost is listed separately from the Site Development cost to allow for cost comparison of similar projects constructed at different campuses with varying site conditions. Site Development and Building Cost total to the Construction Cost.

Fees include costs generally referred to as soft costs and include costs such as design services, and preconstruction design services. The Contingency line includes both the campus project

² The July 2021 *Engineering News-Record* California Construction Cost Index (CCCI). The CCCI is the average Building Cost Index for Los Angeles and San Francisco.

contingency and the design-builder's contingency. Unused campus contingency is retained by the campus and unused design-builder's contingency may be retained by the campus, or divided between the contractor and the campus. The Contingency line also contains the projected cost escalation from the time of budget development to the midpoint of construction. Services consist of costs such as soils investigation, surveys, specialty consultants, inspections, plan review, commissioning, and campus specific costs.

Cost Comparison

The project's building cost of \$715 is higher than the \$571 per GSF for the Sierra Hall Annex at CSU Northridge approved in March 2021, the \$698 per GSF for the Continuing and Professional Education Classroom Building at CSU Long Beach approved in November 2016, the \$616 per GSF of the College of Extended Learning Expansion at CSU San Bernardino approved in January 2017, all adjusted to CCCCI 7528.

The higher cost is due primarily to the exterior skin and building services which are necessary to meet the durability, quality, and sustainability goals of the project. To achieve a 70-plus year building, the selected exterior skin materials consist of full anchored brick. Brick provides a longer life than other materials such as Exterior Insulation Finishing Systems or manufactured stone veneer, with useful life in the range of 30-50 years. The exterior also has aluminum plate panels, and storefront glazing systems, which are all higher quality and consistent with the campus architectural vocabulary.

The sustainability goals of the project are driving the mechanical systems to be highly efficient. While more expensive upfront, the direct outdoor air system selected for this project will reduce operating costs by 10-15% year over year compared to traditional mechanical systems. The solution also reduces the number of solar panels needed to support the zero net energy building. The electrical system includes a 400-kilowatt (kW) back-up generator and an intensive electrical distribution and high circuit density within the labs. This building will be all-electric and will not require natural gas or steam infrastructure, providing approximately \$300,000 in up-front savings in addition to long-term operations and maintenance savings. The building cost also includes the solar panels and structural elements to generate on-site power providing for an annual savings of \$144,000 based on current rates. The solar panels provide shading to the roof, therefore reducing the thermal load and subsequent cooling needs, while also protecting the roofing material.

The remote location of the Chico campus alone can add as much as 9-10% in cost premiums due to labor and materials availability. Current escalating cost of construction material and labor due to the global pandemic have also impacted the higher estimated building cost.

Funding Data

The project will be funded by the CSU Systemwide Revenue Bond Program (\$92.7 million) and campus designated capital reserves (\$6 million).

California Environmental Quality Act (CEQA) Action

This project was included in the Environmental Impact Report (EIR) prepared for the California State University, Chico Campus Master Plan Revision, which was certified by the Board of Trustees in November 2020. The University prepared a Finding of Consistency Report in October 2021 for this project which concluded that this project would have no new or greater significant environmental impacts beyond those already identified in the 2020 Final EIR.

Recommendation

The following resolution is presented for approval:

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

1. The California State University, Chico Butte Hall Replacement project will benefit the California State University.
2. The October 2021 Finding of Consistency prepared for the California State University, Chico Butte Hall Replacement project has been prepared in accordance with the requirements of the California Environmental Quality Act.
3. California State University, Chico Butte Hall Replacement project is consistent with the Campus Master Plan approved in November 2020.
4. Applicable mitigation measures shall be monitored and reported in accordance with the requirements of the California Environmental Quality Act (Public Resources Code, Section 21081.6).
5. The schematic plans for the California State University, Chico Butte Hall Replacement project are approved at a project cost of \$98,663,000 at CCCCI 7528.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Update to the 2021-2022 through 2025-2026 Multi-Year Capital Plan

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

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

Summary

In November 2020, the Board of Trustees approved the 2021-2022 through 2025-2026 Multi-Year Capital Plan. The intent in a multi-year approval was to identify priority projects that would be funded from CSU financing or from a proposed increase in state operating funds for facilities. In addition, the approach streamlined the capital planning process and helped to reduce staff workload in preparing the plan given the state's 2020-2021 budget reductions to the CSU of \$299 million. While the CSU recurring base budget in 2021-2022 did not increase to fund/ finance projects, capital projects will be funded from the Board of Trustees' previous authorization of capital financing and the significant one-time funds for capital projects in the 2021-2022 state budget.

Given the projects funded in 2021-2022, this item provides an updated priority list that could be funded from an increase in the CSU's base operating budget in 2022-2023. Finally, the item provides an overview and initial list of the affordable student housing projects proposed by campuses under the state's new \$2 billion multi-year Higher Education Student Housing Grant Program. Of the \$2 billion, the 2021-2022 state budget includes \$500 million to fund grants to the three higher education segments.

Background on the Capital Improvement Program

The primary objective of the capital program is to support the academic mission by providing 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 all students, faculty, and staff appropriately.

In March 2019, the Board of Trustees established the Categories and Criteria for Priority Setting for the capital program with the following categories:

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

Projects in the 2021-2022 through 2025-2026 Multi-Year Capital Plan focus on addressing critical infrastructure deficiencies, renovation or replacement of obsolete or deficient buildings, and propose a limited number of growth projects particularly in the areas of allied health and science, technology, engineering and math (STEM) programs. The plan also addresses water conservation, energy efficiency/carbon reduction, deferred maintenance, and seismic strengthening needs throughout the system.

In developing the Multi-Year Plan campuses rely not only on identified campus needs, but projects are developed based on the following planning tools and resources:

- Seismic Priority Lists
- Facility Condition Assessments – estimates campus renewal backlog and annual funding need
- Summary of Campus Capacity – compares projected full-time equivalent student (FTE) enrollment to seat capacity to quantify lecture, laboratory, and faculty office needs
- Laboratory Enrollment versus Laboratory Capacity – evaluates access to lab teaching space by discipline
- Utilization Report – provides classroom and laboratory use by room size
- The California State University Enrollment Demand, Capacity Assessment, and Cost Analysis for Campus Sites

Update on 2021-2022 through 2025-2026 Multi-Year Capital Plan

In November 2020, the Board of Trustees approved the 2021-2022 through 2025-2026 Multi-Year Capital Plan. The Multi-Year Capital Plan totals over \$23 billion and is comprised of academic and instructional support projects, infrastructure improvement projects and self-support (includes donor) funded projects. This approach to approval, different from previous years, was intended to streamline the project submittal and review process for campuses and the Chancellor's Office given the projected condition of the state budget and to free up staff time given COVID issues.

The electronic version of the Multi-Year Capital Plan can be found at the following link: http://calstate.edu/cpdc/Facilities_Planning/majorcapoutlayprogram.shtml. The plan contains campus specific sections with details on each project as well as a summary of current year projects.

- **CSU Financed Projects for 2021-2022**

After approval by the Board of Trustees in November 2020, the project list was submitted to the Department of Finance (DOF) for their approval in accordance with the Education Code. At the time this item was prepared, DOF had preliminarily approved the scope change for the Chico State Butte Hall Replacement project and for Infrastructure Improvement project funding. Attachment A reflects the proposed capital funding for 2021-2022 from the Board of Trustees’ multi-year funding pending DOF’s final approval. The list essentially exhausts the multi-year financing approved by the Board of Trustees in 2016 (\$1 billion) and 2018 (\$1.1 billion).

- **State Funded Projects in 2021-2022 Budget**

As previously reported, the 2021-2022 State Budget included an amount of one-time funding to support specific projects at several campuses (Senate Bill 170). While most of the projects were included in the multi-year plan the Board of Trustees approved in November 2020, a few were not, and the status is noted below. In such cases where the proposed project budget exceeds \$40 million (the threshold for delegated approval to the Chancellor), an item for the Board of Trustees’ approval to amend the capital outlay program will come forward at a later date pending the campus’s determination of a final budget, scope, and additional fund sources, as applicable.

The projects included in this one-time funding address the transition of Humboldt State to a polytechnic institution, and provide funding to support infrastructure renewal, improved student access, and increased student support services. The funding at each campus is outlined in the chart below:

Campus	Project/Purpose	Status	Amount
Dominguez Hills	Capital Outlay & Infrastructure Improvements/ Address Capital and Infrastructure Needs	Includes Electrical, Dining, and Recreation Center. Larger electrical project approved by the board in multi-year plan. Campus pursuing addition funds for dining and recreation center and will likely return to the board for approval of scope and budget.	\$60 million

Fullerton	Arboretum	Expect an amount for deferred maintenance. Any use for capital improvements will proceed under delegated authority.	\$1 million
Fullerton	Titan Gateway Pedestrian Bridge/ Improve Campus safety	Project cost of \$14 million. Campus identifying co-funding and master plan impacts. Project proposed to proceed under delegated authority contingent upon compliance with CEQA.	\$1 million
Humboldt	Polytechnic Conversion/ Expand Student Access to STEM	Multiple projects pending. Initiating studies, master plan and environmental impacts, design concepts. Will return to the board with comprehensive plan.	\$433 million
Northridge	Center for Equity in Innovation and Technology/ Increase equity in science, technology, and math	Total project cost of \$50 million approved in multi-year plan. Project planning underway.	\$25 million
Stanislaus	Acacia Replacement Building/ Improve Stockton Campus Facilities	Total project cost of \$75.8 million previously approved in 2020-2021. Site location being confirmed and master plan impacts. Project planning underway.	\$54 million
		Total	\$574 million

Campuses have begun planning for the implementation of these projects and we will update the Board with additional information as we continue to move through the planning process.

- **CSU Request for 2022-2023 Facilities and Infrastructure Funding**

The CSU Support Budget request to the state includes \$135 million in recurring base budget funds for Facilities and Infrastructure. Attachment B includes the list of projects that is proposed to be funded/financed should the state increase the CSU's base budget. The project justifications will be submitted to DOF this December for approval. The list has recommended changes to priority order from the 2021-2022 priority list to reflect funding received in the state budget and projected enrollment.

The \$135 million base increase included in our 2022-2023 budget request would provide an estimated \$2.025 billion for the CSU capital program. This is a preferred approach to funding as compared to pursuing voter approved General Obligation bond funding. Additionally, the 2022-2023 state budget one-time request of \$1 billion to address Deferred Maintenance is an additional strategy to renew our aging facilities, improve CSU learning and working environments and reduce the identified deferred renewal need of over \$4.2 billion.

Higher Education Student Housing Grant Program (HESHGP)

Senate Bill 169 (SB 169) established the Higher Education Student Housing Grant Program to provide one-time grants for the construction low-cost student housing, or for the acquisition and renovation of commercial properties into low-cost student housing. The legislation defines a student housing project as one or more housing facilities to be occupied by students of one or more campuses. These facilities may also include support facilities such as dining, academic and student support service spaces, basic needs centers, student healthcare services, and other related facilities.

The language in the bill establishes a plan to fund a total of \$2 billion in projects which will be divided across three funding years with \$500 million available in the 2021-2022 fiscal year and \$750 million in the next two fiscal years (2022-2023 and 2023-2024). Funding will be allocated through a grant application process, with applications submitted to and reviewed by the DOF. Funds will be available projects in the California Community Colleges (CCC), University of California (UC), and CSU. The proposed funding allocation between the segments is 50 percent for CCC, 20 percent for UC, and 30 percent for CSU. Therefore, in the 2021-2022 fiscal year, the CSU portion of the grant could be \$150 million, and over the three-year plan, CSU could be granted \$600 million, although the language provides flexibility in the amounts per segment. Projects funded through this program must meet criteria included in the statute and demonstrate:

- How the grant will result in providing low-cost student housing and reduced rents, reducing the total cost of attendance, and serving more low-income students. Campuses may offer

low-income student beds throughout the campus's available housing and calculate the number of students qualifying for a reduced rental rate.

- That the rent provided in the applicable units shall be calculated at 30 percent of 50 percent of the Area Median Income (AMI) for a single-room occupancy unit type (units are not required to be single occupancy).
- Construction could begin December 31, 2022, or the earliest date thereafter.
- That the project does not use a public-private partnership.
- Segments will:
 - Maintain affordability for the life of the facility.
 - Commit to first offer grant funded housing to low-income students.
 - Commit to require students take a minimum average of 12 degree-applicable units per semester term, or the quarterly equivalent (exceptions permitted).
 - Permit students to live in the facilities for a full year (12 months) so long as the student is enrolled.

The grant program has established timelines for project submittals and approvals. Projects were required to be submitted to DOF by October 31, 2021, with approval by DOF of individual projects scheduled for March 1, 2022. For the last several weeks staff have been working closely with campuses to develop projects that align with the goals and criteria of SB 169. Campuses have provided financial plans and project descriptions to demonstrate compliance with the program criteria.

Attachment C is the recommended priority list of projects submitted to DOF for consideration along with state and CSU criteria under consideration. As campus projects are still in development given the proposed multi-year funding and the short time afforded campuses to develop projects, it is anticipated additional projects will be added to the list and the recommended priorities may change to position the CSU to best meet the intent of the grant funding and increase the number of beds to students.

Over the next several months we expect to continue to work closely with campuses, the DOF, and to refine project scopes and address questions that DOF may raise about the projects. Although the initial project submittal occurred before the November Board of Trustees meeting, we are providing the priority list for board input on project prioritization and for consideration. In addition, CSU will continue to advocate for greater grant program flexibility in our conversations with DOF and informational hearings with the Legislature. The proposed resolution reflects delegated authority to the Chancellor to reflect the potential for changes to campus projects, additional campus projects, and changes to the State's grant program parameters and criteria.

Recommendation

The following resolution is presented for approval:

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

1. The 2022-2023 Capital Program Priority List is approved.
2. The 2021-2022 Affordable Student Housing priority projects submitted for funding from the State's Higher Education Student Housing Grant Program are approved.
 - a. The Chancellor is authorized to submit additional projects to the State, including potential intersegmental projects, as the projects are developed by the campuses and in order to secure capital funding consistent with the requirements of the Grant Program.
3. The chancellor is authorized to proceed with design and construction to fast-track projects in the 2021-2022 through 2025-2026 Multi-Year Capital Plan subject to available funds.
4. The chancellor is requested to explore all reasonable funding methods available and communicate to the Board of Trustees, the governor, and the legislature the need to provide funds to develop the facilities necessary to serve the academic program and all eligible students.
5. The chancellor is authorized to adjust the scope, phase, project cost, total budget, priority sequence, and funding source for the capital program and report budget adjustments in the subsequent Multi-Year Capital Plan.
6. The chancellor is authorized to adjust the projects to be financed as necessary to maximize use of the limited financing resources and in consideration of the CSU's priorities for funding capital outlay projects.

2021-2022 Capital Outlay Projects

Cost Estimates are at Engineering News Record California Construction Cost Index 7528 and Equipment Price Index 4281

Systemwide Revenue Bonds (SRB) - Academic Program						
Campus	Project Title	Phase	Campus Reserves	SRB Funding	Total Project Budget	Cumulative Total Project Budget
Chico	Butte Hall Replacement	PWCE	\$ 9,651,000	\$ 89,012,000	\$ 98,663,000	\$ 98,663,000
San Luis Obispo	Kennedy Library Renovation	WC	\$ 4,120,000	\$ 37,082,000	\$ 41,202,000	\$ 139,865,000
SRB- Academic Program			\$ 13,771,000	\$ 126,094,000	\$ 139,865,000	\$ 139,865,000
Systemwide Revenue Bonds - Infrastructure Improvements Program						
Campus	Project Title	Phase	Campus Reserves/Other	SRB Funding	Total Project Budget	Cumulative Total Project Budget
Chico	University Services Building	PWCE	3,370,000	8,100,000	11,470,000	11,470,000
Fullerton	McCarthy Hall Fire Life Safety Upgrade	PWC	15,844,000	10,510,000	26,354,000	37,824,000
Maritime Academy	Boat Basin & Pier Extension for NSMV	P	0	1,100,000	1,100,000	38,924,000
Pomona	CLA Demolition (Seismic)	PWC	0	14,100,000	14,100,000	53,024,000
San Marcos	Arts Building & Science 1 Elevator Addition (ADA)	PWC	0	6,557,000	6,557,000	59,581,000
Sonoma	Salazar Renewal (Secondary Effect)	PWC	0	3,341,000	3,341,000	62,922,000
Stanislaus	Stockton- Magnolia Renewal	PWC	0	5,600,000	5,600,000	68,522,000
SRB-Infrastructure Improvements Program			\$ 19,214,000	\$ 49,308,000	\$ 68,522,000	\$ 68,522,000
Subtotal SRB-Academic and Infrastructure Improvements			\$ 32,985,000	\$ 175,402,000	\$ 208,387,000	\$ 208,387,000
State One-Time Funding						
Campus	Project Title	Phase	Other Funding	State Funding	Total Project Budget	Cumulative State Funding
Dominguez Hills	Capital Outlay & Infrastructure Improvements	PWCE	TBD	60,000,000	TBD	60,000,000
Fullerton	Arboretum Improvements	PWCE	0	1,000,000	1,000,000	61,000,000
Fullerton	Titan Gateway Pedestrian Bridge	P	TBD	1,000,000	TBD	62,000,000
Humboldt	Polytechnic Conversion	APWCE	TBD	433,000,000	TBD	495,000,000
Northridge	Center for Equity in Innovation & Technology	PWCE	TBD	25,000,000	TBD	520,000,000
Stanislaus	Acacia Replacement Building	PWCE	0	54,000,000	54,000,000	574,000,000
Subtotal One-Time State Funding			TBD	\$ 574,000,000	\$ 55,000,000	\$ 574,000,000
Total Capital Program						\$ 782,387,000

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

2022-2023 Capital Outlay Program

Cost Estimates are at Engineering News Record California Construction Cost Index 8287 and Equipment Price Index 4281

ACADEMIC PROJECTS LIST

(Dollars in 000s)

Priority Order	Category	Campus	Project Title	FTE	Phase	Campus Reserves/ Other	SRB-AP ¹	Total Budget	Cumulative Total Budget	Cumulative SRB-AP Budget
1	IA/IB	Statewide	Infrastructure Improvements ²	N/A	PWC	27,581	954,780	982,361	982,361	954,780
2	IA	<i>Chico</i>	<i>Utilities Infrastructure³</i>	N/A	PWC	6,742	91,245	97,987	1,080,348	1,046,025
3	IA	<i>East Bay</i>	<i>Library Seismic (West Wing Relocations)</i>	N/A	PWCE	2,860	25,749	28,609	1,108,957	1,071,774
4	II	San Marcos	Integrated Sciences & Engineering Building	1,024	PWCE	2,258	55,916	58,174	1,167,131	1,127,690
5	IB	Long Beach	Peterson Hall 1 Replacement Bldg. (Seismic) ⁴	-2,131	WCE	10,000	142,669	152,669	1,319,800	1,270,359
6	IB	Dominguez Hills	Natural Sciences & Math Bldg Reno. (Seismic)	198	WCE	0	82,142	82,142	1,401,942	1,352,501
7	IB	Fullerton	Science Laboratory Replacement (Seismic)	1,719	PWCE	7,864	93,474	101,338	1,503,280	1,445,975
8	IB	Sacramento	Engineering Replacement Building	80	PWCE	14,589	85,138	99,727	1,603,007	1,531,113
9	II	Stanislaus	Classroom II	1,917	PWCE	3,688	93,473	97,161	1,700,168	1,624,586
10	IB	Sonoma	Ives Hall Renovation	0	PWC	0	47,225	47,225	1,747,394	1,671,812
11	II	Bakersfield	Energy & Engineering Innovation Building	336	PWCE	4,660	78,515	83,175	1,830,569	1,750,327
12	IB	San Diego	Life Science North Replacement	N/A	PWCE	0	162,063	162,063	1,992,632	1,912,390
13	IB/II	Pomona	Library Renovation & Addition, Phase II	234	PWCE	0	73,517	73,517	2,066,149	1,985,907
14	IB	Northridge	Sierra Hall Renovation	0	PWCE	3,461	134,978	138,439	2,204,588	2,120,885
15	IB/II	San Francisco	Multidisciplinary Academic Building 1	2,485	PWCE	17,658	158,920	176,578	2,381,166	2,279,805
16	II	Monterey Bay	Academic/Science Building IV	322	PWCE	12,000	92,000	104,000	2,485,166	2,371,805
17	II	Fresno	Concert Hall	0	PWCE	18,107	41,893	60,000	2,545,166	2,413,698
18	II	San Bernardino	Interdisciplinary Science Laboratory	103	PWCE	10,000	140,000	150,000	2,695,166	2,553,698
19	II	Los Angeles	Classroom Replacement	5,907	PWCE	0	106,903	106,903	2,802,069	2,660,601
20	II	Maritime Academy	Academic Building A/Learning Commons, Part 1	36	PWCE	1,823	91,893	93,716	2,895,785	2,752,494
21	II	San Bernardino	Palm Desert Student Services Building	445	PWCE	5,200	73,800	79,000	2,974,785	2,826,294
22	II	Northridge	Equity Innovation Hub	0	PWCE	30,000	19,998	49,998	3,024,783	2,846,292
23	II	Dominguez Hills	Child Care & Child Development Center	N/A	PWCE	0	37,236	37,236	3,062,020	2,883,529
Total Academic Projects				12,675		\$ 178,491	\$ 2,883,529	\$ 3,062,020	\$ 3,062,020	\$ 2,883,529

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

Categories:

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

Notes:

¹ SRB-AP: Systemwide Revenue Bonds - Academic Program

² The Infrastructure Improvements Program addresses smaller scale utility, building systems renewal, ADA, seismic strengthening, and minor upgrades. Projects are listed separately on the following page. [The list does not include State Deferred Maintenance or Cap & Trade funding requests.]

³ Projects in *red italics* have previously received approval by the Board of Trustees and Department of Finance, and are included only relative to the project funding total.

⁴ Projects in *italics* have been approved by the Board of Trustees and are included only relative to the project funding total.

2022-2023 Infrastructure Improvements Program Project List

Cost Estimates are at Engineering News Record California Construction Cost Index 8287 and Equipment Price Index 4281

ACADEMIC PROJECTS¹

Campus	Project Title	Phase	Campus Reserves/ Other Budget	SRB-AP Budget	Total Project Budget	Cumulative Total Project Budget
Bakersfield	Housing West (6 Buildings) Acquisition	A	0	3,302,000	3,302,000	3,302,000
Bakersfield	Housing West Remodel, Ph. 1	PWCE	0	6,156,000	6,156,000	9,458,000
Bakersfield	Dining Commons Remodel	PWCE	0	2,789,000	2,789,000	12,247,000
Bakersfield	Housing West Remodel, Ph. 2	PWCE	0	6,624,000	6,624,000	18,871,000
Bakersfield	Student Access Enhancement & Cable Modernization	PWC	0	3,720,000	3,720,000	22,591,000
Bakersfield	ADA Survey - Campuswide	PW	0	550,000	550,000	23,141,000
Channel Islands	Napa Hall Renovation - Nursing Lab	PWC	500,000	4,508,000	5,008,000	28,149,000
Channel Islands	Mechatronics Expansion	PWC	324,000	2,914,000	3,238,000	31,387,000
Channel Islands	ADA Access Improvements	PWC	0	605,000	605,000	31,992,000
Channel Islands	Telecom Modernization	PWC	0	1,561,000	1,561,000	33,553,000
Channel Islands	Ironwood Hall Shops Emergency Exit Door Installations	PWC	0	121,000	121,000	33,674,000
Channel Islands	Campuswide Fire/Life Safety	PWC	0	3,302,000	3,302,000	36,976,000
Chico	Main Switchgear, Battery & Electrical System	PWC	0	13,810,000	13,810,000	50,786,000
Chico	Langdon Hall Building Renewal	PWC	500,000	5,000,000	5,500,000	56,286,000
Chico	Meriam Library HVAC Upgrades	PWC	0	1,625,000	1,625,000	57,911,000
Chico	Meriam Library IT Infrastructure Upgrades	PWC	0	8,157,000	8,157,000	66,068,000
Chico	Wireless, Smart Classroom, & Security Upgrades	PWC	0	15,292,000	15,292,000	81,360,000
Chico	IT Upgrades, Various Buildings	PWC	0	15,949,000	15,949,000	97,309,000
Dominguez Hills	Electrical Substation - Infrastructure	PWC	0	21,831,000	21,831,000	119,140,000
Dominguez Hills	Cain Library Seismic Completion	PWC	0	5,000,000	5,000,000	124,140,000
Dominguez Hills	La Corte Hall Fire Life Safety	PWC	0	3,612,000	3,612,000	127,752,000
Dominguez Hills	Path of Travel Upgrade	PWC	0	2,750,000	2,750,000	130,502,000
Dominguez Hills	Virtual Classrooms Systems	PWC	0	6,055,000	6,055,000	136,557,000
Dominguez Hills	University Theater Performance Technology	PWC	0	6,961,000	6,961,000	143,518,000
Dominguez Hills	Security & Surveillance Systems	PWC	0	4,582,000	4,582,000	148,100,000
Dominguez Hills	Pool Deck & Boiler Upgrade	PWC	0	1,000,000	1,000,000	149,100,000
East Bay	Resilient Microgrid (Main & Contra Costa Campus)	PWC	0	3,800,000	3,800,000	152,900,000
East Bay	Outdoor Field Replacement	PWC	500,000	4,500,000	5,000,000	157,900,000
East Bay	PE Pool Replacement	PWC	1,088,000	9,792,000	10,880,000	168,780,000
East Bay	Accessibility Upgrades	PWC	426,000	3,837,000	4,263,000	173,043,000
East Bay	Wireless Access Point Expansion	PWC	0	7,002,000	7,002,000	180,045,000
East Bay	MPOE UPS & Cooling	PWC	0	1,327,000	1,327,000	181,372,000
East Bay	MPOE Fire Suppression	PWC	0	352,000	352,000	181,724,000
Fresno	Life/Fire Safety Upgrades	PWC	0	28,346,000	28,346,000	210,070,000
Fresno	Health & Safety Upgrades	PWC	0	1,101,000	1,101,000	211,171,000
Fresno	ADA Upgrades	PWC	0	1,651,000	1,651,000	212,822,000
Fresno	Telecommunications Interbuilding Improvements	PWC	0	1,837,000	1,837,000	214,659,000
Fresno	Telecommunications Safety	PWC	0	1,321,000	1,321,000	215,980,000
Fullerton	McCarthy Hall Renewal - First Floor	PWC	0	15,750,000	15,750,000	231,730,000
Fullerton	Roof Fall Protection	PWC	0	525,000	525,000	232,255,000
Fullerton	HVAC Filter Rack Modifications for MERV 13	PWC	0	525,000	525,000	232,780,000
Fullerton	Exterior Walkway Safety Lighting Improvements	PWC	0	1,575,000	1,575,000	234,355,000
Fullerton	Life Safety & ADA Upgrades	PWC	0	2,577,000	2,577,000	236,932,000
Fullerton	Campuswide Landscape Hardscape & Irrigation Repairs	PWC	0	1,257,000	1,257,000	238,189,000
Humboldt	Gist Hall Renewal	PWCE	710,000	7,101,000	7,811,000	246,000,000
Humboldt	Samoa Facility Renovation	PWC	1,180,000	10,625,000	11,805,000	257,805,000

2022-2023 Infrastructure Improvements Program Project List

Cost Estimates are at Engineering News Record California Construction Cost Index 8287 and Equipment Price Index 4281

ACADEMIC PROJECTS¹ continued

Campus	Project Title	Phase	Campus Reserves/ Other Budget	SRB-AP Budget	Total Project Budget	Cumulative Total Project Budget
Long Beach	MSX Central Plant Energy Efficiency Upgrades	PWC	0	10,000,000	10,000,000	267,805,000
Long Beach	PH1 Replacement Building Site Demo	PWC	0	13,424,000	13,424,000	281,229,000
Long Beach	LIB Recessed Plaza Infill ADA Upgrades	PWC	0	2,000,000	2,000,000	283,229,000
Long Beach	MIC Exhaust Replacement & Student Success Center	PWC	0	13,200,000	13,200,000	296,429,000
Long Beach	Convert Baseball Field to Multi-Use Field	PWC	0	4,475,000	4,475,000	300,904,000
Long Beach	PYR Roof & Tower Light Safety Upgrades	PWC	0	50,000,000	50,000,000	350,904,000
Los Angeles	Administration Building Demolition (Seismic)	PWC	0	13,409,000	13,409,000	364,313,000
Los Angeles	Campuswide Fire/Life Safety Upgrades	PWC	0	7,226,000	7,226,000	371,539,000
Los Angeles	ADA Accessibility Improvements	PWC	0	330,000	330,000	371,869,000
Los Angeles	Telecom-Data Center Relocation from Admin. Bldg.	PWC	0	3,302,000	3,302,000	375,171,000
Los Angeles	Ceiling & Lighting Upgrades	PWC	0	5,363,000	5,363,000	380,534,000
Maritime Academy	Boat Basin & Pier Extension for NSMV	WC	1,014,000	18,705,000	18,619,000	399,153,000
Maritime Academy	Lower Campus ADA Improvements	PWC	18,000	348,000	366,000	399,519,000
Maritime Academy	Upper Campus ADA Improvements	PWC	18,000	348,000	366,000	399,885,000
Monterey Bay	Infrastructure Improvements	PWC	0	13,975,000	13,975,000	413,860,000
Monterey Bay	Seismic Projects	PWC	0	1,900,000	1,900,000	415,760,000
Monterey Bay	Energy Efficiency Projects	PWC	0	2,487,000	2,487,000	418,247,000
Monterey Bay	ADA Projects	PWC	0	550,000	550,000	418,797,000
Monterey Bay	Broadband/IT Projects	PWC	0	5,794,000	5,794,000	424,591,000
Northridge	Eucalyptus Hall 2nd & 3rd Floor Restroom ADA Renovation	PWC	0	2,000,000	2,000,000	426,591,000
Northridge	Bayramian Hall Window Replacement	PWC	0	2,500,000	2,500,000	429,091,000
Northridge	Plummer Street ADA Improvements	PWC	0	1,950,000	1,950,000	431,041,000
Northridge	Campuswide Cobra Head Parking Lot Lights Replacement	PWC	0	500,000	500,000	431,541,000
Northridge	University Library Restroom & ADA Renovation	PWC	0	2,000,000	2,000,000	433,541,000
Northridge	Solar Phase II, III, & IV	PWC	0	26,400,000	26,400,000	459,941,000
Northridge	Replace Windows - Live Oak Building	PWC	0	800,000	800,000	460,741,000
Northridge	Repair Windows - Valera Hall	PWC	0	350,000	350,000	461,091,000
Northridge	Microgrid VISTA Switch Replacement	PWC	0	1,626,000	1,626,000	462,717,000
Northridge	Emergency Resilience	PWC	0	8,428,000	8,428,000	471,145,000
Northridge	Baseball Lights & North Field Substation	PWC	0	3,000,000	3,000,000	474,145,000
Northridge	Live Oak Elevator Installation	PWC	0	2,000,000	2,000,000	476,145,000
Northridge	Redwood Elevator Addition - North Side Upper Gym	PWC	0	1,700,000	1,700,000	477,845,000
Northridge	Manzanita Hall Room 150 Fan Coil Unit	PWC	0	200,000	200,000	478,045,000
Pomona	Smart Classroom Renewal	PWC	595,000	9,011,000	9,606,000	487,651,000
Pomona	Campus Roads Renewal, Ph. 2	PWC	403,000	5,890,000	6,293,000	493,944,000
Sacramento	Art Sculpture Lab Replacement (Code/ADA)	PWCE	0	13,982,000	13,982,000	507,926,000
Sacramento	ADA Upgrades	PWC	207,000	1,859,000	2,066,000	509,992,000
Sacramento	Sequoia Hall Improvements	PWCE	933,000	8,398,000	9,331,000	519,323,000
Sacramento	Fire/Life Safety Upgrades	PWC	223,000	2,011,000	2,234,000	521,557,000
Sacramento	Building Switchgears, Ph. 3	PWC	112,000	1,004,000	1,116,000	522,673,000
Sacramento	Storm Drain Improvements, Ph. 3	PWC	95,000	851,000	946,000	523,619,000
Sacramento	Domestic Water Upgrades, Ph. 1	PWC	261,000	2,345,000	2,606,000	526,225,000
Sacramento	Infrastructure Perimeter Loop, Ph. 1	PWC	619,000	5,574,000	6,193,000	532,418,000
Sacramento	Human Anatomy Lab Relocation	PWCE	517,000	4,656,000	5,173,000	537,591,000
Sacramento	Sequoia Hall Vertebrate Collection Relocation	PWCE	112,000	1,008,000	1,120,000	538,711,000

2022-2023 Infrastructure Improvements Program Project List

Cost Estimates are at Engineering News Record California Construction Cost Index 8287 and Equipment Price Index 4281

ACADEMIC PROJECTS¹ continued

Campus	Project Title	Phase	Campus Reserves/ Other Budget	SRB-AP Budget	Total Project Budget	Cumulative Total Project Budget
Sacramento cont'd	Sequoia Hall 4th Floor Stock Room Renovation	PWCE	158,000	1,423,000	1,581,000	540,292,000
Sacramento	Sequoia Hall 5th Floor Stock Room Renovation	PWCE	210,000	1,887,000	2,097,000	542,389,000
Sacramento	Sequoia Hall Restroom ADA Upgrades	PWCE	104,000	936,000	1,040,000	543,429,000
Sacramento	Hornet Stadium West Side Structural Repairs	PWC	589,000	5,300,000	5,889,000	549,318,000
Sacramento	Chilled Water Line, Ph. 1	PWC	357,000	3,210,000	3,567,000	552,885,000
Sacramento	Telecom Upgrades, Ph. 1	PWC	247,000	221,000	468,000	553,353,000
San Bernardino	Handball/Racquetball Courts Demolition	PWC	0	1,871,000	1,871,000	555,224,000
San Bernardino	Old Physical Education Pool Demolition	PWC	0	2,752,000	2,752,000	557,976,000
San Bernardino	Pfau Library Access Improvement	PWC	0	2,279,000	2,279,000	560,255,000
San Bernardino	UPD ER Response Modernization	PWC	0	4,954,000	4,954,000	565,209,000
San Bernardino	Access Barrier Removal	PWC	0	1,000,000	1,000,000	566,209,000
San Diego	Critical Infrastructure 3	PWC	2,311,000	20,795,000	23,106,000	589,315,000
San Francisco	Hensill Hall Sprinkler & Fire Alarm	PWC	350,000	3,150,000	3,500,000	592,815,000
San Francisco	Thornton Hall Academic Capacity Expansion	PWCE	0	8,000,000	8,000,000	600,815,000
San Francisco	Data Center Fire Suppression	PWC	115,000	1,034,000	1,149,000	601,964,000
San Francisco	Administration Building Seismic & Code Upgrades	PWC	800,000	7,200,000	8,000,000	609,964,000
San Francisco	Cox Stadium Seating Upgrades	PWC	95,000	855,000	950,000	610,914,000
San Francisco	Campus Inclusivity & ADA Upgrades	PWC	109,000	984,000	1,093,000	612,007,000
San Francisco	Campuswide IT Infrastructure Upgrades	PWC	349,000	3,144,000	3,493,000	615,500,000
San Francisco	Romberg Tiburon Center Seismic Upgrades	PWC	300,000	2,700,000	3,000,000	618,500,000
San Francisco	Portable Generator Quick Connects	PWC	150,000	1,350,000	1,500,000	620,000,000
San Francisco	NAGPRA Storage & Workspace	PWC	112,000	1,009,000	1,121,000	621,121,000
San Francisco	Student Services Fiber Redundancy	PWC	0	380,000	380,000	621,501,000
San Francisco	Emergency Public Address System	PWC	122,000	1,101,000	1,223,000	622,724,000
San Francisco	Outdoor Emergency Phone System	PWC	142,000	1,276,000	1,418,000	624,142,000
San Francisco	Public Branch Exchange to VOIP Protocol Telecom	PWC	524,000	4,718,000	5,242,000	629,384,000
San José	Fire Sciences Lab & Haz Chemical Storage Facility	PWC	0	5,425,000	5,425,000	634,809,000
San José	Moss Landing Teaching & Research Lab Renovation	PWC	0	3,264,000	3,264,000	638,073,000
San Luis Obispo	Water Reclamation Facility	PWC	1,801,000	16,211,000	18,012,000	656,085,000
San Luis Obispo	Campus Cloud Gateway	PWC	2,000,000	3,500,000	5,500,000	661,585,000
San Luis Obispo	Water Purchase & Conveyance	APWC	700,000	6,607,000	7,307,000	668,892,000
San Luis Obispo	Resilient Microgrid	PWC	0	1,563,000	1,563,000	670,455,000
San Luis Obispo	Substation Redundancy	PWC	1,438,000	15,008,000	16,446,000	686,901,000
San Luis Obispo	Network Infrastructure Improvements (outer campus)	PWC	750,000	6,750,000	7,500,000	694,401,000
San Luis Obispo	Heron, Jespersion, & Campus ADA Upgrades	PWC	104,000	934,000	1,038,000	695,439,000
San Marcos	Science Hall 1 Elevator Addition (ADA)	PWC	350,000	3,151,000	3,501,000	698,940,000
San Marcos	Telecommunication Infrastructure - Emergency Poles	PWC	50,000	451,000	501,000	699,441,000
San Marcos	Telecommunication Infrastructure - Conduit & Wireless	PWC	398,000	3,578,000	3,976,000	703,417,000
San Marcos	Resilient Microgrid	PWC	1,500,000	13,500,000	15,000,000	718,417,000
San Marcos	Drought Tolerant Landscape Upgrade	PWC	251,000	2,255,000	2,506,000	720,923,000
Sonoma	City Water Connection Redundancy	PWC	0	8,926,000	8,926,000	729,849,000
Sonoma	Fire Suppression Connect	PWC	0	3,422,000	3,422,000	733,271,000
Sonoma	Fire Lane Campus Loop	PWC	0	2,139,000	2,139,000	735,410,000
Sonoma	Fire Alarm Tie-in Campuswide (11 Buildings)	PWC	0	4,123,000	4,123,000	739,533,000
Sonoma	12kV Electrical for North, East, West for Redundancy	PWC	0	17,524,000	17,524,000	757,057,000
Sonoma	Corp Yard & Facilities Management Improvements	PWCE	0	2,001,000	2,001,000	759,058,000
Sonoma	Salazar Lighting Controls	PWC	0	2,291,000	2,291,000	761,349,000

2022-2023 Infrastructure Improvements Program Project List

Cost Estimates are at Engineering News Record California Construction Cost Index 8287 and Equipment Price Index 4281

ACADEMIC PROJECTS¹ continued

Campus	Project Title	Phase	Campus Reserves/ Other Budget	SRB-AP Budget	Total Project Budget	Cumulative Total Project Budget
Sonoma cont'd	Metering & Energy Conservation	PWC	0	772,000	772,000	762,121,000
Sonoma	Hazardous Material Abatement (Ives, Nichols, PE)	PWC	0	2,391,000	2,391,000	764,512,000
Sonoma	Pedestrian Safety Crossings ADA	PWC	0	1,896,000	1,896,000	766,408,000
Sonoma	Physical Education Building Pool Doors & ADA	PWC	0	402,000	402,000	766,810,000
Sonoma	IT Wireless Access Point Expansion Outdoors	PWC	0	1,993,000	1,993,000	768,803,000
Sonoma	IT Border Firewall Upgrades	PWC	0	353,000	353,000	769,156,000
Sonoma	Storm Drain Upsizing/Catch Basin Drain Additions	PWC	0	3,601,000	3,601,000	772,757,000
Stanislaus	Naraghi Hall Ventilation Reduction	PWC	120,000	1,080,000	1,200,000	773,957,000
Stanislaus	Groundwater Recharge Station	PWC	180,000	1,622,000	1,802,000	775,759,000
Stanislaus	ADA Barrier Removal	PWC	98,000	883,000	981,000	776,740,000
Stanislaus	Telecom-Stockton IDF/MPOE, Redundancy, Wireless	PWC	0	3,849,000	3,849,000	780,589,000
Stanislaus	Telecom-Fiber & Tertiary Pathway Infrastructure	PWC	0	3,685,000	3,685,000	784,274,000
Stanislaus	Irrigation Station Electrical Upgrade	PWC	69,000	620,000	689,000	784,963,000
Stanislaus	Acacia Hall Selective Renovation & Demolition	PWC	0	5,000,000	5,000,000	789,963,000
Stanislaus	Animal Care Facility Replacement	PWC	109,000	1,040,000	1,149,000	791,112,000
Stanislaus	Cafeteria Main Dining/Kitchen/Servery Renovation	PWC	164,000	1,479,000	1,643,000	792,755,000
Stanislaus	Telecom - Building & Security Management	PWC	0	5,397,000	5,397,000	798,152,000
Stanislaus	Telecom - Wireless & End Point Management	PWC	0	3,109,000	3,109,000	801,261,000
Systemwide	HVAC & Electrical Upgrades	PWC	0	60,000,000	60,000,000	861,261,000
Systemwide	Resiliency/Energy/Water Projects	PWC	0	60,000,000	60,000,000	921,261,000
Systemwide	Critical Infrastructure	PWC	0	60,000,000	60,000,000	981,261,000
Total ACADEMIC Infrastructure Improvements Program			\$ 27,581,000	\$ 954,780,000	\$ 982,361,000	\$ 981,261,000

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

Notes:

¹ The Infrastructure Improvements Program addresses smaller scale utility, building systems renewal, ADA, seismic strengthening, & minor upgrades.

[The list does not include State Deferred Maintenance or Cap & Trade funding requests.]

2021-2022 Higher Education Student Housing Grant Program (HESHGP)

Cost Estimates are at Engineering News Record California Construction Cost Index 7528 and Equipment Price Index 4281

Affordable Student Housing (ASH) Project List

(Dollars in 000s)

Priority Order	Campus	Project Title	Beds	Total Budget	Cumulative Total Budget	Construction Start Date	Percentage of Low-Income Students per Ed Code 17200	Projected Bed Space Capacity/ Estimated 24/25 CY Headcount ¹	30% of 50% of AMI	Proposed Rent Vs Affordable Rate	2018-19 Occupancy Rate	Cost Per Bed
1	Fresno	ASH Student Housing Expansion	225	47,768	47,768	November-22	74%	5.0%	619	100%	84%	212,302
2	Dominguez Hills	ASH Student Housing, Phase 4	365	75,000	122,768	December-22	78%	8.0%	700	86%	96%	205,479
3	Long Beach	ASH Hillside South	403	82,000	204,768	December-22	64%	8.7%	700	86%	95%	203,474
4	Northridge	ASH Student Housing Building #22 & #23	200	57,748	262,516	November-22	69%	10.0%	700	99%	97%	288,740
5	San Marcos	ASH University Village Housing/Dining	600	140,023	402,539	December-22	61%	11.0%	832	99%	98%	233,372
6	San Francisco	ASH West Campus Green Housing/Health Center	750	178,991	581,530	December-22	48%	13.0%	1,309	65%	99%	238,655
7	Fullerton	ASH Student Housing, Phase 5	600	136,897	718,427	December-22	61%	7.0%	934	86%	96%	228,162
8	Humboldt	ASH 8th Street Arcata Housing	138	41,703	760,130	December-22	66%	29.0%	630	100%	95%	302,196
9	San Diego	ASH Calexico Off-Campus Center Housing - CCC	78	13,630	773,760	January-24	64%	0.0%	618	100%	N/A	174,744
Sub-Total Submitted of DOF for 10/31/21 deadline			3,359	\$ 773,760	773,760							
Eligible Projects Past the December 2022 Construction Start Criteria - Alphabetical Order												
	Sacramento	ASH Student Housing, Phase 3	285	44,771	818,531	August-23	67%	7.0%	797	100%	98%	157,091
	San Diego	ASH New Housing Main Campus - Grad	39	13,000	831,531	May-23	37%	18.0%	832	74%	94%	333,333
	San Jose	ASH Campus Village 3 Housing/Dining	1,007	265,127	1,096,658	June-24	50%	13.0%	1,324	100%	96%	205,831
	San Luis Obispo	ASH Mountain View Residence Halls	300	48,532	1,145,190	June-23	23%	38.0%	856	100%	93%	161,773
Sub-Total			1,631	\$ 371,430	1,145,190							
Currently Ineligible Projects For Consideration/Review - Alphabetical Order												
	Chico	ASH Deen House Renovation	8	2,998	1,148,188	January-23	55%	14.0%	619	0%	96%	374,750
	Fresno	ASH Baker House Renovation	138	16,200	1,164,388	November-22	74%	5.0%	619	100%	84%	117,391
	Fullerton	ASH Student Housing Phase 4	600	122,302	1,286,690	October-19	61%	7.0%	934	93%	96%	203,837
	San Bernardino	ASH Serrano Village Renovation	400	57,000	1,343,690	January-23	77%	11.0%	678	100%	56%	142,500
	San Francisco	ASH Mary Park/Mary Ward Renovation	700	80,000	1,423,690	June-23	48%	13.0%	1,309	73%	99%	114,286
	San Jose	ASH Alquist Redevelopment - Grad	268	161,855	1,585,545	October-24	50%	13.0%	1,324	100%	96%	603,937
	Systemwide	ASH Systemwide Revenue Bond Co-Funding ²	TBD	TBD	1,585,545							
Sub-Total			2,114	\$ 440,355	\$ 1,585,545							
Total			7,104	\$ 1,585,545	\$ 1,585,545							

Notes:

1. Headcount has not yet been updated to reflect 21-22 projected headcount based on Fall 2021 census.

2. Proposed co-funding of projects to supplement HESHGP funds and include additional projects.

AGENDA

COMMITTEE ON EDUCATIONAL POLICY

Meeting: 1:10 p.m., Tuesday, November 9, 2021
Glenn S. Dumke Auditorium

Christopher Steinhauser, Chair
Romey Sabalius, Vice Chair
Larry L. Adamson
Diego Arambula
Jane W. Carney
Jack Clarke, Jr.
Douglas Faigin
Jean P. Firstenberg
Wenda Fong
Julia I. Lopez
Krystal Raynes
Yammilette Rodriguez

- Consent**
- Discussion**
1. Approval of Minutes of the Meeting of September 14, 2021, *Action*
 2. Proposed Name Change for Humboldt State University, *Information*
 3. Recommended Amendment to Title 5 Regarding the Intersegmental General Education Transfer Curriculum (IGETC), *Information*
 4. 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 Auditorium*
401 Golden Shore
Long Beach, California**

September 14, 2021

**Members Present
Virtually via Teleconference**

Christopher Steinhauser, Chair
Romey Sabalius, Vice Chair
Larry L. Adamson
Diego Arambula
Jane W. Carney
Jack Clarke, Jr.
Douglas Faigin
Jean P. Firstenberg
Wenda Fong
Krystal Raynes

Lillian Kimbell, Chair of the Board
Joseph I. Castro, Chancellor

Trustee Steinhauser called the meeting to order.

Approval of the Consent Agenda

The minutes from July 13, 2021 and the Academic Master Plan Update for Fast-Track Programs were approved as submitted.

Amendment to Title 5 Regulations: Credit for Prior Learning

Item number three, Amendment to Title 5 Regulations: Credit for Prior Learning, was an action item and approved as submitted.

***PLEASE NOTE: Due to the Governor's proclamation of a State of Emergency resulting from the threat of COVID-19, and pursuant to the Governor's Executive Orders N-25-20 and N-29-20 issued on March 12, 2020, and March 17, 2020, respectively, all members of the Board of Trustees may participate in meetings remotely, either by telephonic or video conference means. Out of consideration for the health, safety and well-being of the members of the public and the Chancellor's Office staff, the September 14-15, 2021, meeting of the CSU Board of Trustees was conducted entirely virtually via Zoom teleconference.**

Research, Scholarship and Creative Activities, Information

The presentation began with an overview from Executive Vice Chancellor of Academic and Student Affairs, Dr. Sylvia A. Alva, of the benefits students and faculty experience by participating in research, scholarship and creative activities across the CSU. Dr. Alva invited Dr. Ganesh Raman, assistant vice chancellor for Research, to share examples of CSU research and scholarly activity. Additionally, Dr. Raman discussed how campuses found a variety of new and innovative ways to ensure that student research could continue despite restrictions in place for COVID-19. Dr. Raman described the tangible and material outcomes of several campus projects. The presentation concluded with remarks from Mr. John Keisler, director of Economic Development for the City of Long Beach, regarding the importance and impact of the local Long Beach Accelerator program as an example of public-private partnerships in research.

Trustees posed questions regarding the number of students that participated in research during the past academic year and applauded the innovative approaches to research, scholarship and partnerships presented.

Graduation Initiative 2025, Information

The presentation began with a summary by Executive Vice Chancellor of Academic and Student Affairs Dr. Sylvia A. Alva of recent events in the university's strategy to accelerate progress toward Graduation Initiative 2025 goals. Dr. Alva invited Assistant Vice Chancellor and Senior Strategist for Academic Success and Inclusive Excellence, Dr. James Minor, and Assistant Vice Chancellor for Student Success Initiatives, Research and Innovation, Dr. Jeff Gold, to share how the CSU plans to advance and support the advisory committee recommendations and best practices. Dr. Minor outlined the challenges many CSU students faced during the pandemic that reinforced the CSU's commitment to student success through the initiative's six key priorities. Dr. Gold continued by highlighting potential interventions intended to amplify Graduation Initiative 2025 efforts in three key areas, opportunity, collaboration and a shared responsibility across the system. The presentation concluded with the announcement of the Graduation Initiative 2025 virtual convening where participants will have an opportunity to review the latest graduation rates, equity data and share best practices.

Trustees posed questions regarding how funds are allocated and used by campuses for basic needs and mental health services, the CSU's progress toward closing equity gaps, and expanding and scaling successful campus support strategies.

COMMITTEE ON EDUCATIONAL POLICY

Proposed Name Change for Humboldt State University

Presentation By

Sylvia A. Alva
Executive Vice Chancellor
Academic and Student Affairs

Alison M. Wrynn
Associate Vice Chancellor
Academic Programs, Innovations, and Faculty Development

Tom Jackson, Jr
President
Humboldt State University

Summary

This information item proposes that the name of Humboldt State University (HSU) be formally changed to California State Polytechnic University, Humboldt. The proposed name change supports the university's proposal for designation as the third polytechnic university in the California State University system and the first polytechnic in Northern California.

The Board of Trustees has the authority to select and change the name of any campus of the California State University (Education Code 89034). If approved by the Board of Trustees in January, 2022, the name change would become effective immediately but would be implemented in phases on branded items such as merchandise. The university will be referred to informally as Cal Poly Humboldt.

Background

Humboldt State University was founded in 1913 as Humboldt State Normal School. Over the next few decades the institutional name changed four times to reflect the ongoing expansion of HSU's educational purpose and emerging role as the northernmost member of the California State University system.

1921—Humboldt State Teachers College and Junior College
1935—Humboldt State College
1972—California State University Humboldt
1974—Humboldt State University (HSU)

Humboldt has been included in the name of the institution since its inception and is a central aspect of its identity, present and future. The Humboldt name of the county and university is

in honor of Alexander von Humboldt, one of the most admired world figures in the early 19th century, who continues to be an appropriate namesake and model for HSU as a comprehensive polytechnic reflected in shared values and commitments. Humboldt was a visionary and interdisciplinary scholar, scientist and global citizen who theorized plate tectonics, mapped plant distribution on three continents, observed the relationship between deforestation and climate and promoted a unified and interdependent view of the natural world. He also promoted the arts, advocated for the rights of indigenous peoples, racial equality and just societies and denounced colonialism and slavery.

The proposed name change from Humboldt State University to California State Polytechnic University, Humboldt supports the university's proposal for designation as the third polytechnic university in the California State University system and the first polytechnic in Northern California. The designation is a comprehensive strategy to address the workforce shortage in science, technology, engineering and mathematics (STEM) fields, expand opportunities for students while addressing equity gaps and revitalize the North Coast economy. The university already holds federal designation as a Hispanic-Serving Institution. A polytechnic university in the northern part of the state would give more California students access to high-demand programs, provide hands-on learning experiences and create a strong understanding of sustainability.

A polytechnic designation will yield greater numbers of college-bound students choosing HSU, given its rich history of programming in STEM fields—particularly in the area of natural resources. The formal designation will be a clear signal to students regarding the innovative and quality education the campus offers. The campus will move quickly to offer several new degree programs by 2023 in areas like climate resiliency, wildfire management, mechanical engineering and software engineering, with a full buildout of depth and breadth across science, applied science, technology and engineering through phased-in program development through 2029. Cybersecurity, nursing (MS), energy systems engineering and sustainable agriculture are among several of the degree programs being contemplated. HSU-proposed initiatives not only will distinguish the campus as a polytechnic institution but will also enhance its ability to support the state's climate goals while being a model and leader for others across the country and around the world.

Following a semester-long process of research and deliberation by the 17-member working group of students, staff, faculty, alumni and community partners, President Tom Jackson, Jr. recommends the name change to California State Polytechnic University, Humboldt. The members of the working group conducted two public focus groups and several informal focus groups among various constituencies, including current students, staff, faculty, emeritus staff and faculty, alumni, business partners, local government, conservation organizations and parents. More than 250 individuals gave input on a potential new name for the university through these formal and informal focus groups. In addition, approximately 50 individuals submitted written comments through the Polytechnic Self-Study Google form or via direct email with the co-chairs of the working group. The Sense of the Senate Resolution, from the campus University Senate, in support for Humboldt State University to become California State Polytechnic University, Humboldt was approved on October 12, 2021.

Proposed Revisions - § 40051. California Polytechnic State University, San Luis Obispo and California Polytechnic State University, Pomona, Special Emphases.

**Title 5, California Code of Regulations
Division 5 – Board of Trustees of the California State Universities
Chapter 1 – California State University
Subchapter 2 – Educational Program
Article 1 – General Function**

§ 40051. California Polytechnic State University, San Luis Obispo, ~~and California State Polytechnic State University, Pomona,~~ and California State Polytechnic University, Humboldt, Special Emphases.

In addition to the functions provided by Section 40050, California Polytechnic State University, San Luis Obispo, ~~and California State Polytechnic State University, Pomona,~~ and California State Polytechnic University, Humboldt, shall each be authorized to emphasize the applied fields of agriculture, engineering, business, ~~home economies~~ and other occupational and professional fields. This section shall be liberally construed.

Note: Authority cited: Sections 66600, 89030 and 89035, Education Code. Reference: Section 90404, Education Code.

COMMITTEE ON EDUCATIONAL POLICY

Recommended Amendment to Title 5 Regarding the Intersegmental General Education Transfer Curriculum (IGETC)

Presentation By

Sylvia A. Alva
Executive Vice Chancellor
Academic and Student Affairs

Alison M. Wrynn
Associate Vice Chancellor
Academic Programs, Innovations, and Faculty Development

Summary

The amendment to Title 5 introduced at this meeting and presented for board action at a future meeting of the Board of Trustees proposes to amend Title 5 § 40405.2 Intersegmental General Education Transfer Curriculum. The Intersegmental General Education Transfer Curriculum (IGETC) is an alternative general education pathway that fulfills lower division general education requirements for both the California State University and University of California. This item proposes to include a 3 semester unit lower-division course requirement in Ethnic Studies in the Intersegmental General Education Transfer Curriculum requirements (40405.2) in compliance with Section 89032 of the California Education Code. This amendment would parallel the change to Title 5 § 40405.1 California State University General Education – Breadth Requirements, approved by the board in November, 2020.

Background

Assembly Bill 1460 was signed into law by Governor Newsom on August 17, 2020, and it created Section 89032 of the California Education Code. In order to comply with Education Code Section 89032, Title 5 § 40405.2 must be revised to include this requirement.

Proposed Revisions - § 40405.2. Intersegmental General Education Transfer Curriculum.

**Title 5, California Code of Regulations
Division 5 – Board of Trustees of the California State Universities
Chapter 1 – California State University
Subchapter 2 – Educational Program
Article 5 – General Requirements for Graduation**

§ 40405.2. Intersegmental General Education Transfer Curriculum.

(a) Students transferring from California Community Colleges under the provisions of this subdivision may satisfy General Education-Breadth requirements for the California State University bachelor's degree through satisfactory completion of the Intersegmental General Education Transfer Curriculum and a minimum of 9 semester units or 12 quarter units of upper division general education coursework. All upper division general education requirements shall be completed no sooner than the term in which the candidate achieves upper division status at the California State University campus granting the degree.

All lower division requirements can be fulfilled by completing the Intersegmental General Education Transfer Curriculum which shall include lower division courses distributed as follows:

- (1) A minimum of 9 semester units or 12 quarter units in English communication, to include one course in English composition of no fewer than 3 semester units or 4 quarter units, one course in oral communication of no fewer than 3 semester units or 4 quarter units, and one course in critical thinking-English composition of no fewer than 3 semester units or 4 quarter units.
- (2) A minimum of 3 semester units or 4 quarter units in mathematical concepts and quantitative reasoning.
- (3) At least three courses totaling a minimum of 9 semester units or 12 quarter units in arts and humanities, to include at least one course in the arts and at least one course in the humanities.
- (4) At least ~~three~~ two courses totaling a minimum of ~~9~~ 6 semester units or ~~12~~ 8 quarter units in the social and behavioral sciences, including courses in a minimum of two disciplines or in an interdisciplinary sequence.
- (5) At least two courses totaling a minimum of 7 semester units or 9 quarter units in the physical and biological sciences, to include at least one course in physical science and one course in biological science, at least one of which incorporates a laboratory.

(6) At least one course totaling a minimum of 3 semester units or 4 quarter units in ethnic studies.

(b) The president or an officially authorized representative of a California Community College may certify that the requirements of subdivision (a) of this section have been met through the satisfactory completion of courses approved by the California State University and the University of California for inclusion in the Intersegmental General Education Transfer Curriculum. California State University campuses shall accept certification of the fully completed Intersegmental General Education Transfer Curriculum as meeting all of the lower division general education requirements for the baccalaureate degree.

Note: Authority cited: Section 89030, Education Code. Reference: Section 89030, 89032, Education Code.

COMMITTEE ON EDUCATIONAL POLICY

Graduation Initiative 2025

Presentation By

Joseph I. Castro
Chancellor
California State University

Sylvia A. Alva
Executive Vice Chancellor
Academic and Student Affairs

Jeff Gold
Assistant Vice Chancellor
Student Success Strategic Initiatives

Summary

More than 112,500 students earned their California State University (CSU) bachelor's degrees in 2020-21, representing nearly 25,000 more graduates than those earning bachelor's degrees in 2014-15, the year Graduation Initiative 2025 was launched. Yet despite this record-breaking rise in graduation rates systemwide, the year saw a slight widening in student equity gaps. The COVID-19 pandemic and the disparate impacts across communities of color and low-income families have created a renewed urgency in the CSU to marshal its collective resources to address success for all students. This information item provides detailed information on university-wide graduation rate data for 2021 and key recommendations and funding priorities to address existing gaps between underserved students and their peers. Ultimately the goal of Graduation Initiative 2025 is to ensure that every CSU student has a fair and equal opportunity to earn their degree, contribute to the California workforce and thrive in their community.

Graduation Initiative 2025 Goals

As the largest and one of the most diverse four-year higher education systems in the country, the California State University has been guided by its Graduation Initiative 2025 to set a new national standard for providing high quality affordable degree opportunities. The initiative's bold goals are to achieve the following milestones by 2025:

- A 40 percent 4-year graduation rate goal for first-time students;
- A 70 percent 6-year graduation rate goal for first-time students;
- A 45 percent 2-year graduation rate goal for transfer students;
- An 85 percent 4-year graduation rate goal for transfer students;
- Elimination of equity gaps between CSU students who identify as African American, Native American or Latinx and their peers; and
- Elimination of equity gaps between Pell recipient students and their peers.

Operational Priorities

Graduation Initiative 2025 is comprised of six operational priorities, or pillars, that have been identified as having significant impact on student success. They are:

- Academic preparation
- Enrollment management
- Student engagement and well-being
- Financial support
- Data-informed decision making
- Removal of administrative barriers

These pillars have served as guiding principles to support students when and where their need was most urgent and acute.

2021 Graduation Rate Data

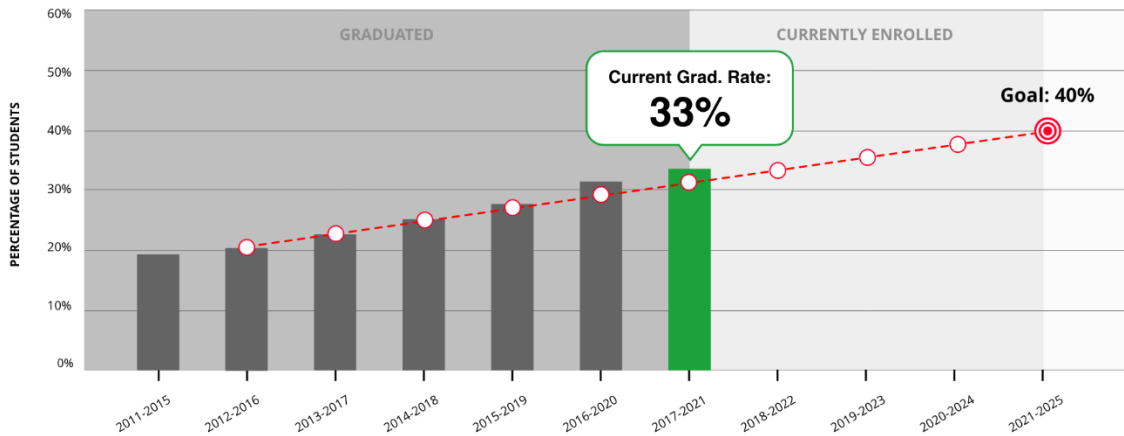
Despite the many challenges the last year presented to the CSU community, including a continuing public health crisis, economic uncertainty and political unrest, the university celebrated a significant milestone – four million living alumni. The following data provide insights on graduation rates based on specific student populations including first-time, transfer, underrepresented students of color and Pell Grant recipients.

4-Year Graduation Goal for First-Time Students

The 4-year graduation rate for the first-time student cohort that began in 2017 and graduated in 2021 or earlier was 33 percent. This rate is the highest ever for the CSU and marks an increase of 2.3 percentage points from the previous year as illustrated in the table and graph below. Please note numbers have been rounded up in all graphs.

Cohort	Grad Rate (%)
2009-2013	17.9
2010-2014	18.7
2011-2015	19.3
2012-2016	20.7
2013-2017	22.7
2014-2018	25.5
2015-2019	27.7
2016-2020	31.0
2017-2021	33.3
2025 Goal	40

4-Year Graduation Goal for First-Time Students

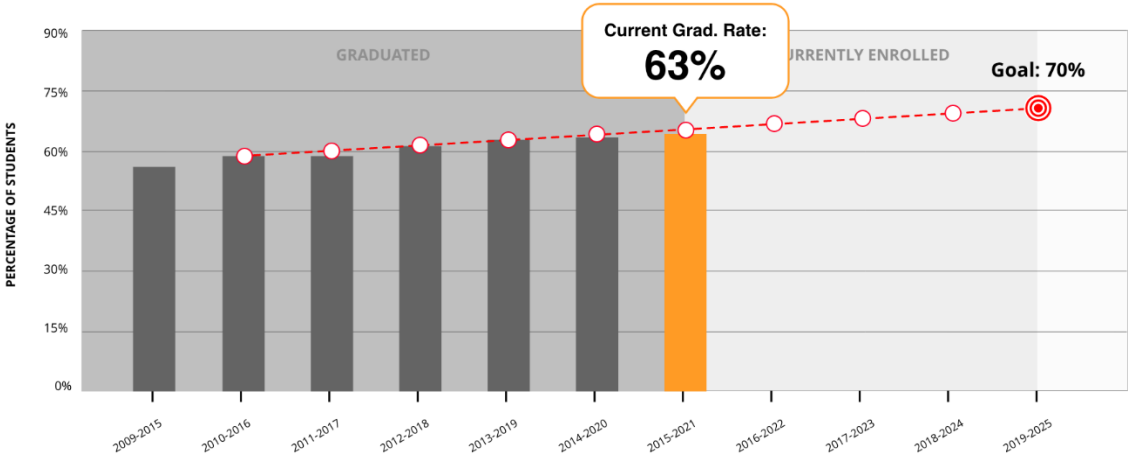


6-Year Graduation Goal for First-Time Students

The 6-year graduation rate for the first-time student cohort that began in 2015 and graduated in 2021 increased slightly to 63 percent.

Cohort	Grad Rate (%)
2009-2015	57.3
2010-2016	59.3
2011-2017	59.4
2012-2018	61.2
2013-2019	62.1
2014-2020	62.4
2015-2021	63.2
2025 Goal	70

6-Year Graduation Goal for First-Time Students

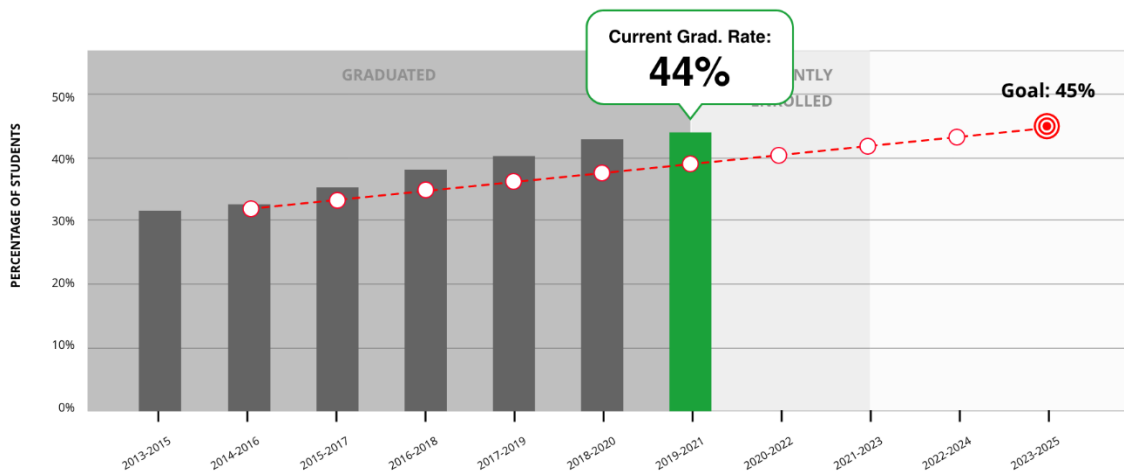


2-Year Graduation Goal for Transfer Students

The 2-year graduation rate for the transfer cohort that began in 2019 and graduated in 2021 or earlier was 44 percent. This rate is the highest ever for the CSU and places the university within a percentage point of the 2025 goal of 45 percent.

Cohort	Grad Rate (%)
2009-2011	24.5
2010-2012	27.8
2011-2013	26.7
2012-2014	28.4
2013-2015	30.6
2014-2016	32.6
2015-2017	35.1
2016-2018	38.0
2017-2019	40.7
2018-2020	43.6
2019-2021	44.3
2025 Goal	45

Transfer 2-Year Graduation Goal

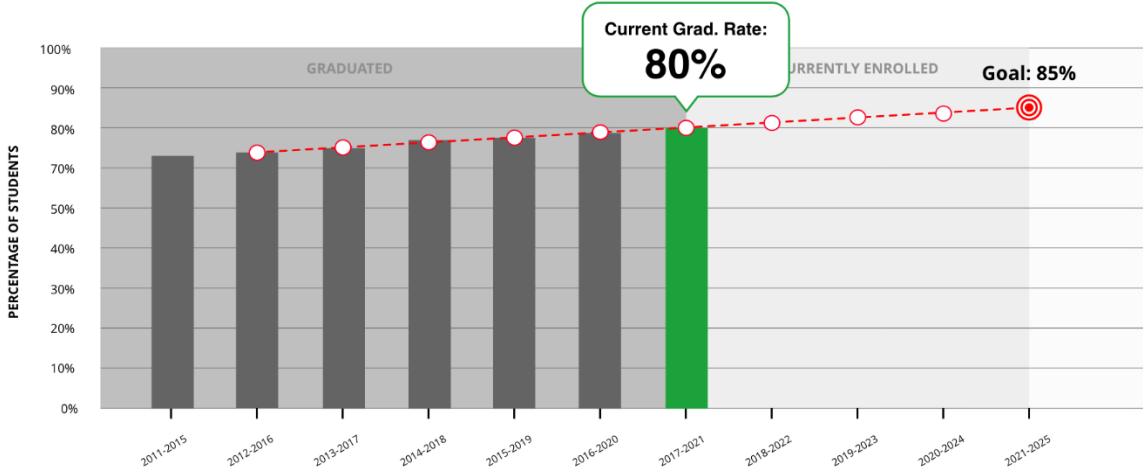


4-Year Graduation Goal for Transfer Students

The 4-year graduation rate for the transfer cohort that began in 2017 and graduated in 2021 or earlier increased to 80 percent. This rate is also the highest ever for the CSU, and puts the university within five percentage points of the 2025 goal of 85 percent.

Cohort	Grad Rate (%)
2009-2013	69.2
2010-2014	72.8
2011-2015	73.0
2012-2016	74.0
2013-2017	75.3
2014-2018	77.1
2015-2019	77.6
2016-2020	78.9
2017-2021	79.6
2025 Goal	85

Transfer 4-Year Graduation Goal

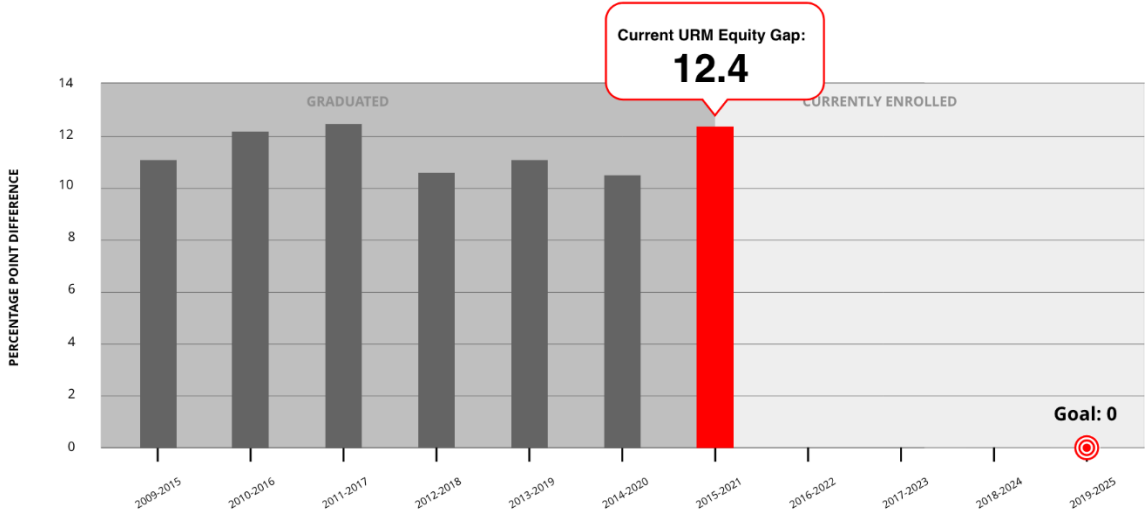


Underrepresented Students of Color Equity Gap Goal

The CSU's commitment to student success is a commitment to equal opportunity for all students who seek to earn a degree regardless of their family income or background. Equity gaps are measured on the 6-year graduation rate for the first-time student cohort. Communities from which students who are historically underrepresented in higher education – those who identify as African American, Native American or Latinx – have been impacted disproportionately by the global pandemic compared to their peers. While not directly attributable to the pandemic, this year the gap between the 2015 cohort that graduated within six years with their peer group widened to 12.4 percent.

Cohort	Grad Gap (percentage points)
2009-2015	11.6
2010-2016	12.2
2011-2017	12.5
2012-2018	10.6
2013-2019	11.1
2014-2020	10.5
2015-2021	12.4
2025 Goal	0

Underrepresented Minority Equity Gap Goal

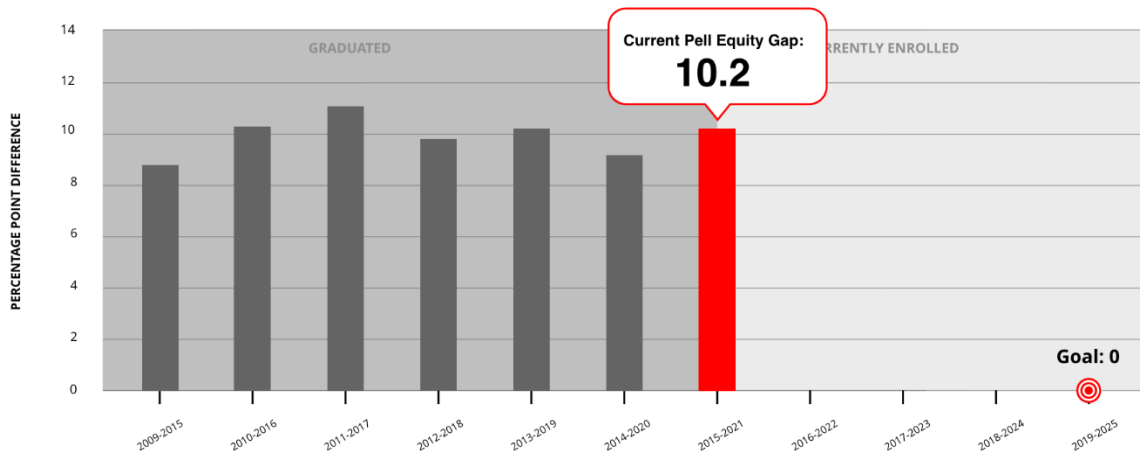


Pell Equity Gap Goal

The data also indicates that 6-year degree completion outcomes for Pell recipient students trailed those of their peers. The gap for the 2015 cohort that graduated within six years increased to 10.2 percentage points.

Cohort	Grad Rate (percentage points)
2009-2015	8.8
2010-2016	10.3
2011-2017	11.1
2012-2018	9.8
2013-2019	10.2
2014-2020	9.2
2015-2021	10.2
2025 Goal	0

Pell Equity Gap Goal



Equity Goals and Operational Priorities

As one of his first actions as the eighth CSU chancellor, Dr. Joseph I. Castro formed the Graduation Initiative 2025 Advisory Committee composed of students, faculty, staff and other key stakeholders. The committee was charged to explore bold and creative ways to accelerate the university's progress toward Graduation Initiative 2025's goals, with a specific focus on eliminating equity gaps. After intensive reflection and discussion, the committee submitted a report to Chancellor Castro in July with a set of recommendations and strategic imperatives for his consideration. The following five priorities build on the committee's report with an emphasis on systemwide interventions to address some of the most urgent and acute factors contributing to equity gaps.

- **Re-Engage and Re-Enroll Underserved Students**
Reflecting a nationwide trend aggravated by the pandemic, student retention has decreased at a number of CSU campuses—particularly among students of color. To achieve our bold Graduation Initiative 2025 goals, addressing the loss of our most vulnerable students should and must be prioritized
- **Ensure Equitable Access to Digital Degree Roadmaps**
Historically underrepresented students and first-generation students benefit significantly

when given access to a degree planner as they often accumulate fewer credits in their first year, are retained at a lower percentage and more likely to struggle with navigating the course registration process. Digital degree planners are one critical element for solidifying what are commonly referred to as “guided pathways” that, among other benefits, help students select and enter degree plans and stay on track for timely graduation.

- **Expand Credit Opportunities with Summer/Intersession Funds**

Summer sessions and intersessions can provide additional credit accumulation opportunities which can be critical for students of color and first-generation students who often arrive at the CSU with fewer Advanced Placement courses or dual-enrollment credits. What’s more, these students are more likely to maintain jobs while enrolled, requiring more flexibility in their course schedule. Additional funding for summer and intersession enrollment will support those students who may otherwise fall behind in academic credits and help facilitate timely degree completion.

- **Promote Equitable Learning Practices and Reduce DFW Rates**

Earning a non-passing grade negatively impacts a student’s academic trajectory and increases the risk of attrition—negatively impacting the CSU’s ability to close equity gaps. What happens in classrooms plays a significant role in whether students feel a sense of belonging, whether they gain or lose academic confidence or if they ultimately earn a degree. Students of color and first-generation students are more likely to earn low and non-passing grades in first-year foundational courses leading towards their major. Without compromising academic rigor, an intensified systemwide strategy must be deployed to both more effectively provide learning support for students and to reconsider course design and pedagogical practices in courses with persistent high failure rates.

- **Eliminate Administrative Barriers to Graduation**

Administrative barriers disproportionately affect low-income and first-generation students who are often more susceptible to academic disruption due to campus fee assessments or holds. Bureaucratic procedures in higher education can often have a compounding effect—typically adding to, rather than reducing, administrative processes. Campuses will be asked to review administrative processes with an equity-centered framework, and will be asked to re-evaluate drop for non-payment policies, registration hold policies and the graduation filing process.

2021 Graduation Initiative 2025 Convening

On October 22, the CSU community gathered virtually for the sixth annual Graduation Initiative 2025 Convening. This popular event was an opportunity to celebrate student success and record-high graduation rates while recognizing the dedicated efforts of CSU students, faculty and staff during the pandemic. This year’s theme, Advancing Equity Together, placed an added emphasis

on the CSU's renewed commitment to close equity gaps across all 23 campuses. Hosted by Cal State LA professor Ji Son, the event also featured an inspiring and equity-focused conversation with Chancellor Joseph Castro and CSSA President Isaac Alferos. Executive Vice Chancellor Sylvia Alva shared preliminary graduation rates and equity data to evaluate where the CSU stands in its path to meet GI 2025 goals, and select CSU faculty shared some ways they promote equitable learning opportunities to help close equity gaps. The Convening concluded with Chancellor Castro challenging the CSU family to engage in creative and innovative work to accelerate the elimination of equity gaps.

Conclusion

In four years, the Class of 2025 will celebrate earning their CSU degrees and joining an alumni network four million strong. Today, the CSU renews its commitment to ensuring that graduating class, and all CSU classes, are given the strongest of foundations for their success. This commitment is made with a deep appreciation for, and recognition of, the substantial efforts put forth by students, faculty and staff over the last 18 months to persevere in the face of unprecedented challenges. By identifying immediate and impactful priorities, supported by essential resources provided through funding of Graduation Initiative 2025 from which to expand campus capacity, it is the university's intention to continue its positive momentum in raising graduation rates while eliminating equity gaps across all 23 campuses.

AGENDA

COMMITTEE ON FINANCE

Meeting: 2:55 p.m., Tuesday, November 9, 2021
Glenn S. Dumke Auditorium

Jack McGrory, Chair
Larry L. Adamson, Vice Chair
Jane W. Carney
Wenda Fong
Maria Linares
Anna Ortiz-Morfit
Krystal Raynes
Romey Sabalius
Christopher Steinhauser

- Consent**
1. Approval of Minutes of the Meeting of September 14, 2021, *Action*
 2. 2022-2023 Lottery Budget and Report, *Action*
 3. Reporting of Auxiliary Liquidity Loans Approved by the Chancellor under Delegated Authority, *Information*
- Discussion**
4. Approval of the 2022-2023 Operating Budget Request, *Action*
 5. California State University Annual Investment Report, *Information*

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

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

September 14, 2021

Members Present

Jack McGrory, Chair
Larry L. Adamson, Vice Chair
Jane W. Carney
Wenda Fong
Anna Ortiz-Morfit
Krystal Raynes
Romey Sabalius
Christopher Steinhauser

Lillian Kimbell, Chair of the Board
Joseph I. Castro, Chancellor

Trustee Jack McGrory called the meeting to order.

Public Comment

Public comment took place at the beginning of the meeting's open session, prior to all committees.

Approval of the Consent Agenda

The minutes of the July 13, 2021, meeting of the Committee on Finance were approved as submitted.

Item number two, Reporting of Auxiliary Liquidity Loans Approved by the Chancellor under Delegated Authority, was an information item.

***PLEASE NOTE: Due to the Governor's proclamation of a State of Emergency resulting from the threat of COVID-19, and pursuant to the Governor's Executive Orders N-25-20 and N-29-20 issued on March 12, 2020, and March 17, 2020, respectively, all members of the Board of Trustees may participate in meetings remotely, either by telephonic or video conference means. Out of consideration for the health, safety and well-being of the members of the public and the Chancellor's Office staff, the September 14-15, 2021, meeting of the CSU Board of Trustees was conducted entirely virtually via Zoom teleconference.**

California State University Quarterly Investment Report

Trustee Romey Sabalius requested that item two, the CSU Quarterly Investment Report, be removed from the consent agenda. He commended the favorable investment returns of the Total Return Portfolio. Trustee Jack McGrory shared that the Investment Advisory Committee is currently evaluating the CSU's investments in fossil fuels and will share the information with the Board of Trustees at a future meeting.

Annual Systemwide Report on Hate Incidents on Campus

The annual systemwide report on hate incidents on campus was presented. Reporting requirements for both Clery and Campus Annual Security Reports were reviewed. During the 2020 calendar year there were no reported hate crimes and there was one reported non-criminal act of hate violence on one campus.

Following the presentation the trustees asked questions about who incidents may be reported to, requirements for disclosure of information, and tracking of significant non-criminal incidents. Director of Systemwide Clery and Campus Safety Compliance Melinda Latas shared that all campuses have designated campus security authorities to whom students may report an incident to, if they are not comfortable going to university police. Campus security authorities vary by campus but include all Title 9 coordinators and various Academic and Student Affairs personnel. In regards to tracking of other non-violent incidents, Ms. Latas informed the trustees that the Campus Annual Security Report includes additional metrics that may report some of that information. She added that another way campuses collect this information is via campus climate surveys where responses are anonymous. Information shared under confidence with a mental health professional or pastoral staff is excluded from being disclosed by law and would not be included in the reports.

Planning for the 2022-2023 Operating Budget

The 2022-2023 preliminary operating budget plan was presented to the Board of Trustees for consideration and feedback. A report on 2021-2022 revenues, expenses, and designated balances and reserves was provided.

Following the presentation the trustees expressed support for additional recurring funding for student basic needs, especially for hiring of additional mental health counselors and improvements to Title IX reporting process to help students feel safe and heard when reporting incidents. It was requested that mobile broadband hot spots be included as part of the CSUCCESS program to ensure students have access to the internet. Executive Vice Chancellor and Chief Financial Officer Steve Relyea shared that the CSU received federal funding for COVID-related expenses that helped to kick-start the CSUCCESS program and that CSU is currently working with the

Superintendent of Public Instruction's office to pursue lower-cost hot spot options for students. The trustees requested further information about the line item for staff salary structure study and were supportive of a future salary study for faculty. Vice Chancellor for Human Resources Evelyn Nazario shared that Systemwide Human Resources and CSUEU partnered to pursue and received state funds for this staff salary structure study. The Chancellor's Office is mindful of the need to regularly review all CSU classifications and market conditions and will work to develop a similar partnership with CFA, if feasible, for a future funding cycle. The trustees expressed support for facilities and infrastructure, in particular for campuses located in fire-prone areas. Mr. Relyea added that currently the CSU has been able to take advantage of favorable construction rates and continues to carefully consider and balance risk to ensure the university is able to manage debt payments over time. The trustees expressed interest in long-term funding sustainability and asked about the status of a multi-year funding agreement with the state. They were informed that a minimum funding level has not been agreed upon and discussions continue with the Governor's Office and the Department of Finance.

Trustee McGrory adjourned the meeting of the Committee on Finance.

COMMITTEE ON FINANCE

2022-2023 Lottery Budget and Report

Presentation By

Ryan Storm
Assistant Vice Chancellor
Budget

Summary

This item requests that the California State University Board of Trustees approve the 2022-2023 lottery budget. In accordance with CSU lottery guidelines, this item also contains a report of actual lottery fund expenditures in 2020-2021.

Background

The Lottery Act allows for the expenditure of lottery receipts for public education. The Lottery Act requires that funds are “exclusively for the education of pupils and students” and the CSU has adopted guidelines to ensure that lottery funds are used only in support of instruction or instruction-related purposes. Non-instructional purposes, such as the acquisition of real property, construction of facilities, or financing research are not permissible uses of lottery funds.

To date, the CSU has received \$1.49 billion in lottery funds from the state. Over the past five years, annual CSU Lottery Fund receipts have averaged \$63.8 million. Approximately 92 percent of lottery resources are expended directly by the campuses for instructionally-related programs and activities. The remaining 8 percent supports systemwide programs, such as the Summer Arts, Pre-Doctoral, Doctoral Incentive, DREAM Loan programs, Electronic Core Collection, and for program administration and reporting requirements.

Each year, the Board of Trustees adopts a systemwide lottery budget that incorporates CSU guidelines and adheres to Lottery Act provisions. The plan includes estimates of CSU lottery receipts for the budget year and the program areas for allocation of those anticipated receipts, including an expenditure allowance for the general management of lottery fund operations and reporting requirements.

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

2022-2023 Lottery Budget Proposal

The System Budget Office estimates total lottery receipts available to the CSU in 2022-2023 will be \$63 million. After setting aside \$5 million as a contingency to assist with cash-flow variations in quarterly lottery receipts and other economic uncertainties, the \$58 million 2022-2023 lottery budget proposal remains principally designated for campus-based programs and five systemwide programs that have traditionally received annual lottery funding support. The proposed budget increases campus-based allocations by \$4 million and adds \$20,000 to support administration and reporting responsibilities of the Lottery Fund and systemwide programs.

Systemwide Programs

Under the proposed budget, approximately \$13.3 million would be allocated to the five systemwide programs and administration costs:

- DREAM Loan Program (\$2.0 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 (\$1.0 million) 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.
- Electronic Core Collection (\$6.0 million) provides all students access to electronic publications.
- Administration of Lottery Fund and system programs (\$731,000) provides Lottery Fund and program administration functions.

Campus-Based Programs

The remaining \$44.7 million of anticipated 2022-2023 lottery receipts would be used to fund campus-based programs and the Early Start Program. \$39.7 million would be allocated directly to campuses, allowing presidents flexibility to meet unique campus needs. Traditionally, projects receiving lottery funds have included the replacement and purchase of library materials and instructional equipment, curriculum development, and scholarships.

The proposed lottery budget would provide \$5 million to the Early Start Program for campus-based financial aid. An eligible student may receive a need-based fee waiver to ensure that financial hardship is not a barrier to enrollment in the Early Start Program. Through the program, first-time freshmen students who need additional preparation in math or English enroll in college courses with support during the summer term prior to matriculation at any CSU campus.

As stated, the proposed budget sets aside \$5 million as a contingency to assist with cash-flow and economic uncertainties. If quarterly lottery receipts remain strong, the Chancellor’s Office will work with campuses during 2022-2023 to allocate the \$5 million reserve for innovative campus-based programs that support Graduation Initiative 2025 efforts.

The CSU Lottery Budget proposed for 2022-2023 is as follows:

2021-2022 Adopted and 2022-2023 Proposed Lottery Budget		
	2021-2022 Adopted Budget	2022-2023 Proposed Budget
Sources of Funds		
Receipts	\$58,893,000	\$63,000,000
Less Systemwide Contingency	(5,000,000)	(5,000,000)
	\$53,893,000	\$58,000,000
Uses of Funds		
<i>System Programs</i>		
Chancellor's Doctoral Incentive Program	\$2,000,000	\$2,000,000
California Pre-Doctoral Program	1,038,000	1,038,000
CSU Summer Arts Program	1,500,000	1,500,000
DREAM Loan	2,000,000	2,000,000
Electronic Core Collection	6,000,000	6,000,000
	\$12,538,000	\$12,538,000
<i>Campus-Based Programs</i>		
Campus Programs	\$35,644,000	\$39,731,000
Campus Early Start Financial Aid	5,000,000	5,000,000
	\$40,644,000	\$44,731,000
<i>Lottery Fund & System Programs Administration</i>	\$711,000	\$731,000
	\$53,893,000	\$58,000,000
Total Uses of Funds	\$53,893,000	\$58,000,000

Reporting Requirement

In accordance with the CSU lottery guidelines, the CSU annually reports past year actual lottery expenditures to the Board of Trustees. This section of the agenda item satisfies that requirement.

In 2020-2021, similar to prior years, the majority of lottery funds were spent on instruction and instruction-related programs and services that supplement the CSU operating budget. The following table summarizes how available lottery revenues were spent in 2020-2021:

2020-21 Lottery Expenditures		
Program Support Area	Expenditures	Percentage of Total Expenditures
Doctoral Incentive Program ¹	\$0	0.0%
California Pre-Doctoral Program	851,155	1.7%
DREAM Loan Program	1,776,733	3.6%
CSU Summer Arts Program	582,216	1.2%
Campus Programs	45,228,410	92.0%
Campus Early Start Financial Aid ²	0	0.0%
Lottery Fund & System Programs Admin.	730,136	1.5%
Total	\$49,168,650	100.0%

¹ The Doctoral Incentive Program is a revolving educational loan program. The budget included \$2 million for any net increase in program participation, but funds were unnecessary as existing loan repayments supported the issuance of new loans to new participants.

² The Campus Early Start Program budget included \$5 million, but funds were not used in 2020-2021 due to impact of the COVID-19 pandemic. Reimbursements for ESP waivers will resume in 2021-2022.

Carryforward balances from prior years were also used in 2020-2021 to fund several systemwide and campus programs, such as library services, early assessment program support, and technology initiatives.

Recommendation

The following resolution is presented for approval:

RESOLVED, by the Board of Trustees of the California State University, that the 2022-2023 lottery budget totaling \$63 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 the chancellor is hereby granted authority to adjust the 2022-2023 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 2022-2023 lottery budget receipts and expenditures be made to the Board of Trustees.

COMMITTEE ON FINANCE

Reporting of Auxiliary Liquidity Loans Approved by the Chancellor under Delegated Authority

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

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

Summary

This item provides information to the California State University Board of Trustees on auxiliary liquidity loans that have been approved by the Chancellor under delegated authority.

Background

The Board of Trustees' CSU Policy for Financing Activities (RFIN/CPBG 11-14-01), as well as the Financing and Debt Management Policy (Executive Order 994) issued by the Chancellor pursuant to the CSU Policy for Financing Activities, stipulates that all borrowing by the CSU or any CSU auxiliary shall be made through the CSU's established debt programs (e.g., the CSU's Systemwide Revenue Bond and commercial paper programs) and approved by the Board of Trustees. The policy and executive order also recognize that there may be certain types of financing structures that are not well suited for the CSU's established debt programs. In such cases, the proposed financing structure shall be reviewed by the Chancellor's Office and then presented to the Board of Trustees for approval.

At its November 2020 meeting, the Board of Trustees revised the CSU Board of Trustees' Standing Orders to delegate authority to the Chancellor to approve auxiliary liquidity borrowings outside of the CSU's established debt programs, subject to the following parameters:

- Maximum amount: \$40,000,000
- Maximum length of any borrowing, loan, or line of credit: Ten years.
- All auxiliary liquidity loans will comply with all legal and CSU policy requirements.
- Final terms and conditions of any auxiliary borrowing agreement established under this delegated authority shall not contain any provisions that will have a material adverse

impact upon the CSU's established debt programs or upon any financing already provided to such auxiliary through the CSU's established debt programs.

- Any auxiliary financings approved under this delegated authority will be reported to the Board of Trustees at each meeting of the Board of Trustees.
- The delegation of authority to the Chancellor to approve auxiliary liquidity loans will expire on November 18, 2023.

Auxiliary Liquidity Loans Approved by the Chancellor under the Delegated Authority

In October 2021, one auxiliary liquidity loan was approved by the Chancellor. The approval being reported herein is for the renewal and increase of a line of credit that has been in place for a number of years and does not represent new auxiliary liquidity borrowing in response to COVID-19.

As part of its several areas of operation in support of Humboldt State University, the Humboldt State University Sponsored Programs Foundation (Foundation) provides the administration of grants from governmental and private agencies for research and other activities related to the programs of the campus. As part of the campus's transformation to a polytechnic institution with the launching of new academic programs, the Foundation expects there will be a need for increased liquidity to maintain its cash flow position due to the seasonality in its grants and contracts receivables to meet current expenses. The Foundation wanted to increase an existing line of credit facility with a financial institution to provide additional liquid resources and meet its working capital needs.

The key proposed terms of the line of credit from Redwood Capital Bank are as follows:

- The amount of the line of credit was increased from to \$2 million to \$4 million.
- The line of credit will expire October 15, 2024.
- The initial interest rate on the line of credit is 4.75 percent and will vary from time to time based on daily changes to Redwood Capital Bank's internal index, currently at 4.00 percent, plus 0.75 percent in margin over the index.
- Annual Fee of \$10,000, less any interest paid on amounts drawn during the year.
- The line of credit is secured by all accounts receivables of the Foundation.

COMMITTEE ON FINANCE

Approval of the 2022-2023 Operating Budget Request

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Ryan Storm
Assistant Vice Chancellor
Budget

Summary

This item requests approval by the California State University Board of Trustees of the 2022-2023 CSU Operating Budget Request. Accompanying this agenda item as Attachment A is the proposed 2022-2023 request, which contains historical detail as well as prospective information for the Board of Trustees' consideration.

At its September 2021 meeting, the Board of Trustees reviewed a preliminary plan for purposes of crafting the CSU's operating 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. With that history and context, the focus of this item are the details of the proposed 2022-2023 CSU Operating Budget Request and a brief discussion of potential opportunities to address the necessary revenues of the operating budget.

The California State Constitution requires the submittal of the governor's budget proposal each year by January 10. To meet consequent deadlines of the Department of Finance, it is necessary to adopt the proposed 2022-2023 CSU Operating Budget Request at the November CSU Board of Trustees meeting.

Proposed 2022-2023 CSU Operating Budget Request

With the exception of 2020-2021, the state has systematically increased its investment in the CSU for a decade. The challenging \$299 million recurring budget reduction in 2020-2021 was immediately followed by a state budget rebound in 2021-2022 that unwound the prior year reduction and added \$251 million of incremental, recurring funding to the CSU's budget.

It is likely that this upward trend will continue. The prospect of the state providing new investments in the 2022-2023 budget cycle is promising because the state forecast from July 2021 suggests state tax revenue growth through 2024-2025. It should be noted that there have been some positive economic indicators since July 2021 including actual state tax revenue receipts ahead of forecasts and a continuing decline in California unemployment rates.

As a result, the university should be positioned for a potential investment. We must prepare for when the finances and priorities of the state align with the priorities of the university. As shown in the below table and in Attachment A, the 2022-2023 Operating Budget Request proposes a base, recurring increase of \$715.5 million. With such an investment, the state and the CSU will be in a better position to meet the overall economic and future workforce needs of California.

Incremental Expenditures	in million
Graduation Initiative 2025	\$75.0
Student Basic Needs	20.0
Bridging Equity Divide Through Technology	75.0
Salaries and Benefits	223.3
<i>Compensation Pool</i>	<i>\$209.3</i>
<i>Health Benefits</i>	<i>14.0</i>
<i>Staff Salary Structure Study Results</i>	<i>TBD</i>
Academic Facilities & Infrastructure	135.0
Strategic Resident Enrollment Growth	129.9
Senate Bill 169 State University Grant Requirement	16.8
Mandatory Costs	40.5
<i>Inflation on Non-Personnel Expenditures</i>	<i>29.6</i>
<i>Operations & Maintenance of New Facilities</i>	<i>3.1</i>
<i>Minimum Wage</i>	<i>7.8</i>
Total Incremental Expenditures	\$715.5
Anticipated, Incremental Revenues	
Tuition from Enrollment Growth	42.5
Board of Trustees General Fund Increase Request	673.0
Total Incremental Revenues	\$715.5
One-Time Funding Request	in millions
Deferred Maintenance	\$1,000.0

Potential Opportunities to Address Operating Budget Revenue Needs

The CSU's highest priority is to advocate for increased state funding to cover the full operating budget request. The CSU will work collaboratively with stakeholders and partners across the system including trustees, students, faculty, staff, union leaders, alumni, and business partners to make the case in Sacramento for increased funding that supports our priorities.

While additional general fund 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 2022. It is very early in the 2022-2023 budget cycle and the economy's direction is not certain. State revenues are heavily dependent on personal income tax and this source is prone to fluctuations, especially capital gains. At this stage, before the governor's budget proposal is released in January 2022, it is not known if the CSU will receive enough new general fund dollars to meet its mandatory obligations and invest in its ongoing priorities.

Consequently, all funding options must remain open. As a regular and routine business matter, the CSU will follow state statutory intent and prepare for and discuss with California State Student Association leadership a written tuition proposal. At this point, the CSU does not expect to raise tuition rates for 2022-2023 but will keep the possibility open in case the state budget deteriorates. The CSU must ensure that the university has the resources it needs to maintain the quality of academic and supportive services for students, while maintaining authentic access to the university.

If funding is not secured for the operating budget request through state general fund, priority areas of the operating budget would be reduced or eliminated, and campuses would have to redirect funding from designated balances, reserves, and existing programs. Faced with budget reductions, it is possible that fewer course sections would be available to students, average unit loads would go down not up, and ultimately it could take longer for students to graduate, costing students more money and creating challenges for Graduation Initiative 2025 efforts.

Conclusion

The state's budget cycle is just beginning. At this time there are some funding assumptions from the state and it is not known at what level the state will provide the necessary resources to invest in operating budget priorities at the CSU. As the budget cycle moves forward, the CSU will work with its partners across California to advocate for funding by the state of the Board of Trustees' operating budget request.

This is an action item presenting final recommendations for the CSU 2022-2023 Operating Budget Request to the governor and legislature. It is the CSU's goal that the state support the budget plan

so that the CSU can focus on the transformational goals of Graduation Initiative 2025 while continuing to invest in other important needs.

The budget outlined in Attachment A is the official presentation of the 2022-2023 CSU Operating 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 www.calstate.edu/budget.

Recommendation

The following resolution is presented for approval:

RESOLVED, that the future of California rests on the California State University's ability to provide a high-quality, affordable, and accessible education to nearly 500,000 students each year; and be it further

RESOLVED, by the Board of Trustees of the California State University that the 2022-2023 Operating 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 and the 2022-2023 CSU Operating Budget Request included as Attachment A to this agenda item be transmitted to the governor, to the director of the Department of Finance, and to the legislature.



The California State University

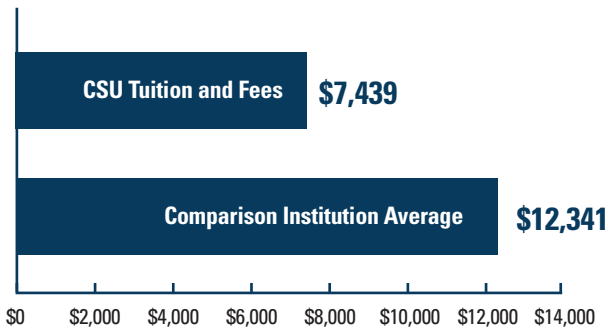
J. Paul Leonard Library
Sutro Library

2022-23 OPERATING BUDGET

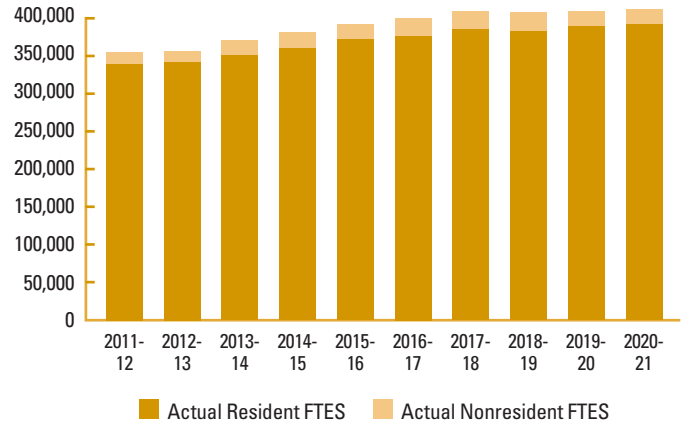
www.calstate.edu/budget

DRAFT FOR CSU BOARD OF TRUSTEES
CONSIDERATION

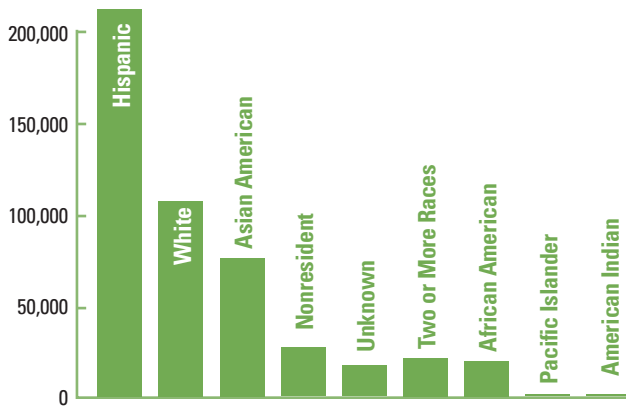
CSU TUITION AND FEES REMAIN AFFORDABLE
[BASED ON AVERAGE RESIDENT UNDERGRAD]



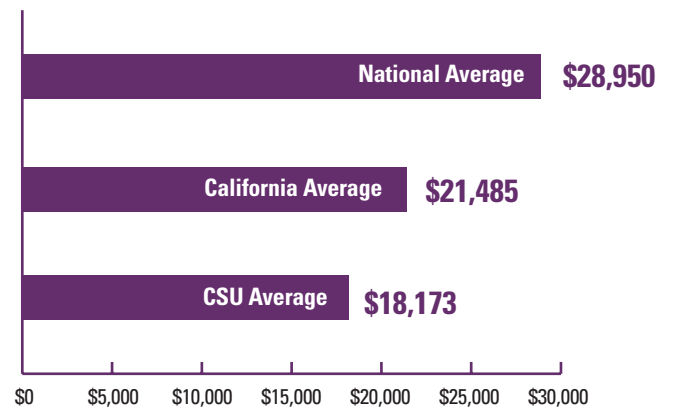
95% OF CSU STUDENTS ARE FROM CALIFORNIA



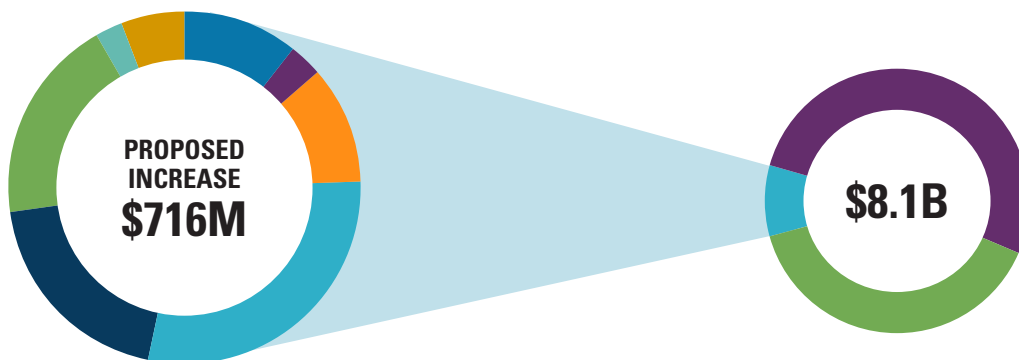
CSU SERVES A DIVERSE STUDENT POPULATION



CSU STUDENTS HAVE LOWER AVERAGE DEBT



2022-23 PROPOSED OPERATING BUDGET

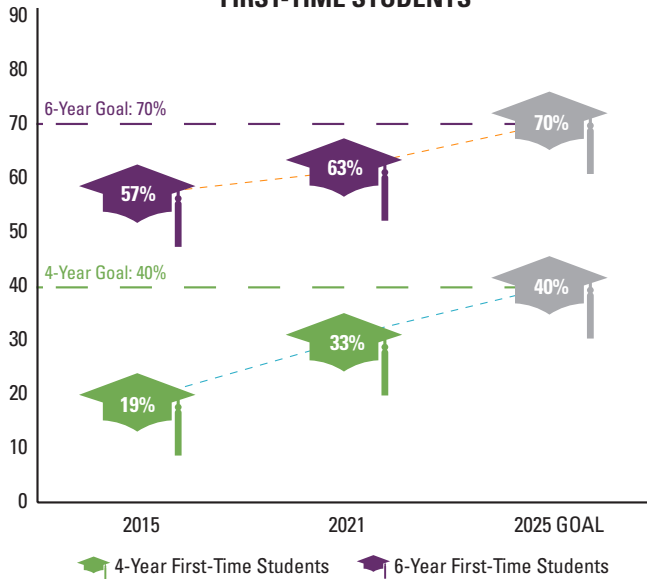


- Graduation Initiative 2025 **10.5%**
- Student Basic Needs **2.8%**
- Bridging Equity Divide Through Technology **10.5%**
- Salary and Benefits **31.2%**
- Academic Facilities and Infrastructure **18.9%**
- Strategic Resident Enrollment Growth **18.1%**
- Senate Bill 169 State University Grant Requirement **2.3%**
- Mandatory Costs **5.7%**

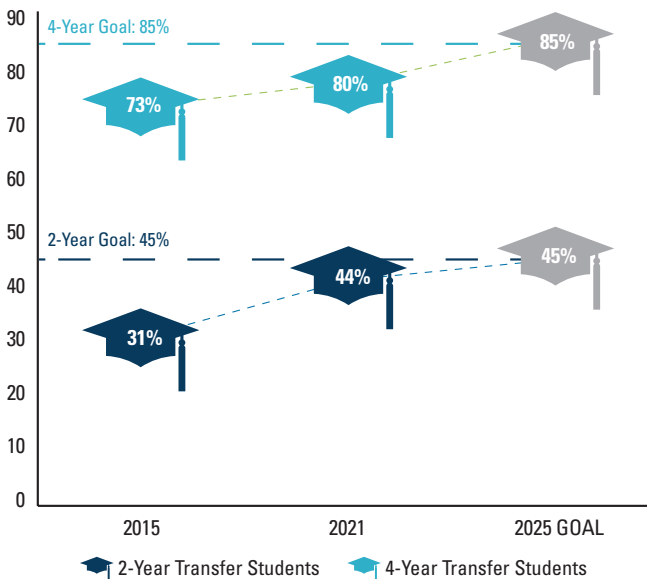
- Tuition and Fees **\$3.2B**
- General Fund **\$4.2B**
- 2022-23 Proposed Increase **\$716M**

CSU IS ON TRACK TO MEET ITS SYSTEMWIDE GRADUATION RATE GOALS BY 2025

FIRST-TIME STUDENTS



TRANSFER STUDENTS



CSUCCESS



8
CAMPUSES CURRENTLY PARTICIPATING



\$19M
FUNDING FOR PROGRAM



22,775
TECHNOLOGY BUNDLES



UP TO 35,000
FIRST-YEAR AND TRANSFER STUDENTS ELIGIBLE

82%

OF ALL CSU STUDENTS RECEIVED FINANCIAL AID

49%

OF CSU UNDERGRADUATES RECEIVED A FEDERAL PELL GRANT

59%

OF CSU STUDENTS HAD TUITION FULLY COVERED

50%

OF UNDERGRADUATES ARE FROM TRADITIONALLY UNDER-REPRESENTED MINORITIES

95%

OF NEW UNDERGRADUATE TRANSFERS ARE FROM CALIFORNIA COMMUNITY COLLEGES



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**CHANCELLOR'S
MESSAGE**

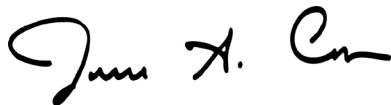
As California steadily emerges from the most devastating global pandemic in more than a century, I look to our state's future with great optimism. And I wholeheartedly believe that the California State University—the nation's largest, most diverse and most consequential university—can serve as an inflection point: one that will lead a turn toward healing, reconciliation, recovery and prosperity.

Despite the challenges of the past year and a half, the CSU and its students are thriving, thanks in large part to the state's renewed, generous and forward-thinking support. Almost 133,000 students earned degrees in 2020-21—a record high. Graduation rates are also at all-time highs for students from all backgrounds. As supported by Washington Monthly's recent rankings, the CSU continues to be the nation's most powerful driver of socioeconomic ascent, as we work to prepare California's future workforce for its most in-demand fields.

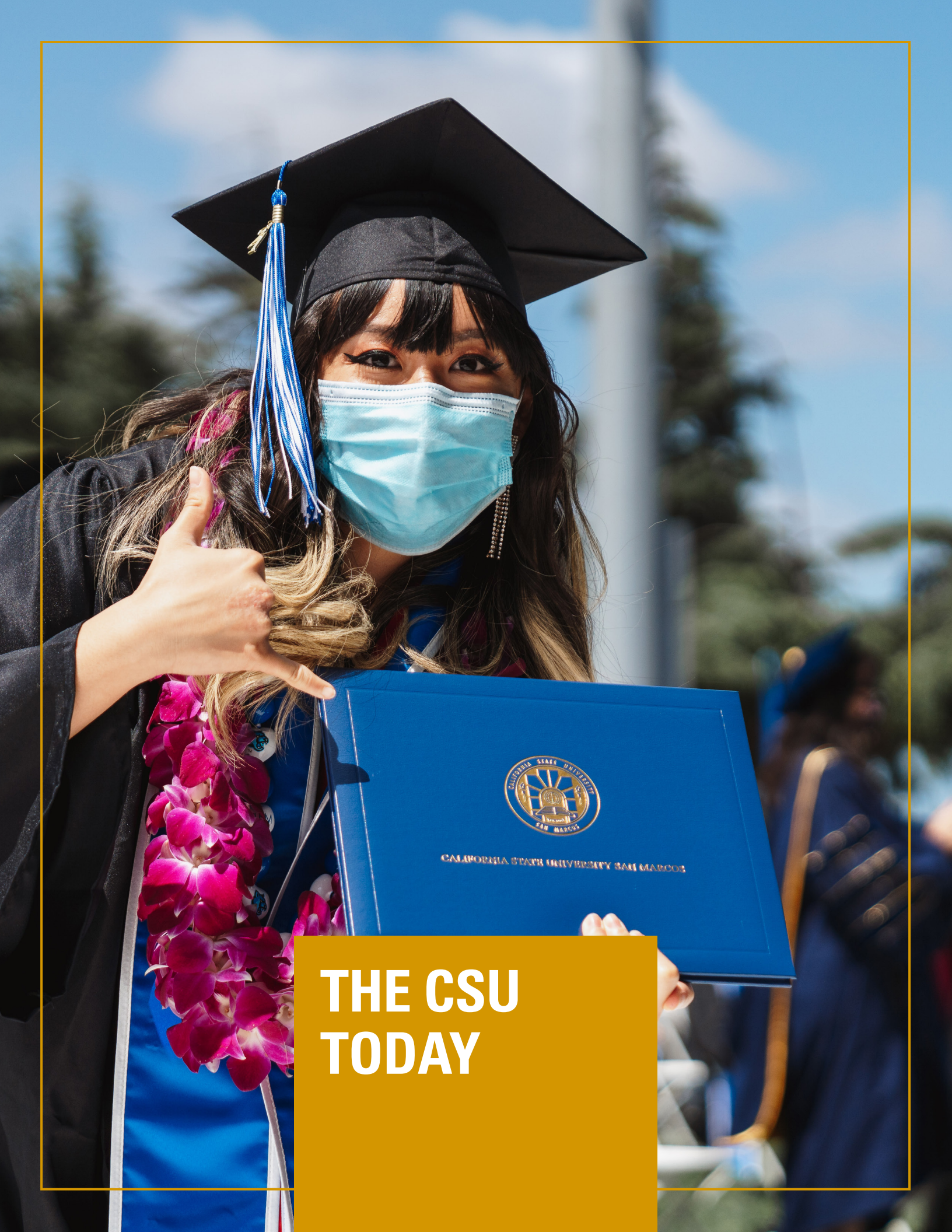
But we can, and must, do more for California's students—our state's future leaders. I believe the Trustees' budget plan represents a vital and effective path forward. It is one that will help us:

- Elevate student success for all, with a laser focus on completely eliminating equity gaps that exist between students of color, first-generation students and low-income students and their peers, via Graduation Initiative 2025.
- Promote our students' mental and physical well-being while supporting their basic needs, including housing and food security.
- Bridge the digital divide so that technology will be an essential and invaluable tool—and not a barrier—for every CSU student.
- Ensure the fair and equitable compensation of our world-class and student-centered faculty and staff.
- Repair and modernize our aging facilities and infrastructure to promote academic achievement while providing the safest possible environment for our students, faculty and staff.
- Increase access through enrollment growth, so that more Californians from all backgrounds can earn the security, purpose and prosperity that come with a high-quality CSU degree.

On behalf of the entire CSU community, including our more than four million global alumni, please accept my deepest appreciation and gratitude for your belief in our mission and for your visionary support and leadership through one of the most challenging times in our state's and university's history. I am extraordinarily proud of how the collective CSU community stepped up to deliver on your investment. And I hope that the remarkable successes of our talented and diverse students inspire continued partnership and investment, as together we transform our students' lives and communities and drive California's recovery and sustained economic vitality.



Joseph I. Castro
Chancellor
The California State University



**THE CSU
TODAY**

In the 2021-22 final budget, the CSU received from the state a permanent base budget increase of \$550.2 million, including a restoration of the \$299 million base funding reduction in 2020-21. The tables below also include the state-funded retirement adjustment of \$4.4 million that will be reduced in a subsequent General Fund appropriation. The 2021-22 current year total CSU operating budget of \$7.4 billion is composed of \$4.2 billion in state General Fund and \$3.2 billion in tuition and fees. New resources to fulfill the CSU's budget request for 2022-23 are \$715.5 million, as shown in Table 1.

TABLE 1: OPERATING BUDGET AND INFRASTRUCTURE

	2020-21 Past Year	2021-22 Current Year	2022-23 Budget Year	2022-23 Increase
General Fund, Operations	\$3,345,830,000	\$3,883,312,000	\$4,421,292,000	\$537,980,000
General Fund, Academic Facilities and Infrastructure	340,560,000	340,560,000	475,560,000	135,000,000
Tuition and Other Fee Revenue	3,277,002,000	3,163,392,000	3,205,920,000	42,528,000
TOTAL OPERATING BUDGET AND INFRASTRUCTURE	\$6,963,392,000	\$7,387,264,000	\$8,102,772,000	\$715,508,000

TABLE 2: EXPENDITURES BY PROGRAM AREA

	2020-21 Past Year	2021-22 Current Year	2022-23 Budget Year
Instruction	\$2,835,645,000	\$2,924,053,000	\$2,924,053,000
Research	31,653,000	23,856,000	23,856,000
Public Service	20,996,000	17,374,000	17,374,000
Academic Support	706,730,000	752,089,000	752,089,000
Student Services	775,869,000	790,223,000	790,223,000
Institutional Support	892,813,000	1,108,782,000	1,108,782,000
Operation and Maintenance of Plant	938,640,000	1,015,372,000	1,015,372,000
Student Grants and Scholarships	761,046,000	755,515,000	755,515,000
New Expenditures	0	0	715,508,000
TOTAL EXPENDITURES	\$6,963,392,000	\$7,387,264,000	\$8,102,772,000

The operating budget is focused on fulfilling the CSU's core mission: to serve students with a high-quality, affordable and accessible education. As shown in Table 2, the CSU spends 71 percent, \$5.2 billion, of its total operating budget on instruction, academic support, student services and financial aid. All of these activities promote student success, enrich the academic experience and ensure that each eventual CSU graduate is ready to succeed professionally.



State support for the CSU—the nation’s largest and most diverse public university—continues to be one of the wisest and most consequential commitments our state leaders can make with a sevenfold return on every dollar invested in the university. The CSU plays a critical role in providing future leaders with skills and knowledge to thrive in the workforce and help drive California’s economy. Producing over half the state’s bachelor’s degrees, the CSU sends more than 130,000 job-ready graduates into the workforce each year. Ongoing base augmentations from the state ensure higher education access is expanded and costs remain affordable. The CSU is the best value in higher education. Year after year, it remains one of the most affordable university systems in the nation, with more than half of its students graduating with zero loan debt. In 2019, all 23 campuses ranked among the top 100 “Best Bang for the Buck” universities in the West, according to Washington Monthly. Additional accomplishments include:

- Enrolled 477,472 students in fall 2021;
- Graduated 132,617 students in 2020-21, 3,692 more than 2019-20;
- Awarded 112,566 baccalaureate, 19,454 master’s and 597 doctoral degrees in 2020-21;
- Served 2,479 doctoral students in fall 2021 from diverse backgrounds, preparing them for leadership roles in education and nursing and filling roles in critical fields such as physical therapy and audiology;
- Improved four-year graduation rates for first-time students by 14 percentage points since 2015; and
- Improved six-year graduation rates for first-time students by 6 percentage points since 2015.

The university has embraced key opportunities from the COVID-19 pandemic to reimagine an even more dynamic and equitable institution. Technology and support strategies employed during virtual instruction were vital to student success during the pandemic. With an emphasis to be flexible, technology focused, compassionate and inclusive, the CSU will continue to refine and expand these tools to enrich the student learning experience moving forward.

- Distributed more than 21,000 laptops and tablets and 10,000 mobile Wi-Fi hot spots during the pandemic to facilitate necessary online instruction and learning;
- Launched CSUCCESS (California State University Connectivity Contributing to Equity and Student Success) in July 2021, which provided 22,775 new iPad bundles to fall 2021 first-year and transfer students at eight participating CSU campuses (Bakersfield, Channel Islands, Fresno, Humboldt, Los Angeles, Maritime Academy, Northridge and San Marcos);

- Engaged faculty and staff from across the CSU in a Flexible Course Experience Institute to explore ways to offer courses in three modes simultaneously (face-to-face, virtual synchronous and virtual asynchronous), with students able to choose the modality that best suits their needs and preferred learning style; and
- Provided virtual advisement, with appointment attendance nearing 100 percent at many campuses, allowing students with jobs and families to meet with their advisors from any location.

The CSU adopted a university-wide commitment to innovation and shared standards with a goal of driving value and increasing effectiveness across the system. Through joint contracts, energy partnerships and sustainability efforts, the CSU maximizes efficiencies and economies of scale to increase cost savings and cost avoidance whenever possible.

- Contributed \$45 million in value during 2020-21 through procurement-related cost avoidance and revenue generation activities across the organization, including administrative, instructional, student services, information technology, construction, energy and facilities operations.
- Leveraged supplier relationships to increase career development opportunities through student internships, professional development programs and job prospects.
- Developed intersegmental strategic partnerships to reduce costs in purchasing goods and services mainly for construction projects, information technology and academic support.
- Utilized CSU’s Energy Dashboard tool to reduce staff time through streamlined data collection and systemwide reporting, resulting in improved management of energy information and cost data.
- Established on-campus solar and battery storage Master Enabling Agreements, which provide cost-effective opportunities to increase resilient, clean energy resources across the CSU.
- Developing regional, inter-campus energy efficiency and carbon reduction specifications, which will lower costs by establishing standards and reducing duplication of work.

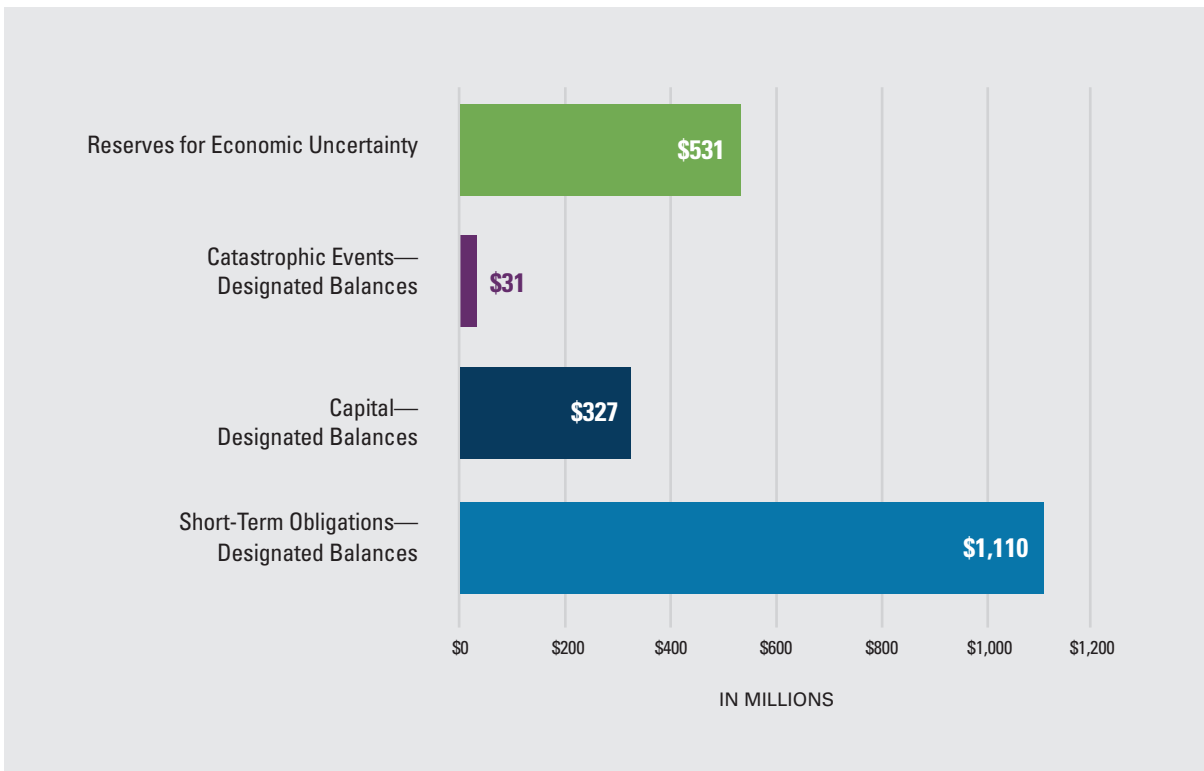
**DESIGNATED BALANCES AND RESERVES:
\$2 BILLION**

The CSU’s operating fund designated balances and reserves pay for nonrecurring expenses to manage short-term obligations and commitments, provide funding for capital infrastructure repairs and maintenance and help ensure that operating costs can be paid during times of catastrophic events and economic and budgetary uncertainty. The CSU’s reserve policy encourages campuses to accumulate a minimum of one-quarter to a maximum of one-half of the annual operating budget. The policy also requires designation and reserve amounts to be established and reported annually by the campuses and the Chancellor’s Office. These amounts are published on the CSU’s financial transparency portal (calstate.edu/csu-system/transparency-accountability) and reported annually to the Board of Trustees. Designated balances and reserves are not used to fund recurring expenses such as salary increases. The use of one-time monies to pay recurring, permanent expenses can lead to structural deficits.

The CSU has prudently managed designated balances and reserves to meet certain strategic goals, one of which was to be prepared to respond during economic uncertainty. During

the first several months of the pandemic, the CSU drew upon these reserves on a one-time basis to maintain operations in programs impacted by COVID-19. More specifically and early in the pandemic, an estimated 45 percent of all operating fund reserves for economic uncertainties were expected to be used in 2020-21 to cover COVID-related losses and expenses. The fortunate reality was that over the past 18 months with subsequent rounds of federal legislation, campuses used one-time federal funds in lieu of operating fund reserves for COVID-related losses and expenses. The CSU no longer anticipates a use of reserves for COVID-related purposes over the next several years because the economy and state budget have rebounded sooner than expected.

As of June 30, 2021, designated balances and reserves in the operating fund totaled \$2 billion, accumulated primarily from tuition, fees and other revenues in excess of annual expenses. They are held for economic uncertainty, catastrophic events, capital needs and short-term obligations as displayed in the chart.





Reserves for Economic Uncertainty

Reserves for economic uncertainty are held for costs that may occur due to short-term recessionary cycles or state budget fluctuations. Reserves are part of the university's prudent fiscal strategy and are intended to be used as a one-time supplement, which allows the CSU time to adjust operating budgets appropriately to balance reductions and to minimize disruptions to students' education as much as possible. As of June 30, 2021, reserves for economic uncertainty totaled \$531 million and represent about 27 days of operations for all 23 campuses and the Chancellor's Office. This is well below the need to maintain three to six months of operating expenses.

Designated for Catastrophic Events

Balances are held to be used in the event of a natural disaster or other catastrophic event. Typically, these balances are used to pay for costs not covered by insurance. Balances designated for catastrophic events are sufficient to cover expected needs, which totaled \$31 million.

Designated for Capital

Balances designated for capital are for new capital projects and repair of current buildings, as well as planning costs and equipment acquisition associated with those buildings. Capital reserves fall well short of the expected need, which is at least 10 percent of the cost of academic projects approved in the most recent multi-year capital plan. With over \$16.8 billion of academic facility and infrastructure needs identified in the 2021-22 through 2025-26 multi-year capital program, over \$1.6 billion is required. Balances designated for capital totaled \$327 million.

Designated for Short-Term Obligations

Balances designated for short-term obligations are for open contracts and purchase orders, near-term debt service payments, financial aid obligations and programs that are in development. Balances designated for short-term obligations totaled \$1.1 billion at the end of last year, which are sufficient to cover expected needs and are typically paid in the following fiscal year.



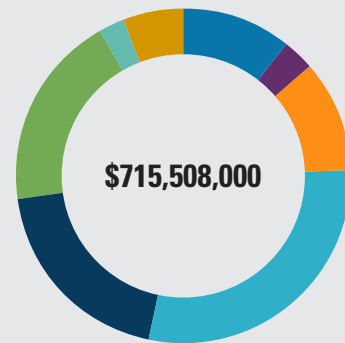
**2022-23
OPERATING
BUDGET PLAN**

The CSU proposes an \$8.1 billion operating budget for 2022-23, with \$4.9 billion from the state General Fund and \$3.2 billion from tuition and fee revenue. As shown in Table 1, this budget plan is an increase of \$715.5 million over the 2021-22 operating budget. It includes significant investments so that the CSU can continue to serve as the key to California’s prosperous economy, consistently ranked as one of the top ten largest in the world. Table 3 outlines the sources and uses of funds that make up the \$715.5 million increase.

TABLE 3: SOURCES AND USES OF FUNDS

SOURCES OF FUNDS		
General Fund Increase		\$672,980,000
Operating Budget	537,980,000	
Academic Facilities and Infrastructure	135,000,000	
Tuition From Strategic Resident Enrollment Growth		42,528,000
TOTAL NEW SOURCES		\$715,508,000
USES OF FUNDS		
Graduation Initiative 2025		\$75,000,000
Student Basic Needs		20,000,000
Bridging Equity Divide Through Technology		75,000,000
Salary and Benefits		223,325,000
Compensation Pool	209,363,000	
Health Benefits	13,962,000	
Academic Facilities and Infrastructure		135,000,000
Strategic Resident Enrollment Growth		129,859,000
Senate Bill 169 State University Grant Requirement		16,835,000
Mandatory Costs		40,489,000
Inflation on Non-Personnel Expenditures	29,628,000	
Maintenance of New Facilities	3,094,000	
Minimum Wage	7,767,000	
TOTAL NEW USES		\$715,508,000

USES OF FUNDS



- Graduation Initiative 2025
10.5%
- Student Basic Needs
2.8%
- Bridging Equity Divide Through Technology
10.5%
- Salary and Benefits
31.2%
- Academic Facilities and Infrastructure
18.9%
- Strategic Resident Enrollment Growth
18.1%
- Senate Bill 169 State University Grant Requirement
2.3%
- Mandatory Costs
5.7%



TABLE 4: CSU SYSTEMWIDE GRADUATION INITIATIVE PROGRESS

			2016	2017	2018	2019	2020	2021	2025 GOAL
GRADUATION RATES	First-Time Students	4-Year	21%	23%	25%	27%	31%	33%	40%
		6-Year	59%	59%	61%	62%	62%	63%	70%
	Transfer Students	2-Year	33%	35%	38%	40%	44%	44%	45%
		4-Year	74%	75%	77%	77%	79%	80%	85%
EQUITY GAPS (in percentage points)	Underserved Students of Color		12.0	12.2	10.5	11.1	10.5	12.4	0.0
	Pell Grant Recipients		10.0	10.6	9.5	10.2	9.2	10.2	0.0

GRADUATION INITIATIVE 2025: \$75 MILLION

As it enters its sixth year, Graduation Initiative 2025 is well on its way to meeting many of its bold systemwide goals with the highest graduation rates for first-time and transfer students since the initiative launched. Yet, the CSU is committed to doing more, which means ensuring that all students, regardless of background, have the opportunity to receive a high-quality education and earn a CSU degree. The CSU expects to invest \$75 million of the 2022-23 operating budget request to meet these ambitious

goals. To that end, Chancellor Castro convened a new advisory committee for Graduation Initiative 2025 with an expressed goal to identify new and creative ways to address disparities in graduation rates and accelerate the elimination of equity gaps. The committee, comprised of CSU administrators, faculty, staff and students, issued a set of recommendations that included enhancements in student advising, expanding data sharing and increasing transparency across campuses.

Graduation Rates Continue to Climb

Based on preliminary 2021 data, four- and six-year graduation rates for first-time students and two- and four-year rates for transfer students continue to improve and have reached all-time highs. These increases are remarkable given the challenges of the pandemic and represent the commitment of CSU faculty and staff and the intentional action by campus leaders for a laser focus on student success.

- Every year, more and more students graduate from the CSU and enter the workforce. Since 2015, the number of students who annually earn a baccalaureate degree has increased by nearly 25,000.
- The systemwide four-year graduation rate increased two percentage points to 33 percent from the previous year and 14 percentage points since 2015.
- The systemwide six-year graduation rate increased one percentage point to 63 percent, continuing to exceed the national average for public four-year universities.
- The CSU is on track overall to meet its systemwide graduation rate goals by 2025.

Focus on Eliminating Equity Gaps

The CSU is redoubling student success efforts with a more intentional focus on eliminating equity gaps. Informed by recommendations of the Graduation Initiative 2025 Advisory Committee, Chancellor Castro announced an action plan with the expressed goal to support students most in need—including students of color, first-generation and Pell Grant recipients. The plan's five priorities are:

- Advance systemwide campus campaigns to re-engage and re-enroll underserved students;
- Expand credit earning opportunities with summer and intercession sessions funding;
- Ensure equitable access to digital degree planners/roadmaps;
- Eliminate administrative barriers to graduation; and
- Promote equitable learning practices and reduce DFW (D, F, Withdrawal) rates.

Additional state funding for Graduation Initiative 2025 is critical to maintain this momentum. These new investments will be used to offer more courses, hire additional tenure-track faculty and to advance innovative student success practices. Specifically, campuses will focus on addressing the five equity priorities within the framework of the six operational pillars:

- Academic Preparation
- Enrollment Management
- Student Engagement and Well-Being
- Financial Support
- Data-Informed Decision-Making
- Administrative Barriers

Increased state funding will allow campuses to accelerate existing Graduation Initiative 2025 efforts and scale programs that have demonstrated success to ensure all California students have the opportunity to earn a degree. More information about specific systemwide and campus priorities can be found at calstate.edu/csu-system/why-the-csu-matters/graduation-initiative-2025.

STUDENT BASIC NEEDS: \$20 MILLION

The CSU requests \$20 million to sustain and expand its Basic Needs initiatives in support of Graduation Initiative 2025. Following a landmark research project into the prevalence of food and housing insecurity among CSU students, the Chancellor's Office launched a systemwide initiative in 2015 to provide a framework for all 23 campuses that guides a more coordinated approach to developing basic needs programs and services. These strategies are intended to support students experiencing food and housing insecurities, unanticipated financial distress, mental health concerns and overall health and safety challenges that could disrupt their timely pathways to degree. While the CSU's primary mission is educational in nature, the CSU recognizes that students cannot be fully engaged in, or out of, the classroom if they are preoccupied with hunger, housing insecurity, personal safety, mental and physical health, transportation, technology/broadband or childcare to attend educational and employment responsibilities. As such, leaders across all 23 campuses have committed to enhancing and developing resources consistent with the CSU academic mission to reduce the negative impact of these basic needs gaps on student retention and graduation. From a recently completed fall 2021 survey, campuses are investing \$140.5 million from all funding sources on basic needs support and services to students. That is a substantial increase over the fall 2020 total of \$92 million.



BRIDGING EQUITY DIVIDE THROUGH TECHNOLOGY: \$75 MILLION

Over the course of the past 18 months, the CSU helped bridge the equity divide by increasing access to critical technology to ensure student success in a virtual learning environment. The CSU is offering the majority of instruction in person this fall term, but a significant increase in courses are offered virtually, because of ongoing risks and challenges posed by the COVID-19 pandemic and student-stated preferences.

In July 2021, the CSU announced the launch of the first phase of the California State University Connectivity Contributing to Equity and Student Success (CSUCCESS) initiative, a bold effort to enhance student achievement and create more equitable opportunities for the CSU community by providing industry-leading technology. CSUCCESS provides students with tools to participate and succeed in a virtual learning environment. Eight campuses are participating in the initial phase this fall 2021 and offered a free iPad Air, Apple Pencil and Apple Smart Keyboard Folio to all incoming first-year and new transfer students who registered to participate in the initiative. Students will have this iPad bundle for the entirety of their undergraduate experience at the CSU. The new CSUCCESS

initiative builds on previous efforts to address the issue at scale by partnering with a global technology leader at the university-wide level to provide a high-quality, reliable device for new students.

Next steps in bridging the equity divide through technology could include several approaches. The CSUCCESS initiative could be rolled out to additional campuses and students beginning in fall 2022. Also, information technology capabilities could be expanded so that the educational experiences, lessons learned and opportunities identified during the pandemic can be optimized now and in the future for course delivery. Another component of the request could be informational technology infrastructure that increases research opportunities and access to advanced cyberinfrastructure.

This \$75 million recurring request is an important component in the CSU's efforts to recover from the pandemic and improve student success while eliminating opportunity and achievement gaps as part of Graduation Initiative 2025.

SALARY AND BENEFITS: \$223.3 MILLION

The CSU Board of Trustees recognizes salary and benefits for faculty, staff and management as a key element to the university's success. Continued investment in competitive salary and benefits is critical for the CSU to fulfill its primary mission of providing access to an affordable and high-quality education. A competitive compensation package is essential to the CSU's ability to recruit and retain the best faculty, staff and management employees.

Compensation Pool	\$209,363,000
Health Benefits	13,962,000
TOTAL	\$223,325,000

Compensation Pool

The CSU proactively mitigated the impact to faculty and staff during the COVID-19 health crisis and the state budget reduction in 2020-21. Fortunately, furloughs or systemwide layoffs were not needed, and campuses and employees benefited from the use of various resources (e.g., reserves and federal grants). Moving forward following the recent budget restoration and transition back to normal operations, the CSU will keep its employees a priority in its budgetary decisions.

This budget plan calls for approximately \$209.4 million to fund 2022-23 compensation increases for all employee groups. The compensation pool is subject to collective bargaining and contingent on the state providing the funding to support this. The 2022-23 cost of the compensation increases is based on 2021-22 final budget salaries and salary-related benefits (OASDI, Medicare and retirement).

Health Benefits

Permanent base budget costs associated with January 2022 employer-paid health care premium increases are over \$13.9 million. Health care premiums are shared between the CSU and its employees, with the CSU funding a significant portion of the costs. The CSU is governed by California Government Code Section 22871 that defines the employer-paid contribution rates.

Retirement Benefits (Beyond State-Funded)

Beginning with the 2013-14 fiscal year, the annual state budget placed a limit on the state's obligation to adjust CSU retirement funding due to annual changes in CalPERS rates. Although the state's statutory obligation to adjust retirement funding based on annual rates set by CalPERS continues (Government Code Section 20814), the salary base applied to the incremental rate change is annually set to the CSU 2013-14 pensionable payroll

level in the state budget. Final 2020-21 pensionable payroll for the CSU was 31 percent above the 2013-14 frozen pensionable payroll level. The retirement increase amount above the frozen payroll level is an unfunded cost for the CSU, and it continues to increase each year when pensionable payroll or retirement contribution rates increase.

CalPERS retirement contribution rates decreased for 2021-22, the second consecutive year, due in part to advanced paydown of unfunded retirement obligations, so there is no request for additional retirement funding in 2022-23. However, the state's use of this budgeting practice is problematic and should be discontinued. Throughout the years that this budget practice has been in effect, the state or students ultimately covered the unfunded liability above frozen pensionable payroll because retirement costs are mandatory and unavoidable. While the rationale of this practice was to help reduce state funding increases and to examine more closely the cost of annual general salary increases and hiring of new employees, those have always been key considerations. The CSU must balance the need to serve students with the level of funding available to the university, particularly as tuition rates have remained relatively constant since 2011-12, with only a \$270 per year increase in 2017-18. The CSU cannot hire additional employees or provide continued investment to ensure competitive salary and benefits without the proper level of state funding.

STAFF SALARY STRUCTURE STUDY RESULTS: TO BE DETERMINED

The Budget Act of 2021 included \$2 million for the Chancellor's Office to evaluate the existing salary structure, issues of salary inversion and provide any recommendations for alternative salary models for CSU non-faculty staff. The Chancellor's Office, California State University Employees Union, Service Employees International Union and Teamsters Local 2010 partnered this past spring to advocate for state funding for this purpose. These organizations have long desired to find a mutually agreeable solution to address issues of inversion and salary structure.

The evaluation will be completed by April 30, 2022. The evaluation's recommendations could include solutions that would require additional funding. The Chancellor's Office, in partnership with these represented staff groups, may request additional funding for these purposes. The completion date of the evaluation is expected two weeks prior to the governor's 2022-23 May Revision. It will be extremely important for the Chancellor's Office and our represented groups to work together to obtain funding for this important purpose in the 2022-23 state budget.

ACADEMIC FACILITIES AND INFRASTRUCTURE: \$135 MILLION

The CSU proposes using \$135 million of the request to fund academic facilities and infrastructure projects. Campus need for facility renovation and improvement continues to grow. Academic facility and infrastructure improvement programs address important facility needs. Seismic projects include those to retrofit and improve buildings identified by the seismic review board as needing seismic strengthening. Energy efficiency projects aim to lower our utility consumption and respond to statewide capacity issues, and resiliency projects such as microgrid readiness and battery storage projects help campuses respond to public safety power shutoffs, fires and other natural disasters. Other projects address general deficiencies in building systems and building structure. Many of the infrastructure improvement projects address critical infrastructure needs, system upgrades, facility improvements, as well as maintenance needs that are well past due. While the CSU continues to make strides in addressing its systemwide needs, current funding levels prohibit the CSU from undertaking projects to adequately address the needs in the built environment.

In support of the request for additional, permanent base funding, the CSU multi-year capital plan identifies the priority needs of each of the 23 campuses and their off-campus centers. The plan primarily identifies renewal/replacement needs of existing buildings with some new facilities to accommodate growth and improve student access. The Board of Trustees regularly approves categories and criteria for capital outlay priority setting. The priorities are consistent with the state’s priorities of critical infrastructure, energy efficiency, life safety projects and renovation/modernization of existing facilities and new facilities to increase capacity to serve the existing and projected enrollment. The multi-year plan identifies a systemwide need in 2022-23 alone that exceeds \$2 billion to address academic infrastructure and facility needs. The \$135 million in the 2022-23 budget request will help finance approximately \$2 billion of the priority projects identified by the campuses. For more information on specific projects and priorities, see the CSU multi-year capital plan.

STRATEGIC RESIDENT ENROLLMENT GROWTH: \$129.9 MILLION

The CSU aims for bold increases in enrollment to meet student demand for a CSU education and the needs of California’s future workforce. The CSU plans to increase resident enrollment by 9,434 full-time equivalent students (FTES). Using the marginal cost rate, which is the cost of education per FTES, the funding required to support 9,434 new resident FTES in 2022-23 is \$129.9 million.

It is the CSU’s intent to place new enrollment strategically at campuses that are experiencing significant prospective student demand and can expand more seats in academic programs that are vital to reducing current and prospective workforce shortages.

2021-22 Resident FTES Base	374,246
Proposed Growth (2.5%)	9,434
2022-23 TOTAL RESIDENT FTES	383,680

Marginal Cost Rate per FTES	\$13,765
TOTAL COST OF ENROLLMENT GROWTH	\$129,859,000
State’s Share of Marginal Cost Rate	\$9,257

In 2015, the Public Policy Institute of California (PPIC) concluded that the state would fall about 1.1 million college graduates short of economic demand by 2030. Of the 1.1 million degree gap, the PPIC calculated the CSU will need to graduate an additional 480,000 students to meet its share of the gap. The CSU is on track to partially meet workforce demand by increasing access and completion outcomes through Graduation Initiative 2025. But the other half of the equation necessary to shrink the gap is a funded enrollment increase of three to five percent per year over the next decade to meet increasing student demand for a CSU education and California’s future workforce needs.

Additionally, California has for decades encouraged generations of young Californians to pursue higher education. Despite the pandemic, demand for the CSU remains strong as more students graduate from high school having met the requirements for admission to the CSU and more transfer students complete the Associate Degree for Transfer. To accommodate more students at the CSU, the legislature and governor committed to providing recurring funding to grow enrollment by 9,434 resident FTES beginning in 2022-23. This would cost approximately \$129.9 million and would be equivalent to approximately a 2.5 percent increase in funded enrollment growth principally for new two-year transfer and four-year first-time student seats and, to a smaller extent, growth in the average unit load for continuing students in support of graduation rate goals. Each one percent increase in enrollment would cost approximately \$51.5 million and would allow for growth of approximately 3,740 FTES.

SENATE BILL 169 STATE UNIVERSITY GRANT REQUIREMENT: \$16.8 MILLION

The CSU requests \$16.8 million to increase State University Grant (SUG) program expenditures related to the aforementioned strategic resident enrollment growth of 2.5 percent.

In the final days of the first year of the 2021-22 two-year legislative session, the state's Middle Class Scholarship (MCS) program was substantively changed in state law that significantly altered the requirements for the CSU to participate in the program. The law requires the CSU to ensure that the amount of institutional aid provided each academic year be adjusted annually to account for increases in systemwide undergraduate enrollment, such that the proportion of SUG, relative to undergraduate enrollment, is maintained at levels equal to those during the 2021-22 academic year. In other words, when CSU enrollment grows, SUG program expenditures are now required to grow as well. Practically, this means that for every three new students above current levels, one of the new students will cost the CSU an additional \$4,825 (the mean SUG award) because state law now requires the CSU to increase SUG expenditures with enrollment growth.

MANDATORY COSTS: \$40.5 MILLION

Mandatory costs are expenditures the university must pay regardless of the level of funding allocated by the state, and they often increase despite growing, flat or declining state support. The 2022-23 operating budget request includes \$40.5 million for increases due to inflation on non-personnel expenditures, maintenance of new facilities and minimum wage rate.

Inflation on Non-Personnel Expenditures	\$29,628,000
Maintenance of New Facilities	3,094,000
Minimum Wage	7,767,000
TOTAL	\$40,489,000

Inflation on Non-Personnel Expenditures

Inflation impacts all areas of the university and, for the most part, salary and benefit cost increases are addressed through collective bargaining and state budgetary processes. Over the past decade, the CSU operating costs have increased on variety of expenses such as technology, instructional equipment, library subscriptions, supplies, contracts, insurance and any other non-personnel expenditures. The 2022-23 operating budget request includes \$29.6 million for increases due to cost-of-living adjustment.

Maintenance of New Facilities

The CSU is scheduled to open 149,467 square feet of new facilities in 2022-23. The cost to fund regular maintenance of these facilities is \$20.70 per square foot, for a total of \$3.1 million in 2022-23. Regular maintenance of new facilities includes the cost of utilities, building maintenance, custodial, landscape and administrative support.

Minimum Wage

In January 2022, the California minimum wage will increase from \$14 per hour to \$15 per hour. The estimated annualized cost of the increase on CSU campuses is \$7.8 million.



**ONE-TIME
REQUEST**

DEFERRED MAINTENANCE BACKLOG: \$1 BILLION

The CSU seeks \$1 billion of one-time funding to continue to address the growing maintenance backlog of building and utility infrastructure systems that have passed their useful life. More than half of the academic buildings are over 40 years old, and many of these buildings are overdue for major renovation. As buildings and their associated systems age, the cost to operate, maintain and renovate the facilities increases. Antiquated systems are generally more expensive to operate than more efficient modern systems, and replacement parts can be difficult to obtain. Although CSU facilities staff do an admirable job keeping these aging facilities operational, they do so with limited resources, and increased funding is necessary to adequately address the needs of our aging facilities moving forward. In 2020-21, the state provided \$325 million in one-time funding for deferred maintenance and energy efficiency, which is being used to address a small portion of our significant backlog of deferred renewal, improve energy efficiency and increase resiliency to enable campuses to better withstand and respond to climate change and utility interruptions. The CSU completes ongoing assessments and updates to our deferred maintenance inventory through a methodical approach using a third party with this expertise. Through these assessments, the CSU is able to develop a total, systemwide funding need. The assessment tool allows for the automatic addition of systems to backlog inventory as they age out past their useful life.

The one-time funding request will allow the university to address additional systemwide deficiencies, improve the reliability of systems and prevent costly and disruptive outages caused by system failures. In line with the overarching mission, system repairs and replacements will provide safer and healthier environments that support teaching and learning across all 23 campuses. These funds will also go toward projects that will improve the efficiency and effectiveness of systems, saving energy, producing fewer greenhouse gas emissions and improving occupant comfort and utilization. Major building systems that have exceeded the expected service life will be modernized to enable campuses to operate utilities more effectively, improve heating and air conditioning 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.



**CSU
FINANCIAL
AID**

The CSU strives to keep costs to a minimum by offering institutional aid programs in addition to federal and state grant and loan programs. Financial aid allows students attending the CSU to better focus on their academics and eases the pressure of educational and personal costs. CSU systemwide tuition is among the lowest in the nation, at \$5,742 per year for a resident undergraduate student. Numerous CSU, state and federal financial aid programs help defray the cost of attendance for the lowest income students and keep student debt well below the national average. In fact, CSU baccalaureate degree recipients have lower average debt (\$18,173) than other students in California (\$21,485) and the nation (\$28,950). With 82 percent of all CSU students receiving financial aid and 73 percent of undergraduate financial aid recipients receiving grants and scholarships to cover the full cost of tuition, the CSU understands the impact that need-based aid has on social mobility—a student's ability to attend college, earn a baccalaureate degree and enter the California workforce in a position to attain greater lifetime earnings. The CSU currently provides more than \$941 million of institutional aid, which includes \$701 million for the State University Grant program. An additional \$815 million from the state Cal Grant program and over \$1 billion from the federal Pell Grant program help CSU undergraduate students cover tuition, fees and some personal expenses. The result is average loan debt levels that are well below the national average.

State University Grant Program

To further the CSU's mission to provide an affordable, high-quality education to all students, the CSU created the State University Grant (SUG) program in 1982-83 to assist students who have the greatest financial need. Each year, the CSU awards need-based grants to eligible California residents and Dream Act applicants who enroll at CSU campuses in undergraduate, postbaccalaureate, teaching credential and graduate programs. Financial need is determined by the Expected Family Contribution (EFC) based on the Free Application for Federal Student Aid (FAFSA) application. Financial need is determined for Dream Act students through the California Dream Act Application. The SUG program has grown considerably since its inception, from \$4 million in 1982-83 to \$701 million in 2021-22. Nearly 140,000 students received a SUG award in 2019-20. As tuition increased and state investment in the CSU fluctuated, the CSU expanded the SUG program to help keep student costs to a minimum. Currently, more than 10 percent of the CSU's total operating budget is dedicated to financial aid for students with the greatest need. The SUG program remains one of the largest commitments in the CSU operating budget.



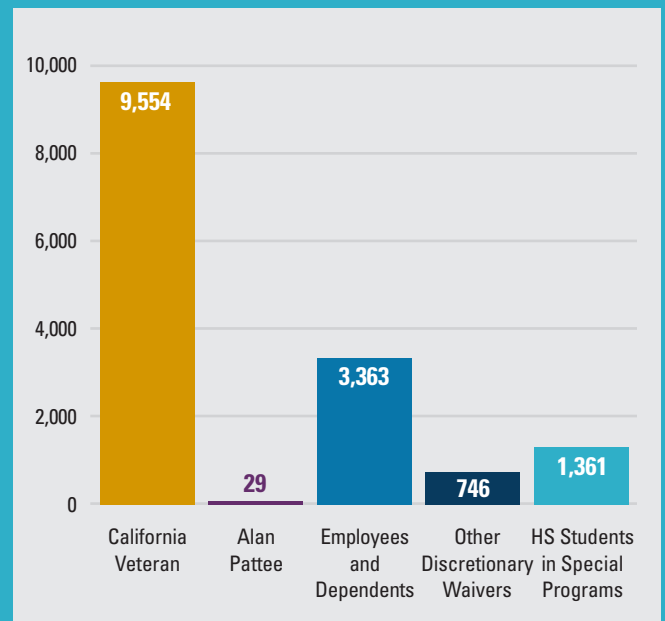
TUITION WAIVERS

Six mandatory resident tuition waiver programs exist under current state law:

- California Veterans Waiver for children of disabled or deceased veterans (Education Code Section 66025.3)
- Alan Pattee Waiver for dependents of deceased law enforcement or fire-suppression personnel (Education Code Section 68120)
- California residents who were dependents of victims killed in the September 11, 2001, terrorist attacks (Education Code Section 68121)
- Current or former foster youth (Education Code Section 66025.3)
- Exonerated persons (Education Code Section 69000)
- Student trustees (Education Code Section 66602)

The CSU also offers systemwide tuition waivers for employees and their dependents pursuant to collective bargaining agreements and CSU policy. Other discretionary tuition and fee waiver and exchange programs have been established by the CSU Board of Trustees and California statute for programs such as high school students participating in special programs, California residents age 60 and older or certain study abroad students.

In 2020-21, 15,053 tuition waivers were granted to CSU students, totaling approximately \$75.9 million. The state has not provided any General Fund support for any CSU tuition waiver program since 1992-93.





RESOLUTION OF THE BOARD OF TRUSTEES

Approval of the 2022-2023 Operating Budget Request

(RFIN 11-21-XX)

RESOLVED, that the future of California rests on the California State University's ability to provide a high-quality, affordable, and accessible education to nearly 500,000 students each year; and be it further

RESOLVED, by the Board of Trustees of the California State University that the 2022-2023 Operating 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 and the 2022-2023 CSU Operating Budget Request be transmitted to the governor, to the director of the Department of Finance, and to the legislature.



**The California
State University**

401 Golden Shore, Long Beach, CA 90802

www.calstate.edu

COMMITTEE ON FINANCE

California State University Annual Investment Report

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

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

Summary

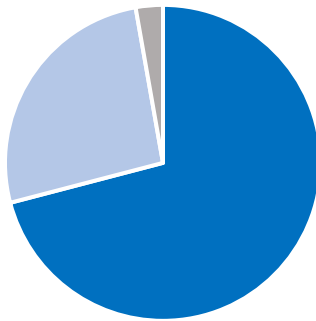
This item provides the annual investment report to the California State University Board of Trustees for the year ended June 30, 2021. The information in Attachment A will serve as the basis for an annual investment report to the California State Legislature and Department of Finance regarding CSU investments as required by Education Code § 89726.

Background

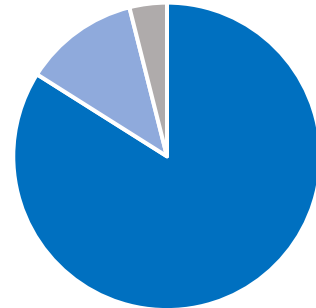
Pursuant to the California State University Master Investment Policy (included as Attachment B) CSU investments as of June 30, 2021 consisted of investments in the Liquidity Portfolio (Systemwide Investment Fund Trust or SWIFT), the Total Return Portfolio (TRP), and the State of California Surplus Money Investment Fund (SMIF). Except for amounts held at the State in SMIF, all CSU investments are held by US Bank, the custodian bank for the CSU. Neither state general fund nor CSU auxiliary funds are included in CSU investments. In addition, this report does not include approximately \$1.22 billion in bond proceeds, which by state law are required to be held by the state and are invested in SMIF.

**CSU Investments – Balances, Allocations, and Returns
 June 30, 2021**

	<u>Balance</u>	<u>% of CSU Investments</u>	<u>Twelve Month Returns</u>
Liquidity Portfolio (SWIFT)	\$3.675 billion	70.9%	0.30%
Total Return Portfolio (TRP)	\$1.362 billion	26.3%	25.84%
Surplus Money Investment Fund (SMIF)	\$144.0 million	2.8%	0.46%
CSU Investments	\$5.18 billion	100%	



- Liquidity Portfolio (SWIFT) - 70.9%
- Total Return Portfolio (TRP) - 26.3%
- Surplus Money Investment Fund (SMIF) - 2.8%



- Fixed Income - 84.0%
- Equity - 12.1%
- Real Assets - 3.9%

CSU Investment Portfolios

For detailed information on the investment performance and characteristics of the CSU investment portfolios please see Attachment A.

CSU Liquidity Portfolio (Systemwide Investment Fund Trust or SWIFT)

The purpose of the Liquidity Portfolio is to provide sufficient and immediate liquidity to meet the operating needs of the CSU. The investment objective is safety of principal and liquidity.

As of June 30, 2021, the Liquidity Portfolio was managed through contracts with two investment management firms, US Bancorp Asset Management and Wells Capital Management, each of whom provided investment management services for the program. (See below under Additional Subsequent Developments/Next Steps regarding changes to the Liquidity Portfolio investment

managers as of July 1, 2021.) While the custodian, US Bank, holds the funds invested in the Liquidity Portfolio, for investment management purposes, additions to the portfolio are split evenly between the investment managers and invested according to permitted investments outlined in the Government Code of the State and the Liquidity Portfolio investment policy. Consistent with state law, the Liquidity Portfolio is restricted to high quality, fixed income securities.

CSU Total Return Portfolio (TRP)

Legislation effective January 1, 2017 expanded the CSU investment authority to allow investment in mutual funds (including equity mutual funds) and real estate investment trusts (REITs). The Total Return Portfolio was created to take advantage of the new investment authority.

The purpose of the TRP is to provide opportunity for additional risk adjusted returns on CSU funds over a full market cycle. The investment objective is to achieve a prudent return within a moderate risk level.

Under State law, investment of funds in the TRP is subject to the CSU meeting certain conditions regarding investment oversight, reporting, and use of earnings, and may not be more than thirty percent of eligible CSU investments. The CSU Investment Advisory Committee (IAC), established by the Board of Trustees in September 2017, oversees the TRP and focuses on key issues such as investment policy, asset allocation, investment manager oversight, and investment performance.

The TRP investment policy provides a framework for the investment of portfolio funds in the TRP and includes the following key elements as further described in the TRP Investment Policy:

Investment Objectives	Investment Manager Selection
Spending Policy	Roles & Responsibilities
Time and Investment Horizon	Environmental, Social, and Governance Framework
Risk Tolerance	Risk Management
Expected Return	Monitoring and Control Procedures
Asset Allocation	
Benchmarks	

An initial investment of \$33.5 million into the TRP was made on April 1, 2018, and additional investments allowed the TRP to reach the fiscal year 2018-2019 statutory limit of \$600 million in the first half of 2019. After June 30, 2019, a new investment schedule was adopted by the IAC and staff, with the goal of funding the TRP to as much as 30 percent of CSU investments by mid-2020. However, in April of 2020, the IAC approved a reduced investment schedule in the amount of \$20 million total between April and July of 2020, and in August of 2020, the IAC suspended further contributions to the TRP for the time being. Both of these actions were taken in order to

preserve liquidity in the CSU Liquidity Portfolio in response to the COVID-19 pandemic. The investment schedule may also be adjusted by the IAC at any time depending on market conditions.

Since the TRP Inception date¹ through June 30, 2021, the TRP investment earnings were approximately \$326.8 million. During this period, the TRP total return exceeded the Liquidity Portfolio (SWIFT) total return by 9.06 percent annualized (net of fees) or a cumulative \$282.4 million.

Surplus Money Investment Fund (SMIF)

The State Treasurer also provides investment vehicles that may be used for CSU funds. The Surplus Money Investment Fund (SMIF) is used by the State Treasurer to invest state funds, or funds held by the state on behalf of state agencies, in a short-term pool. In order to facilitate certain expenditures, the CSU maintains small amounts of funds with the State. The portfolio includes Certificates of Deposit, Treasuries, Commercial Paper, Corporate Bonds, and U.S. Government Agencies.

Reporting Requirements

California Education Code § 89726 requires quarterly investment reports to the Board of Trustees and an annual report to the State Legislature and the Department of Finance.

Subsequent Development regarding Fossil Fuel Investments

Per Chancellor Joseph Castro's request at the May 2021 Board of Trustees meeting, the IAC, with assistance from staff and the CSU's investment advisor, Meketa Investment Group, reviewed and analyzed the risks and impacts of fossil fuel related investments in the CSU's investment portfolios. In conducting its review and analysis, the IAC was guided by its fiduciary obligation to prudently manage CSU investments, as well as the CSU's commitment to sustainability and environmental responsibility. This review and analysis also included engagement with students and an information agenda item and discussion at the IAC's August 2021 meeting.

At its October 6, 2021 meeting, the IAC, under delegated authority from the Board of Trustees, approved the following actions concerning fossil fuel related investments in the CSU's investment portfolios. Under delegated authority from the Board of Trustees, Chancellor Castro agreed to adopt and implement the IAC's actions.

1. Recommend CSU staff liquidate fossil fuel related bonds in the Liquidity Portfolio as soon as reasonable and restrict future fossil fuel investments for the Liquidity Portfolio and the Intermediate Duration Portfolio (IDP).

¹ The TRP Inception Date was April 1, 2018.

2. Transition out of the TRP's energy mutual fund and re-allocate those funds into other mutual funds within the TRP's real assets category, specifically real estate, materials, and infrastructure.
3. Due to current legislation that limits the TRP to mutual funds or REITs, which are commingled investment vehicles within which the CSU cannot selectively exclude fossil fuel investments without sacrificing the investment objectives of the CSU, the integrity of the TRP's asset allocation model, the skill and resources of its investment managers, or the reasonableness of fees, direct staff and the investment advisor to continue working as appropriate and feasible to further reduce fossil fuel exposures in the TRP.
4. Allow all CSU investment managers discretion to continue to invest in those businesses that are successfully transitioning to sustainable green business models.

The remaining amount is all held in commingled mutual funds and is more difficult to reduce due to the inability to control individual stock selection in mutual funds. Significantly reducing this remaining amount further will take years and may require legislation that, among other things, will allow the CSU to invest in a broader array of investment vehicles and that may allow the CSU to further refine, limit, or eliminate the CSU's exposure to fossil fuel investments without sacrificing the integrity of the CSU's overall investment objectives.

Additional Subsequent Developments/Next Steps

With oversight from the IAC, staff will continue monitoring market conditions to determine if any changes in the TRP investment schedule are warranted. Staff also completed the Request for Proposal for investment managers for both the Liquidity Portfolio and the new IDP, consistent with the CSU Master Investment Policy. On July 1, 2021, two new investment managers for the Liquidity Portfolio, BlackRock Financial Management and Payden & Rygel, replaced Wells Capital Management and US Bancorp Asset Management, respectfully. The IDP launched on October 1, 2021, managed by three new investment managers, Western Asset Management Company, PGIM Fixed Income, and Income Research & Management. The next investment report to the Board of Trustees is scheduled for the March 2022 meeting and will provide information on the CSU Quarterly Investment Report for the fiscal quarter ending September 30, 2021.

At its October 2021 meeting, the IAC also approved the third annual TRP distribution to the system of approximately \$55.6 million, bringing total TRP distributions to the system since inception to about \$113 million. TRP distributions are allocated to the campuses annually for capital outlay or maintenance. Consistent with state law, specifically Education Code § 89726, additional moneys earned through investments in the TRP shall be used only for capital outlay or maintenance, and shall not be used for ongoing operations.

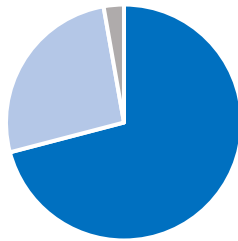
CSU Annual Investment Report

For the Fiscal Year Ended June 30, 2021

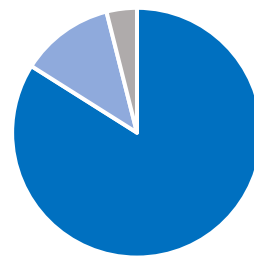
CSU investments as of June 30, 2021 consisted of investments in the CSU Liquidity Portfolio (Systemwide Investment Fund Trust or SWIFT), the Total Return Portfolio (TRP), and the State of California Surplus Money Investment Fund (SMIF). All CSU investments (except for funds invested in SMIF) are held by US Bank, the custodian bank for the CSU. Neither state general fund nor CSU auxiliary funds are included in CSU investments. In addition, this report does not include approximately \$1.22 billion in bond proceeds, which by state law are required to be held by the state and are invested in SMIF.

Balances and Allocations as of June 30, 2021

	Balance	% of CSU Investments
Liquidity Portfolio (SWIFT)	\$3.675 billion	70.9%
Total Return Portfolio (TRP)	\$1.362 billion	26.3%
Surplus Money Investment Fund (SMIF)	\$144.0 million	2.8%
CSU Investments	\$5.18 billion	100%



- Liquidity Portfolio (SWIFT) - 70.9%
- Total Return Portfolio (TRP) - 26.3%
- Surplus Money Investment Fund (SMIF) - 2.8%



- Fixed Income - 84.0%
- Equity - 12.1%
- Real Assets - 3.9%

For the year ending June 30, 2021, direct investment management fees¹, advisory, and custodial fees totaled just under \$2.2 million, or about 0.044 percent (4.4 basis points) on CSU investments average balance for the year ending June 30, 2021.

¹ Direct investment management fees exclude TRP mutual fund investment management fees. TRP mutual fund investment management fees are included as mutual fund expenses and reported as a percent of total fund assets. See TRP Fund Expense Ratio (Fee) in the table on page 6.

CSU Consolidated Investment Portfolio

The performance returns below are for the CSU Consolidated Investment Portfolio which includes the Liquidity Portfolio (SWIFT) and the Total Return Portfolio (TRP).² The table also displays the separate portfolio returns of the TRP and the Liquidity Portfolio.

	CSU Consolidated Investment Portfolio	CSU Total Return Portfolio (TRP)	CSU Liquidity Portfolio (SWIFT)
1 Year Return	6.32%	25.84%	0.30%
3 Year Annualized Return	4.37%	11.09%	2.22%
5 Year Annualized Return	2.89%	N/A	1.61%
10 Year Annualized Return	1.83%	N/A	1.20%
Since Inception Return ³	1.90%	11.21%	1.45%

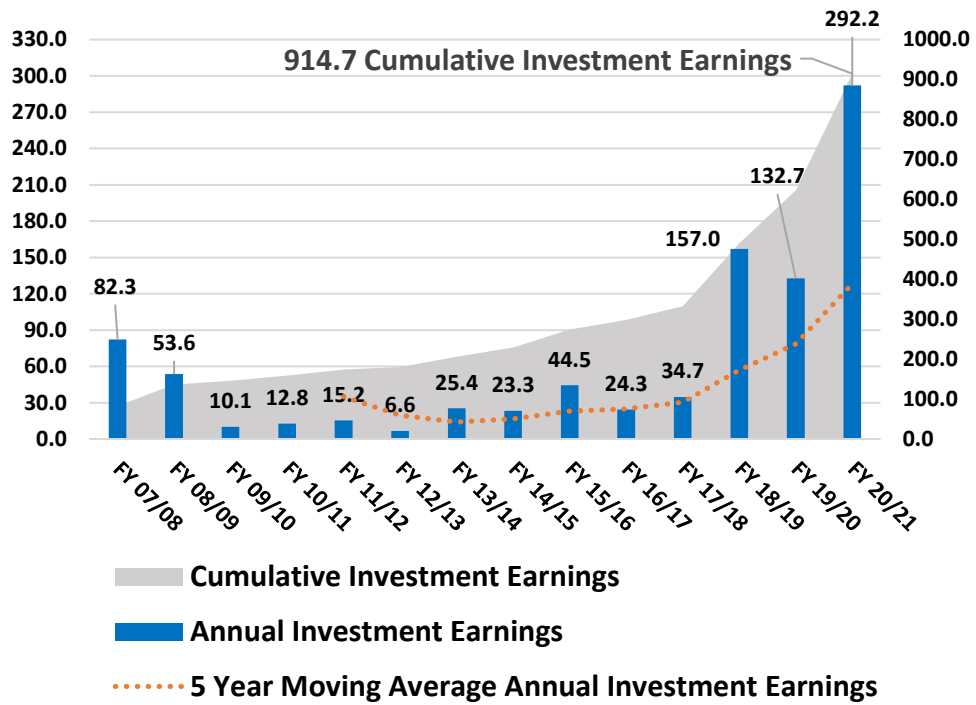
Since the TRP Inception date through June 30, 2021, the TRP investment earnings were approximately \$326.8 million. During this period, the TRP total return exceeded the Liquidity Portfolio (SWIFT) total return by 9.06 percent annualized (net of fees) or a cumulative \$282.4 million.

² CSU Consolidated Investment Portfolio returns will also include the Intermediate Duration Portfolio (IDP) once this portfolio is inception. CSU Consolidated Investment Portfolio returns exclude SMIF.

³ Inception Date for the CSU Consolidated Investment Portfolio was July 1, 2007. Inception Date for the CSU Liquidity Portfolio (SWIFT) was July 1, 2007. TRP Inception Date was April 1, 2018. CSU Consolidated Investment Portfolio and CSU Liquidity Portfolio Returns reported gross of fees and as total return, including income and gains (realized and unrealized).

*Investment Earnings from CSU Investments Supports
 Campus Operations and Student Experience*

Earnings from CSU Investments (\$ in millions)
Annual Investment Earnings (left scale)
Cumulative Investment Earnings (right scale)



CSU Liquidity Portfolio (Systemwide Investment Fund Trust or SWIFT)

The purpose of the Liquidity Portfolio is to provide sufficient and immediate liquidity to meet the operating needs of the CSU. The investment objective is safety of principal and liquidity. Consistent with state law, the portfolio is restricted to high quality, fixed income securities.

	CSU Liquidity Portfolio	Benchmark³
1 Year Return ⁴	0.30%	0.10%
3 Year Annualized Return	2.22%	2.36%
5 Year Annualized Return	1.61%	1.52%
10 Year Annualized Return	1.20%	1.07%
Annualized Since Inception Return ⁵	1.45%	1.67%
Yield	0.23%	0.20%
Duration (Years)	1.26	1.48
Average Credit Rating	AA-	Aaa/AA+

Holdings by Asset Type (% of CSU Liquidity Portfolio):

Treasuries	32.4%	Cash Equivalents	10.6%
U.S. Corporate Bonds	25.4%	Certificates of Deposit	6.7%
U.S. Government Agencies	24.5%	Municipal Obligations	0.4%

³ Benchmark for the CSU Liquidity Portfolio (SWIFT) is the Bank of America Merrill Lynch 0-3 Year Treasury Index.

⁴ CSU Liquidity Portfolio (SWIFT) Returns reported gross of fees and as total return, including income and gains (realized and unrealized).

⁵ Inception Date for the CSU Liquidity Portfolio (SWIFT) was July 1, 2007.

CSU Total Return Portfolio (TRP)

The purpose of the Total Return Portfolio is to provide opportunity for additional risk adjusted returns on CSU funds over a full market cycle. The investment objective is to achieve a prudent return within a moderate risk level. Consistent with state law, the TRP is invested in mutual funds subject to registration by, and under the regulatory authority of the United States Securities and Exchange Commission or in United States registered real estate investment trusts.

Annualized Investment Returns



	CSU Total Return Portfolio	Strategic Benchmark⁶	Policy Benchmark⁷
3 Months Return	5.66%	3.52%	5.40%
1 Year Return	25.84%	9.16%	24.77%
3 Year Annualized Return	11.09%	7.19%	10.57%
Annualized Since Inception Return ⁸	11.21%	7.12%	10.06%

In October 2021, the CSU Investment Advisory Committee approved the third annual TRP distribution to the system of approximately \$55.6 million, bringing total TRP distributions to the system since inception to approximately \$113 million. TRP distributions are allocated to the campuses annually for capital outlay or maintenance. Consistent with state law, specifically Education Code Section § 89726, additional moneys earned through investments in the TRP shall be used only for capital outlay or maintenance, and shall not be used for ongoing operations.

⁶ The TRP Strategic Benchmark is Inflation (Core Consumer Price Index) plus 4.5% per annum. The long-term rate of inflation is assumed at 2.5% per annum.

⁷ The TRP Policy Benchmark is a blend of passive indices whose weights match the TRP target asset allocation.

⁸ TRP Inception Date was April 1, 2018.

Holdings by Asset Type (% of CSU Total Return Portfolio):

Equity Mutual Funds	46.07%	Passive Index Mutual Funds	74%
Fixed Income Mutual Funds	38.96%	Actively Managed Mutual Funds	26% ⁹
Real Asset Mutual Funds	14.97%		

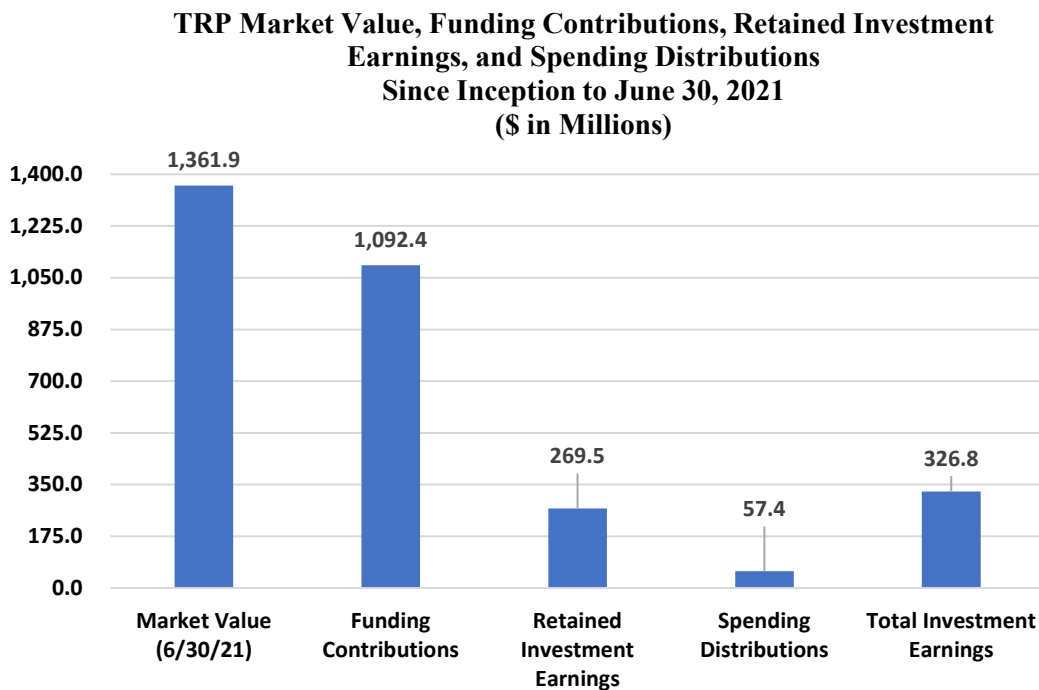
Values, Holdings & Fees (CSU Total Return Portfolio)

Asset Class	Strategy Name	Ticker	Value (millions)	% of Total Return Portfolio	TRP Fund Expense Ratio (Fee)	Universe Median Expense Ratio (Fee)
Fixed Income						
	Vanguard Total Bond Market Index Fund	VBMPX	299.1	21.97%	0.030%	0.435%
	Vanguard Inflation-Protected Securities Fund	VIPIX	67.8	4.98%	0.070%	0.370%
	Lord Abbett High Yield Fund	LHYOX	82.3	6.04%	0.610%	0.710%
	Pacific Funds Floating Rate Income Fund	PLFRX	40.7	2.99%	0.730%	0.755%
	Payden Emerging Markets Bond Fund	PYEIX	20.3	1.49%	0.690%	0.850%
	T. Rowe Emerging Markets Bond Fund	TREBX	20.4	1.50%	0.700%	0.850%
Equity						
	Vanguard Total Stock Market Index Fund	VSMPX	331.6	24.35%	0.020%	0.760%
	Vanguard Developed Markets Index Fund	VDIPX	159.8	11.74%	0.040%	0.890%
	Driehaus Emerging Markets Growth Fund	DIEMX	82.0	6.02%	1.190%	1.080%
	DFA Emerging Markets Value Fund	DFEVX	40.5	2.97%	0.410%	1.080%
	RWC Global Emerging Equity Fund	RWCEX	13.4	0.99%	1.250%	1.080%
Real Assets						
	Vanguard Real Estate Index Fund	VGSNX	96.9	7.11%	0.100%	0.880%
	Vanguard Energy Index Fund	VENAX	28.4	2.09%	0.100%	0.940%
	Vanguard Materials Index Fund	VMIAx	25.6	1.88%	0.100%	0.950%
	First State Global Listed Infrastructure Fund	FLIIX	52.9	3.89%	0.950%	0.980%
Cash			0.0	0.00%	NA	NA
Total			1,361.9	100%		

⁹ The percent of Actively Managed Mutual Funds is likely to increase in the future while the percent of Passive Index Mutual Funds would decrease consistent with the TRP implementation plan.

***TRP Annual Spending Distributions Assist Campuses to Meet
 Deferred Maintenance & Capital Outlay Needs***

The following chart shows the TRP market value, total funded contributions, total retained investment earnings, total spending distributions, and total investment earnings since inception on June 30, 2021. Total TRP investment earnings equal total TRP spending distributions plus total TRP retained investment earnings.



Surplus Money Investment Fund (SMIF)

The Surplus Money Investment Fund (SMIF) is managed by the State Treasurer to invest State funds, or funds held by the State on behalf of State agencies, in a short-term pool. The portfolio includes Certificates of Deposit, Treasuries, Commercial Paper, Corporate Bonds, and U.S. Government Agencies.

Apportionment Annual Yield¹⁰

Trailing 12 month as of 06/30/21	0.46%
Average (FYE 06/30/07 – FYE 06/30/21)	1.10%

¹⁰ Annual Yield calculated by CSU Treasury Operations based on the quarterly apportionment yield rates published by the State Controller's Office.



Master Investment Policy For The California State University

Approved on November 8, 2017
By The Board of Trustees of The California State University

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I. Scope and Purpose

This California State University Master Investment Policy (“MIP”) governs the investment of California State University (“CSU”) funds. CSU investments are centrally managed on behalf of the CSU System and its campuses.

The purpose of the MIP, together with investment policies that govern individual Portfolios (as defined in Section IV) and are created pursuant to delegated authority contained herein, is to provide a framework for the investment of CSU funds consistent with the goals of the CSU Board of Trustees (the “Board”) and the educational mission of the CSU.

The MIP sets forth objectives, guidelines, and responsibilities that the Board deems to be appropriate and prudent in consideration of the needs of, and the legal requirements applicable to, the CSU’s investment program. The MIP is also intended to ensure that the Board, and any parties to whom the Board delegates authority, are fulfilling their fiduciary responsibilities in the oversight of CSU investments.

The MIP is a dynamic document and will be reviewed from time to time. The MIP will be modified, if necessary, to reflect the changing nature of the CSU’s assets and investment program, organizational objectives, and economic conditions.

II. Compliance with Law and Adherence to Policy

CSU investments are to be managed in full compliance with all applicable laws, rules, and regulations from various local, state, federal, and international political entities that may impact the CSU’s assets, including but not limited to the provisions of the California Education Code and California Government Code applicable to the investment of CSU funds, and in accordance with the policy objectives, guidelines, and responsibilities expressed herein.

III. Background and Investment Objectives

The investment objectives for the investment of CSU funds have been established in conjunction with a comprehensive review of current and projected financial requirements. The Board desires to provide the Chancellor, the Chancellor’s Staff, and the IAC (as defined in Section V) with the greatest possible flexibility to maximize investment opportunities. However, as agents of the Board, the Chancellor, the Chancellor’s Staff, and the IAC must recognize the fiduciary responsibility of the Board to conserve and protect the assets of the CSU investment program, and, by prudent management, prevent exposure to undue and unnecessary risk.

The following objectives shall govern the investment of CSU funds:

1. Safeguard the principal.
2. Meet the liquidity needs of the CSU.
3. Obtain the best possible return commensurate with the degree of risk the CSU is willing to assume in obtaining such return.

The Board acknowledges that these objectives may be weighted or prioritized differently for individual Portfolios depending upon the purpose of the Portfolio.

IV. Investment Portfolios

Consistent with its investment objectives, the Board has determined that CSU funds may be invested in three investment portfolios (individually, a “Portfolio” and together, the “Portfolios”) created by the CSU, with oversight by the Chancellor, the Chancellor’s Staff, and the IAC, and each with its own investment policy.

The three Portfolios and general purpose of each Portfolio are as follows:

Liquidity Portfolio (Systemwide Investment Fund—Trust or “SWIFT”)

The purpose of this Portfolio is to provide sufficient and immediate liquidity to meet the operating needs of the CSU. The investment objectives for this Portfolio shall be safety of principal and liquidity. The existing CSU Systemwide Investment Fund—Trust (SWIFT) shall serve as the Liquidity Portfolio and shall be comprised of investments authorized pursuant to California Government Code Sections 16330 or 16430.

Intermediate Duration Portfolio (IDP)

The purpose of this Portfolio is to provide opportunity for modest, additional risk adjusted returns on CSU funds not needed for immediate liquidity. The investment objectives for this Portfolio shall be safety of principal, liquidity and return. The Intermediate Duration Portfolio shall be comprised of investments authorized pursuant to California Government Code Sections 16330 or 16430.

Total Return Portfolio (TRP)

The purpose of this Portfolio is to provide opportunity for additional risk adjusted returns on CSU funds over a full market cycle. The investment objectives for this

Portfolio shall be to achieve a prudent total return within a moderate risk level. The Total Return Portfolio shall be comprised of investments authorized pursuant to California Government Code Sections 16330, or 16430 or California Education Code Sections 89724 or 89725.

The acceptable allocations for the Portfolios are as follows:

<u>Portfolio</u>	<u>Min – Target – Max</u>
Liquidity – Systemwide Investment Fund Trust (“SWIFT”)	5% - 20% - 100%
Intermediate Duration Portfolio (“IDP”)	0% - 52% - 95%
Total Return Portfolio (“TRP”)	0% - 28% - 30%¹

In addition, the CSU may invest any amount (from 0% to 100%), in any California State Treasury investment option, available now, or in the future, that the IAC and the Staff deem prudent, including, but not limited to:

- Surplus Money Investment Fund (SMIF)
- Local Agency Investment Fund (LAIF)

V. Roles and Responsibilities

Board of Trustees

The Board assumes fiduciary responsibility to conserve and protect the investment assets of the CSU, and by prudent management, to prevent exposure to undue and unnecessary risk. However, the Board also acknowledges investments are inherently risky with risk of loss and, as such, are viewed with a long-term time horizon.

As a fiduciary, the primary responsibilities of the Board are to:

1. Maintain and approve the MIP.

¹ Percentage allocations to the TRP are subject to annual phase-in restrictions through June 30, 2020 per state law.

2. Ensure that CSU investments are prudently diversified in order to obtain the best possible return commensurate with the degree of risk that the CSU is willing to assume.
3. Report annually to the California state legislature and the California Department of Finance regarding the investment of CSU funds.

The Board shall have oversight responsibility for investment of the assets and has delegated investment authority to the Chancellor, the Chancellor's Staff, and the IAC.

Chancellor and Chancellor's Staff

As agents of the Board, the Chancellor, the Executive Vice Chancellor and Chief Financial Officer, the Assistant Vice Chancellor responsible for CSU investments, and their designees (the "Chancellor's Staff"), recognize the fiduciary responsibility of the Board to conserve and protect the investment assets of the CSU and, by prudent management, to prevent exposure to undue and unnecessary risk.

The Chancellor and the Chancellor's Staff are hereby authorized to establish policies and procedures to implement the provisions of this MIP, including, but not limited to, the following activities:

1. Overseeing and implementing general administrative and investment operations for the Portfolios.
2. Informing the IAC on the overall investments of the CSU and each of the Portfolios to assist the IAC in fulfilling its duties.
3. Developing and implementing policies that are suitable for achieving the strategic objectives for each Portfolio, including coordination with the IAC in developing and implementing policies for the TRP.
4. Selecting, contracting with, and monitoring third party service providers, including, but not limited to, investment advisors, investment managers, and custodians. For the TRP, such actions will be based on the recommendations of the IAC.
5. Directing the investment of funds, including the ordering of purchase and sale transactions to, from and between the Portfolios to meet investment objectives and strategic asset allocations.

6. Monitoring and reviewing the performance of the Portfolios to their stated objectives.
7. Reporting to the Board regarding the investment of CSU funds as requested, but no less than quarterly.
8. Controlling and accounting for all investment, record keeping, and administrative expenses associated with the Portfolios.
9. Identifying the need for updates, monitoring the Portfolios for legal and policy compliance, and acting on the recommendations of the IAC, as appropriate.
10. All other duties designated or delegated by the Board or the IAC.

Investment Advisory Committee

As required by state law, the CSU has created an Investment Advisory Committee (the "IAC"), to provide investment advice and expertise to the Board, particularly with respect to the management of the TRP.

The IAC shall be an advisory body and shall make recommendations, as appropriate, to the Board for approval or to the Chancellor and the Chancellor's Staff for implementation. The IAC shall be responsible for overseeing all aspects of the TRP and is hereby authorized to recommend policies and procedures for the creation and implementation of the TRP, including, but not limited to, the following activities:

1. Understanding the overall investments of the CSU and each of the Portfolios as informed by the Chancellor's Staff, investment advisors and/or investment managers.
2. Developing and approving an IAC charter to establish guidelines for operations of the IAC.
3. Developing, approving, and overseeing the implementation of an investment policy statement for the TRP.
4. Reviewing and approving target asset allocations and ranges for the TRP.
5. Monitoring and reviewing the performance of the TRP to its stated objectives.
6. Prudently reviewing, selecting, monitoring, and replacing investment management firms engaged to manage the TRP's assets.

7. Monitoring and supervising all service vendors and fees for the TRP.
8. Any other investment or administrative duties deemed necessary to prudently oversee the investment program for the TRP.

Prudence, Ethics and Conflict of Interest

All participants in the investment process shall act responsibly. The standard of prudence applied by the Board, the Chancellor, the Chancellor's Staff, and the IAC, as well as any external service providers, shall be the "prudent investor" rule. The "prudent investor" rule in part, states, "A trustee shall invest and manage trust assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the trust. In satisfying this standard, the trustee shall exercise reasonable care, skill and caution. A trustee's investment and management decisions respecting individual assets must be evaluated not in isolation but in the context of the trust portfolio as a whole and as part of an overall investment strategy having risk and return objectives reasonably suited to the trust."

Furthermore, all participants in the investment process shall use the same care, skill, prudence, and due diligence under the circumstances then prevailing that a prudent person acting in a like capacity and fully familiar with such matters would use in the conduct of an enterprise of like activities for like portfolios with like aims and in accordance and compliance and all other applicable laws, rules and regulations.

All investment personnel shall refrain from personal business activity which could create a conflict with proper execution of the investment program, or which could impair the ability to execute impartial investment decisions. All investment personnel shall disclose to the Chancellor's Staff or the IAC any material financial interests in financial institutions which conduct business within the jurisdiction and shall disclose any material financial investment positions which could be related in a conflicting manner to the performance of the Portfolios. All investment personnel shall report any potential conflicts of interest consistent with Government Code Section 87200. Further, the Chancellor shall report to the Board in writing any issues that could reflect any conflict in the performance of the Portfolios.

Document Acceptance of the Investment Policy Statement

The Chancellor's Staff shall provide a copy of this MIP, and the relevant Portfolio investment policy, to each firm retained to provide investment services to the CSU and each such firm shall acknowledge in writing receipt of the document and accept its content.

VI. Environmental, Social and Governance Framework

The Board acknowledges the importance of understanding the potential risks and value that environmental, social, and governance (“ESG”) factors may have on CSU investments. Therefore, the Board expects that the consideration of ESG factors shall be integrated into the investment decision processes of the CSU.

Approved:

The California State University Board of Trustees
November 8, 2017

AGENDA

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Meeting: 4:00 p.m., Tuesday, November 9, 2021
Glenn S. Dumke Auditorium

Jean P. Firstenberg, Chair
Douglas Faigin, Vice Chair
Diego Arambula
Debra S. Farar
Maria Linares
Anna Ortiz-Morfit
Yammilette Rodriguez
Christopher Steinhauser

- Consent**
- Discussion**
1. Approval of Minutes of the Meeting of September 14, 2021, *Action*
 2. Naming of the Wendy Gillespie Center for Advancing Global Business – San Diego State University, *Action*
 3. Naming of Alistair McCrone Hall – Humboldt State University, *Action*
 4. Naming of California State University Facilities and Properties Policy Revision, *Action*
 5. Naming of California State University Academic and Athletic Programs Policy Revision, *Action*

**MINUTES OF THE MEETING OF
COMMITTEE ON INSTITUTIONAL ADVANCEMENT**

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

September 14, 2021

Members Present

Jean P. Firstenberg, Chair
Douglas Faigin, Vice Chair
Diego Arambula
Debra S. Farar
Anna Ortiz-Morfit
Christopher Steinhauser
Joseph I. Castro, Chancellor
Lillian Kimbell, Chair of the Board

Trustee Firstenberg called the meeting to order.

Approval of Minutes

The minutes of July 13, 2021, were approved as submitted.

Naming of Martin V. Smith Hall – California State University Channel Islands

Mr. Larry Salinas, vice chancellor for university relations and advancement, reported that the proposed naming recognizes the \$3 million contribution by The Martin V. and Martha K. Smith Foundation to support construction costs associated with a third-phase renovation for Manzanita Hall, as well as the restoration of the courtyard adjacent to the building. The additional renovated areas will include two classrooms, a lobby/reception area, and a mixed-use space for the Entrepreneurship & Small Business Institute and the Institute for Global Economic Research.

***PLEASE NOTE: Due to the Governor's proclamation of a State of Emergency resulting from the threat of COVID-19, and pursuant to the Governor's Executive Orders N-25-20 and N-29-20 issued on March 12, 2020 and March 17, 2020, respectively, all members of the Board of Trustees may participate in meetings remotely, either by telephonic or video conference means. Out of consideration for the health, safety and well-being of the members of the public and the Chancellor's Office staff, the September 14-15, 2021 meeting of the CSU Board of Trustees was conducted entirely virtually via Zoom teleconference.**

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CSU Channel Islands President Richard Yao shared the impact of the gift and recognized the Smith Foundation's generosity to CSU Channel Islands as well as how past support has helped to facilitate the Martin V. Smith School graduating over 3,700 alumni.

The committee recommended approval by the board of the proposed resolution (RIA 09-21-06) that Manzanita Hall at California State University Channel Islands be named as Martin V. Smith Hall.

Trustee Firstenberg adjourned the meeting.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Naming of the Wendy Gillespie Center for Advancing Global Business – San Diego State University

Presentation by:

Larry Salinas
Vice Chancellor
University Relations and Advancement

Adela de la Torre
President
San Diego State University

Summary

This item will consider naming the Center for Advancing Global Business on the campus of San Diego State University the Wendy Gillespie Center for Advancing Global Business.

This proposal, submitted by San Diego State University, meets the criteria and other conditions specified in the Board of Trustees Policy on Naming California State University Colleges, Schools, And Other Academic Entities, including approval by the system review panel and the campus academic senate.

Background

The Center for Advancing Global Business (CAGB) is designed to be a global leader and catalyst for excellence, innovation, and collaboration in international business education. CAGB prepares students, faculty, and the business community for change in a growing international economy. The Center's signature programs include the Center for International Business Education and Research (one of only 15 in the nation) and the Charles W. Hostler Institute on World Affairs.

Wendy Gillespie is an active and founding member of the Center's Advisory Board. She has served as a guest speaker, mentored students, hosted CAGB events at her home and is passionate about international business education.

A \$1,400,000 pledge and previous \$100,000 gift donated by Wendy Gillespie for the Center for Advancing Global Business Endowment will support the Center's innovative programming, including the implementation of educational and outreach programs that address the multitude of

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opportunities in international business. This gift will be matched by a gift made by Ron and Alexis Fowler. This transformational gift will broaden San Diego State's partnerships with global corporations and enhance international business experiential learning opportunities for students.

Recommended Action

The following resolution is recommended for approval:

RESOLVED, by the Board of Trustees of the California State University, that the Center for Advancing Global Business on the campus of San Diego State University be named the Wendy Gillespie Center for Advancing Global Business.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Naming of Alistair McCrone Hall – Humboldt State University

Presentation by:

Larry Salinas
Vice Chancellor
University Relations and Advancement

Tom Jackson, Jr.
President
Humboldt State University

Summary

This item will consider naming the Science D Building at Humboldt State University as Alistair McCrone Hall for a term of 15 years.

This proposal, submitted by Humboldt State University, 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

Dr. Alistair McCrone is one of just eight presidents in Humboldt State University's history and served from 1974 to 2002, making him the institution's longest-serving president. While president, Dr. McCrone was focused on academic quality, strengthening the sense of community on campus, and enhancing connections with the broader community.

Numerous campus facilities designed to support increased academic quality and directly serve students were built during Dr. McCrone's tenure including the Telonicher Marine Lab, the Campus Center for Appropriate Technology, Science D and Science E buildings, Student Business Services, Creekview Apartments, Schatz Energy Research Station, and the Marine Wildlife Care Center. Built in the 1980's, the Science D building is a two-story structure on B Street next to the campus events field.

In addition to his service as president, Dr. McCrone is also HSU Professor Emeritus of Geology, whose area of specialty is paleontology. Dr. McCrone is an accomplished scientist who committed his presidency to raising the profile of scientific study and research at Humboldt State University.

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Dr. McCrone and his wife Judith McCrone have continued to remain involved with HSU and the community, including supporting the work of graduate students, promising faculty, and academic departments.

The McCrones are long-time and generous supporters of Humboldt State University. Their support of various areas - including the Geology Department, the Library, Youth Educational Services, and others - began during Dr. McCrone's presidency and has continued through today. They have also joined other donors in supporting the McCrone Promising Faculty Scholars Award and the Alistair and Judith McCrone Graduate Fellowship. Over the years, more than 50 faculty members and 20 graduate students have benefited from these programs. Dr. McCrone firmly believes what he often told other donors, which is that their gifts can have a greater impact at a public state university than at a private one.

The naming recognizes both Dr. McCrone's reputation and legacy in service to Humboldt State University and the generous philanthropic support.

Recommended Action

The following resolution is recommended for approval:

RESOLVED, by the Board of Trustees of the California State University, that the Science D Building at Humboldt State University be named Alistair McCrone Hall.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Naming of California State University Facilities and Properties Policy Revision

Presentation By

Lori A. Redfearn
Assistant Vice Chancellor
Systemwide Advancement

Summary

This action item updates the policy on Naming of California State University Facilities and Properties, which was last revised in 1999.

The CSU Board of Trustees retains authority for naming all major CSU properties and facilities. That remains unchanged in the revision. The updated language provides additional examples of major and minor facilities and expanded definition of *useful life* of a facility.

It adds language explicitly prohibiting naming after tobacco or electronic cigarette companies. It generally prohibits naming after an alcohol company unless aligned with a university program, such as viticulture, supporting workforce development or research for that industry.

Finally, the revision provides transparency in regard to the CSU Board of Trustees authority to rescind naming recognition.

The updated policy and redline of revisions to the policy are attached.

Background

In December 1961, the Board of Trustees adopted a resolution establishing policy for naming buildings or facilities. The policy was revised in 1999 delegating authority through the Chancellor to presidents to approve naming of minor facilities and properties.

Recommended Action

The following resolution is recommended for approval:

RESOLVED, by the Board of Trustees of the California State University, that the policy on Naming of California State University Facilities and Properties be revised as presented.

Policy Naming of California State University Facilities and Properties – Updated Language

Policy Title: Naming of California State University Facilities and Properties

POLICY OBJECTIVE

The California State University (CSU) Board of Trustees retains authority for naming all major California State University facilities and properties; i.e., all buildings and major portions of buildings; farms, ranches, and arboretums; university or college streets or roads; stadiums, arenas, and athletic fields with 500 or more permanent seats; and other highly visible facilities and properties.

The CSU Board of Trustees delegates to the Chancellor the authority to name minor properties; i.e., outdoor areas such as plazas, malls, courtyards, and individual landscape features; athletic facilities with limited public seating; interior spaces such as theaters, clinics, laboratories, processing centers, galleries, studios, conference rooms, lounges, offices, rooms and other individual items or features within buildings. The Chancellor is also authorized to approve a temporary naming for a facility or property, reflecting natural or geographic features, or reflecting a traditional theme of a university. The Chancellor may sub-delegate this authority, as he or she deems appropriate.

The Vice Chancellor, Division of University Relations and Advancement shall determine whether a facility or property falls within the major or minor classification when it is unclear.

POLICY STATEMENT

100 PURPOSE

This policy is intended to encourage private support through opportunities to name university facilities and properties and only under extraordinary circumstances should facilities and properties be named without private support.

200 SCOPE

This policy governs state university facilities and properties whether at the main campus or satellite locations. Facilities and properties with state university ground leases, such as student unions and recreations centers, are also subject to the policy. Facilities and properties controlled by a joint powers agreement require mutual consent of the interested parties. Auxiliary organization facilities on auxiliary organization owned property are exempted from this policy. Names which are simply descriptive of the function or tenant are exempted from this policy.

300 AUTHORITY

The CSU Board of Trustees has the authority to set administrative policy (Education Code section 89030). Implementation and compliance with this policy is the responsibility of the Vice Chancellor, University Relations and Advancement and the campus chief advancement officer.

400 CONSIDERATIONS

Each proposal for naming a CSU facility or property shall be considered on its own merits, including compatibility with the mission and values of the university. No commitment for naming shall be made prior to CSU Board of Trustees approval of the proposed name.

The name presented for CSU Board of Trustees approval must meet the following criteria:

401 When a donor gift is involved:

- The gift should benefit the realization or completion of a facility, the improvement of a facility or property's usefulness to the university, or the enhancement of university programs or student scholarship.
- The gift should provide "substantial" benefit to the CSU. The term "substantial" in this context is deliberately not defined by arbitrary standards or by a specific dollar amount. Its interpretation is meant to be flexible so that each situation may be judged on its own merits and may consider significant contributions of personal services as well as monetary or in-kind gifts. The value should be appropriate to the size, visibility and exclusivity of the facility or property.
- The naming may be for the useful life of the facility or for a defined period of years. Absent extraordinary circumstances, the useful life of a building is defined as until the facility is destroyed or substantially renovated.

402 When a commercial entity is involved:

- The revenue should benefit realization or completion of a facility, the improvement of a facility or property's usefulness to the university, or the enhancement of university programs or student scholarship.
- The revenue should provide "substantial" benefit to the CSU. The term "substantial" in this context is deliberately not defined by arbitrary standards or by a specific dollar amount. Its interpretation is meant to be flexible so that each situation may be judged on its own merits. The value should be appropriate to the size, visibility and exclusivity of the facility or property.

- The arrangement should not imply endorsement of any product, service, or opinions of the commercial entity by the CSU Board of Trustees or any university employee or entity.
- The naming should be limited to a defined period of years. The financial consideration divided by the number of years should result in a reasonable market value.

403 In a rare instance, when a naming honors service to the CSU:

- It should honor a person who has achieved unique distinction in higher education or other significant areas of public service; or who has served the CSU in an academic capacity and has earned a national or international reputation as a scholar; or who has made extraordinary contributions to a CSU campus or the system which warrant special recognition.
- Recognition of an individual who has served in a CSU academic or administrative capacity shall not be made until the individual has been retired or deceased for at least two years.
- No more than one facility or property in the system shall be named after any one individual under this provision.

404 No facility or property will be named after seated, elected, or appointed officials currently in office.

405 No facility or property will be named after a tobacco or electronic cigarette company. Generally, no facility or property should be named for an alcohol company, with the limited exception if the facility supports workforce development or research for the industry.

500 RIGHT TO RESCIND

Should circumstances change in a manner that affiliation with the name would cause harm to the reputation of the university, the university president or chancellor may request that the CSU Board of Trustees exercise its authority to rescind naming recognition.

600 WAIVER

In special circumstances, the CSU Board of Trustees may waive any or all of the above criteria.

Policy Naming of California State University Facilities and Properties - Redline

Policy Title: Naming of California State University Facilities and Properties

POLICY OBJECTIVE

The California State University (CSU) Board of Trustees retains authority for naming all major California State University facilities and properties; i.e., all buildings; and major portions of buildings; farms, ranches and arboretums; university or college streets or roads; stadiums, arenas, and athletic fields with 500 or more permanent seats; and other areas of major assembly or activity; plazas, malls, and other large areas of campus circulation; and ~~all~~ other highly visible facilities and properties.

The CSU Board of Trustees delegates to the Chancellor the authority to name ~~individual rooms, limited areas, minor properties; i.e., outdoor areas such as plazas, malls, courtyards,~~ and individual landscape features; athletic facilities with limited public seating; interior spaces such as theaters, clinics, laboratories, processing centers, galleries, studios, conference rooms, lounges, offices, rooms, and other individual items or features within buildings; ~~individual landscape items or features, limited outdoor areas, and other minor properties.~~ The Chancellor is also ~~delegated authority~~ authorized to approve a temporary ~~namings~~ naming for a facility or property, reflecting natural or geographic features, or reflecting a traditional theme of a university. The Chancellor may sub-delegate this authority, as he or she deems appropriate ~~(California State University, Board of Trustees RIA 07-99-09). The Chancellor sub-delegated this authority to the presidents via Executive Order 713.~~

The Vice Chancellor, Division of University Relations and Advancement shall determine whether a facility or property falls within the major or minor classification when it is unclear.

POLICY STATEMENT

100 PURPOSE

This policy is intended to encourage private support through opportunities to name university facilities and properties and only under extraordinary circumstances should facilities and properties be named without private support.

200 SCOPE

This policy governs state university facilities and properties whether at the main campus or satellite locations. Facilities and properties with state university ground leases, such as student unions and recreations centers, are also subject to the policy. Facilities and properties controlled by a joint powers agreement require mutual consent of the interested parties. Auxiliary organization facilities on auxiliary organization owned property are exempted from this policy. Names which are simply descriptive of the function or tenant are exempted from this policy.

300 AUTHORITY

The CSU Board of Trustees has the authority to set administrative policy (Education Code section 89030). Implementation and compliance with this policy is the responsibility of the Vice Chancellor, University Relations and Advancement and the campus chief advancement officer.

400 CONSIDERATIONS

Each proposal for naming a CSU facility or property shall be considered on its own merits, including compatibility with the mission and values of the university. No commitment for naming shall be made prior to CSU Board of Trustees approval of the proposed name.

The name ~~of a CSU facility or property~~ presented for CSU Board of Trustees approval must ~~honor an individual or an organization and must~~ meet the following criteria:

401- When a donor gift is involved:

- The gift should benefit the realization or completion of a facility, the improvement of a facility or property's usefulness to the university, or the enhancement of university programs or student scholarship.
- The gift should provide "substantial" benefit to the CSU. The term "substantial" in this context is deliberately not defined by arbitrary standards or by a specific dollar amount. Its interpretation is meant to be flexible so that each situation may be judged on its own merits and may ~~take into account~~ consider significant contributions of personal services as well as monetary or in-kind gifts. The value should be appropriate to the size, visibility and exclusivity of the facility or property.
- The naming may be for the useful life of the facility or for a defined period of years. Absent extraordinary circumstances, the useful life of a building is defined as until the facility is destroyed or substantially renovated.

402 When a commercial ~~contract~~entity is involved:

- The revenue should benefit realization or completion of a facility, the improvement of a facility or property's usefulness to the university, or the enhancement of university programs or student scholarship.
- The revenue should provide "substantial" benefit to the CSU. The term "substantial" in this context is deliberately not defined by arbitrary standards or by a specific dollar amount. Its interpretation is meant to be flexible so that each situation may be judged on its own merits. The value should be appropriate to the size, visibility and exclusivity of the facility or property.

- The arrangement should not imply endorsement of any product, service, or opinions of the ~~organization-commercial entity~~ by the CSU Board of Trustees or any university employee or entity.
- The naming should be limited to a ~~period of years~~ defined period of years. The financial consideration divided by the number of years should result in a reasonable market value.

403 In a rare instance, when a naming honors service to the CSU:

- It should honor a person who has achieved unique distinction in higher education ~~and/or~~ other significant areas of public service; or who has served the CSU in an academic capacity and has earned a national or international reputation as a scholar; ~~or who~~ has made extraordinary contributions to a CSU campus or the system which warrant special recognition; or who has served the CSU in an administrative capacity and made extraordinary contributions to a CSU campus or the system which warrant special recognition.
- Recognition of an individual who has served in a CSU academic or administrative capacity shall not be made until the individual has been retired or deceased for at least two years.
- No more than one facility or property in the system shall be named after any one individual- under this provision.

404 No facility or property will be named after seated, elected or appointed officials currently in office.

405 No facility or property will be named after a tobacco or electronic cigarette company. Generally, no facility or property should be named for an alcohol company, with the limited exception if the facility supports workforce development or research for the industry.

500 RIGHT TO RESCIND

Should circumstances change in a manner that affiliation with the name would cause harm to the reputation of the university, the university president or chancellor may request that the CSU Board of Trustees exercise its authority to rescind naming recognition.

600 WAIVER

In special circumstances, the CSU Board of Trustees may waive any or all of the above criteria.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Naming of California State University Academic and Athletic Programs Policy Revision

Presentation By

Lori A. Redfearn
Assistant Vice Chancellor
Systemwide Advancement

Summary

This action item updates the policy on Naming of California State University Colleges, Schools and Other Academic Entities, which was adopted in 1999.

The CSU Board of Trustees retains authority for naming all major CSU academic and athletic programs. The updated policy delegates authority to the chancellor, with sub-delegation to presidents, to name minor programs such as centers and institutes.

Additionally, it adds language explicitly prohibiting naming after tobacco or electronic cigarette companies. It generally prohibits naming after an alcohol company unless aligned with a university program, such as viticulture, supporting workforce development or research.

Finally, the revision provides transparency in regard to the CSU Board of Trustees authority to rescind naming recognition.

The updated policy and a redline version of the edits are attached.

Background

The Board of Trustees adopted a resolution establishing policy for naming Colleges, Schools and Other Academic Entities in July 1999. This is the first revision to the policy.

Recommended Action

The following resolution is recommended for approval:

RESOLVED, by the Board of Trustees of the California State University, that the policy on Naming of California State University Colleges, Schools and Other Academic Entities be replaced with the policy on Naming of California State University Academic and Athletic Programs.

Policy Naming of California State University Academic and Athletic Programs – Updated Language

Policy Title: Naming of California State University Academic and Athletic Programs

POLICY OBJECTIVE

The California State University (CSU) Board of Trustees retains authority for naming all major California State University academic and athletic programs including schools, colleges, divisions, departments, intercollegiate sports, and other major academic and athletic designations. Multi-campus academic collaborations also remain under the authority of the CSU Board of Trustees.

The CSU Board of Trustees delegates to the Chancellor the authority to name minor academic, non-academic, and athletic programs including centers, institutes, lecture series, archives, camps, intramural sports, and other minor academic and non-academic units. The Chancellor may sub-delegate this authority, as he or she deems appropriate.

The Vice Chancellor, Division of University Relations and Advancement shall determine whether an academic or athletic program falls within the major or minor classification when it is unclear.

POLICY STATEMENT

100 PURPOSE

This policy is intended to encourage private support through opportunities to name university academic and athletic programs and only under extraordinary circumstances should academic or athletic programs be named without private support.

200 SCOPE

This policy governs naming of major CSU academic and athletic programs whether at the main campus or satellite locations. Names which are simply descriptive of the function are exempt from this policy

300 AUTHORITY

The CSU Board of Trustees has the authority to set administrative policy (Education Code section 89030). Implementation and compliance with this policy is the responsibility of the Vice Chancellor, University Relations and Advancement and the campus chief advancement officer.

400 CONSIDERATIONS

Each proposal for naming of a major CSU academic or athletic program shall be considered on its own merits, including compatibility with the mission and values of the university. No commitment for the naming shall be made prior to CSU Board of Trustees approval of the proposed name.

The name presented for CSU Board of Trustees approval must meet the following criteria:

401 When a donor gift is involved:

- The gift should be clearly and broadly supported as being consistent with the reputation and aspirations of the university. Consultation should include the dean, director, or unit head, and faculty leadership.
- The gift should enhance academic excellence, promote experiential learning, support student achievement, or contribute significantly to the mission of the university.
- The gift should provide “substantial” benefit to the CSU. The term “substantial” in this context is deliberately not defined by arbitrary standards or by a specific dollar amount. Its interpretation is meant to be flexible so that each situation may be judged on its own merits and may consider significant contributions of personal services as well as monetary or in-kind gifts. The value should be appropriate to the scope and function of the program.

402 In a rare instance, when the naming honors service to the CSU:

- It should honor a person who has achieved unique distinction in higher education or other significant areas of public service, or who has served the CSU in an academic capacity and has earned a national or international reputation as a scholar, or who has made extraordinary contributions to a CSU campus or the system which warrant special recognition.
- Recognition of an individual who has served in a CSU academic or administrative capacity shall not be made until the individual has been retired or deceased at least two years.
- No more than one program in the system shall be named after any one individual on the basis of service to the CSU.

403 No program will be named after seated, elected, or appointed officials currently in office.

404 No academic or athletic program will be named after a tobacco or electronic cigarette company. Generally, no academic or athletic program should be named for an alcohol

company, with the limited exception if the academic program supports workforce development or research for the industry.

500 RIGHT TO RESCIND

Should circumstances change in a manner that affiliation with the name would cause harm to the reputation of the university, the university president or chancellor may request that the CSU Board of Trustees exercise its authority to rescind naming recognition.

500 WAIVER

In special circumstances, the CSU Board of Trustees may waive any or all of the above criteria.

Policy Naming of California State University Academic and Athletic Programs – Redline

Policy Title: Naming of California State University Academic and Athletic Programs

POLICY OBJECTIVE

The California State University (CSU) Board of Trustees retains authority for naming all major California State University academic and athletic programs including schools, colleges, divisions, departments, intercollegiate sports, and other major academic and athletic designations. Multi-campus academic collaborations also remain under the authority of the CSU Board of Trustees.

The CSU Board of Trustees delegates to the Chancellor the authority to name minor academic, non-academic, and athletic programs including centers, institutes, lecture series, archives, camps, intramural sports, and other minor academic and non-academic units. The Chancellor may sub-delegate this authority, as he or she deems appropriate.

The Vice Chancellor, Division of University Relations and Advancement shall determine whether an academic or athletic program falls within the major or minor classification when it is unclear.

POLICY STATEMENT

100 PURPOSE

This policy is intended to encourage private support through opportunities to name colleges, schools, programs, centers, and institutes. The Board of Trustees of the California State University retains authority for naming all CSU colleges, schools, programs, centers, and institutes. There are a finite number of these naming opportunities on the campuses. Opportunities to name these university academic and athletic programs and only under extraordinary circumstances should academic or athletic programs be named without private support.

200 SCOPE

This policy governs naming of major CSU academic and athletic programs whether at the main campus or satellite locations. Names which are simply descriptive of the function are for fundraising purposes only exempt from this policy

300 AUTHORITY

The CSU Board of Trustees has the authority to set administrative policy (Education Code section 89030). Implementation and compliance with this policy is the responsibility of the Vice Chancellor, University Relations and Advancement and the campus chief advancement officer.

400 CONSIDERATIONS

Each proposal for naming of a major CSU college, school, academic or athletic program, center, or institute shall be considered on its own merits, including compatibility with the mission and values of the university. No commitment for the naming shall be made prior to Trustee CSU Board of Trustees approval of the proposed name.

AThe name of a CSU college, school, program, center, or institute presented for Trustee CSU Board of Trustees approval must meet the following criteria:

401 When a donor gift is desirable for involved:

- The gift should be clearly and broadly supported as being consistent with the CSU reputation and aspirations of the university. Consultation should include the dean, director, or unit head, and faculty leadership.
- The gift should enhance academic excellence, promote experiential learning, support student achievement, or contribute significantly to name colleges, schools, programs, centers, and institutes the mission of the university.
- The gift should provide “substantial” benefit to the CSU. The term “substantial” in honor of this context is deliberately not defined by arbitrary standards or by a specific dollar amount. Its interpretation is meant to be flexible so that each situation may be judged on its own merits and may consider significant contributors of funds to the university contributions of personal services as well as monetary or in-kind gifts. The value should be appropriate to the scope and function of the program.

402 In a rare instance, when no donor gift is involved the naming honors service to the CSU:

- It should honor a person who has achieved unique distinction in higher education and/or other significant areas of public service, or who has served the CSU in an academic capacity and has earned a national or international reputation as a scholar, or who has made extraordinary contributions to a CSU campus or the system which warrant special recognition, or who has served the CSU in an administrative capacity and who, during administrative service, made extraordinary contributions to a CSU campus or the system which warrant special recognition.
- Recognition of an individual involves service to the university in an who has served in a CSU academic or administrative capacity, a proposal shall not be made until the individual has been retired or deceased at least two years.
- No more than one academic program in the system shall be named after any one individual on the basis of service to the CSU.

403 No ~~academic~~ program will be named after seated, elected, or appointed officials. currently in office.

404 No academic or athletic program will be named after a tobacco or electronic cigarette company. Generally, no academic or athletic program should be named for an alcohol company, with the limited exception if the academic program supports workforce development or research for the industry.

500 RIGHT TO RESCIND

Should circumstances change in a manner that affiliation with the name would cause harm to the reputation of the university, the university president or chancellor may request that the CSU Board of Trustees exercise its authority to rescind naming recognition.

500 WAIVER

In special circumstances, the CSU Board of Trustees may waive any or all of the above criteria.

AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: 9:00 a.m., Wednesday, November 10, 2021
Glenn S. Dumke Auditorium

Wenda Fong, Chair
Jean P. Firstenberg, Vice Chair
Jack Clarke, Jr.
Douglas Faigin
Debra S. Farar
Christopher Steinhauser

- Consent**
1. Approval of Minutes of the Meeting of September 15, 2021, *Action*
 2. Annual Report on Outside Employment for Senior Management Employees, *Action*
 3. Annual Report on Vice President Compensation, Executive Relocation, and Executive Transition, *Information*

**MINUTES OF THE MEETING OF
COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL**

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

September 15, 2021

Members Present

Wenda Fong, Chair
Jean P. Firstenberg, Vice Chair
Jack Clarke, Jr.
Douglas Faigin
Debra S. Farar
Christopher Steinhauser

Lillian Kimbell, Chair of the Board
Joseph I. Castro, Chancellor

Public Speakers

Due to the virtual format of the September 15, 2021 meeting, all public comment took place prior to the committee meeting's open session.

Trustee Wenda Fong called the meeting to order.

Approval of Minutes

The minutes of the July 13, 2021 meeting of the Committee on University and Faculty Personnel were approved as submitted.

Executive Compensation: Presidential Triennial Performance Review Salary Assessment – Implementation Process

Trustee Wenda Fong introduced the agenda item and a slide presentation followed. She explained

***PLEASE NOTE: Due to the Governor's proclamation of a State of Emergency resulting from the threat of COVID-19, and pursuant to the Governor's Executive Orders N-25-20 and N-29-20 issued on March 12, 2020 and March 17, 2020, respectively, all members of the Board of Trustees may participate in meetings remotely, either by telephonic or video conference means. Out of consideration for the health, safety and well-being of the members of the public and the Chancellor's Office staff, the September 14-15, 2021 meeting of the CSU Board of Trustees was conducted entirely virtually via Zoom teleconference.**

that Chancellor-emeritus Timothy P. White, following consultation with Chancellor Joseph I. Castro, established a task force to develop a process to implement presidential salary assessments. Along with Trustee Fong, the task force included Trustees Jack Clarke and Debra Farar. From the leadership team, Executive Vice Chancellor Steve Relyea and Vice Chancellor Evelyn Nazario. The objective of the task force was to establish implementation procedures to fulfill the Board’s policy requiring salary assessments at the time of a president’s triennial performance review.

During the presentation, Trustee Fong explained the history of the University’s executive compensation policy by sharing a slide that showed its progression from 1991 to 2019. The most recent decision took place in November 2019 when the trustees approved salary assessments during a president’s triennial performance review. She reminded the trustees that presidential salaries continued to lag behind comparable institutions and no action has been taken on the policy adopted. By the end of the year, 13 presidents will have received triennial performance reviews and are due salary assessments. While Trustee Fong encouraged competitive salaries for our campus leaders, she stressed that all CSU employees be compensated in a manner that is fair, reasonable, and competitive.

Trustee Fong introduced Ms. Evelyn Nazario, vice chancellor for human resources, to continue with the slide presentation. Vice Chancellor Nazario explained the criteria for reviewing presidential salaries as follows: the peer group median (market median) would serve as the target salary; a president cannot receive more than a 10 percent increase per year; depending on the severity of a lag, it may take more than one year to reach the target salary and if so, adjustments would follow an equity matrix; and market data would be updated periodically. She noted the 10 percent maximum is consistent with current policy that permits up to a 10 percent increase for new presidents over their predecessors.

She explained that in year one of the triennial review cycle the adjustment would be up to the target salary but no more than 10 percent. If an additional adjustment is warranted in years two and three of the triennial review cycle, an “equity matrix” determines the amount of the adjustment and is based on the percent needed to reach the target salary. The following equity matrix for years two and three was displayed on the slide:

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

Vice Chancellor Nazario shared a slide that summarized the process presented. She remarked that the process takes steps towards setting pay commensurate with institutions of similar quality and size. It ties pay to a president's performance review. It's a gradual approach, transparent, and fiscally responsible addressing salary increases incrementally. The process can respond to economic conditions if needed and the board retains final approval on individual salary adjustments.

In closing comments, Trustee Fong reiterated that the process presented provided trustees with a mechanism to begin reviewing and addressing pay disparities. She encouraged supporting existing and future campus leaders by taking action on setting compensation that is fair, consistent and competitive.

Following the presentation, trustees shared thoughts and comments on the proposed compensation plan. Overall, they were in support of the item, particularly its transparency and predictability. While the trustees were supportive and thoughtful in their remarks, a common theme voiced was the board's responsibility to advocate and support increases for faculty and staff in the same manner as they have for executive employees.

A roll call vote was taken, and the committee unanimously recommended approval of the proposed resolution. (RUF 09-21-06)

Trustee Fong concluded by thanking fellow task force members.

The committee meeting was adjourned.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Annual Report on Outside Employment for Senior Management Employees

Presentation By

Evelyn Nazario
Vice Chancellor
Human Resources

Summary

In accordance with the California State University (CSU) Board of Trustees policy on outside employment disclosure requirements, this item presents the outside employment activities of senior management employees that took place during the 2020 calendar year.

Background

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

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

Annual Report

The annual report on outside employment for senior management is provided in Attachment A. The report shows 12 senior management employees with outside employment during the reporting period for the 2020 calendar year.

Recommended Action

The following resolution is recommended for adoption:

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RESOLVED, by the Board of Trustees of the California State University, that the 2020 Senior Management Outside Employment Disclosure Report, as cited in Item 2 of the Committee on University and Faculty Personnel at the November 9-10, 2021 meeting of the Board of Trustees, is approved.

**California State University
Senior Management Outside Employment Disclosure Report*
Reporting Period: 2020 Calendar Year**

Employee Name (Campus)	CSU Working Title	Name of Outside Employer/Business	Role	Total Time Served (Hours)	Total Compensation Received	Comments
Deborah Wallace (Dominguez Hills)	Vice President for Administration & Finance	Wallace & Associates Realty, Inc.	Real Estate Broker/ Owner	40 hours	\$620.00	
Leroy Morishita (East Bay)	President	J A Health Insurance Brokerage	see additional comments	3 hours quarterly	\$16,000.00	President Morishita retired 12/31/20. Chair of Board to provide health benefits and President of Affiliated non-profit that provides grants to non-profit with profits of trust. Donations exceed \$16,000.
Joseph I. Castro (Fresno)	President	Lumina Foundation	Board Member	25 hours	\$20,000.00	Dr. Castro began his duties as Chancellor on 1/4/21.
Jason Meriwether (Humboldt)	Vice President of Enrollment Management	Inside Track/Strada Education Network	Advisory Board Member	20 hours	\$1,000.00	
Jason Meriwether (Humboldt)	Vice President of Enrollment Management	University of North Texas	Training & Lecture on Hockey	3 hours	\$3,000.00	
Jose A. Gomez (Los Angeles)	Provost and Executive Vice President & Chief Operating Officer	California Casualty Indemnity Exchange	Advisory Board Member	25 hours	\$42,300.00	Not involved in making decisions affecting CSU's dealing with outside employer Compensation is donated
Janet Dial (Los Angeles)	Vice President for University Advancement	International Scholarship & Tuition Services Inc. (ISTS)	Review Scholarship Applications	20 hours	\$400.00	
Tomas Morales (San Bernardino)	President	United Health Group of New York	Director on Board of Directors	6-10 hrs/year	\$ 12,000.00	
Hala Madanat (San Diego)	Vice President for Research & Innovation	SDSU Research Foundation	Research	129 hours	\$16,441.71	Faculty scholarship (principal investigator for grant-funded research)
Agnes Wong Nickerson (San Diego)	Interim Vice President for BFA & CFO	San Diego County Regional Airport Authority	Audit Committee Member	24 hours	\$600.00	
Jerry Sheehan (San Diego)	Vice President for IT and CIO	SDSU Research Foundation	HealthLINK Advisory Committee Member	5 hours	\$1,000.00	
Keith Humphrey (San Luis Obispo)	Vice President for Student Affairs	Tenet Healthcare Corporation	Governing Board member	10 hours	\$1,000.00	
William Britton (San Luis Obispo)	Vice President, Information Technology	Maven Consulting/BandB Consulting	IT and Cyber Consulting	100 hours	\$600.00	

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

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

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

Presentation By

Joseph I. Castro
Chancellor

Evelyn Nazario
Vice Chancellor
Human Resources

Summary

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

Vice President Compensation

Current trustee policy requires the chancellor to review and approve recommendations for vice presidential compensation at the initial appointment and subsequently. Additionally, the chancellor is to provide an annual report on vice president compensation if compensation actions have been taken. Attachment A shows 47 vice president compensation actions systemwide during the reporting period (September 1, 2020 – August 31, 2021). For fiscal year 2020-2021 there was no merit salary increase program.

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. Cathy A. Sandeen
President, CSU East Bay
From Anchorage, Alaska
Relocation of household goods and property: \$17,276.13
Temporary storage: \$328.30
Miscellaneous home rental expenses: \$920

- Dr. Saúl Jiménez-Sandoval
President, CSU Fresno
From Fresno, California
Relocation of household goods and property: \$6,813.25
- Dr. Joseph I. Castro
Chancellor, California State University
From Fresno, California
Relocation of household goods and property: \$32,336.16
Relocation travel expenses: \$1,692.15

Executive Transition

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

Executive Transition Program (RUFPP 11-92-04):

The executive transition program was available to executives appointed into an executive position between November 18, 1992 and November 14, 2006. The program provided a one year transition after leaving executive office. No current executives remain eligible for this transition program, and it is no longer available.

Dr. Dianne Harrison – President Emerita
Transition Date: January 11, 2021 – December 31, 2021
Annual Salary: \$277,932

Assignment: Dr. Harrison has been available to the chancellor for advice and counsel on matters pertaining to the California State University.

Executive Transition II Program (RUFPP 11-06-06):

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.

Mr. Garrett Ashley – Vice Chancellor Emeritus
Transition Date: May 1, 2021 – April 30, 2022
Annual Salary: \$242,100

Assignment: Mr. Ashley serves as Senior Advisor to President Fram Virjee of California State University, Fullerton, on matters related to advancement, external relations and government relations.

Dr. Timothy P. White – Chancellor Emeritus
Transition Date: January 5, 2021 – December 31, 2022
Annual Salary: \$327,744

Assignment: Dr. White continued his work as co-chair of the National Task Force on the Transfer and Award of Credit convened by the American Council on Education. Additionally, he has been available to the board and chancellor for advice and counsel on matters pertaining to the California State University. During his second transition year, he will continue with other activities in California and nationally that are related to public higher education on behalf of the CSU and other duties mutually agreed upon.

Vice President Compensation Actions

Filled Vacancies (16)

Campus	Name	Title	Eff. Date	Salary	Other Compensation
Channel Islands	Avila, Mitch	Provost & Vice President for Academic Affairs	1/1/2021	\$270,000	
Fullerton	Coley, Ronnie	Vice President for Administration & Finance/CFO	5/17/2021	\$260,424	
Humboldt	Roohparvar, Shahrooz	CFO and Vice President for Administration and Finance	5/1/2021	\$238,704	Temporary (6 mos.) housing allowance \$1,500/mo. Relocation/Recruitment bonus \$19,892 Non-General Fund
Long Beach	Scissum, Karyn	Provost and Senior Vice President for Academic Affairs	7/1/2021	\$300,000	Auto Allowance \$600/mo. Non-General Fund
Los Angeles	Williams, Joyce	Vice President for Administration and Chief Financial Officer	6/1/2021	\$265,008	
Monterey Bay	Nelson, Glen	Vice President for Administration & Finance/CFO	6/14/2021	\$250,008	
Monterey Bay	Samuels, Lawrence	Vice President for Strategic Initiatives and Executive Director, University Corp.	4/1/2021	\$222,756	
Pomona	Trinidad, Ysabel	Vice President for Administration and Finance/CFO	7/12/2021	\$290,004	
San Francisco	Moore, Jamillah	Vice President for Student Affairs & Enrollment Management	7/1/2021	\$250,008	
San Francisco	Wilson, Jeffery	Vice President of Administration and Finance/Chief Financial Officer	6/1/2021	\$270,000	
San Luis Obispo	Liddicoat, Al	Vice President, University Personnel and Chief Human Resources Officer	7/1/2021	\$278,004	
San Marcos	Wyden, Leon	Vice President, Finance and Administrative Services & CFO	4/5/2021	\$265,000	
San Marcos	Berger, Jessica	Vice President for University Advancement	7/12/2021	\$250,008	Auto Allowance \$750/mo. Temporary (6 mos.) housing allowance \$2,326/mo. Non-General Fund
Sonoma	Moranski, Karen	Provost and Vice President for Academic Affairs and Chief Academic Officer	5/18/2021	\$250,008	
Sonoma	Griffin, Jerlena	Chief of Staff, Vice President for Strategic Initiatives and Diversity	11/1/2020	\$224,544	
Stanislaus	Ogle, Richard	Provost & Vice President for Academic Affairs	6/15/2021	\$235,008	

Other Changes (31)

Campus	Name	Title	Eff. Date(s)	Description of Change	Salary After Change or Amount Paid
Bakersfield	Martin, Victor	Vice President for University Advancement and Executive Director CSUB Foundation	6/1/2021	Equity Increase	\$219,084
Chico	Boura, Ahmad	Vice President for University Advancement	7/1/2021	Equity Increase	\$254,616
East Bay	Espinoza, Suzanne	Vice President, Student Affairs	7/1/2021	Equity Increase	\$246,960
Fullerton	Dabirian, Amir	Vice President, Information Technology/CIO	4/1/2021	Equity Increase	\$240,264
Fullerton	Forgues, David	Vice President for Human Resources, Diversity and Inclusion	4/1/2021	Equity Increase	\$226,968
Fullerton	Oseguera, Tonantzin	Vice President for Student Affairs	4/1/2021	Equity Increase	\$251,412
Fullerton	Saks, Greg	Vice President for University Advancement	4/1/2021	Equity Increase	\$255,900
Fullerton	Thomas, Carolyn	Provost and Vice President for Academic Affairs	4/1/2021	Equity Increase	\$294,888
Monterey Bay	Zappas, Barbara	Vice President for University Advancement	7/1/2021	Equity Increase	\$245,616
San José	Day, Patrick	Vice President for Student Affairs	10/1/2020	Equity Increase	\$263,112
San José	Millora, Lisa	Vice President of Strategy & Chief of Staff	10/1/2020	Equity Increase	\$263,520
San José	Faas, Charles	Vice President for Administration & Finance/CFO	7/1/2021	Equity Increase	\$277,080
San José	Lim, Bob	Vice President, Information Technology/CIO	7/1/2021	Equity Increase	\$275,844
San Marcos	Checa, Lorena	Vice President, Student Affairs	9/1/2020	Equity Increase	\$240,000
Bakersfield	Davis, Thom	Vice President and CFO, Business & Administrative Services	6/1/2021	Change in responsibilities	\$262,656
Bakersfield	Harper, Vernon	Provost and Vice President for Academic Affairs	6/1/2021	Change in responsibilities	\$265,740
Humboldt	Meriwether, Jason	Vice President for Enrollment Management	12/1/2020	Change in responsibilities	\$219,084
Los Angeles	Gomez, Jose	Provost and Executive Vice President & Chief Operating Officer	1/1/2021	Change in responsibilities	\$299,004
Los Angeles	Villalpando, Octavio	Vice President for Equity, Diversity, Inclusion, and Student Life	6/1/2021	Change in responsibilities	\$275,004
Monterey Bay	Samuels, Lawrence	Vice President for Strategic Initiatives and Executive Director, University Corporation	7/1/2021	Change in responsibilities	\$240,000
Pomona	Gonzales, Christina	Vice President for Student Affairs	7/1/2021	Change in responsibilities	\$265,668

Campus	Name	Title	Eff. Date(s)	Description of Change	Salary After Change or Amount Paid
San José	Millora, Lisa	Vice President of Strategy & Chief of Staff	7/1/2021	Change in responsibilities	\$276,696
Pomona	McGuthry, John	Vice President, Information Technology & Institutional Planning/CIO	1/2021 - 6/2021	Temporary change in responsibilities	\$260,196
San Bernardino	Sudhakar, Samuel	Vice President for Information Technology Services/CIO	6/2021 - 12/2021	Temporary change in responsibilities	\$267,156
Humboldt	Meriwether, Jason	Vice President for Enrollment Management	10/2020	Additional duties, one-time pymt	\$4,199
Los Angeles	Villalpando, Octavio	Vice President for Equity, Diversity and Inclusion	5/2021	Additional duties, one-time pymt	\$1,159
Monterey Bay	Kantardjieff, Katherine	Provost & Vice President for Academic Affairs	11/2020 - 4/2021	Temporary change due to additional assignment, 6 mos.	\$4,217
Bakersfield	Davis, Thom	Vice President and CFO, Business & Administrative Services	1/1/2021	Auto Allowance Non-General Fund	\$600/mo.
Bakersfield	Harper, Vernon	Provost and Vice President for Academic Affairs	6/1/2021	Auto Allowance Non-General Fund	\$600/mo.
Bakersfield	Martin, Victor	Vice President for University Advancement and Executive Director CSUB Foundation	6/1/2021	Auto Allowance Non-General Fund	\$600/mo.
Chico	Boura, Ahmad	Vice President for University Advancement	FY 2020/2021	MPP Merit Bonus Program – met established goals	\$37,080

AGENDA

COMMITTEE ON AUDIT

Meeting: 9:15 a.m., Wednesday, November 10, 2021
Glenn S. Dumke Auditorium

Adam Day, Chair
Jane W. Carney, Vice Chair
Julia I. Lopez
Jack McGrory
Anna Ortiz-Morfit
Krystal Raynes
Yammilette Rodriguez
Lateefah Simon

Consent 1. Approval of Minutes of the Meeting of September 14, 2021, *Action*
Discussion 2. Status Report on Audit and Advisory Services Activities, *Information*

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

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

September 14, 2021

Members Present

Adam Day, Chair
Jane W. Carney, Vice Chair
Jack McGrory
Anna Ortiz-Morfit
Krystal Raynes
Lateefah Simon
Lillian Kimbell, Chair of the Board

Trustee Adam Day called the meeting to order.

Approval of the Consent Agenda

The minutes of the July 13, 2021 meeting of the Committee on Audit were approved as submitted.

Item number two, Status Report on Audit and Advisory Services Activities, was an information item. Trustee Romey Sabalius commended Humboldt State University for satisfactorily implementing all their 2020 audit recommendations.

Trustee Day adjourned the Committee on Audit.

***PLEASE NOTE: Due to the Governor's proclamation of a State of Emergency resulting from the threat of COVID-19, and pursuant to the Governor's Executive Orders N-25-20 and N-29-20 issued on March 12, 2020, and March 17, 2020, respectively, all members of the Board of Trustees may participate in meetings remotely, either by telephonic or video conference means. Out of consideration for the health, safety and well-being of the members of the public and the Chancellor's Office staff, the September 14-15, 2021, meeting of the CSU Board of Trustees was conducted entirely virtually via Zoom teleconference.**

COMMITTEE ON AUDIT

Status Report on Audit and Advisory Services Activities

Presentation By

Vlad Marinescu
Vice Chancellor and Chief Audit Officer
Audit and Advisory Services

Summary

This item provides an update on internal audit activities and initiatives. It also includes a status report on both the recently completed 2020-2021 audit plan, as well as the current 2021-2022 audit plan. Follow-up on current and past assignments is being conducted on approximately 27 completed campus reviews. Attachment A summarizes the status of audit assignments by campus.

For the 2021-2022 audit plan, assignments were made to execute individual campus audit plans and conduct financial, operational, compliance, and information technology audits; use continuous auditing techniques and data analytics tools; and provide advisory services and investigation reviews.

ASSURANCE AUDITS AND DATA ANALYTICS

Status of In-Process and Completed Audits

Audit and Advisory Services has completed work on the 2020-2021 audit plan and has commenced work on the 2021-2022 audit plan. Fifty-five assurance audits were completed as part of the 2020-2021 audit plan. Twenty audits are currently in process as part of the 2021-2022 audit plan and are being performed remotely. Audit management continues to evaluate when in-person on site fieldwork will resume. Completed audit reports are posted on the California State University website at <https://www2.calstate.edu/csu-system/transparency-accountability/audit-reports>.

The assurance audits portion of the audit plan focuses on the core support areas of Finance and Administration; Information Technology; and Compliance, Human Resources and Risk Management. Additionally, assurance audits include reviews in the areas of Academic Administration; Student Activities and Services; and University Relations and Advancement. Auxiliary Organizations are also included in the audit plan and are covered by applicable subject-area reviews, as well as stand-alone audits of auxiliary organization entities. Scheduled reviews may include campus-specific concerns or follow-up on prior campus issues.

The status of campus progress toward implementing recommendations for completed audits is included in Attachment A. Prior year audits that have open recommendations are also included in Attachment A and are removed from the report the meeting following all recommendations having shown as completed.

Both campus management and audit management are responsible for tracking the implementation/completion status of audit recommendations contained in campus audit reports. During the audit process, campus management identifies a target completion date for addressing each audit recommendation. Target completion dates are subject to approval by audit management prior to the audit report being finalized. Implementation timelines are reviewed for appropriateness, reasonableness, and timeliness, which also includes evaluating the nature and level of risk and whether any mitigating controls can or should be implemented on an interim basis while audit recommendations are being implemented.

If there are difficulties or unexpected delays in addressing/completing audit recommendations within the agreed upon timeframes, escalation processes for resolution are followed by audit management. Audit management first contacts the campus senior leadership team (president and/or VP/CFO) to resolve any delays. In rare instances in which delays cannot be resolved during discussions between campus and audit management, the chancellor and audit committee chair and/or vice chair may help resolve delays, as needed.

Data Analytics

In the 2020-21 audit plan year, we added more resources to our data analytics team, allowing us to start building a framework and plan for our data analytics program, with the aim to provide value and resources both to our internal audit team and to our campus partners. For example, we gathered real-time financial data and created dashboards to allow our audit managers additional insights on campus trends and anomalies when planning audits and performing the annual risk assessment. We also obtained data and perform tests remotely in areas such as credit cards and HR/Payroll and shared the results of these reviews with campus management. Towards the end of the plan year, we commenced moving some of our data streams to Amazon Web Services to allow us to perform more efficiently and facilitate future automation.

For the current plan year, we have implemented a process to integrate data analytics into every assurance audit we perform. This allows us to enhance our audits by identifying trends or anomalies during the audit planning process, selecting more relevant samples for review, and running analyses on the entire population of data when applicable. This data driven approach allows for additional focus on relevant areas, smarter sampling which lessens the burden on auditees, and ultimately a higher value for the CSU out of the work we perform.

One of the key objectives of our data analytics team is to partner with and provide data insights

to campus management. During our reviews and analysis of data sets, we share our results with campus management to better understand the anomalies and trends identified by our analytics, obtain a broader understanding of existing risks, and aid management in business decision making. One such example is credit card expenditure reports which we are providing to our campuses on a quarterly basis. To further our data insights goal, we have also developed a data insights newsletter to share information on our analytics tests and trends that we are seeing across our 23 campuses.

The focus for the current 2021-22 audit plan year is to continuously monitor credit cards by automating certain credit card tests and reviewing results for any anomalies or questionable transactions. We will also continue to perform HR/Payroll reviews with a refined scope, work towards automating our disbursements and procurement tests, and research other areas where data analytics can add value.

ADVISORY SERVICES

Audit and Advisory Services partners with management to identify solutions for business issues, offer opportunities to improve the efficiency and effectiveness of operating areas, and assist with special requests, while ensuring the consideration of related internal control issues. Advisory services are more consultative in nature than traditional audits and are performed in response to requests from campus management. The goal is to enhance awareness of risk, control and compliance issues and to provide a proactive independent review and appraisal of specifically identified concerns. Reviews are ongoing and work is being performed remotely.

INVESTIGATIONS AND INTERGOVERNMENTAL AUDITS

Audit and Advisory Services is periodically called upon to provide investigative reviews, which are often the result of alleged misappropriations or conflicts of interest. Investigations are performed on an ongoing basis, both at the request of an individual campus or the chancellor's office and by referral from the state auditor. Additionally, the investigations unit tracks external audits being conducted by state and federal agencies, acts as a liaison for the system throughout the audit process, and offers assistance to campuses undergoing such audits.

The California State Auditor (CSA) recently identified 18 state agencies, including the California State University (CSU), that are responsible for managing a portion of federal COVID-19 funds. The CSU and University of California are among the entities being audited regarding the administration of these funds. The audit report is expected to be released on November 18, 2021.

OUTREACH AND ENGAGEMENT

In October 2021, Audit and Advisory Services hosted its Fifth Annual Campus Audit Liaisons Roundtable, a three-day event designed to facilitate communication and collaboration between Audit and Advisory Services and CSU campus audit representatives. The meeting included keynote addresses from Chancellor Joseph I. Castro and President Ellen J. Neufeldt, as well as informational sessions on topics such as fraud prevention, risk management, recent trends in audit, data analytics, and auxiliary organizations.

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Status Report on Current and Past Audit Assignments

Campus	Category	Audit Topic	Audit Plan Year	Total # of Recommendations	*Status
Bakersfield	Audits Currently in Progress	Sponsored Programs	2021		
	Status of Recommendations	Cloud Computing	2020	2	2
Chancellor's Office	Audits Currently in Progress	Information Security	2021		
Channel Islands	Audits Currently in Progress	Student Fee Administration	2021		
Chico	Status of Recommendations	Academic Personnel	2020	5	5
Dominguez Hills	Audits Currently in Progress	Construction Management	2021		
	Status of Recommendations	Accounts Payable & Disbursements	2020	3	2 1
	Status of Recommendations	Post Award Administration	2020	6	2 4
East Bay	Status of Recommendations	Facilities Management	2020	3	3
	Status of Recommendations	Information Security	2020	13	1 12
Fresno	Audits Currently in Progress	IT Disaster Recovery	2021		
	Status of Recommendations	Faculty Assigned Time and Additional Employment	2020	3	3
Fullerton	Audits Currently in Progress	Construction Management	2021		
	Audits Currently in Progress	Information Security	2021		
	Status of Recommendations	Faculty Assigned Time and Additional Employment	2020	2	2
Humboldt	Audits Currently in Progress	Information Security	2021		
Long Beach	Audits Currently in Progress	Sponsored Programs	2021		
Los Angeles	Status of Recommendations	Faculty Assigned Time and Additional Employment	2020	3	3
Maritime Academy	Audits Currently in Progress	Information Security	2021		
	Status of Recommendations	Service Learning and Internships	2020	5	5
Monterey Bay	Audits Currently in Progress	Student Union	2021		
Northridge	Audits Currently in Progress	Financial Aid	2021		
	Status of Recommendations	Service Learning and Internships	2020	3	3
Pomona	Audits Currently in Progress	Auxiliary-Owned Housing	2021		
	Status of Recommendations	Decentralized Computing	2020	11	11
Sacramento	Status of Recommendations	Information Security	2020	10	10
	Status of Recommendations	Professional and Continuing Education	2020	3	3
	Status of Recommendations	Service Learning	2021	3	3

***Status**

Closed (green) - Recommendations have been satisfactorily implemented

Open (blue) - Implementation of recommendations is in progress and within the agreed upon timeframe

Exceeds Agreed Upon Timeframe (red) - Recommendations have not been implemented within the agreed upon timeframe

Report as of October 19, 2021

Status Report on Current and Past Audit Assignments

Campus	Category	Audit Topic	Audit Plan Year	Total # of Recommendations	*Status
San Bernardino	Status of Recommendations	Facilities Management	2020	3	3
		Post Award Administration	2020	6	5 1
San Diego	Audits Currently in Progress	Student Fee Administration	2021		
	Status of Recommendations	Information Security	2020	9	9
		Procurement	2020	2	2
San Francisco	Audits Currently in Progress	Endowment Management	2021		
	Status of Recommendations	Facilities Management	2020	3	3
San Jose	Audits Currently in Progress	Counseling and Psychology Services	2021		
	Status of Recommendations	Construction Management	2020	4	4
		Fundraising and Gift Processing	2020	3	3
San Luis Obispo	Audits Currently in Progress	Counseling and Psychology Services	2021		
	Status of Recommendations	Information Security	2020	12	12
San Marcos	Audits Currently in Progress	Faculty Assigned Time and Additional Employment	2021		
	Status of Recommendations	Associated Students, Inc.	2020	3	3
		Information Security	2020	6	1 5
Sonoma	Audits Currently in Progress	Procurement	2021		
Stanislaus	Audits Currently in Progress	Police Services	2021		
	Status of Recommendations	Cloud Computing	2020	2	1 1
		Credit Cards	2020	2	2

***Status**

Closed (green) - Recommendations have been satisfactorily implemented

Open (blue) - Implementation of recommendations is in progress and within the agreed upon timeframe

Exceeds Agreed Upon Timeframe (red) - Recommendations have not been implemented within the agreed upon timeframe

Report as of October 19, 2021

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 10, 2021

Presiding: Lillian Kimbell, Chair

9:45 a.m. **Board of Trustees** **Dumke Auditorium**
Call to Order
Roll Call
Chair's Report
Chancellor's Report
Academic Senate CSU Report: *Chair—Robert Keith Collins*
California State Student Association Report: *President—Isaac Alferos*
California State University Alumni Council Report: *President—Jeremy Addis-Mills*

Consent

- Action* 1. Approval of the Minutes of the Board of Trustees Meeting of September 15, 2021
Action 2. Approval of Committee Resolutions as follows:

Committee on Campus Planning, Buildings and Grounds

2. California State University, Chico – Butte Hall Replacement Project
3. Update to the 2021-2022 through 2025-2026 Multi-Year Capital Plan

Committee on Finance

2. 2022-2023 Lottery Budget and Report
4. Approval of the 2022-2023 Operating Budget Request

Committee on Institutional Advancement

2. Naming of the Wendy Gillespie Center for Advancing Global Business – San Diego State University
3. Naming of Alistair McCrone Hall – Humboldt State University

Agendas, notices, and information on addressing the Board of Trustees may be found on Board of Trustees website: <https://www.calstate.edu/csusystem/board-of-trustees/Pages/default.aspx>

**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. For two-day meetings, items scheduled for one day may be heard either the day before or the day after depending upon the time spent on each matter. The public is advised to take this uncertainty into account in planning to attend any meeting listed on this schedule.

4. Naming of California State University Facilities and Properties Policy Revision
5. Naming of California State University Academic and Athletic Programs Policy Revision

Committee on University and Faculty Personnel

2. Annual Report on Outside Employment for Senior Management Employees

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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 15, 2021

Trustees Present

Lillian Kimbell, Chair
Wenda Fong, Vice Chair
Larry L. Adamson
Diego Arambula
Jane W. Carney
Jack Clarke, Jr.
Adam Day
Douglas Faigin
Debra S. Farar
Jean P. Firstenberg
Maria Linares
Julia I. Lopez
Jack McGrory
Anna Ortiz-Morfit
Krystal Raynes
Yammilette Rodriguez
Romey Sabalius
Lateefah Simon
Christopher Steinhauser
Joseph I. Castro, Chancellor
Lieutenant Governor Eleni Kounalakis

Chair Lillian Kimbell called the meeting of the Board of Trustees to order.

***PLEASE NOTE: Due to the Governor's proclamation of a State of Emergency resulting from the threat of COVID-19, and pursuant to the Governor's Executive Orders N-25-20 and N-29-20 issued on March 12, 2020 and March 17, 2020, respectively, all members of the Board of Trustees may participate in meetings remotely, either by telephonic or video conference means. Out of consideration for the health, safety and well-being of the members of the public and the Chancellor's Office staff, the September 14-15, 2021, meeting of the CSU Board of Trustees was conducted entirely virtually via Zoom teleconference.**

BoT
Agenda Item 1
November 9-10, 2021

Public Comment

Due to the virtual format of the September 14-15, 2021, meeting, all public comment took place at the beginning of the meeting's open session prior to all committees. For the purposes of public record, the board heard from the following individuals during the revised public comment period: Denise Castro, The Education Trust-West; Vang Vang, CFA (Fresno State); Kevin Wehr, California Faculty Association (Sacramento State); Randall Santiago, SQE (CSU Long Beach); Audrey Dow, Campaign for College Opportunity; Dagoberto Argueta, Academic Professionals of California (Unit 4); Charles Toombs, California Faculty Association (San Diego State); Ethan Quaranta, Divest the CSU, CSU Monterey Bay; Carlos Davidson, San Francisco State; Nicole Seymour, CSU Fullerton; Michael Yang, San Francisco State Alumni; Talitha Matlin, CSU San Marcos; Manmit Singh, San Francisco State; Shivani Kavuluru, TISJ; Prem Pariyar, Cal State East Bay; Radhika Marwaha, UC Davis; Gennie Kieffer, CSU; Jade McDonald, SQE (CSU San Bernardino); Paola Noguera, SQE (Cal Poly Pomona); Ja'Corey Bowens, SQE (San Francisco State); Jamie Blanke, SQE (CSU Fullerton); Ash Hormaza, SQE (CSU Fullerton); Toyo Akinremi, SQE (CSU San Bernardino); Moe Miller, CSU Fullerton; Aparna Sinha, Cal Maritime.

Chair's Report

Chair Kimbell's report is available online at the following link: <https://www.calstate.edu/csu-system/board-of-trustees/reports-of-the-chair/Pages/september-2021.aspx>

Report of the Academic Senate CSU

CSU Academic Senate Chair Robert Keith Collins's report is available online at the following link: <https://www2.calstate.edu/csu-system/faculty-staff/academic-senate/Pages/ASCSU-Chairs-Report.aspx>

Report from the California State Student Association

CSSA President Isaac Alferos's report is available online at the following link: <https://www.calstatestudents.org/public-documents/#president>

Report of the California State University Alumni Council

Alumni Council President Jeremy Addis Mills's report is available online at the following link: <https://www2.calstate.edu/impact-of-the-csu/alumni/council/board-of-trustee-reports/Pages/default.aspx>

Board of Trustees

Prior to the approval of the consent agenda, Trustee Raynes requested that item 2, Executive Compensation: Presidential Triennial Performance Review Salary Assessment – Implementation Process, from the Committee on University and Faculty Personnel be removed from the consent agenda for separate discussion and approval.

Chair Kimbell asked to move all the remaining consent agenda items for approval. There was a motion, a second and a roll call vote. The minutes of the meeting of July 14, 2021, were unanimously approved as submitted. The Board of Trustees unanimously approved the following resolutions:

COMMITTEE ON COMMITTEES

Amendments to Board of Trustees’ Standing Committee Assignments for 2021-2022 (RCOC 09-21-03)

RESOLVED, by the Board of Trustees of the California State University, on recommendation by the Committee on Committees that the following amendments be made to the Standing Committees for 2021-2022:

AUDIT

Adam Day, Chair
Jane W. Carney, Vice Chair
Julia I. Lopez
Jack McGrory
Anna Ortiz-Morfit
Krystal Raynes
Yammilette Rodriguez
Lateefah Simon

CAMPUS PLANNING, BUILDINGS AND GROUNDS

Jane W. Carney, Chair
Wenda Fong, Vice Chair
Larry L. Adamson
Adam Day
Maria Linares
Julia I. Lopez
Anna Ortiz-Morfit
Romey Sabalius

COLLECTIVE BARGAINING

Debra S. Farar, Chair
Lateefah Simon, Vice Chair
Adam Day
Douglas Faigin
Jack McGrory
Christopher Steinhauser

EDUCATIONAL POLICY

Christopher Steinhauser, Chair
Romey Sabalius, Vice Chair
Larry L. Adamson
Diego Arambula
Jane W. Carney
Jack Clarke, Jr.
Douglas Faigin
Jean P. Firstenberg
Wenda Fong
Julia I. Lopez
Krystal Raynes
Yammilette Rodriguez

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FINANCE

Jack McGrory, Chair
Larry L. Adamson, Vice Chair
Jane W. Carney
Wenda Fong
Maria Linares
Anna Ortiz-Morfit
Krystal Raynes
Romey Sabalius
Christopher Steinhauser

GOVERNMENTAL RELATIONS

Douglas Faigin, Chair
Krystal Raynes, Vice Chair
Diego Arambula
Jack Clarke, Jr.
Jean P. Firstenberg
Julia I. Lopez
Jack McGrory
Yammilette Rodriguez
Romey Sabalius
Lateefah Simon

INSTITUTIONAL ADVANCEMENT

Jean P. Firstenberg, Chair
Douglas Faigin, Vice Chair
Diego Arambula
Debra S. Farar
Maria Linares
Anna Ortiz-Morfit
Yammilette Rodriguez
Christopher Steinhauser

ORGANIZATION AND RULES

Larry L. Adamson, Chair
Debra S. Farar, Vice Chair
Diego Arambula
Jack Clarke, Jr.
Adam Day
Maria Linares
Lateefah Simon

**UNIVERSITY AND FACULTY
PERSONNEL**

Wenda Fong, Chair
Jean P. Firstenberg, Vice Chair
Jack Clarke, Jr.
Douglas Faigin
Debra S. Farar
Christopher Steinhauser

COMMITTEE ON EDUCATIONAL POLICY

**Academic Master Plan Update: Fast-Track Programs
(REP 09-21-04)**

RESOLVED, by the Board of Trustees of the California State University, that the amended projection to the Academic Plan for the California State University campus (as identified in Agenda Item 2 of the September 14-15, 2021 meeting of the Committee on Educational Policy) be approved and accepted for addition to the CSU Academic Master Plan and as the basis for necessary facility planning; and be it further

RESOLVED, that this projected degree program proposed to be included in the campus academic plan be authorized for implementation, at approximately the date indicated on Attachment A, subject in each instance to the chancellor's review, approval, and confirmation that there exists sufficient societal need, student demand, feasibility, financial support, qualified faculty, facilities and information resources sufficient to establish and maintain the programs; and be it further

RESOLVED, that degree programs not included in the campus academic plans be authorized for implementation only as pilot or fast-track programs or as modifications of existing degree programs, subject in each instance to Chancellor's Office approval and CSU policy and procedures.

**Amendment to Title 5 Regulations: Credit for Prior Learning
(REP 09-21-05)**

RESOLVED, by the Board of Trustees of the California State University, acting under the authority prescribed herein and pursuant to Section 66600, 89030 and 89035 of the Education Code, that section 40408 of Title 5 of the California Code of Regulations is amended as follows:

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Proposed Revisions - §40408. Credit Based on Examination

**Title 5. Education
Division 5. Board of Trustees of the California State Universities
Chapter 1. California State University
Subchapter 2. Educational Program
Article 5. General Requirements for Graduation
5 CCR § 40408**

§ 40408. Credit ~~Based on Examination~~ for Prior Learning.

Unit credit toward the undergraduate or graduate degree may be secured by: (1) passing an examination given or approved by the appropriate campus authority in courses offered by the campus and for which credit has not otherwise been allowed., (2) demonstration of learning, skills and knowledge acquired through experience, (3) learning acquired outside formal higher education, (4) education and training provided by the Armed Forces of the United States or (5) other appropriate means of assessment as determined and approved by the appropriate campus authority in accordance with system policy.

Note: Authority cited: Sections 66600, 89030 and 89035, Education Code. Reference: Sections 66600 and 89030, Education Code.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

**Naming of Martin V. Smith Hall – California State University Channel Islands
(RIA 09-21-06)**

RESOLVED, by the Board of Trustees of the California State University, that Manzanita Hall at California State University Channel Islands be named Martin V. Smith Hall.

Prior to the approval of the consent agenda, Trustee Raynes requested that item 2, Executive Compensation: Presidential Triennial Performance Review Salary Assessment – Implementation Process, from the Committee on University and Faculty Personnel be removed from the consent agenda for separate discussion and approval.

Chair Kimbell asked to move the item for approval. There was a motion and a second.

Trustee Raynes commended the task force for the time they dedicated to this important topic. She recognized CSU Bakersfield President Lynnette Zelezny who has consulted with the students and academic senate for all major decisions on campus during her tenure. She has served as a mentor to women on campus who aspire to leadership roles in higher education. Trustee Raynes also recognized Fresno State President Saúl Jiménez-Sandoval for his positive interactions with student leaders. She noted that we have so many incredible presidents in the CSU, and the president is critical in creating a positive campus environment. She echoed the sentiments of Trustee Sabalius during the committee discussion that the board must uplift and support the entire CSU. She voiced her support for this proposal and applauded its transparency.

Trustee Linares expressed her gratitude to the task force for working so hard on the details of this proposal. She is very grateful for the campus presidents and recognized her positive interactions with CSU Fullerton President Fram Virjee. She realizes that the CSU presidents are not as well compensated as other university presidents; however, she is not fully comfortable with this proposal because of the underpaid student workers and adjunct faculty who are struggling with food and housing insecurity. She has decided to support the proposal due to its transparency but asked the board to address the wages of student workers and adjunct faculty and end homelessness in the system.

Chancellor Castro thanked the task force for the excellent work and believes this is a positive step forward in supporting the incredible CSU presidents. He is committed to addressing inequities in others areas, such as compensation for faculty and staff as well as basic needs to ensure the success of all CSU students. If the CSU community is able to come together around the state budget request, he believes this will be powerful and compelling in addressing these needs.

Trustee Lopez commended Vice Chair Fong and the other members of the task force. The principles that guided this proposal are fairness, parity and fiscal prudence. She believes this is an important first step in thinking about investments in human capital throughout the entire system, including presidents, faculty, staff and student employees. The board has a responsibility to invest in its people; no organization succeeds without maintaining and nurturing its human capital. She knows this can be a difficult and politically charged subject, but she believes it is the right thing to do for the institution and is proud to support the proposal.

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Following the discussion, Chair Kimbell called for a roll call vote. There were 17 votes to support the motion (Trustees Adamson, Arambula, Carney, Clarke, Day, Farar, Firstenberg, Fong, Kimbell, Linares, Lopez, McGrory, Ortiz-Morfit, Raynes, Sabalius, Steinhauser and Chancellor Castro) and two abstentions (Trustee Rodriguez and Lt. Governor Kounalakis). The motion passed. The following resolution was approved by the board:

**Executive Compensation: Presidential Triennial Performance Review Salary Assessment – Implementation Process
(RUF 09-21-06)**

RESOLVED, by the Board of Trustees of the California State University, that the Trustees approve the process to implement presidential salary assessments as proposed during the presentation of Agenda Item 2 of the Committee on University and Faculty Personnel at the September 14-15, 2021 meeting of the Board of Trustees.