

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
September 13-14, 2022**

Time**	Committee	Location¹
<i>TUESDAY, SEPTEMBER 13, 2022</i>		
8:30 a.m.	<u>Board of Trustees—Closed Session</u> Executive Personnel Matters Government Code §11126 Pending Litigation Government Code §11126 Anticipated Litigation – two matters	Munitz
9:30 a.m.	<u>Board of Trustees</u> Call to Order Roll Call Public Comment	
11:00 a.m.	Break	
11:15 a.m.	Chair’s Report Chancellor’s Report Academic Senate CSU Report: <i>Chair—Beth A. Steffel</i> California State Student Association Report: <i>President— Krishan Malhotra</i> California State University Alumni Council Report: <i>President— Jeremy Addis-Mills</i>	

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

***In compliance with the Bagley-Keene Act, some trustees and other participants may attend the meeting via teleconference.**

**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.

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TUESDAY, SEPTEMBER 13, 2022 (Cont.)

12:15 p.m. Luncheon

1:15 p.m. Committee on Committees

Consent

Action 1. Approval of Minutes

Action 2. Amendments to Board of Trustees' Standing Committee Assignments for 2022-2023

1:20 p.m. Committee on Audit

Consent

Action 1. Approval of Minutes

Information 2. Status Report on Audit and Advisory Services Activities

1:25 p.m. Committee on Collective Bargaining – Open Session

Consent

Action 1. Approval of Minutes

Action 2. Ratification of the Tentative Agreement with Bargaining Unit 1, Union of American Physicians and Dentists (UAPD)

1:30 p.m. Committee on University and Faculty Personnel

Consent

Action 1. Approval of Minutes

Discussion

Action 2. Executive Compensation: Acting Vice Chancellor, Human Resources – California State University

Action 3. Executive Compensation: Triennial Performance Reviews – Equity Adjustments

Information 4. Executive Transition Program: Executive Consulting Assignment

Information 5. Executive Transition Program: Revision to Transition II

2:30 p.m. Committee on Organization and Rules

Consent

Action 1. Approval of Minutes

Discussion

Information 2. Progress Report on the Board of Trustees' Review

3:05 p.m. Committee on Educational Policy

Consent

Action 1. Approval of Minutes

Discussion

Information 2. Research, Scholarship and Creative Activity

TUESDAY, SEPTEMBER 13, 2022 (Cont.)

3:40 p.m. Break

4:00 p.m. Committee on Institutional Advancement

Consent

Action 1. Approval of Minutes

Discussion

Information 2. 2022-2023 California State University Trustees' Award for Outstanding Achievement

WEDNESDAY, SEPTEMBER 14, 2022

8:30 a.m. Committee on Collective Bargaining—Closed Session

Munitz

Government Code §3596(d)

9:30 a.m. Committee on Campus Planning, Buildings and Grounds

Consent

Action 1. Approval of Minutes

Discussion

Information 2. Preliminary Five-Year Plan

10:00 a.m. Committee on Finance

Consent

Action 1. Approval of Minutes

Discussion

Information 2. Quarterly Investment Report

Action 3. Approval of the 2023-2024 Operating Budget Request

11:00 a.m. Committee on Governmental Relations

Consent

Action 1. Approval of Minutes

Discussion

Information 2. State Legislative Update

11:30 a.m. Break

WEDNESDAY, SEPTEMBER 14, 2022 (Cont.)

11:40 a.m. Board of Trustees

Call to Order

Roll Call

Consent

Action 1. Approval of the Minutes of the Board of Trustees Meeting of July 12, 2022 and July 13, 2022

Action 2. Conferral of Title of President Emerita – Judy K. Sakaki

Action 3. Approval of Committee Resolutions as follows:

Committee on Committees

2. Amendments to Board of Trustees’ Standing Committee Assignments for 2022-2023

Committee on University and Faculty Personnel

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

3. Executive Compensation: Triennial Performance Reviews – Equity Adjustments

Committee on Finance

3. Approval of the 2023-2024 Operating Budget Request

12:10 p.m. Luncheon

1:00 p.m. Board of Trustees—Closed Session

Executive Personnel Matters

Government Code §11126

Munitz

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: The Chancellor's Office requires that all visitors comply with Cal/OSHA and local health department safety measures in effect at the time of the meeting, such as temperature checks, physical distancing, seating density, and self-assessments that they are free of any COVID-related symptoms. Depending on circumstances, masks may be required, and **the Dumke Auditorium may have limited seating to ensure proper physical distancing.** Visitors who do not comply with the safety measures, or if the Dumke Auditorium has reached capacity, will be asked to watch the meeting via the [livestream](#) on the Board of Trustees website through their phone or computer. Because of the distancing measures and uncertainty of our seating capacity, members of the public are encouraged to observe the meeting via the livestream and offer any public comments through the available remote option. **PLEASE NOTE:** This information is subject to change due to rapidly evolving guidelines and policies. Please visit the [Information for BoT Attendees](#) for the latest information on COVID health and safety guidelines.
- All public comment (for all committee and plenary sessions) will take place on **Tuesday, September 13**, at the start of the Board of Trustees' open session (**scheduled to begin at approximately 9:30 a.m.**)
- **Written comments** may be emailed in advance of the meeting by **12:00 p.m. on Monday, September 12** 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, September 12** 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 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

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

**California State University
Office of the Chancellor
Glenn S. Dumke Auditorium
401 Golden Shore
Long Beach, CA 90802**

Tuesday, September 13, 2022

Presiding: Wenda Fong, Chair

9:30 a.m.*	Board of Trustees	Dumke Auditorium
	Call to Order	
	Roll Call	
	Public Comment	
11:15 a.m.	Chair’s Report	
	Chancellor’s Report	
	Academic Senate CSU Report: <i>Chair—Beth A. Steffel</i>	
	California State Student Association Report: <i>President—Krishan Malhotra</i>	
	California State University Alumni Council Report: <i>President—Jeremy Addis-Mills</i>	

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AGENDA

COMMITTEE ON COMMITTEES

Meeting: 1:15 p.m., Tuesday, September 13, 2022
Glenn S. Dumke Auditorium

Jack Clarke, Jr., Chair
Douglas Faigin, Vice Chair
Diego Arambula
Anna Ortiz-Morfit

- Consent**
1. Approval of Minutes of the Meeting of July 12, 2022, *Action*
 2. Amendments to Board of Trustees' Standing Committee Assignments for 2022-2023, *Action*

**MINUTES OF MEETING OF
COMMITTEE ON COMMITTEES**

**Trustees of the California State University
Office of the Chancellor
401 Golden Shore
Long Beach, California**

July 12, 2022

Members Present

Jack B. Clarke, Jr., Chair
Douglas Faigin, Vice Chair
Diego Arambula

Wenda Fong, Chair of the Board

Call to Order

Trustee Clarke called the meeting to order. There were no requests for public comment.

Consent Agenda

Trustee Arambula removed item two from the consent agenda.

Approval of Minutes

The minutes of the April 28, 2022, meeting were approved as submitted.

Discussion

Amendments to Board of Trustees' Standing Committee Assignments for 2022-2023

Trustee Clarke presented the proposed amendments to the 2022-2023 standing committee assignments. The resolution would place Trustee Aguilar-Cruz on the Audit; Campus Planning, Buildings and Grounds; Finance; and Organization and Rules Committees.

Trustee Clarke called for a motion to approve the proposed amendments to the standing committee assignments for 2022-2023. There was a motion, a second, and the item was approved as submitted (RCOC 07-22-01).

Trustee Clarke adjourned the Committee on Committees.

COMMITTEE ON COMMITTEES

Amendments to Board of Trustees' Standing Committee Assignments for 2022-2023

Presentation By

Jack B. Clarke, Jr.
Chair, Committee on Committees

Summary

Due to the appointment of Trustees **Leslie Gilbert-Lurie** and **Jose Antonio Vargas** on July 22, 2022, the Committee on Committees recommends amendments to the Standing Committees for 2022-2023 as noted below.

The following resolution is recommended for approval:

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 2022-2023:

AUDIT

Lateefah Simon, Chair
Yammilette Rodriguez, Vice Chair
Diana Aguilar-Cruz
Jack Clarke, Jr.
Adam Day
Lillian Kimbell
Jack McGrory
Jose Antonio Vargas

CAMPUS PLANNING, BUILDINGS AND GROUNDS

Larry L. Adamson, Chair
Anna Ortiz-Morfit, Vice Chair
Diana Aguilar-Cruz
Adam Day
Douglas Faigin
Maria Linares
Romey Sabalius
Lateefah Simon
Jose Antonio Vargas

COLLECTIVE BARGAINING

Christopher Steinhauser, Chair
Jack Clarke, Jr., Vice Chair
Larry L. Adamson
Adam Day
Julia I. Lopez
Lateefah Simon

EDUCATIONAL POLICY

Romey Sabalius, Chair
Diego Arambula, Vice Chair
Douglas Faigin
Jean Picker Firstenberg
Leslie Gilbert-Lurie
Maria Linares
Julia I. Lopez
Yammilette Rodriguez
Christopher Steinhauser

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FINANCE

Jack McGrory, Chair
Julia I. Lopez, Vice Chair
Larry L. Adamson
Diana Aguilar-Cruz
Leslie Gilbert-Lurie
Lillian Kimbell
Anna Ortiz-Morfit
Romey Sabalius
Christopher Steinhauser

GOVERNMENTAL RELATIONS

Douglas Faigin, Chair
Maria Linares, Vice Chair
Diego Arambula
Jack McGrory
Yammilette Rodriguez
Romey Sabalius
Lateefah Simon
Jose Antonio Vargas

INSTITUTIONAL ADVANCEMENT

Lillian Kimbell, Chair
Jean Picker Firstenberg, Vice Chair
Diego Arambula
Leslie Gilbert-Lurie
Anna Ortiz-Morfit
Yammilette Rodriguez
Jose Antonio Vargas

ORGANIZATION AND RULES

Jean Picker Firstenberg, Chair
Julia I. Lopez, Vice Chair
Diana Aguilar-Cruz
Diego Arambula
Jack Clarke, Jr.
Adam Day
Leslie Gilbert-Lurie
Lillian Kimbell
Christopher Steinhauser

UNIVERSITY AND FACULTY

PERSONNEL

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

AGENDA

COMMITTEE ON AUDIT

Meeting: 1:20 p.m., Tuesday, September 13, 2022
Glenn S. Dumke Auditorium

Lateefah Simon, Chair
Yammilette Rodriguez, Vice Chair
Diana Aguilar-Cruz
Jack Clarke, Jr.
Adam Day
Lillian Kimbell
Jack McGrory

Consent

1. Approval of Minutes of the Meeting of July 12, 2022, *Action*
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**

July 12, 2022

Members Present

Lateefah Simon, Chair
Yammilette Rodriguez, Vice Chair
Jack Clarke, Jr.
Adam Day
Lillian Kimbell
Jack McGrory
Wenda Fong, Chair of the Board

Trustee Lateefah Simon called the meeting to order.

Approval of the Consent Agenda

The minutes of the May 24, 2022, 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.

Audited Financial Statements and Single Audit Report

Tracey Richardson, assistant vice chancellor and controller, presented the fiscal year (FY) 2020-2021 CSU Financial Statements, Single Audit Report, and results of the annual external audit performed by KPMG. There was a delay in the FY 2020-2021 audit due to a reporting delay at the State Controller's Office.

Ms. Richardson shared a summary of the revenues for the year ended June 30, 2021, in comparison with the 2019-2020 fiscal year (not including auxiliaries). Total revenues from all sources were \$10.2 billion for fiscal year 2020-2021. The \$10.2 billion total represents a decrease in revenues of \$122 million from the previous year. This includes a \$698 million decrease in the appropriation due to the \$299 million base reduction and removal of \$315 million in one-time funding from the prior year, and \$323 million reduction in revenues from sales and services due to the pandemic.

These are offset by \$678 million increase in grants, contracts and gifts which is mainly from the Higher Education Emergency Relief Fund (HEERF). The largest source of revenue was state appropriations at approximately 40 percent, while net tuition and fees represents approximately 22 percent of total revenues. The gross student tuition and fee revenue reflected an increase in due to implementation of a new governmental accounting standard where fee-based student programs are now presented as part of the University's student tuition and fees. Grants, contracts and gifts represent approximately 31 percent of the total revenue. This was made up primarily of the HEERF grants.

A comparative summary of the expenditures for FY 2020-2021 in comparison with the 2019-2020 fiscal year was also presented. The operating and nonoperating expenses totaled \$10.6 billion for the fiscal year. The majority of the expenses are operating expenses which went down by \$227 million mainly in instruction and educational support and operations and maintenance of plant. This is due to reduction in staffing in response to the COVID-19 pandemic and decrease in pension benefit expenses as a result of changes in assumptions and higher pension plan investment earnings which offset the increase in the service costs.

Ms. Richardson reported on the net position. The CSU's total negative net position of \$15 billion increased by \$402 million from the prior year. While the CSU has a strong financial position, the negative net position is an indication of the long term challenges the state faces with funding pension obligations. Government entities are required to report long-term post-employment and pension benefit obligations and these are reflected in the unrestricted net position.

Ms. Richardson also discussed the systemwide financial statements audit. There were no systemwide audit findings. Of the 92 auxiliary organizations, eleven had a mix of material weaknesses and significant deficiencies for FY 2020-2021. As of date, all the audit findings on the auxiliary organizations have been corrected and remediated.

Additionally, federal funds were audited as part of the Single Audit and included approximately \$928 million of HEERF grants. During the audit, an allowable cost was charged twice. The amount is not financially material; however, it is required to be reported. The corrective action has been completed.

Chris Ray of KPMG highlighted the scope and enormity of the audit. Mr. Ray reported that the results of the CSU audit include an unmodified (clean) opinion on the financial statements. There are a range of footnotes related to accounting policies and standards that are included in the financial statements. A footnote related to new and upcoming GASB standards that will impact the CSU was included in the financial statements, most notably a requirement related to the accounting of leases that will affect the 2022-2023 financial statements. Mr. Ray also reported on a \$42 million past adjustment related to a change in accounting for CSU's proportionate share of pension liability to follow how the state reports it. This was not deemed material by management or KPMG.

The report on government auditing standards and internal controls related to financial reporting had no findings. The Single Audit also included an unmodified opinion. There was one finding—an expense that was claimed twice.

Following the presentation, the trustees discussed the definitions of accounting terms, the level of dependence on state support, pension liability, schedules that are not required to be audited, and how CSU compares to other universities in expenditure percentages.

Review and Approval of the California State University External Auditor

Steve Relyea, executive vice chancellor and chief financial officer, and Tracey Richardson, assistant vice chancellor and controller, presented information on a request for proposal (RFP) process to solicit from qualified independent public accounting firms for the purposes of establishing a CSU master service contract for the performance of a variety of audit and tax functions. The firm awarded would also perform optional tasks or services for individual campuses on an as-requested basis in accordance with the provisions of the RFP and any subsequent contract.

Ms. Richardson noted that the item requests the CSU Board of Trustees to approve the selection of KPMG as the audit firm to provide a variety of audit and tax functions including the annual financial audit, according to generally accepted accounting principles (GAAP) for five fiscal years starting with the audit of fiscal year ending June 30, 2023 plus 2 additional two-year options, and 1 one-year option, and to authorize the chancellor, or her designees, to finalize negotiations for a master service contract with said firm. Three audit firms (CliftonLarsenAllen LLP, Crowe LLP, and KPMG) submitted proposals in response to the RFP. The proposals were analyzed in the first step of the review process by the evaluation team based on the criteria specified in the RFP, consisting of: technical expertise & scope of work compliance; qualifications and experience; work plan methodology; organizational resources; interview/presentation; and contract compliance. The evaluation team was made up of financial experts in the Chancellor's Office, financial experts on the campuses, and representation from CSU's internal audit office. Based on the scoring of critical criteria by the team, the initial recommendation was to recommend KPMG for selection.

The annual cost components of the bids were reviewed, which ranged from \$1.8 million for the lowest bidder to \$2.2 million for the highest bidder. The KPMG cost component was in the middle which was approximately \$2.1 million per year. Given the evaluation team's scoring of critical elements of the bids including experience with similarly complex universities and organizational resources, KPMG was recommended to be awarded the contract. The recommendation was reviewed with the chair and vice chair of the board's audit committee. Each firm not selected was provided an opportunity to file a bid protest, which was not done.

Trustees discussed the history of the contract, the RFP and bid protest process, complaints or requests/communication with firms not selected, best practices related to changing audit firms,

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CSU's practice of rotating audit partners, the involvement of the CSU internal audit office in the process, and a timeline to bring a process review for the overall selection process back to the audit committee for discussion.

The item was approved.

Trustee Simon adjourned the Committee on Audit.

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 the 2021-22 and 2022-23 audit plans. All 2021-22 audits have been completed and a comprehensive presentation on the 2021-22 audit plan will be provided at the November Board of Trustees meeting.

Follow-up on current and past assignments is being conducted on approximately 43 completed campus reviews. Attachment A summarizes the status of audit assignments by campus. Additionally, Attachment B illustrates key activities and milestones.

For the current year 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 all 2021-22 audits and is working to complete the first set of 2022-23 audits. Forty-nine audits have been completed as part of the 2021-22 audit plan. Fourteen campus audits are currently in process as part of the 2022-23 audit plan. Completed audit reports are posted on the California State University website at <https://www2.calstate.edu/csu-system/transparency-accountability/audit-reports>.

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 once all recommendations are 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 put in place 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

As part of the continued effort to utilize data analytics in the planning stage of every audit, the data analytics team has created customized dashboards for a recent audit of vendor management. The dashboards streamlined the audit process allowing the assurance team to work efficiently with the large data sets.

We continue to monitor campus credit card data and an analytical review of human resources/payroll data is currently in progress at two campuses.

Additionally, the data analytics team is finalizing dashboards and visualizations for Concur travel data and continues its efforts to automate the annual audit risk assessment process.

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.

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, Audit and Advisory Services assists with tracking external audits being conducted by state and federal agencies, offers assistance to campuses undergoing such audits, and acts as a liaison for the California State University system throughout the audit process when appropriate. The Joint Legislative Audit Committee (JLAC) held a hearing on June 27, 2022, to consider audit requests from legislators. At the hearing, JLAC approved two audits of the California State University: 1) an audit of California State University's handling of sexual harassment complaints; 2) an audit of the California State University's compliance with the Native American Graves Protection and Repatriation Act. Both audits will be conducted by the California State Auditor and are expected to commence in November 2022. The scope and objectives of the audits are available on the California State Auditor's website (<https://www.auditor.ca.gov/bsa/recent>).

OUTREACH AND ENGAGEMENT

Audit and Advisory Services continues to partner and work with our campus and system stakeholders beyond what would be the usual course of business for an audit or advisory review in order to find opportunities to add value to the organization when possible. This includes partnering activities such as participating and leading affinity groups, providing support to campus and chancellor's office management, sharing information and common themes across campuses, and acknowledging feedback and insights provided by management. Each year Audit and Advisory Services hosts a roundtable meeting designed to facilitate communication and collaboration between Audit and Advisory Services and CSU campus audit representatives. This year's event will be held September 20-22 and will include a variety of informational sessions on topics such as fraud prevention, information security, recent trends in audit, and data analytics.

STATUS REPORT ON CURRENT AND PAST AUDIT ASSIGNMENTS

Campus	Category	Audit Topic	Audit Plan Year	Total # of Recommendations	*Status
Bakersfield	Audits Currently in Progress	Academic Department Fiscal Review	2022		
	Status of Recommendations	Information Security	2021	6	6
Chancellor's Office	Status of Recommendations	Information Security	2021	7	6 1
Channel Islands	Audits Currently in Progress	IT Disaster Recovery	2022		
	Status of Recommendations	Sponsored Programs	2021	2	2
Chico	Audits Currently in Progress	Academic Department Fiscal Review	2022		
	Status of Recommendations	Chico State Enterprises	2021	4	4
Dominguez Hills	Status of Recommendations	Construction Management	2021	3	3
		Endowment Management	2021	3	3
East Bay	Status of Recommendations	Procurement	2021	3	3
Fresno	Status of Recommendations	Counseling and Psychological Services	2021	6	3 3
		IT Disaster Recovery	2021	7	7
Fullerton	Audits Currently in Progress	Procurement	2022		
	Status of Recommendations	Corporation	2021	7	7
		Information Security	2021	6	2 4
Humboldt	Status of Recommendations	Information Security	2021	5	4 1
		Police Services	2021	7	2 5
		Decentralized Computing	2021	13	13
Long Beach	Status of Recommendations	Sponsored Programs	2021	4	3 1
		Student Fee Administration	2021	2	2
		Computer Security Incident Response	2022		
Los Angeles	Audits Currently in Progress	Associated Students, Inc.	2021	4	4
	Audits Currently in Progress	Vendor Administration and Payments	2022		
Maritime Academy	Status of Recommendations	Service Learning and Internships	2020	5	2 3
		Information Security	2021	10	10
Monterey Bay	Audits Currently in Progress	Vendor Administration and Payments	2022		
	Status of Recommendations	Construction Management	2021	2	2
Northridge	Status of Recommendations	Counseling and Psychological Services	2021	1	1
		Information Security	2021	5	5
Pomona	Audits Currently in Progress	Academic Department Fiscal Review	2022		
	Status of Recommendations	Decentralized Computing	2020	11	11
		Auxiliary-Owned Housing	2021	7	4 3
		Facilities Management	2021	10	10
Sacramento	Audits Currently in Progress	Athletics Fiscal Administration	2022		
	Status of Recommendations	Information Security	2020	10	9 1
		Endowment Management	2021	3	3
San Bernardino	Audits Currently in Progress	Information Security	2022		
	Status of Recommendations	Centers and Institutes	2021	5	5
		Human Resources	2021	13	13
San Diego	Audits Currently in Progress	Student Organizations	2022		
	Status of Recommendations	Information Security	2020	9	7 2
		Student Fee Administration	2021	2	2
	No Reportable Recommendations	Admissions	2021	n/a	
San Francisco	Audits Currently in Progress	Construction Management	2022		
	Status of Recommendations	Associated Students, Inc.	2021	8	8
		Decentralized Computing	2021	6	6
San Jose	Audits Currently in Progress	Vendor Administration and Payments	2022		
	Status of Recommendations	Counseling and Psychological Services	2021	3	3
		Decentralized Computing	2021	9	9
		Student Health Services	2021	6	4 2
San Luis Obispo	Status of Recommendations	Information Security	2020	12	11 1
		Endowment Management	2021	1	1
San Marcos	Status of Recommendations	Corporation	2021	1	1
		Faculty Assigned Time and Additional Employment	2021	3	3
Sonoma	Audits Currently in Progress	Academic Department Fiscal Review	2022		
	Status of Recommendations	Information Security	2021	16	16
Stanislaus	Status of Recommendations	Construction Management	2021	5	5
		Police Services	2021	4	4

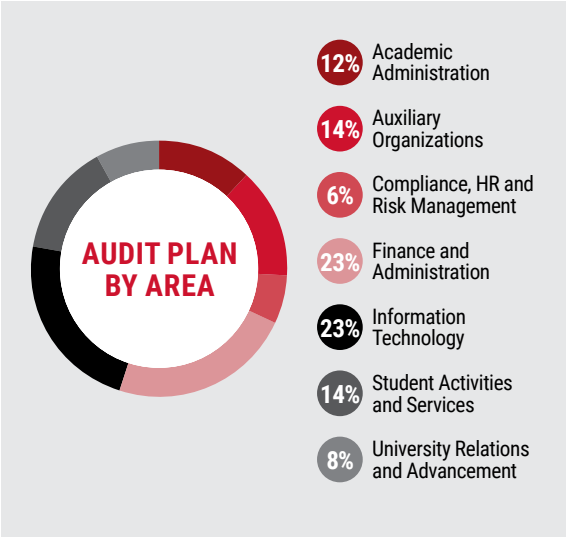
*Status
 Closed (green) - Recommendations have been satisfactorily implemented
 Open (blue) - Implementation of recommendations is in progress and within the agreed upon timeframe
 Exceeds Agreed Upon Timeframe (red) - Recommendations have not been implemented within the agreed upon timeframe

AUDIT HIGHLIGHTS

2021-22 ASSURANCE AUDITS



COMPLETED



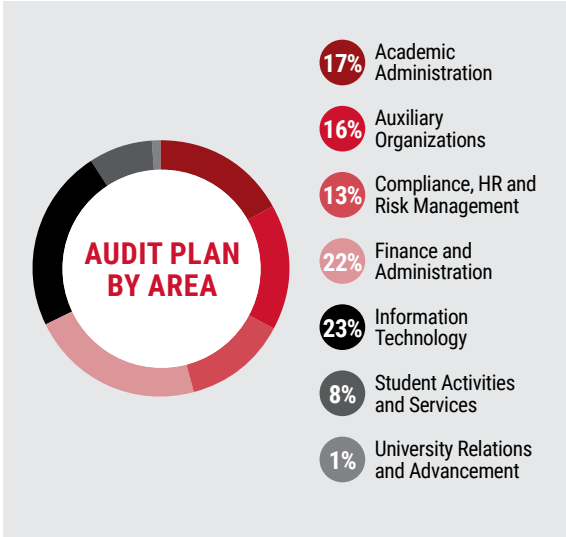
2022-23 ASSURANCE AUDITS



IN-PROGRESS



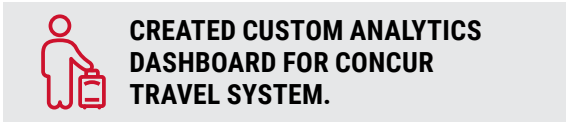
PLANNED



2021-22 RECOMMENDATIONS



DATA ANALYTICS



KEY MILESTONES

COMPLETED
2021-22 AUDIT PLAN

WRAPPING UP FIRST
SET OF 2022-23
AUDITS

HOSTING 6TH ANNUAL
AUDIT LIAISON
ROUNDTABLE



AGENDA

COMMITTEE ON COLLECTIVE BARGAINING

Meeting: **1:25 p.m., Tuesday, September 13, 2022**
 Glenn S. Dumke Auditorium —Open Session

8:30 a.m., Wednesday, September 14, 2022
Munitz Conference Room —Closed Session
Government Code §3596(d)

Christopher Steinhauser, Chair
Jack Clarke, Jr., Vice Chair
Larry L. Adamson
Adam Day
Julia I. Lopez
Lateefah Simon

Open Session—Glenn S. Dumke Auditorium

- Consent**
1. Approval of Minutes of the Meeting of July 12, 2022, *Action*
 2. Ratification of the Tentative Agreement with Bargaining Unit 1, Union of American Physicians and Dentists (UAPD), *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**

July 12, 2022

Members Present

Christopher Steinhauser, Chair
Jack Clarke, Jr., Vice Chair
Larry L. Adamson
Adam Day
Julia I. Lopez
Lateefah Simon

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

Public Speakers

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

Chair Steinhauser called the Committee on Collective Bargaining to order.

Approval of the Consent Agenda

The minutes of the May 24, 2022 meeting were approved as submitted.

Agenda Item 2, Ratification of the Tentative Agreement in the 2021/22 Salary Reopener with Bargaining Unit 4, Academic Professionals of California (APC), was approved as submitted.

Agenda Item 3, Ratification of the Successor Collective Bargaining Agreement with Bargaining Units 2, 5, 7, 9, California State University Employees Union (CSUEU), was approved as submitted.

CB

Agenda Item 1

September 13-14, 2022

Page 2 of 2

Agenda Item 4, Ratification of the Successor Collective Bargaining Agreement with Bargaining Unit 8, Statewide University Police Association (SUPA), was approved as submitted.

Agenda Item 5, Ratification of the Tentative Agreement in the 2022/23 Salary Reopener with Bargaining Unit 10, International Union of Operating Engineers (IUOE), was approved as submitted.

Agenda Item 6, Ratification of the Successor Collective Bargaining Agreement with Bargaining Unit 6, Teamsters Local 2010, was approved as submitted.

Agenda Item 7, Ratification of the Tentative Agreement in the 2021/22 Salary Reopener with Bargaining Unit 6, Teamsters Local 2010, was approved as submitted.

Agenda Item 8, Ratification of the Successor Collective Bargaining Agreement with Bargaining Unit 4, Academic Professionals of California (APC), was approved as submitted.

Following brief comments from Trustee Adamson, Trustee Clarke, and Chair Steinhauser expressing appreciation to the union leaders and CSU staff in bringing the number of contracts to a successful conclusion, Chair Steinhauser adjourned the meeting of the Committee on Collective Bargaining.

COMMITTEE ON COLLECTIVE BARGAINING

Ratification of the Tentative Agreement with Bargaining Unit 1, Union of American Physicians and Dentists (UAPD)

Presentation By

Leora Freedman
Acting Vice Chancellor for Human Resources

Summary

The tentative agreement between the California State University and Bargaining Unit 1, Union of American Physicians and Dentists (UAPD), 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 tentative agreement between the California State University and Bargaining Unit 1, Union of American Physicians and Dentists (UAPD), is hereby ratified.

AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: 1:30 p.m., Tuesday, September 13, 2022
Glenn S. Dumke Auditorium

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

Consent

1. Approval of Minutes of the Meeting of July 13, 2022, *Action*

Discussion

2. Executive Compensation: Acting Vice Chancellor, Human Resources – California State University *Action*
3. Executive Compensation: Triennial Performance Reviews – Equity Adjustments, *Action*
4. Executive Transition Program: Executive Consulting Assignment, *Information*
5. Executive Transition Program: Revision to Transition II, *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 Conference Center
401 Golden Shore
Long Beach, California**

July 13, 2022

Members Present

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

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

Public Comment

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

Trustee Jack Clarke called the meeting to order.

Approval of the Consent Agenda

The minutes of the May 25, 2022, meeting of the Committee on University and Faculty Personnel were approved as submitted.

Before proceeding with the discussion agenda, Trustee Clarke announced a change in the order that two items would be presented. The committee meeting would begin with item 7 (executive compensation) and conclude with item 2 (compensation for the president of CSU Monterey Bay).

Corrected

U&FP

Agenda Item 1

September 13-14, 2022

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Executive Compensation

Chair Wenda Fong began the presentation with an overview of the compensation policy adopted in November 2019 which called for salary assessments at the time of a president's triennial performance review. A review of the salary assessment process adopted in September 2021 followed. Chair Fong shared that since adopting the policy, 14 presidents have received performance reviews and are eligible for pay adjustments.

Interim Chancellor Jolene Koester recommended approval of a 7 percent general salary increase for executives; this reflects parity with increases provided to all other CSU employees. Also recommended were salary adjustments for the 14 presidents who received triennial performance reviews since 2020. Trustee Lateefah Simon expressed her support for equitable pay at all levels and recommended approval of compensation for the vice chancellor and chief audit officer.

Following the presentation, trustees shared thoughts and comments on the proposed salary increases and overall, they were in support of the recommended adjustments. Trustee Douglas Faigin acknowledged support for presidential increases but as he explained, due to the delay in providing the item detail and in the spirit of transparency and public notification, he would vote no. He recommended holding the item until the next meeting. Dr. Koester responded that the information was posted and continued to be publicly available, so it has been transparent in letter and in spirit. Additionally, conversations with state officials and/or their staff had taken place over the last several weeks.

Further trustee comments emphasized that the board must commit to being equitable across the system and referred to the Mercer study that showed staff inequities and prioritizing the faculty study in the coming year.

Trustee Clarke explained that the committee would vote separately on each resolution in item 7. There was a motion and a second to approve retroactive equity adjustments as shown in attachment B. The motion passed with eight in favor (Trustees Adamson, Clarke, Jr., Firstenberg, Linares, McGrory, Ortiz-Morfit; Chair Fong; and Interim Chancellor Koester), one opposed (Trustee Faigin) and no abstentions. There was a motion and a second to approve the final salaries effective July 1, 2022, as shown in attachment B. The motion passed with seven in favor (Trustees Adamson, Clarke, Jr., Firstenberg, McGrory, Ortiz-Morfit; Chair Fong; and Interim Chancellor Koester), two opposed (Trustees Faigin and Linares) and no abstentions. The committee recommended approval of the proposed action as published in item 7. (RUF 07-22-12)

Executive Compensation: Interim President – Sonoma State University

Interim Chancellor Jolene Koester announced that with the imminent departure of Dr. Judy Sakaki as president of Sonoma State University, Dr. Ming-Tung “Mike” Lee will serve as interim president beginning August 1, 2022. The chancellor recommended that Dr. Lee receive an annual salary of \$324,052 and a monthly housing allowance of \$5,000 (the same salary and housing as the current incumbent). A monthly auto allowance of \$1,000 is also provided. A motion to approve the recommended action was passed. (RUFPP 07-22-09)

Employment Policy Governing Administrator Employees’ Option to Retreat

Leora D. Freedman, acting vice chancellor for human resources, presented the policy on the option to retreat and highlighted significant changes made to the draft policy presented in May 2022.

The term MPP employee was replaced with administrator to clearly indicate the policy applies to all employees serving as administrators including the chancellor, presidents, and vice chancellors. Clarified that the board holds the responsibility for determining eligibility in the case of the chancellor. The definition of a finding was updated as “a determination that the administrator engaged in misconduct or a policy violation that renders the administrator unsuitable to have continued direct interactions with CSU students or employees.” Terms were added to defer any decision about retreat for 60 days following an administrator’s resignation and additionally, the CSU may take action at any time in connection with alleged misconduct committed by an employee while serving as an administrator.

The presentation concluded with remarks from Chair Wenda Fong who noted that if the policy (or the following policy item) were found to not be working as intended, or language needed to be adjusted, the board has the discretion to amend the policy at any time. Chair Fong recommended approval of the proposed item.

Trustee Jack McGrory posed the question whether retreat rights are necessary. Interim Chancellor Jolene Koester responded that it is an important policy explaining that many administrative leaders have earned tenure and with retreat rights they do not have to forfeit that recognition when assuming another position. This is a common practice when recruiting administrators in higher education. A motion to approve the recommended action was passed. (RUFPP 07-22-10)

Employment Policy Governing Employee References

Leora D. Freedman, acting vice chancellor for human resources, presented the item and highlighted substantive changes made to the draft policy that was presented in May 2022. The policy was updated to clarify that employees must work with their campus human resources when

Corrected

U&FP

Agenda Item 1

September 13-14, 2022

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requested to provide letters of recommendation; if not, it must be clear that the reference is being provided in an individual capacity. In section V of the policy, the word objective was replaced with unbiased. There were no questions or comments from the trustees. A motion to approve the recommended action was passed. (RUF 07-22-11)

Executive Transition Program Review

The item was presented by Acting Vice Chancellor Leora Freedman. In March 2022, the board of trustees stopped granting executive transition rights for newly hired executives until a task force reviewed and recommended further action. The task force was comprised of Trustees Larry Adamson and Jack Clarke, and Vice Chancellor Evelyn Nazario.

It was noted that a sampling of other public institutions revealed that most do not offer formal executive transition programs and due to recent events, the current transition program should be modified or eliminated. The task force also considered that the CSU and new leaders could benefit from the experience and insight of a former executive. As such, two options were presented for the board's information and consideration – a significantly altered new program or elimination of any transition program going forward.

Trustees were informed of the option for a new program that would be used at the board's discretion. An executive consultative assignment could be offered if the board deemed the executive's consultation would benefit the university. The assignment would be for up to six months; not exceed 50 percent of the executive's base pay; have clearly identified duties and specific reporting and approval requirements. Proposed modifications to the existing Transition II would bring the policy into alignment with the new retreat policy as well as updated approval and reporting requirements.

Following the presentation, trustee comments ranged from not being able to manage the program effectively, to not adding value and being perceived as a gift of public funds. The practice is not typical in higher education and a modified program creates an expectation. They commented that the program has caused problems in the system and if such services are needed, campuses could retain outgoing administrators as a consultant or temporary assignment on an individual basis rather than through a formal program.

Trustee Jack McGrory felt strongly that the program should be eliminated. Trustees Julia Lopez, Douglas Faigin, and Christopher Steinhauser agreed with Trustee McGrory's recommendation that the program be eliminated altogether. It was noted that the first choice of the task force also was to eliminate the program; however, they wanted to provide the board the opportunity to consider an alternative policy. The new program would not be an entitlement but rather an option at the board's discretion.

More information on available options, or mechanisms, would be helpful to the board should trustees deem an individual should stay on longer. (As related to restrictions when hiring rehired annuitants, temporary assignments, consultants.)

Interim Chancellor Jolene Koester shared that while there is not a program like the CSU's, there are other practices or other types of programs used in academia. Former presidents may be hired for advice or to transition donors from one leadership to another, and sometimes, to provide a sabbatical similar to what faculty receive as a way to help the president prepare for their return to a teaching position. That there is an alternative is common, that there is a specific entitlement program is not.

This item was presented for informational purposes and no action was taken. Chair Wenda Fong thanked Trustees Adamson and Clarke for their hard work on the policy iterations they developed.

Executive Compensation: President – California State University, Monterey Bay

Interim Chancellor Jolene Koester announced Dr. Vanya Quiñones as the fourth president of California State University, Monterey Bay. The new president joins the CSU on August 15, 2022, following the retirement of President Eduardo Ochoa. The chancellor recommended that Dr. Quiñones receive an annual salary of \$370,000 as published in the amended agenda item. Additionally, Dr. Quiñones is required to reside in the presidential residence for the Monterey Bay campus and a monthly auto allowance of \$1,000 is provided.

Dr. Koester explained that at the time of Dr. Quiñones' appointment, the incumbent's salary will be \$337,046 as a result of the 7 percent salary increase effective July 1, 2022. The proposed salary of \$370,00 does not exceed 10 percent of the \$337,046 and therefore, is consistent with the board's policy on compensation. This clarification was made as the full board had not yet formally approved the 7 percent increase for presidents as discussed earlier in the committee meeting. A motion to approve the recommended action was passed. (RUFPP 07-22-08)

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

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

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

Presentation By

Jolene Koester
Interim Chancellor

Summary

This action item establishes the compensation for the acting vice chancellor for human resources of the California State University. Leora D. Freedman had been serving as associate vice chancellor and deputy general counsel at the Chancellor's Office until July 6, 2022, when she was appointed to acting vice chancellor for human resources.

Executive Compensation

This item recommends that Leora D. Freedman receive an annual salary of \$327,925 effective July 6, 2022, the date of appointment as acting vice chancellor for human resources. (This is the same salary approved for the vice chancellor of human resources at the July 2022 meeting.) In accordance with existing policy of the California State University, the acting vice chancellor will receive an auto allowance of \$1,000 per month and standard benefit provisions afforded CSU Executive classification employees.

At the conclusion of this temporary assignment, the incumbent will return to the position and salary as associate vice chancellor and deputy general counsel and the provisions of the Management Personnel Plan. The auto allowance will end.

Recommended Action

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that Leora D. Freedman shall receive a salary set at the annual rate of \$327,925 effective on July 6, 2022, the date of appointment as acting vice chancellor for human resources of the California State University; and be it further

RESOLVED, Leora D. Freedman shall receive additional benefits as cited in Agenda Item 2 of the Committee on University and Faculty Personnel at the September 13-14, 2022 meeting of the Board of Trustees.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation: Triennial Performance Reviews – Equity Adjustments

Presentation By

Jolene Koester
Interim Chancellor

Summary

Equity adjustments will be recommended resulting from presidential triennial performance reviews conducted by the Board of Trustees in July 2022.

Background

The Board of Trustees' CSU Policy on Compensation and the CSU Policies and Procedures for Review of Presidents specify that, following completion of presidential triennial performance reviews, compensation adjustments may be considered following a salary assessment. The policy was adopted in November 2019.

In September 2021, the Board of Trustees adopted a salary review process (RUF 09-21-06). The process recognized a president's performance and was found to be transparent and fiscally responsible while addressing salary gaps incrementally. The salary review process adopted by the trustees includes the following elements:

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

Market Equity Adjustments

The table below lists those presidents who are eligible for equity adjustments as a result of salary assessments conducted during their triennial performance evaluation. Equity adjustments may occur over the three years as outlined in the governing policy. Adjustments are based on the amount to reach the peer group median (target salary).

Trustee approval of the proposed equity adjustments for Presidents Tomás Morales and Lynn Mahoney are recommended as presented below.

				EQUITY ADJUSTMENTS (Triennial Perf. Review Period)			
President	Annual Salary	Peer Group Median (Target Salary)	Year 1 Effective Date	Proposed Increase % 2021	Proposed Increase % 2022	Final Salary to be Approved	New Amt to Reach PG Median
Tomás Morales	\$371,729*	\$476,015	8/15/2021	10%	2%	\$446,276	6.7%
Lynn Mahoney	\$405,231	\$498,269	7/15/2022		10%	\$445,755	11.8%

*President Morales' equity adjustment for Year 1 is effective 8/15/2021 – and it is calculated based on his salary at that time. As a result of this retroactive adjustment, President Morales' 7% salary increase approved by the BOT effective 7/1/2022 will be recalculated; the adjusted salary serves as the basis for his equity adjustment in Year 2.

The following table illustrates how President Morales' salary will be adjusted as a result of the FY 2022-23 salary increase program (effective 7/1/2022).

President Tomás Morales

Presidential Appointment Date: 8/15/2012
 Peer Group Median: \$476,015
 Annual Salary: **\$371,729** (prior to increase)
 Amount to Reach PG Md: 28.1%

	Effective Date	Increase %	Annual Salary	New Amt to Reach PG Median
Year 1 Equity Adjustment	8/15/2021	10%	\$408,902	16.4%
<i>Merit Increase Program</i>	7/1/2022	7%	\$437,525	8.8%
Year 2 Equity Adjustment	8/15/2022	2%	\$446,276	6.7%

Presidential Triennial Performance Review Salary Assessment Notes:

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

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

Recommended Action

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that the individuals named in the salary table set forth in Item 3 of the Committee on University and Faculty Personnel at the September 13-14, 2022 meeting of the Board of Trustees shall receive the equity adjustments as stated in the item.

AMENDED

Information Item

Agenda Item 4

September 13-14, 2022

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COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Transition Program: Executive Consulting Assignment

Presentation By

Leora D. Freedman
Acting Vice Chancellor
Human Resources

Summary

At the March 2022 meeting of the CSU Board of Trustees, the trustees ceased granting executive transition rights for newly hired executives until such time as the board considers recommendations of a task force and takes further action (RBOT 03-22-03).

This information item continues the discussion from the July 2022 meeting on executive transition programs. Two options are presented for the board's information and consideration:

- 1) Elimination of an executive transition program prospectively; or
- 2) Replacing the current executive transition program with an executive consulting assignment offered at the discretion of the chancellor.

The proposed policy on the Executive Consulting Assignment is provided in Attachment A.

Executive Consulting Assignment (ECA)

At the March 2022 meeting of the Board of Trustees of the California State University, the trustees ceased granting executive transition rights for newly hired executives in accordance with the executive transition program (“Transition II Program”) adopted by the board on November 15, 2006 (RUF 11-06-06), until such time as the board considered recommendations of a task force.

At the [insert date] 2022 board meeting, the board closed the Transition II Program, effective March 22, 2022. Accordingly, executives appointed on or after March 22, 2022 are not eligible to participate in the Transition II Program.

Individuals appointed as chancellor, executive vice chancellor, vice chancellor, or president may request an Executive Consulting Assignment (ECA). Any such assignment is offered at the discretion of the chancellor. (ECAs offered to chancellors shall be approved by the chair of the board, in consultation with the chair of the committee on University and Faculty Personnel (the “Committee”).) The executive must have served at least five years in an executive position at the CSU and must be in good standing at the commencement and duration of the assignment. Executives appointed prior to March 22, 2022, may request an ECA instead of participating in the Transition II Program.

The purpose of the ECA is to provide institutional support and consultation to a new administration on a campus or at the Chancellor’s Office. The ECA enables the University to benefit from the executive’s accumulated knowledge and experience, critical to the mission of the University.

The chancellor, in consultation with the chair of the Committee (on University and Faculty Personnel), must approve all executive consulting assignments. The chancellor shall also consult with the departing executive’s successor, if appropriate. In connection with ECAs offered to a chancellor, the board chair shall assume the responsibilities assigned to the chancellor to consult, approve, oversee, and report on, the ECA.

An ECA will not be conferred as a matter of course. The determination will be made at the discretion of the chancellor, after consultation with the Committee chair, with consideration given to the need for “consulting services” at the respective campus or Chancellor’s Office. Foremost, the chancellor must determine that the assignment is in the best interest of the University.

Assignment Terms:

1. Reassignment to the Management Personnel Plan (MPP).

2. The ECA is an “at-will” assignment that shall not exceed six months.
3. The salary shall not exceed fifty percent of the executive’s base pay at time of resignation from their executive position.
4. Duties in the assignment shall include, but are not limited to, conferring and bestowing institution- and campus-specific knowledge to the incoming president/executive; providing history and status on current institutional and campus issues, donor relations, legislative relations, strategic partnerships, legal matters, and CSU and campus-wide initiatives; and making introductions to key state and community stakeholders and campus specific supporters.
5. Deliverables: The appointee is required to submit a monthly report to the chancellor describing the activities and milestones completed.
6. It is expected that the appointee will devote the time necessary to accomplish all required work.
7. Any additional terms agreed to by the chancellor after consultation with the Committee chair.

The ECA appointee shall receive no supplemental pay; no housing allowance or university-provided housing (on- or off-campus); no auto allowance or university-provided auto. Reimbursement of mileage and business-related expenses shall be made in accordance with CSU policy.

Termination of Assignment: This at-will assignment can be terminated at any time at the discretion of the chancellor, in consultation with the Committee chair. In addition, if the executive becomes unable to perform the negotiated duties of the assignment or should the executive retire from the CSU or accept non-CSU employment (to be performed during the term of the ECA), the executive consulting assignment shall immediately terminate, and the executive shall be due no further compensation under this program notwithstanding their status as an MPP employee.

Approval: The chancellor, in consultation with the Committee chair, must approve the ECA prior to its commencement. The chancellor shall present the executive’s assignment for discussion as an information item on the agenda of the next regularly scheduled meeting of the Committee.

Funding: The Chancellor’s Office will fund the appointee’s salary (and benefits) while participating in an ECA unless it is determined that an alternative funding arrangement is appropriate.

Annual Reporting: The chancellor shall report annually on all program activities detailing the status of all assignments that occurred during the reporting period. The report shall be placed as an information item on the discussion agenda (not consent) of the Committee at the November meeting of the Board of Trustees.

AMENDED

Information Item

Agenda Item 5

September 13-14, 2022

Page 1 of 1

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Transition Program: Revision to Transition II

Presentation By

Leora D. Freedman
Acting Vice Chancellor
Human Resources

Summary

At the March 2022 meeting of the CSU Board of Trustees, the trustees ceased granting executive transition rights for newly hired executives until such time as the board considers recommendations of a task force and takes further action (RBOT 03-22-03).

At the July 2022 meeting, revisions to the Transition II program were presented for the board's information and consideration. This information item will continue the discussion on the Transition II program and include a discussion of additional revisions for consideration.

Attachment A reflects proposed *substantive* revisions to the Transition II program. Revisions made to the policy after the July 2022 board meeting are italicized. Attachment B contains a "clean" copy of the proposed policy.

Note: Revisions made to the proposed policy after the July 2022 board meeting are italicized.

Transition II Program (revised [insert date])

In November 2006, the Board of Trustees of the California State University adopted an executive transition program entitled Transition II (RUF 11-06-06) for CSU employees appointed into executive positions after November 15, 2006. At the March 2022 meeting of the board of trustees, the trustees ceased granting executive transition rights for newly hired executives in accordance with the Transition II program until such time as the board considered recommendations of a task force. The board thereafter considered and discussed the task force's recommendations during its July and September meetings. At the board's [insert date] 2022 meeting, the trustees formally closed the program, as a result of which no executives hired on or after March 22, 2022 may participate in this program.

Although the program is closed to new executives hired on or after March 22, 2022, the following 25 incumbent CSU executives (all appointed prior to March 22, 2022) may elect to participate in the Transition II program upon their resignation.

The terms of the Transition II program are hereby clarified and restated as follows. This policy supersedes RUF 11-06-06 dated November 15, 2006, and shall be referred to herein as the "Transition II Program" or the "Program."

Transition II Program

~~On November 18, 1981, the Board of Trustees adopted the Trustee Professorship Program. There are six remaining executives (see attachment) who were grandfathered and continue to be eligible for the Trustee Professorship Program.~~

~~On November 18, 1992, the Board of Trustees established the Executive Transition Program which enabled the university to continue to profit from an executive's accumulated experience and insights after the executive resigned. Through this program, former executives have been given the opportunity to instruct in the classroom or perform highly specialized duties specific to their expertise to the benefit of the university. Currently, there are 22 executives (see attachment) eligible for participation in the Executive Transition Program and they shall be grandfathered into the existing program. No additional executives shall enter this program.~~

~~It is recommended that the Board of Trustees adopt a new program which is significantly narrower and which has more rigorous requirements for participation. This program shall be called Executive Transition II. This program shall not be available to any executive who retires or who accepts non-CSU employment.~~

For those individuals appointed as ~~chancellor~~, executive vice chancellor, vice chancellor, ~~general counsel~~, or president, hired after November 15, 2006, ~~the~~ Transition II *Program* will ~~provide~~ a period of transition ~~for~~ executives who separate from their executive position in order to assume other identified CSU employment.

Eligibility

To be eligible *to participate in the Transition II Program for a transitional program*, the executive must:

1. Have served *for at least* 5 years in an executive position at the California State University (CSU);
2. Be in good standing at the commencement *and duration of the transition assignment (see Ineligibility); of the program;*
3. Have previously identified a position ~~at~~ the CSU to return to upon completion of the ~~transition~~ *transitional* program; and
4. Not *have accepted outside (accept non-CSU)* employment.

Terms of Transition

Upon *an executive's* notification to the chancellor of ~~their~~ *the* intent to resign *and participate in the Program* executive position, the chancellor shall negotiate the terms of the *Program*. *Executives participating in the Transition II Program are reassigned and appointed into transition program. In the Management Personnel Plan (MPP), ease of the resignation of the chancellor, the chair of the Board of Trustees shall negotiate the terms of the transition program on behalf of the Board of Trustees.*

The items to be negotiated shall include:

1. *The term of the MPP appointment;*
 1. ~~Dates of origination and termination;~~
2. Specific duties and assigned locations; and
3. Compensation and support.

The incumbent shall receive no supplemental pay; no housing allowance or university-provided housing (on- or off-campus); no auto allowance or university-provided auto. Reimbursement of mileage and business-related expenses are applicable in accordance with CSU policy.

Termination of Transition

If the executive becomes unable to perform the negotiated duties of the transition or should ~~they~~ *he/she* accept non-CSU employment during the term of the transition period, the transition program shall immediately terminate, and the executive shall be due no further compensation *notwithstanding their status as an MPP employee.*

Should the executive and the chancellor ~~(or the chancellor and the chair in the case of the chancellor's resignation)~~ fail to reach agreement on a transition program, there shall be neither a right to any such ~~Program~~ program nor any right to appeal the matter to the Board of Trustees ~~to obtain such a program.~~

Deliverables **Communications**

~~The executive will~~ Chancellor shall provide a monthly report to the chancellor of activities and milestones completed during the transition assignment.

Approval

~~The chancellor, in consultation each Trustee with the chair of the Committee on University and Faculty Personnel (the "Committee"), will review a copy of the final written agreement for each participant in the Trustee Professor, Executive Transition II assignments prior to approving an executive's participation in the Program. The chancellor shall present the executive's or this transition program as an information item on the discussion agenda (not consent) of the Committee.~~

~~Following the signing of an individual plan in any transition program, the plan shall be scheduled for discussion as an information item on the agenda of the Committee on University and Faculty Personnel.~~

Funding

~~The Chancellor's Office will fund in March, the executive's salary and benefits while participating~~ Chancellor shall report on all existing individual transition programs in the Program unless it is determined that an alternative funding arrangement is appropriate.

Memorialization of Appointment

~~The chancellor will finalize and execute the appointment letter after consultation with the chair of the Committee.~~

Annual Reporting

~~Annually at the November meeting of the Board of Trustees, the chancellor shall report on the transition activities of each executive participant, detailing the status of all assignments that occurred during the reporting period. The report shall be placed as an information item on the discussion agenda (not consent) of the Committee.~~

Ineligibility

~~The executive must be in good standing at the commencement and duration of the transition assignment.~~

An executive will be ineligible for consideration under the following circumstances: (1) a finding has been made that the executive engaged in a serious policy violation or other significant misconduct that resulted in the executive being terminated, or separated through mutually agreed-upon settlement terms; (2) the executive is currently under investigation for significant misconduct or violation of university policy; or (3) the executive's retirement benefits have been rescinded under The Public Employees' Pension Reform Act due to criminal misconduct associated with their official duties. In the event a complaint is lodged after an executive has announced or begun their transition, the chancellor, in consultation with the chair of the Committee, may use discretion in determining if the transition may commence or should be continued on a conditional basis, placed in abeyance, and/or terminated. If a complaint or investigation is pending at the time that the executive seeks to negotiate their participation in the Program, at the written request of the executive, the chancellor, in consultation with the chair of the Committee, may allow the transition to commence on a conditional basis if warranted under the circumstances. In the event that a decision is made to allow an executive to participate in the Program under any of the circumstances described in this paragraph, the terms of any conditional participation shall be disclosed during the discussion of the item before the Committee.

A finding is a determination made in the course of proceedings including but not limited to: (a) a university investigation, following any appeals; (b) an internal or external audit; (c) an administrative proceeding by a state body having jurisdiction, such as the Department of Labor; (d) a civil or criminal proceeding, following any appeals; or (e) a proceeding that leads to a determination of improper governmental activity (defined by the State of California as any action that violates state or federal law or regulation that is economically wasteful or that involves gross misconduct, incompetence, or inefficiency). An admission by the executive that they engaged in conduct that the university determines to be a serious policy violation or other significant misconduct also constitutes a finding for purposes of this policy.

Transition II Program (revised [insert date])

In November 2006, the Board of Trustees of the California State University adopted an executive transition program entitled Transition II (RUF 11-06-06) for CSU employees appointed into executive positions after November 15, 2006. At the March 2022 meeting of the board of trustees, the trustees ceased granting executive transition rights for newly hired executives in accordance with the Transition II program until such time as the board considered recommendations of a task force. The board thereafter considered and discussed the task force's recommendations during its July and September meetings. At the board's [insert date] 2022 meeting, the trustees formally closed the program, as a result of which no executives hired on or after March 22, 2022 may participate in this program.

Although the program is closed to new executives hired on or after March 22, 2022, the following 25 incumbent CSU executives (all appointed prior to March 22, 2022) may elect to participate in the Transition II program upon their resignation.

Presidents

Jeffrey Armstrong

Erika Beck

Jane Close Conoley

Soraya Coley

William Covino

Thomas Cropper

Adela de la Torre

Gayle Hutchinson

Tom Jackson Jr.

Saúl Jiménez-Sandoval

Ellen Junn

Lynn Mahoney

Tomás Morales

Robert Nelsen

Ellen Neufeldt

Thomas Parham

Cathy Sandeen

Framroze Virjee

Richard Yao

Lynnette Zelezny

System Executives

Sylvia Alva

Andrew Jones

Vlad Marinescu

Evelyn Nazario

Steve Relyea

The terms of the Transition II program are hereby clarified and restated as follows. This policy supersedes RUF 11-06-06 dated November 15, 2006, and shall be referred to herein as the "Transition II Program" or the "Program."

Transition II Program

For those individuals appointed as executive vice chancellor, vice chancellor, or president, hired after November 15, 2006, the Transition II Program will provide a period of transition for executives who separate from their executive position in order to assume other identified CSU employment.

Eligibility

To be eligible to participate in the Transition II Program, the executive must:

1. Have served for at least 5 years in an executive position at the California State University (CSU);
2. Be in good standing at the commencement and duration of the transition assignment (see Ineligibility);
3. Have previously identified a position at the CSU to return to upon completion of the transition program; and
4. Not have accepted outside (non-CSU) employment.

Terms of Transition

Upon an executive's notification to the chancellor of their intent to resign and participate in the Program, the chancellor shall negotiate the terms of the Program. Executives participating in the Transition II Program are reassigned and appointed into the Management Personnel Plan (MPP).

The items to be negotiated shall include:

1. The term of the MPP appointment;
2. Specific duties and assigned locations; and
3. Compensation and support.

The incumbent shall receive no supplemental pay; no housing allowance or university-provided housing (on- or off-campus); no auto allowance or university-provided auto. Reimbursement of mileage and business-related expenses are applicable in accordance with CSU policy.

Termination of Transition

If the executive becomes unable to perform the negotiated duties of the transition or should they accept non-CSU employment during the term of the transition period, the transition program shall immediately terminate, and the executive shall be due no further compensation notwithstanding their status as an MPP employee.

Should the executive and the chancellor fail to reach agreement on a transition program, there shall be neither a right to any such Program nor any right to appeal the matter to the Board of Trustees.

Deliverables

The executive will provide a monthly report to the chancellor of activities and milestones completed during the transition assignment.

Approval

The chancellor, in consultation with the chair of the Committee on University and Faculty Personnel (the "Committee"), will review Transition II assignments prior to approving an

executive's participation in the Program. The chancellor shall present the executive's transition program as an information item on the discussion agenda (not consent) of the Committee.

Funding

The Chancellor's Office will fund the executive's salary and benefits while participating in the Program unless it is determined that an alternative funding arrangement is appropriate.

Memorialization of Appointment

The chancellor will finalize and execute the appointment letter after consultation with the chair of the Committee.

Annual Reporting

Annually at the November meeting of the Board of Trustees, the chancellor shall report on the transition activities of each executive participant, detailing the status of all assignments that occurred during the reporting period. The report shall be placed as an information item on the discussion agenda (not consent) of the Committee.

Ineligibility

The executive must be in good standing at the commencement and duration of the transition assignment.

An executive will be ineligible for consideration under the following circumstances: (1) a finding has been made that the executive engaged in a serious policy violation or other significant misconduct that resulted in the executive being terminated, or separated through mutually agreed-upon settlement terms; (2) the executive is currently under investigation for significant misconduct or violation of university policy; or (3) the executive's retirement benefits have been rescinded under The Public Employees' Pension Reform Act due to criminal misconduct associated with their official duties. In the event a complaint is lodged after an executive has announced or begun their transition, the chancellor, in consultation with the chair of the Committee, may use discretion in determining if the transition may commence or should be continued on a conditional basis, placed in abeyance, and/or terminated. If a complaint or investigation is pending at the time that the executive seeks to negotiate their participation in the Program, at the written request of the executive, the chancellor, in consultation with the chair of the Committee, may allow the transition to commence on a conditional basis if warranted under the circumstances. In the event that a decision is made to allow an executive to participate in the Program under any of the circumstances described in this paragraph, the terms of any conditional participation shall be disclosed during the discussion of the item before the Committee.

A finding is a determination made in the course of proceedings including but not limited to: (a) a university investigation, following any appeals; (b) an internal or external audit; (c) an administrative proceeding by a state body having jurisdiction, such as the Department of Labor;

(d) a civil or criminal proceeding, following any appeals; or (e) a proceeding that leads to a determination of improper governmental activity (defined by the State of California as any action that violates state or federal law or regulation that is economically wasteful or that involves gross misconduct, incompetence, or inefficiency). An admission by the executive that they engaged in conduct that the university determines to be a serious policy violation or other significant misconduct also constitutes a finding for purposes of this policy.

AGENDA

COMMITTEE ON ORGANIZATION AND RULES

Meeting: 2:30 p.m., Tuesday, September 13, 2022
Glenn S. Dumke Auditorium

Jean Picker Firstenberg, Chair
Julia I. Lopez, Vice Chair
Diana Aguilar-Cruz
Diego Arambula
Jack Clarke, Jr.
Adam Day
Lillian Kimbell
Christopher Steinhauser

Consent 1. Approval of Minutes of the Meeting of July 13, 2022, *Action*
Discussion 2. Progress Report on the Board of Trustees' Review, *Information*

**MINUTES OF THE MEETING OF THE
COMMITTEE ON ORGANIZATION AND RULES**

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

July 13, 2022

Members Present

Jean Picker Firstenberg, Chair
Julia I. Lopez, Vice Chair
Diego Arambula
Jack Clarke, Jr.
Christopher Steinhauser

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

Trustee Firstenberg called the meeting to order.

Consent Agenda

The minutes of the March 22, 2022, meeting were approved as submitted.

Discussion Agenda

Progress Report on the Board of Trustees' Review

Item was presented by Jane Wellman, Special Consultant to the Board, and Roberta Achtenberg, Senior Advisor, Board Governance and Relations. The consultants discussed a progress report about the review of the Board of Trustees. The review will address issues in three categories: trustee dynamics; selection, support, and evaluation of the presidents of the campuses and of the chancellor; and role of the CSU Board, the CSU, and the future needs of students and the State of California. Trustee Firstenberg opened the floor to questions and comments. Trustee Arambula, Chair Fong, and Trustee Lopez agreed with topics that will be reviewed and addressed.

Trustee Firstenberg adjourned the meeting.

COMMITTEE ON ORGANIZATION AND RULES

Progress Report on the Board of Trustees' Review

Presentation By

Roberta Achtenberg
Senior Advisor, Board Governance and Relations

Jane Wellman
Special Consultant to the Board

Summary

The Board of Trustees has commissioned a review of board roles and practices within the university system. It is being conducted by Roberta Achtenberg, Senior Advisor to the CSU for Board Governance and Relations, and Jane Wellman, a special consultant to the Board. The review was announced at the May 2022 board meeting and is expected to conclude by May 2023. At the July meeting, the consultants shared their plan of work and initial impressions of the central issues to be addressed by the review. These were: trustee dynamics; the chancellor/presidential selection and review process; and strategic planning. At the September meeting, they will discuss progress since their last report, and presage plans for a board retreat on November 30.

Building Board Capacity: Trustee Dynamics, Orientation and Continuing Education

As reported at the July meeting, concerns about trustee dynamics top the list of issues to be addressed in this review. These dynamics include both internal board communications as well as interactions with the Chancellor's Office and the universities in the system. While some of the difficulties are attributable to the nearly two-year long interval where the pandemic forced the board to meet virtually rather than in person, others were clear indications of deficits in board policy and practice. Further, the board's agenda has become unduly reactive and inadequately focused on strategic priorities for the system.

The orientation program for new trustees is primarily focused on explanations of the internal CSU administration and regulatory requirements for the board. Very little time is devoted to discussing the unique challenges and opportunities facing the board. Expectations for individual board members are left somewhat vague, including what it means to be a member of a fiduciary body and how that informs and constrains prerogatives of individual trustees. Basic information about board policies and procedures, communication protocols, and practices are relegated to appendices but not discussed or interpreted.

O&R

Agenda Item 2

September 13-14, 2022

Page 2 of 2

We believe a rebuilt orientation program for new trustees needs to be put in place, along with a robust program of continuing education that supports renewed work in strategic planning. Toward that end, we have piloted a new trustee orientation program, which includes considerably more about the roles and responsibilities of a system board, expectations for individual board members, and the importance of a collaborative board culture.

We have also made plans for a board retreat, to be held on November 30, on the sole topic of building capacity for the CSU board. To facilitate the conversation, we have commissioned additional assistance from experts with deep experience in public system leadership and with the CSU system: Nancy Zimpher, Kevin Reilly, and Rebecca Martin. They are the leaders of the National Association of System Heads (NASH), the only national organization focused exclusively on multicampus systems in the United States. In preparation for that retreat, they will conduct conversations with each trustee to solicit their views on the critical issues facing the CSU now and in the future. Following the board retreat, we hope to shift our attention from the initial focus on internal board dynamics to a greater focus on building board capacity for the opportunities ahead.

The Need for a Strengthened Trustee Secretariat

We have also spent time looking into the role of the Trustee Secretariat – the unit that supports the work of the board. A volunteer board cannot function at the highest level without enhanced policy and program support. Changes to the Trustee Secretariat are needed, as logistical and record-keeping demands on staff currently crowd out time for deeper work on key board functions. The board needs to have sufficient staff at a high level of expertise to work with the Chancellor's Office and to support board work on task forces and special projects. The staff need to be able to be accountable to the board while also working collaboratively with the Chancellor's Office. We have flagged this issue with the requisite staff in the Chancellor's Office and will work closely with them to explore options to address the situation.

AGENDA

COMMITTEE ON EDUCATIONAL POLICY

Meeting: 3:05 p.m., Tuesday, September 13, 2022
Glenn S. Dumke Auditorium

Romey Sabalius, Chair
Diego Arambula, Vice Chair
Douglas Faigin
Jean Picker Firstenberg
Maria Linares
Julia I. Lopez
Yammilette Rodriguez
Christopher Steinhauser

Consent 1. Approval of Minutes of the Meeting of July 12, 2022, *Action*
Discussion 2. Research, Scholarship and Creative Activity, *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**

July 12, 2022

Members Present

Diego Arambula, Vice Chair
Douglas Faigin
Jean Picker Firstenberg
Maria Linares
Julia I. Lopez
Yammilette Rodriguez
Christopher Steinhauser

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

Trustee Arambula called the meeting to order.

Approval of the Consent Agenda, Action

A motion to approve the consent agenda without discussion passed. The minutes from the meeting on May 25, 2022 were approved as submitted.

Recommended Amendments to Title 5 Regarding Blended Academic Programs, Action

In this item, Dr. Sylvia A. Alva, executive vice chancellor of Academic and Student Affairs, presented a proposed amendment to Title 5 for board approval. The amendment would allow for the double counting of up to 12 semester units for both a bachelor's and master's degree in a blended academic degree program. As a result, the total number of units would be revised to 138 from 150. Dr. Alison Wrynn, associate vice chancellor for Academic Programs, Innovations and Faculty Development, outlined the benefits of blended degree programs and how the amendment would further support student success including student savings in tuition cost and time to degree. In addition, campuses would benefit from the potential increase in student diversity within

graduate programs through greater access for undergraduates. Dr. Wrynn concluded the presentation by addressing next steps should the board approved the amendment, including the articulation of policy and implementation on campus through the shared governance process.

Following the motion to approve, trustees commented regarding how the unit change was calculated and voiced their support for policy changes that result in making post-baccalaureate degrees more accessible to students.

Through a roll call vote, the Recommended Amendments to Title 5 Regarding Blended Academic Programs passed unanimously.

Graduation Initiative 2025, Information

Dr. Sylvia A. Alva, executive vice chancellor of Academic and Student Affairs, began the presentation by sharing preliminary data indicating that nearly 114,000 students earned a CSU bachelor's degree in May 2022. She also noted the milestones achieved since the launch of Graduation Initiative 2025 including the first-year student four-year graduation rate increasing from 20 percent in 2016 to 33 percent in 2021.

Dr. Darlene Daclan, academic affairs business systems director, provided an update on the CSU's efforts to reengage and reenroll underserved students as part of the university equity priorities. In her remarks, she outlined how the campuses and the Chancellor's Office are supporting both policy and organizational changes to support this area. Dr. Daclan concluded the presentation with a series of promising practices focused on ongoing reengagement and reenrollment efforts.

President Coley and President Morales also shared a brief update on their campus' reenrollment efforts. Trustees posed questions regarding addressing administrative holds and how efforts coincide with a 2019 basic needs assessment. A robust discussion followed the use of aggregated and disaggregated data to inform organizational change in direct support of underserved student populations.

The CSU Certificate Program in Student Success Analytics, Information

The presentation began with Dr. Sylvia A. Alva, executive vice chancellor of Academic and Student Affairs, introducing Dr. Cynthia Alvarez, assistant director of student success, and Dr. Nele Hempel-Lamer, German professor at Cal State Long Beach and the founding director of the Certificate Program in Student Success Analytics. Dr. Hempel-Lamer shared a brief description of the Student Success Analytics Certificate Program, a faculty-grown initiative in which participants become fluent in the use of data to better inform student success efforts. Dr. Alvarez outlined how the program empowers participants to use data to make effective change on their campus. Dr.

Alvarez concluded the presentation by sharing a variety of examples of the impacts the certificate program has had on the CSU and beyond.

Following the presentation, CSU Channel Islands President Yao shared his experience as a past participant in the Analytics Certificate Program. Trustees voiced their support for the program and advocated for increasing awareness about the certificate program among K-12 school districts.

COMMITTEE ON EDUCATIONAL POLICY

Research, Scholarship and Creative Activities

Presentation By

Sylvia A. Alva
Executive Vice Chancellor
Academic and Student Affairs

Ganesh Raman
Assistant Vice Chancellor
Research

Lynn Mahoney
President
San Francisco State University

Summary

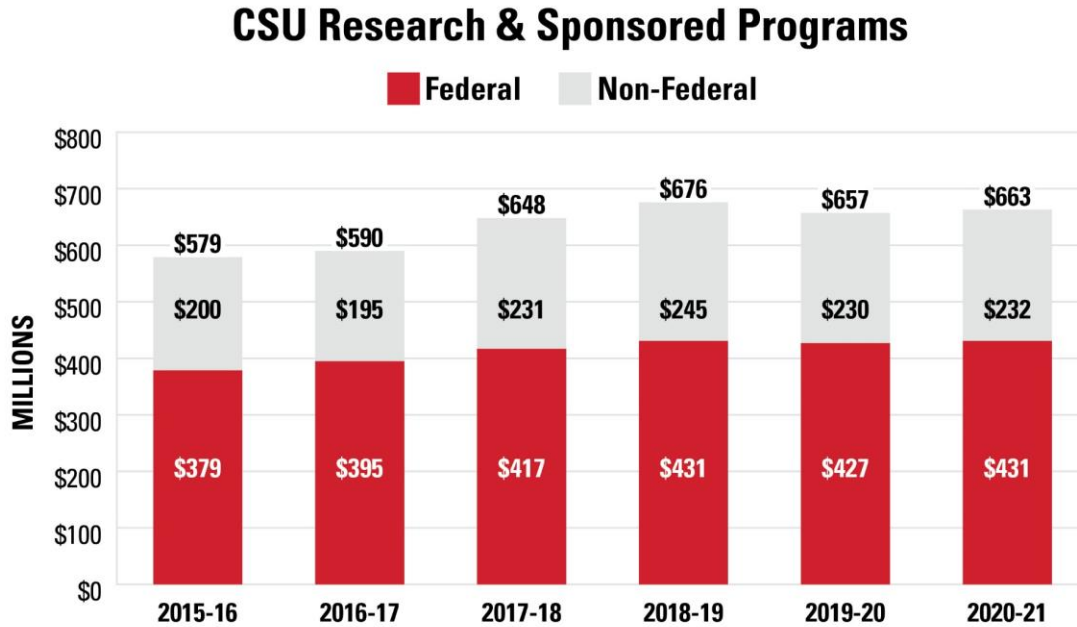
A hallmark of The California State University (CSU) is a focus on research, scholarship and creative activity that can be applied to identify, address or transform society's most urgent challenges. Whether pursuing directed research in areas of public health and climate change or giving voice to underserved populations through artistic endeavors, CSU students have a unique opportunity to engage in experiential learning and discovery. Working alongside faculty in the lab, out in the field or in a studio, students benefit from a vibrant learning experience while having the opportunity to contribute to their larger communities.

During the pandemic, research activities were adapted and recalibrated to ensure learning and scholarship activities remained possible while maintaining the integrity of existing grant projects. Emerging from the more acute phase of the pandemic, grant funding remains steady with a five-year growth of \$84 million. The following are highlights of research, scholarship and creative activities across the 23 campuses and 10 multi-campus affinity groups. Through these hands-on experiences, CSU graduates are better prepared to meet the emerging and growing needs of the state and help transform its future.

External Funding

As illustrated in the chart below, total external expenditure—from grant and contract revenue—for CSU research and sponsored programs has been steady over the past several years. In 2020-

21, the most recent year for which data are available, the total amount was \$663 million. This represents a growth of \$84 million over a five-year period.



Unlike state funds that are used exclusively for basic university operations, faculty compete for these external funds, which are used for innovative projects that benefit local communities and prepare students for 21st century careers.

External Funding Accomplishments

Examples of grants and contracts in areas of education, equity, student success, health research and creative activity received by CSU faculty during the 2021-22 academic year are listed below.

California State University, Bakersfield

The First Degree

Alumnus Michael Mejia was commissioned to write a play focusing on first-generation students for production in the fall of 2021. The First Degree traces the stories of four students at CSU Bakersfield throughout their four years as they face financial pressures, juggle work and school and dealt with family expectations and self-doubt. Despite these obstacles, these students can carve out their pathways for the future. As CSU Bakersfield has a large population of first-generation students, the play allowed students to see their lives reflected on stage and provided inspiration for

them to pursue their education. This production was mounted in tandem with CSUB/Kern County's One Book Project's selection of Reyna Grande's "A Dream Called Home", which recounts the author's first-generation experiences.

Californians For All College Fellowship

Funding agency: State of California-California Volunteers

Total award: \$3,299,351

Investigators: Katrina Gilmore and Markel Quarles

CSU Bakersfield launched this fall Californians For All, a two-year College Corps program which 200 students earn \$10,000 for their education. All participating College Corps partners were selected for demonstrating: a commitment from top leadership to prioritize the Corps as a campus-wide initiative; a strategy to collaborate with other participating campuses in the region; a thoughtful plan to link the service experience to academic outcomes, ensuring on-time degree completion; and a compelling recruitment strategy with a particular focus on low-income students and Dreamers.

California State University Channel Islands

Project AYUDAS: Articulating Your Undergraduate Degree & Academic Success in STEM

Funding agency: U.S. Department of Education

Total award: \$5,999,990

Investigator: Michelle Hasendonckx

Project AYUDAS develops STEM Transfer and Articulation pathways through a transfer college readiness initiative serving students/supporters, and STEM curricular pathways with CSU Channel Islands and community college faculty. The program also cultivates a STEM culture of retention and academic excellence through academic support for technical writing support, technology powered just-in-time interventions and faculty and peer mentorship, and transforms institutional culture towards STEM inclusive excellence through curricular redesign, active learning pedagogies and equity-minded pedagogy for STEM faculty. The program is expected to increase the number of Hispanic and low-income students who enroll and complete a STEM major, improve articulation of STEM courses with two-year college partners, improve academic support services and demonstrate improved student success outcomes.

California State University, Chico

Tracking Covid-19 in Residence Halls

Biological sciences professors Troy Cline and Gerald Cobián led a research project tapping Chico State's residence halls' wastewater system for evidence of COVID-19. Twice a week, student researchers gathered samples then returned to the lab to process the wastewater samples through

a PCR machine to exponentially amplify viral RNA to detectable amounts. As they examine the results, the testing creates potential to identify a spike in cases days before students even realize they are sick. As a result, the university can put additional safety measures in place to mitigate spread, while also adding to global scientific knowledge about viruses and pandemics.

California Broadband for Unserved Areas

Funding agency: California Public Utilities Commission (CPUC)
Total award: \$3,735,251
Investigator: Jason Schwenkler

The CPUC is charged with the promotion of broadband adoption across the state, with infrastructure deployment in unserved areas of California. These infrastructure deployment mandates advance the larger public health and public safety goals of California and the U.S. The Geographical Information Center (GIC) works with the CPUC in modernizing its internal GIS database, as well as sharing data and maps with the public. The GIC will support geocoding and GIS layer validation, provide data analysis, data tables and summary reports, and will continue to support the field verification of wireless and wired applications.

California State University, Dominguez Hills

Metro Station Art Installation

Assistant Professor Devon Tsuno's artwork will soon become part of the greater Los Angeles region's rich history of public art projects. The Los Angeles County Metropolitan Transportation Authority (Metro) recently named Professor Tsuno among 17 artists chosen to create site-specific, integrated artworks for four stations along its Purple Line (D Line) Extension Sections 2 and 3. Professor Tsuno will design an installation as part of the Wilshire/Rodeo Station that is currently under construction and slated to open in 2025. He works primarily with spray paint and acrylic to create abstract landscape paintings, prints and large-scale installations that are deeply rooted in family history, the Japanese American experience and Los Angeles' natural environment.

U-RISE at California State University Dominguez Hills

Funding agency: NIH/NIGMS
Total award: \$822,559
Investigator: Leonardo H. Martinez

The U-RISE student research program at CSU Dominguez Hills strives to increase the number of underrepresented students who enroll and complete a biomedical or behavioral science Ph.D. The goals are to build academic skill capacity, the student's capacity for scientific research careers and to provide enrichment opportunities and resources to support future Ph.D. candidates. The skills they gain will prepare them for the transition to a graduate institution. These components will

increase the number of U-RISE students entering Ph.D. programs across the nation and they will join the biomedical workforce to improve lives.

California State University, East Bay

LISTEN with AAC

Funding agency: Department of Education

Total award: 1,250,000

Investigator: Elena Dukhovny

Learning Interdisciplinary Strategies to Teach and ENgage with Augmentative and Alternative Communication (LISTEN with AAC) training program was guided by the current American Speech, Language Hearing Association and the California Commission on Teacher Credentialing standards in speech-language pathology or special education. This grant will train six professionals in SLP and six in special education annually. Each trainee will successfully complete a graduate program in speech-language pathology or special education while engaging in the interdisciplinary training activities and requirements of this project, including: a joint course work to develop knowledge of AAC educational best-practices and familiarity with current research and interdisciplinary field experiences in schools and service-learning projects to translate knowledge to practice.

California State University, Fresno

Pulitzer Prize in Poetry Finalist

Artist: Mai Der Vang

Assistant Professor Mai Der Vang was honored as a finalist for the Pulitzer Prize in Poetry for her book of documentary poetry “Yellow Rain”. She is the first Hmong American to be recognized in the 106-year history of the Pulitzer’s Arts and Letters prizes. The book integrates archival research and declassified government documents to examine the biological warfare that threads through wars involving Hmong people. In lyrical poems of witness that defy historical erasure, “Yellow Rain” acknowledges those who perished and the trauma of those who survived. The Pulitzer committee said Professor Vang’s recognition was particularly notable given that the Hmong people had no formal written language until the 1950s. The book was also a finalist for the Los Angeles Times Book Prize, finalist for the California Book Award from the Commonwealth Club and finalist for the PEN/Voelcker Award for Poetry from PEN America.

Enhancing Dairy Processing Education and Diversity

Funding agency: USDA-NIFA

Total award: \$750,000

Investigators: Carmen Licon and Susan Pheasant

This highly competitive award from the U.S. Department of Agriculture, National Institute of Food and Agriculture will purchase state-of-the-art equipment to expand production at the Fresno State Creamery and increase the knowledge and skills of the graduate and undergraduate students who receive paid internships and become tomorrow's dairy and food workforce. Faculty will develop regional conferences, workshops, webinars and short courses. The program will also provide outreach and technical assistance to dairy businesses as well as establish an institute for ethnic and specialty dairy product development to create new dairy — and culturally diverse — products to meet the evolving trends of the region.

California State University, Fullerton

Mapping LGBTQ Communities

Funding agency: National Endowment for the Humanities

Total award: Nearly \$350,000

Assistant Professor Eric Gonzaba and his research team have plotted more than 30,000 establishments for the interactive “Mapping the Gay Guides” project. The nationwide listings spanning 1965 to 1980 include bars, restaurants, bathhouses, cinemas and other establishments. The travel guides are one of the longest-running series of its genre — published annually from the 1960s until 2021. The research team's long-term goals include mapping remaining guides and securing a permanent, online home for the data indefinitely. The guides and other print materials can show patterns over both location and time in ways that may not be available elsewhere. Researchers can use this data to better understand historic LGBTQ+ events and issues in the United States. Professor Gonzaba intends to create a “Mapping the Gay Guides” archival collection at Cal State Fullerton with materials donated from the guides' publishing company.

Supporting Formerly Homeless with Smart Home Technologies

Funding agency: National Science Foundation

Total award: \$1,215,370

Investigators: Anand Panangadan, Kiran George and Tabashir Nobari

A grant-funded Cal State Fullerton community-based project will develop smart-home technologies for people previously affected by homelessness and now living in permanent supportive housing. The three-year project brings together a team of interdisciplinary researchers from Cal State Fullerton and USC, along with two nonprofits, to address Orange County homelessness issues. The team will study successful use of smart-home technology in supportive housing and will develop prototypes to demonstrate how technology can facilitate and improve services. Prototypes may include a smart pot for cooking, a smart pillbox and a social connectivity app. Additionally, the project will investigate key technologies to increase safety, ensure residents' privacy preferences and expand smartphone interfaces to access the internet and services.

California State Polytechnic University, Humboldt

Reclaiming Mouralherwaqh

Funding agency: Ocean Protection Council (OPC)

Total award: \$308,951

Investigator: Laurie Richmond

The project involves a unique partnership among the Wiyot Tribe, Cal Poly Humboldt, Humboldt Baykeeper (a water quality focused community-based organization) and Friends of the Dunes (a local land trust and conservation organization) to support the Wiyot Tribe in acquiring a 48-acre coastal property in an area called Mouralherwaqh on Wigi (Humboldt Bay) for ecocultural restoration and protection purposes. The project includes site assessment, land acquisition, community engagement and the development of a monitoring and ecocultural restoration and management plan that draws from traditional ecological knowledge and western science to support water quality, coastal habitat and cultural sustainability on the site and in the connected region. Currently the Wiyot Tribe owns less than one percent of their ancestral lands and this will increase the Tribe's land holdings by 12%.

California State University, Long Beach

Exploring Parent-Child Link to Science Learning

2022 University Achievement Award

Graduate Outstanding Research, Scholarly and Creative Activity

Grace Ocular, a recent graduate from the Dual Language Development program, has authored four peer-reviewed articles, 21 conference presentations and an award-winning master's thesis. She has also collaborated with her faculty mentors, Dr. Betina Hsieh and Dr. Kimberly Kelly, to produce a manuscript titled "Connecting Informal Learning Environments: Linking parental elaborative talk to child STEM talk during informal learning at an aquarium and at home." This is the first study to explore whether and how parent-child conversations mediate children's informal science learning across informal learning settings (i.e., aquarium, home). She is a Sally Casanova Fellow and is beginning a Ph.D. program in developmental psychology at Loyola University, Chicago.

CAREER: Vascularization in Cardiac Fibrosis Models

Funding agency: National Science Foundation

Total award: \$430,660

Investigator: Perla Ayala

Dr. Perla Ayala's work is intended to increase understanding of the mechanisms of vascularization in cardiac fibrosis conditions. Her proposed 3D model will mimic important characteristics of the infarcted fibrotic cardiac tissue. The results obtained from this study will provide insight for

facilitating the development of advanced regenerative therapies that can be implemented in the clinic. Her research also offers inclusive educational and research opportunities for students from underrepresented groups in science and engineering.

Project Resilience: Improving Post-Pandemic Asian American and Pacific Islander Student Wellness and Fostering Career Pathways at the Beach

Funding agency: U.S. Department of Education

Total award: \$1,460,090

Investigators: Barbara Kim and R. Varisa Patraporn

Project Resilience expands the capacity to serve high-need AAPI and low-income undergraduate students affected by the pandemic. The goal of this project is to strengthen academic outcomes and social support for AAPI and low-income students who are experiencing educational, health, mental health and socioeconomic challenges due to inequities and a rise in anti-Asian and xenophobic hate crimes and violence in their communities during the pandemic. Project Resilience includes: learning communities designed to integrate culturally relevant topics and academic support for undergraduates; peer mentoring and other programs to increase knowledge about and access to mental health and student support services; professional development, internship and networking opportunities to build skills and explore post-graduation paths; and faculty development to further understand, engage and support AAPI and low-income students.

California State University, Los Angeles

CAREER: Microclimate Amelioration Underlying Biodiversity-Ecosystem Functioning Research

Funding agency: National Science Foundation

Total award: \$976,464

Investigator: Alexandra Wright

This project examines how different species of plants can modify the microclimate around them, such as decreased temperatures, increased humidity and increased soil moisture. The modification of microclimate may be one important mechanism allowing many species to coexist, which is a key to biodiversity. This project also provides research opportunities and education to graduate students and undergraduate students. Understanding how biodiversity helps buffer ecosystems from environmental stressors is an essential next step to predicting the consequences of future extinctions. This understanding will also help understanding of how ecosystems might retain function with fewer species.

CREST Center for Advancement Toward Sustainable Urban Systems

Funding agency: National Science Foundation

Total award: \$5,000,000

Investigators: Arturo Pacheco-Vega, Gustavo Menezes, Sonya Lopez, Yixian Wang and Jeffrey Santer

The Center for Advancement toward Sustainable Urban Systems (CATSUS) will advance research on issues related to the generation, supply, consumption, protection and revitalization of energy and water systems within the framework of urban environments. It will also increase the research capacity of Cal State LA and develop highly effective undergraduate and graduate level research education curriculum, training and opportunities in STEM fields for students from underrepresented minority groups. Energy consumption in urban areas is responsible for 70% of greenhouse gas emissions and cover only three to four percent of the planet's surface area, but they affect 41% of watersheds globally. CATSUS will integrate research findings into undergraduate and master's level engineering education, K-12 and community college outreach, and policy-informing components, while creating pathways towards doctorate and postdoctoral research programs.

California State University Maritime Academy

Hybrid CHE

Funding agency: California Air Resources Board (CARB)

Total award: \$300,000

Investigators: Christine Isakson and Ryan Storz

This academic research effort addresses California's regulatory effort to reduce particulate diesel matter (known under the acronym of CHE) for mobile cargo handling equipment at ports and intermodal railyards. This research is central to understanding the impacts of various engine modalities and underpins the contemporary American transportation trade infrastructure. The investigators are exploring innovative technical distribution matrix analysis models to develop a detailed, non-biased evaluation of leading-edge clean air technologies and cargo handling modalities. They study energy recovery, regeneration and storage with multiple fuels and charging sources for operating at hybrid near-zero-emission or net-zero emission levels.

California State University, Monterey Bay

NOAA Cooperative Science Center for Coastal and Marine Ecosystems

Funding agency: NOAA

Total award: \$445,000

Investigator: Corey Garza

The NOAA Cooperative Science Center for Coastal and Marine Ecosystems (NOAA CCME) includes Florida A&M University, California State University Monterey Bay and four other minority-serving institutions in the western U.S. The mission is to recruit, educate and train a new generation of scientists, particularly from underrepresented minority communities, in NOAA-relevant STEM disciplines and social sciences. NOAA CCME will train the future workforce within three thematic areas of: place-based conservation; coastal resilience; and coastal intelligence via student education and training. Such training will be in the fields of uncrewed systems, artificial intelligence, cloud computing, 'omics, data and citizen science with attention to the cross-cutting research of climate change and environmental justice.

California State University, Northridge

Ford Postdoctoral Fellowship on Mexico's Indigenous Social Networks

Xóchitl Flores-Marcial, an associate professor of Chicana/o studies at California State University, Northridge, is one of a handful of scholars from around the world studying the Zapotec gift-giving practice known as "Guelaguetza". She has been awarded a prestigious Ford Postdoctoral Fellowship to complete her book, "Zapotec Gift: Guelaguetza, Mesoamerican Social Networks 1330-2020", which will be the first of its kind to document the Zapotec tradition. With the support of the fellowship, she will spend much of next academic year in Mexico studying pre-Hispanic stone records and colonial paper registers and other rare documents in the archives of Museo Nacional de Antropología. She will also collaborate with Zapotec community leaders and Mexican historians to research Guelaguetza traditions. Professor Flores-Marcial said she hopes her research will "...bring to light the particular role Zapotec women had in managing crucial economic powers and social ties needed to sustain Guelaguetza through the trauma of 300 years of colonialism."

Documentary Named Finalist for Student Academy Awards

"Translucent" is a documentary that captures the reality of gender transitioning, giving a voice to someone who genuinely understands the struggle from personal experience. For their work on the deeply moving documentary, Avery Winter and Kayla Hoeflinger became the first CSUN students to be selected as finalists for the prestigious Student Academy Awards, a competition sponsored by the Academy of Motion Picture Arts and Sciences. The recent graduates competed in the documentary category with finalists making up fewer than seven percent of entries selected from a pool of more than 1,400 projects.

Characterizing Human-Pathogen Interactions and Natural Selection with Ancient DNA

Funding agency: National Institutes of Health

Total award: \$1,723,279

Investigator: Eduardo Amorim

The possibility of recovering ancient DNA (aDNA) molecules from archeological samples has yielded great opportunities for the study of human evolution and history. This project will develop

and apply methods to study human host-pathogen coevolution and adaptation using aDNA. It will also help advance the field of paleogenomics by generating aDNA datasets that comprise large sample sizes per archeological site and developing new methods and approaches to leverage information from time-series genetic data. These novel resources will be used to study host-pathogen interactions during the outbreaks of the plague in Eurasia (e.g., the Black Death) and the period of contact between Indigenous peoples from South America and European colonizers. Characterizing the molecular and evolutionary basis of host-pathogen interactions may improve understanding of the dynamics of human infectious diseases, help identify therapeutical targets and inform public health policies to combat future epidemics.

California State Polytechnic University, Pomona

Mental Health Youth Action Forum Delegate

As a first-generation student, Zane Landin has faced multiple challenges including working numerous jobs and internships, struggling with mental health, and the unexpected loss of his mother. He graduated as a Kellogg Honors College member and McNair Scholar. Recently, he was chosen as one of 30 young activists to participate in the first-ever Mental Health Youth Action Forum at The White House. Currently, he is interning at the NASA Jet Propulsion Laboratory as the Universe Public Engagement intern and General Motors as the Diversity, Equity, and Inclusion Communications intern.

Secure Unmanned Autonomous/Aerial Vehicles Labs

Funding agency: U.S. Air Force

Total award: \$4,851,500

Investigator: Alison Baski

Cal Poly Pomona and Cal Poly San Luis Obispo are working in collaboration with the U.S. Air Force Research Lab to develop Unmanned Autonomous/Aerial Vehicles (UAV) Labs. The funding aims to expand the capabilities of these UAV Labs for multidisciplinary research and education on UAV autonomy and security, including collision detection and avoidance, UAV cybersecurity, system identification, improving communication latency and flight test verification. The funding allows for the modernization of lab spaces and acquisition of major equipment, including UAVs of various sizes and capabilities, state-of-the-art-sensors for increased autonomy and remote data acquisition, advanced communication hardware, high-performance computing and mobile ground control stations for flight testing.

Cal-Bridge Initiative

Funding Agency: National Science Foundation
Total Award: \$5,000,000
Investigator: Alexander Rudolph

To address the problem of underrepresentation in the STEM professoriate, the Cal-Bridge Initiative creates a comprehensive, end-to-end pathway for undergraduates from the diverse student population of the CSU through graduate school to membership in the professoriate. The current Cal-Bridge program is an eight-year-old partnership of over 200 CSU and UC faculty who work together to help CSU undergraduates in multiple STEM disciplines successfully matriculate to Ph.D. programs. With this new grant, the program will be extended through 2023. The expanded Cal-Bridge Initiative will have the capacity to produce 100-200 STEM Ph.D. degrees per year from underrepresented populations and could double the number of CSU STEM faculty from underrepresented groups in the CSU in as little as seven years from reaching full capacity.

California State University, Sacramento

Slowing the Spread of Viruses

Funding agency: National Institutes of Health
Total award: \$426,000
Investigator: Katherine McReynolds

The National Institutes of Health awarded Professor Katherine McReynolds \$426,000 to continue her studies into therapeutic agents capable of blocking transmission of infections, including the coronavirus and HIV. Professor McReynolds and student researchers are studying sugarcoated polymers in their lab that could ultimately be incorporated into products such as nasal and throat sprays to block the coronavirus from infecting cells and prevent serious illness. Similarly, the substances could be integrated into a gel or condom to prevent the spread of HIV.

Degree with a Purpose: Integration of Career Development and Financial Wellness into the College Experience

Funding agency: U.S. Department of Education
Total award: \$3,000,000
Investigators: Melissa Repa and Lynn Tashiro

The Degree with a Purpose project addresses educational and economic barriers for underrepresented and low-income students by prioritizing career development throughout their college experience. The project will incorporate early-career preparedness, financial wellness, and work-based learning into programs, such as new student orientation. It will also help faculty integrate these topics into existing courses and programs and provide students with dedicated counseling and individual career planning.

California State University, San Bernardino

Operas Explore Early 20th Century Feminism and the Cold War

Professor Stacey Fraser serves as a project director to create two full-length works in spring 2022 that are funded by the National Endowment for the Arts. The first opera, “Why Women Went West: I Mary, Mary by Herself”, celebrates writer Mary Hunter Austin’s quest for the American Southwest. It explores controversies over human rights, water wars and early 20th-century feminist artist communities. It was presented with Professor Fraser at the Cal State Fullerton New Music Festival. The second opera, “The New Frontier”, is a tragic chamber opera exploring aspects and characters of the Cold War-era conveyed through Professor Fraser assuming a different character for each of the separate songs.

California State San Bernardino Reentry Initiative (CSRI)

Funding agency: California Department of Corrections and Rehabilitation

Total award: \$50,174,003

Investigators: Jay Fiene, Eric Goddard, Elaine Zucco and Andrea Mitchel

The goal of the CSRI is to reduce recidivism and increase public safety through effective community reintegration. The programs and services provided reintroduces participants into their respective communities, family systems and other positive support structures. The programs and services offered in four Southern California locations (San Bernardino, Moreno Valley, Victorville and Indio) include: education and literacy support; pre-employment and job readiness; substance use disorder counseling; and Cognitive Behavioral Therapy interventions regarding criminal thinking, anger management, family relationships and Recovery and Reentry Housing.

National Centers of Academic Excellence in Cybersecurity Community

Funding agency: National Security Agency

Total award: \$1,999,195

Investigators: Tony Coulson and Clare Weber

IECI’s innovative approach will create apprenticeships in CSU San Bernardino’s cybersecurity baccalaureate programs to accelerate students’ experience and education, while meeting employers’ workforce needs. IECI will build on the nationally recognized cybersecurity program at CSU San Bernardino and cybersecurity education in local community colleges and K-12 schools to establish a pipeline of world-class talent. Students will evolve from exploration to pre-apprentice to apprentice in a structured program that includes career, curricular and experiential learning, plus evaluations and completion requirements. Unlike other cybersecurity credentialing programs that rely on lecture and lab-based training, IECI will emphasize learning outside of the classroom, on the job and with mentors and professionals. Apprentices will earn income as they pursue their education and grow in the cybersecurity field.

San Diego State University

The Prison Arts Collective (PAC)

Annie Buckley, director of San Diego State's Institute for the Arts, Humanities, and Social Justice launched the Prison Arts Collective in 2013 when she was a visual studies professor at CSU San Bernardino. She moved to San Diego State, relocated PAC's headquarters and expanded to a total of four CSU campuses and 13 prisons. The program provides access to the arts for those who are incarcerated with arts courses that are led inside the prisons by CSU faculty, students, volunteers and peer facilitators. PAC also offers an arts facilitator training that teaches incarcerated individuals to lead the workshops and develop their own curriculum.

Faculty Unified towards Excellence in Research and Transformational Engagement (SDSU FUERTE)

Funding agency: National Institutes of Health
Total award: \$15 million
Investigator: María Luisa Zúñiga and Mark Reed

San Diego State University is embarking on a \$15 million effort to bolster Latinx health disparities research and strengthen the pipeline of scientists focused on the subject. SDSU FUERTE (Faculty Unified towards Excellence in Research and Transformational Engagement) plans to hire a cohort of up to 11 faculty focused on Latinx health disparities research and provide them with thoughtful career development and mentoring. Four of the new faculty will be hired at SDSU Imperial Valley. The new faculty positions will focus on areas like addiction, cancer disparities, environmental health and obesity. They represent a significant investment in San Diego State's growing health disparities research core. FUERTE's leaders aim to support the new hires by building and testing a mentorship model that strengthens faculty outcomes by providing better career advancement and support.

San Francisco State University

TIME Magazine Recognizes Co-Founder of Stop Asian American and Pacific Islander Hate

San Francisco State University Professor of Asian American Studies Russell Jeung was named one of TIME magazine's 100 most influential people in the world for 2021. Professor Jeung earned this recognition for co-founding Stop AAPI Hate, a national coalition against anti-Asian American and Pacific Islander racism and hate in the U.S. Stop AAPI Hate addresses the rise in racism linked to the COVID-19 pandemic by tracking and responding to incidents of hate, violence and discrimination targeting AAPI people. The coalition has been recognized by national media outlets such as the New York Times, PBS News Hour, Oprah Daily and more.

Examining Anti-Racist Healing in Nature to Protect Telomeres of Transitional Age

Funding agency: National Institutes of Health

Total award: \$2,682,854

Investigators: Leticia Márquez-Magaña, Charlotte Tate, David Rebanal and Angela Gallegos-Castillo

This highly prestigious grant is led by a multi-ethnic, transdisciplinary team of investigators using community-engaged research approaches to reduce health disparities. The multilevel studies are designed to gain understanding of how anti-racist spaces in nature can protect the telomeres of 18–26-year-old Black, Indigenous and People of Color to prevent premature cellular aging and the onset of chronic disease. The overall goal is to reduce structural racism in public nature spaces so that local, state and national parks are equitably accessed and encourage nature-based activities viewed as medicine. In fact, nature as medicine is part of the ancestral knowledge of many communities of color and this work will reclaim nature for healing.

San José State University

Human Systems Integration: Collaborative Human Factors Research to Improve Safety, Efficiency and Reliability of NASA’s Aeronautics & Space Missions: Phase 2

Funding agency: NASA

Total award: \$81,649,964

Investigator: Sean Laraway

In the past 10 years, covering two cooperative agreements of almost \$200 million, the SJSU-NASA Human Factors Program team members have co-authored/delivered/developed/conducted 700 journal publications, conference presentations, workshops, training materials, NASA technical reports, field tests and other scientific products. The team also has won or received a nomination for 31 NASA awards and 30 awards from scientific organizations for papers presented at scientific conferences and filed eight patents with NASA co-inventors. It has had 45 SJSURF personnel transition to NASA civil service, 15 SJSU master’s students complete their MS/MA research at NASA Ames Research Center, and along with NASA collaborators, released over 550 pieces of software, including bug fixes, upgrades and enhancements. The program has provided over 330 paid student research assistantships to a highly diverse group of students from high school freshman to doctoral candidates. Many of these were CSU students, primarily from SJSU and CSU Long Beach which served as a partner on human factors research.

California Polytechnic State University, San Luis Obispo

Increasing Forest Resilience and Restoring Forest Health

Funding agency: Cal Fire Forest Health Program

Total award: \$4,679,175

Investigators: Grey Hayes and Mark Swisher

Cal Poly's Swanton Pacific Ranch – a living and learning laboratory fostering Learn by Doing – partnered with nearby Cal Fire Soquel Demonstration State Forest to address fire resilience planning and create key opportunities for students to assist in implementing treatments to restore and maintain healthy forests while enhancing carbon storage. The funding will facilitate increased efforts in forest health and resilience and increased wildfire safety by implementing treatments such as reforestation, forest thinning, removal of dead trees and other potential fire fuels. It will also provide for tree pruning to more than 930 acres of redwood forest between the two sites, both of which are designated as outreach forests in coastal redwood systems.

Workforce Educational Programs for Forest Health and Fire Hazard Reduction

Funding agency: California Department of Forestry and Fire Protection (CAL FIRE)

Total award: \$4,200,000

Investigators: Jeremy James, Grey Hayes, Dan Turner, Christopher A. Dicus, Lilli Kaarakka and Richard Cobb

Cal Poly's Swanton Pacific Ranch will provide increased training for the current and future workforce in fire mitigation. The comprehensive workforce development program funded by CAL FIRE will address the array of diverse skills required by our current and future forest health workforce while embedding these educational programs into strategically located management scale demonstration projects that allow expert practitioner knowledge to influence and evolve workforce training. Programs include a statewide training and demonstration program for the current workforce, an expanded education program in wildland fire and fuels management for four-year and community college students across the state and the creation of a living field lab centered on a long-term community driven project to adaptively manage wildland-urban interface fuels, carbon and biodiversity at a management scale.

California State University San Marcos

“Border Line Fears” Wins Three Emmy Awards

Salma Rodriguez, a student majoring in Art, Media and Design, won three student Emmy Awards from the Pacific Southwest Chapter of the National Academy of Television Arts & Sciences. She was honored in the categories of student programming, short form; student craft, writing; and student craft, editor. All three awards were given for a short documentary piece she created titled “Border Line Fears,” which spoke about immigration to the United States from Mexico and sought to humanize mainstream news stories with real faces representing statistics.

Growing Capacity in Research Examining Entrepreneurship

Funding agency: National Science Foundation

Total award: \$215,740

Investigators: Carly Bertrand and Paola Ometto

This project examines entrepreneurship among minority communities and identifies how success varies for individuals who experience discrimination. The research utilizes interviews and focus groups to better understand the factors that shape the success or failure of entrepreneurial ventures among entrepreneurs of color and the ways in which discrimination shapes the pursuit of independent business ventures. This study will also evaluate how individuals understand their entrepreneurship as part of their larger social environment and as a strategy for change. Findings from this project will be useful to policymakers as well as to organizations seeking to support entrepreneurship within marginalized communities. It will also create opportunities for collaboration within minority-serving institutions, provide opportunities for minority students and community members to build research capacity through training and experience, and promote examples of the resilience of minority entrepreneurs.

Sonoma State University

Biliteracy and Content Area Integrated Preparation (BCAIP)

Funding agency: Department of Education

Total award: \$2,907,516

Investigator: Ed Lyon

Bridging teachers, university educators, and families for Emergent Bilingual Learning, BCAIP will bring together content area and bilingual authorization pre-service teachers, their mentors, content method and language/literacy university educators and families in solidarity to strengthen teacher preparation for emergent bilingual learning through coursework, field experience, culturally and linguistically sustaining mentorship, and a language and literacies learning lab that all integrate biliteracy with content area learning. BCAIP will employ a quasi-experimental design by comparing participating pre-service teachers' teaching to a baseline control group and using fidelity of implementation measures as a covariate to evaluate the program's effectiveness. BCAIP will disseminate the teacher preparation model and tools through a multimedia website for programs across California and nationally to replicate.

California State University, Stanislaus

HACU/Grow with Google HSI Career Readiness Program

Funding agency: Hispanic Association of Colleges and Universities

Total award: \$25,000

Investigator: Julie Sedlemeyer

This project provides online career readiness education with the up-to-date digital skills needed to successfully transition toward professional life and thrive in the modern workplace. Stanislaus State Career & Professional Development Center's mission is to educate and support Warriors as they explore and further understand themselves and their career options. Benefits include gaining

valuable experience, developing as professionals, connecting with employers and successfully launching their post-graduation career plans.

Systemwide Collaborations

Affinity Groups

The CSU has 10 multi-campus affinity groups that support research collaborations on a breadth of topics that are important to California.

Agricultural Research Institute

ARI's mission is to enable applied research, through the power of the CSU system, that benefits California agriculture, natural resources and food systems, while cultivating the next generation of agricultural leaders. A key to ARI's success is aligning the organization to address the challenges facing California's agricultural and natural resource industries by conducting applied research that is relevant, timely and impactful. By engaging and collaborating with stakeholders, it is developing actionable knowledge to help solve problems, while at the same time mentoring and developing the state's future workforce and leaders. Since inception in 1999, ARI has funded over 1,150 projects and allocated \$196 million (\$92 million CSU dollars matched with \$104 million of industry, state and federal agency dollars) in direct support of applied research. Students participate in over 92% of ARI projects and receive science training and career mentoring by ARI supported faculty. Approximately 25% of ARI's budget supports students, and 1,432 students have received over 289,000 hours of paid training over the last five years. The skills learned through research are value-added components to a student's education. The benefits are manifold: students involved in research are far more likely to graduate, be employed in a major-related career, and more likely to obtain an advanced degree. Most graduates remain in California, making an investment in students an investment for the future of California.

Recent Highlights

Shelby Guillen, a Food Science and Technology student at Cal Poly Pomona, was selected for an ARI-Hispanic Serving Institute Public Policy Fellowship to develop strong science-based policies for consumers regarding the foods they choose to eat. Her project focused on development of "clean labeling" food products, an important regulatory issue with the food industry, government regulators and consumers. She interned with the USDA Agricultural Marketing Service in Washington, D.C. and was mentored by Karen Comfort (Office of the Assistant Secretary for Administration). Ms. Guillen interviewed USDA program leaders and identified best practices and likely pathways for the impending rules. Following her ARI-HSI Fellowship, she accepted a position with the Food Disclosure & Labeling Division at the USDA.

ARI-supported scientists are adapting cropping systems to climate change by utilizing remote sensing to manage water and fertilizers, detecting disease and insect damage, and breeding crops

to withstand heat and use less water and fertilizers. A promising new approach utilizes naturally occurring micro-organisms found in healthy soils to help build resiliency against environmental and biological stressors. A team at Cal Poly San Luis Obispo that includes Cristina Lazcano, Eric Boyd, Gerald Holmes, Shashika Hewavitharana, Alexis Pasulka and Kelly Ivors, discovered that a disease-resistant strawberry cultivar supports a soil microbiome with a high abundance of pathogen-suppressing bacteria, resulting in less disease. This discovery may allow plant breeders to develop disease-resistant cultivars by focusing on the rhizosphere microbiome and allow growers to manage their soil to increase beneficial micro-organisms. These approaches are economically sustainable and help promote healthy and biodiverse agroecosystems.

Council on Ocean Affairs, Science and Technology (COAST)

COAST launched the State Science Information Needs Program (SSINP) in 2020 with \$3 million in one-time funding from California to focus on supporting the highest priority ocean and coastal related needs for scientific information. To date, COAST has made eight awards totaling \$2.8 million and leveraged another \$395,000 in state and federal funding for a total investment of \$3.2 million in new research over the last two years. COAST received another one-time appropriation in the 2022 state budget for \$5 million that will support COAST and SSINP while expanding core funding programs, such as the California Collaborative Fisheries Research Program. This year, COAST established a new funding program to help students defray costs associated with field work, prioritizing students with little or no field experience to encourage more students, particularly those from historically underserved groups, to participate in ocean and coastal science. This program is an extension of COAST's robust campaign to create a more equitable, inclusive and diverse community with opportunities to pursue marine science and ocean and coastal issues while feeling welcomed, supported and included.

Recent Highlights

COAST provided first-year student Kaiku Kaholoaa, a native Hawaiian from Moloka'i, with his first hands-on undergraduate research experience through the Scholars-In-Training program at CSU Monterey Bay. This program gave Mr. Kaholoaa the opportunity to work in multiple laboratories, including Dr. Cheryl Logan's lab where he investigated the impacts of climate change on tropical coral reefs. He was a UROC McNair Scholar, a recipient of the Goldwater scholarship, the co-founder and president of the SACNAS Chapter, and the vice president of the Moss Landing Marine Laboratories Student Body Club. After graduating, he received a NSF Graduate Research Fellowship to fund his Ph.D. degree at Stanford University.

Professor Eunha Hoh, division head at the School of Public Health at San Diego State University, is a leader in scientific research on microplastics, the small pieces of plastic found ubiquitously around the world. In response to the proliferation of microplastics, policy and decision makers are developing guidance and legislation related to the impacts of microplastics on humans, wildlife and the environment. Professor Hoh co-chaired the development of a scientific guidance document for the state of California to assess and address risk to the marine environment and to identify

proposed solutions. The guidance led to California's adoption of the first-in-the-nation microplastics reduction strategy in February 2022. In September 2020, COAST awarded Professor Hoh and her colleagues \$399,406 through the State Science Information Needs Program to further study the toxicity of microfibers and tire wear particles, the latter being recently identified as the predominant type of microplastic found in San Francisco Bay.

CSU Program for Education and Research in Biotechnology

CSUPERB supports biotechnology education and research throughout the CSU to promote biotechnology and economic development in California. Among its goals are to provide leadership in training California's biotechnology work force and enable CSU faculty and undergraduate, graduate and returning students to advance their careers and become leaders in biotechnology sectors in California and across the nation. It also extends and develops relationships with regional and industrial partners, and expands general education across the CSU and California to enhance understanding of biotechnology issues, challenges and opportunities. CSUPERB provides grants and awards, organizes the annual CSU Biotechnology Symposium, sponsors industry-responsive curriculum, and serves as a liaison between the CSU and government, regional and biotechnology industry partners, including philanthropic partners. The organization promotes biotechnology workforce development by supporting innovative coursework, real-world research experiences, and core resources for students and faculty across all 23 CSU campuses. Nearly 1,000 CSU students, faculty, deans and administrators interact with the CSUPERB program office yearly.

Recent Highlights

Chagas disease is caused by *Trypanosoma cruzi* and affects more than 300,000 people in the U.S. and up to seven million in Latin America, killing thousands each year. CSUPERB grant awardee Noopur Dave, a student at CSU Fullerton, recently published her findings in "eLife" that outlined how this parasite can sense its internal and external environment, establishing sensing mechanisms not previously known in parasites in the laboratory. This pioneering work, developed in the laboratory of Veronica Jimenez, showed an important new mechanism that can be exploited as a target for potential drug development.

The explosion of genomics research has spawned a data explosion in the field of evolutionary biology. Dr. Arun Sethuraman, who recently moved from CSU San Marcos to San Diego State, won a five-year NSF CAREER award of \$608,360 to address this challenge with bioinformatics software. The methods and tools of this project will be utilized extensively by evolutionary biologists and the resulting accessible software pipelines and curricular material will be deployed for recruiting and retaining underrepresented groups into computer programming and bioinformatics at a variety of levels (K-12, undergraduate, graduate and post-graduate).

California Desert Studies Consortium

The California Desert Studies Consortium facilitates research, education and outreach about the importance of arid lands. The Consortium provides infrastructure for STEM and transdisciplinary

work in the Mojave Desert region, with an emphasis on sustainability. Established in 1976, the Desert Studies Consortium includes seven member campuses: Dominguez Hills, Fullerton, Long Beach, Los Angeles, Northridge, Pomona and San Bernardino. The centerpiece of the consortium is the Desert Studies Center, also known as the Zzyzx Campus, a 1,280-acre full-service field station in the Mojave Desert. The location provides easy access to a broad range of ecosystems, geological features, fossil beds and historical sites.

Each year, the Consortium hosts over 7,000 overnight visits from courses and researchers from the CSU and beyond. Positioned in the exceptionally scenic environment of Soda Springs, the Desert Studies Center frequently hosts conferences and workshops. The Center accommodates up to 65 individuals in dormitory-style apartments, plus longer-term housing for researchers, and multiple classrooms and meeting spaces.

Recent Highlights

Savannah Weaver is a graduate student in the department of Biological Sciences at Cal Poly San Luis Obispo, studying lizard physiology with Dr. Emily Taylor. She earned the Judith A. Presch Scholarship and a prestigious NSF Graduate Research Fellowship to enable her work at the Desert Studies Center. Ms. Weaver and her team captured and measured 107 lizards representing nine different species. In addition to the physiological measurements of lizards, she is using video recordings to investigate their behavior around water, whether they drink it and how this informs their conservation in the context of the climate crisis.

Dr. Nick Van Buer, an associate professor of Geological Sciences at Cal Poly Pomona, filmed a 500-mile, 35-day trek across the California desert, from near Yuma to the Sierra Nevada Mountains. Challenges during his wilderness hike included finding natural water sources, baking campfire bread, crossing dune fields, climbing rugged mountain ranges and swimming the Colorado River twice. He produced a series of public-oriented YouTube videos about his journey, using the story of his adventure to serve as a window into the geology of the Mojave Desert. Topics discussed include active faulting of eastern California; evidence from Death Valley that Earth was completely frozen over about 635 million years ago; and the widespread granites of the Mojave, formed during the age of the dinosaurs as the roots of supervolcanoes.

CSU Shiley Haynes Institute for Palliative Care

The CSU Shiley Haynes Institute for Palliative Care offers continuing education certificate-level and topical courses in palliative care and care management to working healthcare professionals across the nation and worldwide. To date, programs, courses and educational tools have been utilized by more than 25,000 healthcare professionals and more than 26,000 pre-professional students across the CSU.

Recent Highlights

The National Symposium for Academic Palliative Care Education and Research reconvened this year in-person with more than 200 attendees featuring four plenary speakers of international reputation, 12 paper presentations, 10 workshops, one panel and 18 posters offering groundbreaking results from research and clinical innovations in the COVID era.

Advocacy work continues in support of the pending U.S. legislation, the Palliative Care and Hospice Education and Training Act, currently active in the U.S. Senate, and other initiatives to support interprofessional academic and continuing education.

Moss Landing Marine Laboratories (MLML)

MLML is known for a hands-on, field-oriented approach which places students, faculty, researchers and staff at the frontiers of marine science worldwide where discoveries are being made. It provides skills and training for students to become successful scientists, teachers and resource managers serving societal needs involving marine issues. Three million dollars was secured in the Governor's budget to fund enhanced infrastructure for MLML's oceanic research. Specifically, the funds will refurbish MLML's Del Mar Wharf to enhance MLML's marine operations and foster climate change research. Dr. Jim Harvey (MLML) and Scott Benson (NOAA) are monitoring, tagging and recording the activities of leatherback turtles off California. They have also used satellite tags to record movements across the Pacific, cameras attached with suction cups to monitor feeding activities and aerial surveys to examine distribution and abundance.

Recent Highlights

MLML graduate Caroline Rodriguez (CSUMB) received a Knauss Fellowship in Washington D.C. to work at the nexus of marine conservation and environmental justice and to advocate for vulnerable communities who are most impacted by climate change. Keenan Guillas (SJSU) was awarded the Sir James Loughheed Award of Distinction for his research on behavioral changes of marine sponges in relation to human disturbances. A pioneer study by graduate student Marcel Peliks (CSUMB) has generated the first multiple high-resolution maps of the seafloor in the Monterey submarine canyon that document how beach sediments move to the deep ocean.

The results of the recently funded NOAA grant on seaweed-abalone integrated multi-trophic aquaculture (IMTA) were recently published in the top impact aquaculture journal "AQUACULTURE" by Professor Mike Graham and Scott Hamilton (MLML). The project has been further funded by two subsequent grants in 2022 (Seagrant "IMTA: Improving Integrated Multi-Trophic Aquaculture system for co-culture of seaweeds and abalone" and NOAA Saltonstall-Kennedy "Examining capacity of seaweed and shellfish co-culture"). Professor Birgitte McDonald's NSF CAREER research in penguin ecology will take her to Antarctica twice, once to Cape Crozier and then to the Eastern Ross Sea.

Ocean Studies Institute

The Ocean Studies Institute (OSI) is a consortium of CSU campuses that is pooling resources to explore the ocean and coastal regions more effectively. It is based out of the Los Angeles Harbor and includes nine campuses (Channel Islands, Dominguez Hills, Fullerton, Long Beach, Los Angeles, Northridge, Pomona, San Bernardino and San Marcos) addressing research and education on urban ocean and coast sciences. A recent example of OSI research is a continuing investigation into the life history of juvenile giant sea bass raised in captivity.

Social Science Research and Instructional Center

The Social Science Research and Instructional Council of the CSU (SSRIC) supports the development and use of quantitative research skills among CSU students, faculty, and staff. Activities include hosting a student research conference each spring allowing students to present their work, receive feedback and gain experience presenting to others. SSRIC also provides awards that facilitate CSU faculty participation in statistical training workshops and allows CSU faculty to place questions on CALSPEAKS surveys of California public opinion. Additional awards are available to CSU faculty for developing new instructional materials—including teaching modules and exercises—that are made freely available to CSU students and faculty members via the SSRIC website. SSRIC also provides CSU member campuses access to more than 70,000 behavioral, health and social science databases.

Recent Highlights

Executive Director of SSRIC Billy Wagner (CSU Channel Islands) and Leslie Ponciano, director of Research Opportunities at the CSU Chancellor's Office, were awarded a \$260,740 National Science Foundation grant to launch the California Alliance for Hispanic-Serving Social Science Advancement (CAHSSA) with collaborators at UC Irvine and UC Santa Barbara who were awarded an additional \$536,118. In its first year, CAHSSA has already served hundreds of social science faculty in the CSU and UC systems with grant development webinars. Further, the PIs, who serve as a model for collaboration between the UC and CSU systems, conducted a large-scale survey to identify barriers for social science faculty from Hispanic-Serving Institutions to obtain external funding. Mentored grant writing groups, grant writing retreats for collaborative teams and seminars for social science administrators and leaders begin fall of 2022 and will continue through 2024.

Each year at the SSRIC annual Student Research Conference, the best social science papers in four categories are awarded. The best undergraduate paper award went to Marie St. James whose major is Communication Studies at Cal Poly San Luis Obispo. The winning paper was titled, "The Effect of Framing a COVID-Related Protocol Message on Intentions to Wear a Mask and Willingness to Repost". For this paper Ms. St. James collected data to determine whether messaging to those who identify as politically conservative, which appeals to conservative values, would be more effective versus neutral messaging regarding mask wearing. Findings indicate that the messaging appealing to conservative values was not more effective than neutral messaging. However, mask wearing

intentions as well as willingness to repost online mask messaging could be predicted based on reported political affiliation.

Science, Technology, Engineering, and Mathematics Network (STEM-NET)

STEM-NET is a multi-campus collaborative working with all 23 CSU campuses and areas of STEM research and education. STEM-NET connects and strengthens faculty research and educational collaborations across the CSU system and across disciplines. It expands opportunities for active learning, innovative pedagogy, and supports CSU faculty in developing grant proposals with potential for scaling and sustainability with high impact and fundability. The mission of STEM-NET is to share expertise and leverage system-wide opportunities to foster the implementation of global best practices for our students and faculty in pedagogy, learning and research related to STEM fields within the CSU system. Equally important is how our steps to close equity gaps in STEM education.

Recent Highlights

Joel Cortez is a physics graduate from Cal State San Bernardino, now pursuing a Ph.D. at Pennsylvania State University. While the pandemic limited his research opportunities, he stayed engaged due to his perseverance, passion for physics and active involvement with the Cal State San Bernardino Cal-Bridge program. He successfully grew his research skills and presented his research on light dark matter, and clouds on Mars at four conferences. His fascination with how physics helps the world organize the universe inspired him to overcome any remote learning issues he faced during the pandemic. He plans to continue his research on clouds on Mars and become a physics professor.

Yu Chen has received funding from the National Science Foundation to broaden artificial intelligence (AI) education among undergraduate students by using AI for social good (AI4SG). The project will develop three AI learning modules for students to establish AI learning in their communities where they will identify social issues and create hands-on AI learning labs. In addition, the project will implement the interdisciplinary AI4SG modules among students in information systems, geography and computer science at San José State, Cal Poly Pomona and Cal State San Bernardino. It will generate evidence on how AI4SG education, through culturally responsive computing, can impact motivation, learning outcomes, innovation and equity gaps. This research will lay the groundwork for more interdisciplinary, community-engaged and inclusive AI education through the lens of AI4SG throughout the 23 CSU campuses.

CSU WATER (Water Advocacy Towards Education & Research)

WRPI has been rebranded to be aligned with other CSU affinity groups and recast as CSU WATER (Water Advocacy Towards Education and Research), a leader in student professional development for water careers with a focus on drought and water supply issues affecting agriculture, municipalities and natural resources.

Recent Highlights

A new five-year strategic plan and operations manual includes outreach planning by forming both external (stakeholder) and internal (CSU) advisory and executive boards and establishing CSU WATER faculty representatives at each campus to help promote the CSU WATER mission.

Conclusion

CSU research, scholarship and creative activities contribute to the intellectual and creative vibrancy of campus life while offering solutions to real-world problems. These activities are critical both to the success of Graduation Initiative 2025 and to fulfilling the CSU mission of student success, faculty excellence and service to California and beyond. CSU continues to prepare each new generation of researchers, artists, performers and scholars to carry on the spirit of collaboration, innovation and community.

AGENDA

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Meeting: 4:00 p.m., Tuesday, September 13, 2022
Glenn S. Dumke Auditorium

Lillian Kimbell, Chair
Jean Picker Firstenberg, Vice Chair
Diego Arambula
Anna Ortiz-Morfit
Yammilette Rodriguez

- Consent** 1. Approval of Minutes of the Meeting of July 12, 2022, *Action*
Discussion 2. 2022-2023 California State University Trustees' Award for Outstanding
Achievement, *Information*

**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**

July 12, 2022

Members Present

Diego Arambula
Yammilette Rodriguez

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

Trustee Rodriguez called the meeting to order.

Approval of Minutes

The minutes of May 24, 2022, were approved as submitted.

Renaming of the University Library – California State University, Fresno

The committee approved the proposed resolution on consent (RIA 07-22-11) that the Henry Madden Library at California State University, Fresno revert to its functional designation as Library.

Naming of the Valley Children’s Stadium – California State University, Fresno

Executive Vice Chancellor and Chief Financial Officer Steve Relyea presented the naming request by California State University, Fresno to recognize the partnership agreement with Valley Children’s Healthcare to be the naming partner of the existing football stadium. In recognition of this investment, Valley Children’s Healthcare will obtain the stadium naming rights for a 10-year term. This agreement includes a total investment of \$10 million. The revenue will support facility enhancements to the stadium, financial support for operations, scholarships, support for students pursuing degrees in health, and other collaborative opportunities to strengthen the healthcare of children on-campus.

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Fresno State President Saúl Jiménez-Sandoval shared that this partnership will provide revenue to support student scholarships, operational and facility-related enhancements, and other collaborative efforts, focused on the university's work in children's health. He expressed his heartfelt thanks to the President and CEO of Valley Children's Healthcare Dr. Todd Suntrapak, a distinguished Fresno State alumnus whose passion to expand and ensure access to healthcare for children closer to home is being realized in the region. He also thanked former Fresno State football standouts, Derek and David Carr, for their efforts in helping to facilitate this partnership agreement and for their support of Valley Children's Healthcare and Fresno State.

Trustees Rodriguez, Simon and Arambula expressed their appreciation for Valley Children's Healthcare and their excitement for this partnership.

The committee approved the proposed resolution (RIA 07-22-12) that the existing football stadium at California State University, Fresno be named as Valley Children's Stadium for a 10-year term.

Trustee Rodriguez adjourned the meeting.

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

2022-2023 California State University Trustees' Award for Outstanding Achievement

Presentation By

Lillian Kimbell
Trustee

Jolene Koester
Interim Chancellor

Summary

The California State University (CSU) Board of Trustees provides scholarships to high-achieving students with superior academic records who are also providing extraordinary service to their communities. Many have overcome profound challenges in their journey toward pursuing their academic goals.

Background

Since its inception, over 500 students have received the CSU Trustees' Awards for Outstanding Achievement. Thanks to donor generosity, 23 students will receive an award this year. The most outstanding recipient is designated the Trustee Emeritus Ali C. Razi Scholar.

These distinguished awards are funded by contributions from the CSU trustees, employees and friends of the university. In 2022, the CSU Board of Trustees funded—through individual contributions—a 2022 named scholarship honoring Debra Farar's service as trustee.

Scholarships range from \$7,000 to \$17,000. The recipients of the 2022-2023 CSU Trustees' Award for Outstanding Achievement are:

Dylan Gunner Jones

California State University, Bakersfield
William Randolph Hearst Scholar

Jeisson Pulido Calderon

California State University, Dominguez Hills
Ron and Mitzi Barhorst Scholar

Daisy Morado Navarrete

California State University Channel Islands
TELACU Scholar

Breana Lewis

California State University, East Bay
Trustee Emeritus Peter Taylor Scholar

Isaiah Armond Jamal Henderson

California State University, Chico
Chancellor Emeritus Timothy P. White Scholar

Samantha Patricia Navarro

California State University, Fresno
Trustee Emeritus Peter G. Mehas Scholar

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Nghia Trong Phan
California State University, Fullerton
Edison International Scholar

Lesley Bode
Humboldt State University
Trustee Emerita Debra S. Farar Scholar

Nevi Keser Gruskin
California State University, Long Beach *Trustee*
Emeritus Ali C. Razi Scholar

Miquelle McCarthy
California State University, Los Angeles
Michael A. and Debe Lucki Scholar

Jeffrey Mueller
California State University Maritime Academy
Trustee Jack McGrory Scholar

Spencer Hart Winter
California State University, Monterey Bay
Trustee Emerita Claudia H. Hampton Scholar

Dawoud Mishal
California State University, Northridge *William*
Randolph Hearst Scholar

Chiefe Mo
California State Polytechnic University, Pomona
CSU Trustee Chair Wenda Fong and
Daniel Fetterly Scholar

Kenya Janae Burton
California State University, Sacramento
Chancellor Emeritus Charles B. and
Catherine Reed Scholar

Misealle Louise Tolliver
California State University, San Bernardino
Steinhauser Family Scholar

Chamese Dempsey
San Diego State University
John and Beverly Stauffer Foundation
Scholar

Manmit Singh
San Francisco State University
William Randolph Hearst Scholar

Ome Garcia
San José State University
Trustee Emeritus William Hauck and
Padget Kaiser Scholar

Nathalie R. Zamora Vigil
California Polytechnic State University,
San Luis Obispo
William Randolph Hearst Scholar

Johnathan Rodney
California State University San Marcos
Trustee Emeritus Kenneth Fong Scholar

Serina Cabrera
Sonoma State University
Trustee Emeritus Murray L. Galinson Scholar

Lisamarie Raimondo
California State University, Stanislaus
William Randolph Hearst Scholar

AGENDA

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Meeting: 9:30 a.m., Wednesday, September 14, 2022
Glenn S. Dumke Auditorium

Larry L. Adamson, Chair
Anna Ortiz-Morfit, Vice Chair
Diana Aguilar-Cruz
Adam Day
Douglas Faigin
Maria Linares
Romey Sabalius
Lateefah Simon

Consent 1. Approval of Minutes of the Meeting of July 13, 2022, *Action*
Discussion 2. Preliminary Five-Year Plan, *Information*

**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**

July 13, 2022

Members Present

Larry L. Adamson, Chair
Anna Ortiz-Morfit, Vice Chair
Douglas Faigin
Maria Linares
Lateefah Simon

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

Trustee Larry Adamson 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 May 25, 2022, meeting of the Committee on Campus Planning, Buildings and Grounds were approved as submitted.

**California State University, Northridge Affordable Student Housing Building #22 & #23
Schematic Design Approval**

This presentation provided an overview and requested approval of schematic plans for the California State University, Northridge Affordable Student Housing Project.

CPB&G

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Following the presentation, several trustees expressed excitement and appreciation for this project and commented that more affordable student housing is urgently needed across the system. Appreciation was also expressed for the campuses' innovative approach to reusing the design from a previous project. A question was asked about the cost to students for the proposed housing and how it compares to other student housing. It was explained that the monthly cost for this project will be \$700 with escalation over time depending on changes in the median income in the area, while other on-campus housing costs about \$150 more per month. It was also explained that a private off-campus housing option adjacent to campus costs \$1150 per month. Additionally, it was explained that financial aid is the primary source of housing assistance. One trustee asked if the new development will house students with dependent children, and it was explained that this development is not designed for students with dependents, but other housing options on campus do support families. A question was asked about the requirement for meal plans for students living in the proposed complex, and it was explained that occupants will be required to have a meal plan and that a community kitchen will also be available. A comment was made that while affordable student housing is critically important, affordable housing for faculty and staff is also desperately needed.

The committee recommended approval of the proposed resolution (RCPBG 07-22-05).

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

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

Preliminary Five-Year Plan

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Erika Beck
President
CSU Northridge

Jane Conoley
President
CSU Long Beach

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

Shawn Holland
Chief, Facilities Operations
Capital Planning Design and Construction

Summary

This item provides information on the California State University capital and facilities infrastructure program and planning in support of the Board of Trustees Operating Budget Request for 2023-2024. The development of the Preliminary Five-Year Plan for 2023-2024 through 2027-2028 incorporates campus deferred maintenance priorities along with facilities renewal, modernization, and improvements to support the academic and student life programs, including student housing. The plan also reflects the projects funded in the 2022-2023 budget. The Final Five-Year Plan will be presented to the Board of Trustees in November 2022 for approval.

The preliminary list of capital projects is included in Attachment A. The projects in the 2023-2024 plan year are listed in a draft priority order focusing funding on critical infrastructure and renovation with a small amount for growth pending further review. The campuses have identified a need of over \$26.5 billion in the Five-Year Plan with a total of \$5.7 billion in projects included in the 2023-24 year. The \$5.7 billion in the 2023-24 budget request year includes approximately \$1.3 billion in deferred maintenance projects, and \$456 million in infrastructure improvements for

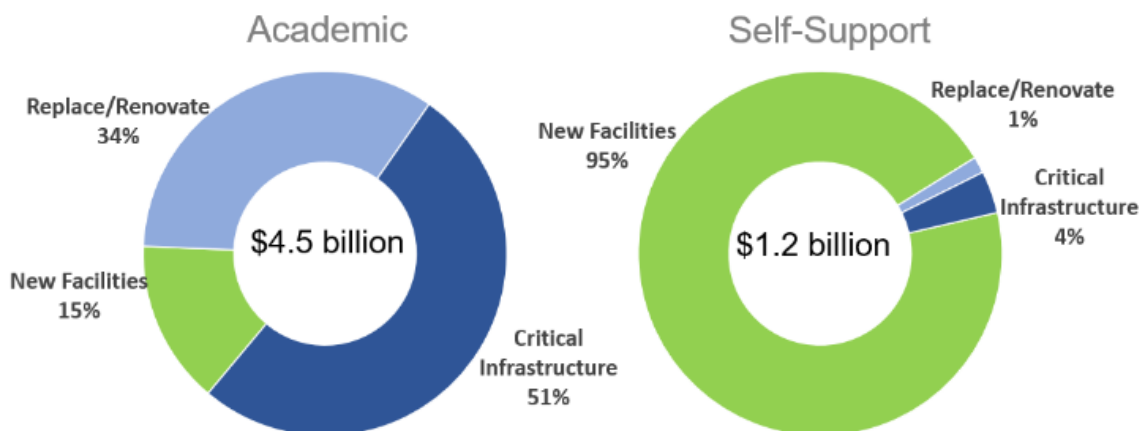
specific campus projects. The preliminary plan can be found at: <https://www.calstate.edu/impact-of-the-csu/government/Advocacy-and-State-Relations/Pages/legislative-reports.aspx>.

Preliminary Five-Year Plan Overview

The primary objective of the Capital Outlay Program is to develop facility plans appropriate to the CSU’s educational programs, create environments conducive to learning, and ensure that the quality and quantity of facilities at each of the 23 campuses serve the students equally well. The CSU Board of Trustees has established Categories and Criteria¹ to set capital program priorities to inform campuses as they develop and consider proposed campus projects. The Categories and Criteria emphasizes projects that address health and life safety opportunities to provide a safe learning environment for students, and projects that address critical infrastructure integrity to ensure facilities remain operable to serve student needs and educational programs geared to learning inquiry and discovery.

The program identifies the campuses’ capital project priorities to address facility deficiencies and increase student enrollment growth. Campuses have identified a funding need of \$26.5 billion for the five-year period beginning in 2023-2024, including \$19.6 billion for academic facilities and \$6.9 billion for self-support facilities. The first-year request (2023-24) of the five-year period, referred to as the Action Year, includes for \$4.5 billion to address academic facilities and \$1.2 billion for self-support facilities.

Chart A – 2023-24 Preliminary Capital Budget Request



The Preliminary Five-Year Plan is submitted to the state legislature and the Department of Finance each September. After the preliminary plan is submitted to the Board of Trustees, the Chancellor’s

¹ Approved by the board in March 2019, RCPBG 03-19-02.

Office staff continues to work with campuses to review the scope, budget, and schedule of the proposed projects in order to submit final project descriptions and justifications to the Board of Trustees in November and to the State in December.

The priority list reflects significant increases in the cost per square foot for proposed projects. This is due to unusually high construction cost inflation of 25.5% from July 2021 to July 2023. In addition, the proposed project budgets include an annual escalation of 5% from July 2023 forward.

Deferred Maintenance/Critical Facilities Renewal

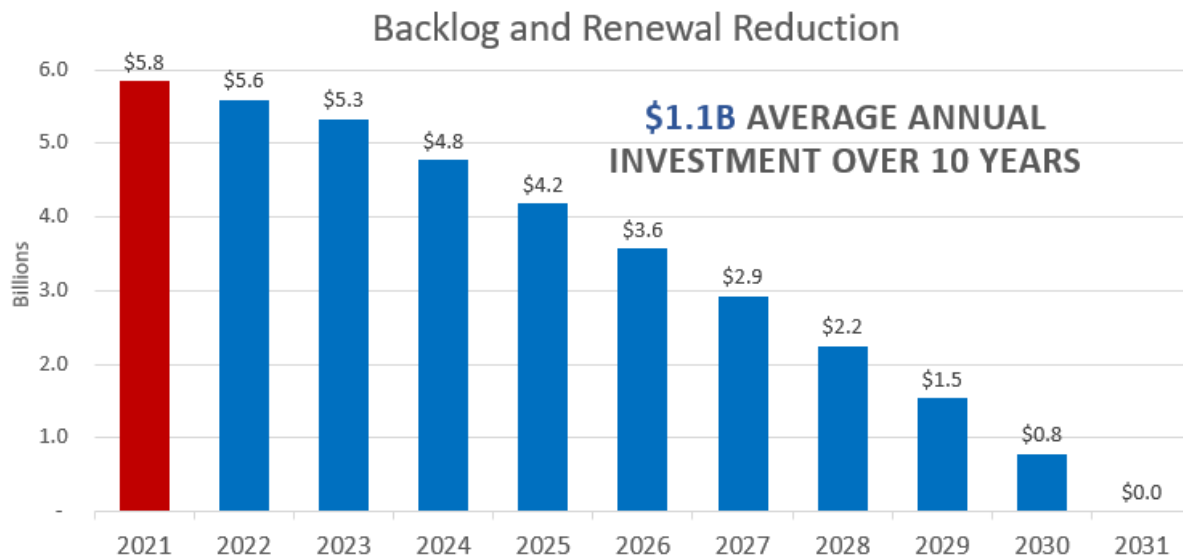
The Preliminary Five-Year Plan includes campus priority deferred maintenance projects in addition to capital improvement projects to provide a comprehensive list of campus facility needs. The systemwide backlog of deferred maintenance, or building equipment/systems that have passed their useful life and require renewal or replacement, was estimated at \$5.8 billion for academic buildings and \$1.3 billion for self-support buildings in 2020-2021.

The CSU's standardized methodology to assess reinvestment needs across the 23 campuses includes a database of 1,400 buildings used to identify useful life expectancy for building systems and equipment, and estimated replacement costs. The database contains nearly all of the academic facilities and critical infrastructure components and about 75% of self-support facilities. The Chancellor's Office is working with self-support entities to encourage their investment in the facilities condition assessment program and plans to progressively add additional self-support facilities to the database. The data is updated annually and creates a roadmap for capital investment to foster student learning environments.

Since 2014 the state has appropriated one-time funds of over \$784 million to replace failing and obsolete building and critical infrastructure systems. Although this is a significant amount, the estimated funding needed is about \$284 million per year for the next ten years to prevent the backlog amount from growing. To eliminate the backlog in 10 years, approximately \$1.1 billion per year is required as depicted in Chart B. This amount considers construction inflation to date and an estimated 5% per year from July 2023.

After ten years, annual funding will still be required to address the continuing aging of buildings systems and equipment, and it will average \$275 million per year for the next 40 years based on the current building inventory. Annual on-going funding is needed to address the backlog and continual renewal needs of buildings and utility systems to ensure the safe and effective operation of CSU facilities.

Chart B – Critical Academic Facilities Renewal Reduction Plan (2021-2031)



The CSU is often asked why the backlog continues to grow. The key factors include:

- Annual state funding or CSU funding has not been sufficient to both reduce the backlog *and* replace building systems that are determined to be at the end of their expected life.
- Actual projects costs exceed the estimated cost in the capital renewal model; and
- Annual construction inflation may exceed the amount funded by the state or CSU.

Funding the Five-Year Plan

In order to adequately address current and ongoing capital needs, the CSU employs strategies that include the following:

- One-time funds
- Base operating funds to fund or finance projects
- Designated major maintenance reserves and designated capital reserves
- Investment earnings designated for deferred maintenance and capital improvements

The 2023-2024 operating budget request includes one-time funds of \$1.3 billion for critical facilities renewal needs. If included in the budget, this funding will address a significant amount of the backlog and enable reinvestment in existing facilities. The use of one-time funds for critical facility renewal needs is a key part of the CSU's overall funding strategy.

The 2023-24 operating budget request also includes \$50 million to add to the CSU support budget to fund capital projects and facilities infrastructure. This \$50 million increase would provide sufficient debt service to finance approximately \$750 million. The CSU debt financing authority permits the proceeds to fund deferred maintenance, energy efficiency improvements, seismic strengthening, acquisitions, renovations, and construction of new facilities. The use of CSU bond financing has been highly effective and since 2014, the Board of Trustees has approved approximately \$2.6 billion in Systemwide Revenue Bonds to support the academic program. These funds have been primarily targeted to projects that address critical needs with roughly seventy percent allocated to critical renewal projects and improving existing facilities. Most of the funds have been allocated with the remainder planned to support three projects approved in 2022-2023 Academic Capital Program - CSU Financing (see table below) and support program contingency needs. The CSU will continue to request increases to the support budget as part of the capital facilities an infrastructure funding strategy as annual increases would facilitate meaningful progress to address needs of the campuses identified in the Five-Year Plan to better serve CSU students and foster a creative and supportive learning environment.

Finally, to supplement the two primary tools for funding the capital program, campuses will continue to be encouraged to invest in their maintenance and capital reserves to help fund projects. In addition, investment earnings will continue to be applied, realized through the Total Return Portfolio program, into facilities. Although the amounts are not large compared to one-time and recurring funding requests, these two sources have provided and will continue to provide much needed resources.

2022-2023 Facilities Funding Update

CSU Systemwide Revenue Bond Funded - Academic Program Funding

The 2022-2023 Five-Year Plan was approved by the Board of Trustees in November 2021. The Department of Finance has approved the following projects for use of the remaining funds from the Board of Trustees prior approval of academic debt financing. The construction phase for the three projects below will cost approximately \$300 million, and is contingent upon new base budget or one-time funds from the State in 2023-2024.

2022-2023 Academic Capital Program - CSU Financing			
Campus	Project Title	Phase	CSU Funding
San Marcos	Integrated Science and Engineering	PW	\$ 4,786,000
Long Beach	Peterson Hall I Replacement	W	\$ 4,569,000
Dominguez Hills	Natural Sciences and Mathematics	W	\$ 3,246,000
			\$ 12,601,000

One-Time State Funding for Capital

In 2022-2023, one-time funding of \$428.3 million was approved in the support budget for the academic capital program. Projects noted in the list below have been confirmed with the campus as capital improvements and will follow the typical process of design review and approval. Of the 12 projects, three were approved by the Board of Trustees in the campuses’ Five-Year Plan 2022-2023 through 2026-2027, while the remainder were added during the budget process. The major projects included in the budget for one-time funding include:

2022-2023 Academic Capital Program - State One-Time Funding			
Campus	Project Title	Phase	State Funding
Ag Campuses (CH,FR,PO,SLO)	Climate-Smart Agriculture	PWCE	\$ 75,000,000
Bakersfield	Energy and Innovation Center	PWCE	\$ 83,000,000
Fullerton	Engineering and Computer Science Innovation Hub	PWCE	\$ 67,500,000
Channel Islands	Early Childhood Education Center	PWCE	\$ 2,000,000
Sacramento	Childcare/AI Classroom	PWCE	\$ 440,000
San Bernardino	Palm Desert Campus Expansion	PWCE	\$ 79,000,000
San Bernardino	Physician Assistant Program	PWCE	\$ 10,000,000
San Diego	Brawley Center Infrastructure	PWCE	\$ 80,000,000
San Diego	East Park and Bike Path Improvement	PWCE	\$ 6,000,000
San Jose	Wildfire Research Center	PWCE	\$ 2,100,000
San Jose	Moss Landing Dock	PWCE	\$ 3,000,000
San Luis Obispo	Swanton Pacific Ranch Rebuild	PWCE	\$ 20,300,000
			\$ 428,340,000

State Higher Education Student Housing Grant Program Funded

The 2022-2023 budget also saw an unprecedented amount of one-time funding directed toward affordable student housing (ASH). The 2022-2023 capital program approval included \$497 million in projects from the state’s new Higher Education Student Housing Grant Program (HESHGP), a \$2.2 billion multi-year plan to increase affordable student housing for the three segments of the state's public higher education system. This program provides grants for the construction of housing to enable campuses to provide housing rates at or below a state mandated threshold for affordability. The applications to the state from the CSU included a split funding model, in which the grant would support sixty-five percent of the project cost and campuses would support thirty-five percent of the project cost through Systemwide Revenue Bonds and/or designated housing reserves. The funded projects, which provide for an additional 3,099 affordable beds and 547 standard rate beds across the system, are shown in the chart below.

From the intended funding for the CSU from the grant program, approximately \$157 million remains available for 2023-2024. The Preliminary Five-Year Plan includes projects from five campuses that have submitted requests to the Chancellor’s Office. In addition, due to the high construction cost escalation, staff is working to secure support from the administration and

legislature to permit project augments of up to 10% and to make other technical corrections that would also be funded from the \$157 million in remaining funds targeted to the CSU.

2022-2023 Higher Education Student Housing Grant Program (HESHGP)					
Campus	Project Title	Phase	CSU Funds	Approved State Funds	Total Project Budget
Dominguez Hills	ASH Student Housing, Ph. 4	PWCE	\$ 26,250,000	\$ 48,750,000	\$ 75,000,000
Fresno	ASH Housing Expansion	PWCE	\$ 16,718,000	\$ 31,050,000	\$ 47,768,000
Humboldt	ASH 8 th Street Arcata Housing ²	PWCE	\$ 14,596,000	\$ 21,107,000	\$ 35,703,000
Fullerton	ASH Student Housing, Ph. 5	PWCE	\$ 47,997,000	\$ 88,900,000	\$ 136,897,000
Long Beach	ASH Hillside South	PWCE	\$ 28,700,000	\$ 53,300,000	\$ 82,000,000
Northridge	ASH Housing Building, 22 & 23	PWCE	\$ 20,248,000	\$ 37,500,000	\$ 57,748,000
San Diego	ASH Imperial Valley ² (inc. CCC funds of \$4.554M)	PWCE	\$ 2,502,000	\$ 9,108,000	\$ 11,610,000
San Francisco	ASH West Campus Green Housing/Health Center	PWCE	\$ 62,691,000	\$ 116,300,000	\$ 178,991,000
San Marcos	ASH University Village Housing and Dining	PWCE	\$ 49,023,000	\$ 91,000,000	\$ 140,023,000
			\$ 268,725,000	\$ 497,015,000	\$ 765,740,000

2022 CSU Systemwide Housing Plan

California Education Code section 66220 requires the CSU to develop the 2022 CSU Systemwide Housing Plan. The Housing Plan is to analyze systemwide housing need, document on-going actions and plans to meet that need with a focus on closing the degree gap and providing affordable housing. The plan can be accessed at <https://www.calstate.edu/impact-of-the-csu/government/Advocacy-and-State-Relations/Pages/legislative-reports.aspx> and builds on prior efforts, including the 2020 Affordable Student Housing Plans presented to the Board of Trustees in July 2020. The report also outlines other strategies the CSU employs to close the degree gap, including Graduation Initiative 2025 and the Basic Needs Initiative, along with State and Federal financial aid that are most critical in helping students enroll and graduate.

Next Steps

Staff will continue to work with campuses to review the proposed scope and budget of proposed projects. The Final Five-Year Capital Program will be presented for approval at the November 2022 meeting of the Board of Trustees followed by budget advocacy in the spring.

² CSU seeking technical corrections in state grant amount to \$27.1M for Humboldt and \$11.978M for San Diego.

DRAFT 2023-2024 Capital Outlay Program

Cost Estimates are at Engineering News Record California Construction Cost Index 10461 and Equipment Price Index 5000

ACADEMIC PROJECTS LIST

(Dollars in 000s)

Priority Order	Cate-gory	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	36,510	420,059	456,569	456,569	420,059
2	II	San José	Alquist Building Acquisition	N/A	A	0	0	0	456,569	420,059
3	IA	Maritime	Boat Basin & Pier Extension, Ph. 1	N/A	PWC	55,014	45,799	100,813	557,382	465,858
4	IA	Chico	Utilities Infrastructure ³	N/A	PWC	6,742	91,245	97,987	655,369	557,103
5	IA	Sonoma	Utilities Infrastructure	N/A	PWC	0	48,227	48,227	703,596	605,330
6	IA	East Bay	Library Seismic (West Wing Relocations)	N/A	PWCE	3,419	30,774	34,193	737,789	636,104
7	IB	Long Beach	Peterson Hall 1 Replacement Bldg (Seismic)	-2,221	CE	15,000	146,825	161,825	899,614	782,929
8	II	San Marcos	Integrated Sciences & Engineering ⁴	555	CE	5,488	65,265	70,753	970,367	848,194
9	IB	Dominguez Hills	Natural Sciences & Math Bldg Reno (Seismic)	198	C	0	90,180	90,180	1,060,547	938,374
10	IB	Sacramento	Engineering Replacement Building	92	PWCE	15,621	144,883	160,504	1,221,051	1,083,257
11	IB	Northridge	Sierra Hall Renovation	0	PWCE	3,539	159,605	163,144	1,384,195	1,242,862
12	II	Fresno	Concert Hall (1,000 seats)	0	PWCE	38,447	45,753	84,200	1,468,395	1,288,615
13	IB	San Diego	Life Sciences Building	N/A	PWCE	0	210,265	210,265	1,678,660	1,498,880
14	IB	Channel Islands	Early Childhood Education Center	0	PWC	19,392	23,378	42,770	1,721,430	1,522,258
15	IB	San Francisco	Thomton Hall Renovation	426	PWCE	0	177,559	177,559	1,898,989	1,699,817
16	IB	Fullerton	Eng & Comp Sci Complex Expansion/Reno, Ph. 1	1,503	CE	20,936	120,922	141,858	2,040,847	1,820,739
17	IB	Los Angeles	King Hall Replacement	3,691	PWCE	0	273,800	273,800	2,314,647	2,094,539
18	II	Stanislaus	Classroom II	1,917	PWCE	10,863	126,835	137,698	2,452,345	2,221,374
19	IB	San Luis Obispo	Davidson Music Renovation/Addition	300	PWCE	8,582	77,234	85,816	2,538,161	2,298,608
20	II	Monterey Bay	Taylor Science & Engineering Bldg - Academic IV	150	PWCE	25,185	95,991	121,176	2,659,337	2,394,599
21	II	Pomona	Library Renovation/Addition	TBD	PWCE	0	86,851	86,851	2,746,188	2,481,450
22	IB	San José	Engineering Building Replacement	TBD	PWCE	16,853	449,331	466,184	3,212,372	2,930,781
Total Academic Projects				6,611		\$ 281,591	\$ 2,930,781	\$ 3,212,372	\$ 3,212,372	\$ 2,930,781

SELF-SUPPORT / OTHER PROJECTS LIST

(Dollars in 000s)

Alpha Order	Cate-gory	Campus	Project Title	Spaces	Phase	Campus Reserves/ Other Budget	SRB-SS ⁵	Total Budget	Cumulative Total Budget	Cumulative SRB-SS Budget
1	IB	Fresno	Student Housing - Restroom ADA Renovation	N/A	PWC	8,585	0	8,585	8,585	0
2	IB	Fresno	Bulldog Stadium Mod., Ph. II Restroom ADA Upgrades	N/A	PWC	8,350	0	8,350	16,935	0
3	II	Fullerton	Center for Leadership	0	PWCE	21,849	0	21,849	38,784	0
4	II	Los Angeles	Physical Education Locker Room Renovation	0	PWC	6,700	0	6,700	45,484	0
5	II	Los Angeles	Ctr for Academic Success/Ctr for Faculty Excellence	0	PWC	5,000	0	5,000	50,484	0
6	IA	San Francisco	Mary Park Hall Renovation	200	PWCE	0	44,154	44,154	94,638	44,154
7	II	San Luis Obispo	Plant Sciences - Fruit & Vegetable Processing	0	PWCE	10,020	0	10,020	104,658	44,154
8	II	San Luis Obispo	Plant Sciences - High Tech Greenhouse	0	PWCE	15,128	0	15,128	119,786	44,154
9	II	San Luis Obispo	Student Housing, Ph. 1	903	PWCE	0	338,331	338,331	458,117	382,485
Higher Education Student Housing Grant Program (HESHGP)⁶										
10	II	Dominguez Hills	ASH Compton College Partnership	235	PWC	39,000	21,000	60,000	518,117	403,485
11	II	Sacramento	ASH Student Housing, Ph. 3	285	PWCE	27,219	50,550	77,769	595,886	454,035
12	II	San Diego	ASH Main Campus Student Housing	600	PWCE	121,999	65,692	187,691	783,577	519,727
13	II	San José	ASH Campus Village, Ph. 3 & Dining Commons	1,007	PWCE	72,563	290,252	362,815	1,146,392	809,979
14	II	Stanislaus	ASH Residence Life Village IV	120	PWCE	18,850	10,150	29,000	1,175,392	820,129
Total Self-Support / Other Projects				3,350		\$ 355,263	\$ 820,129	\$ 1,175,392	\$ 1,175,392	\$ 820,129
Grand Total Academic and Self-Support Projects				9,961		\$ 636,854	\$ 3,750,910	\$ 4,387,764	\$ 4,387,764	\$ 3,750,910

A = Acquisition P = Preliminary Plans W = Working Drawings c = Partial Construction 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.
- ⁵ SRB-SS: Systemwide Revenue Bonds - Self-Support Program
- ⁶ ASH projects will be submitted for consideration for funding as part of the 2023/2024 Higher Education Student Housing Grant Program and are subject to review by Financing and Treasury prior to final approval.

DRAFT

2023-2024 Infrastructure Improvements Program Project List

Cost Estimates are at Engineering News Record California Construction Cost Index 10461 and Equipment Price Index 5000

ACADEMIC PROJECTS¹

Campus	Project Title	Phase	Campus Reserves/ Other Budget	SRB-AP Budget	Total Project Budget	Cumulative Total Project Budget
Bakersfield	Classroom Building Renewal	PWC	0	3,167,000	3,167,000	3,167,000
Bakersfield	Lecture Building Renewal	PWC	0	1,524,000	1,524,000	4,691,000
Bakersfield	Administration Renewal	PWC	0	1,421,000	1,421,000	6,112,000
Channel Islands	South Hydronic Loop Extension	PWC	0	3,000,000	3,000,000	9,112,000
Channel Islands	Domestic Water Supply Improvements	PWC	0	2,941,000	2,941,000	12,053,000
Channel Islands	Sewer Line Replacement - South Quad	PWC	0	500,000	500,000	12,553,000
Chico	Bicycle & Pedestrian Safety Improvements	PWC	0	1,000,000	1,000,000	13,553,000
Chico	388 Orange Street Renovation	PWC	0	7,600,000	7,600,000	21,153,000
Chico	Track & Field Facility Upgrades	PWC	0	3,000,000	3,000,000	24,153,000
Dominguez Hills	Cain Library Seismic Completion	PWC	0	6,312,000	6,312,000	30,465,000
Dominguez Hills	Path of Travel Upgrade	PWC	0	600,000	600,000	31,065,000
East Bay	Resilient Microgrid	PWC	600,000	5,400,000	6,000,000	37,065,000
East Bay	Accessibility Upgrades	PWC	400,000	4,104,000	4,504,000	41,569,000
East Bay	Storm Drain Improvement	PWC	110,000	1,000,000	1,110,000	42,679,000
Fresno	Campuswide HVAC Replacement	C	0	10,600,000	10,600,000	53,279,000
Fresno	ADA Upgrades	PWC	0	3,156,000	3,156,000	56,435,000
Fullerton	Nutwood Pedestrian Bridge	PWC	6,000,000	8,000,000	14,000,000	70,435,000
Fullerton	Secondary MDF (Backbone Cabling Dist. Point)	PWC	100,000	900,000	1,000,000	71,435,000
Fullerton	Campuswide Confined Space Upgrades	PWC	25,000	225,000	250,000	71,685,000
Fullerton	Campuswide Fire/Life Safety & ADA Remediation	PWC	100,000	900,000	1,000,000	72,685,000
Fullerton	Secondary Data Center	PWC	100,000	1,198,000	1,298,000	73,983,000
Fullerton	Campuswide HazMat Survey	PWC	100,000	900,000	1,000,000	74,983,000
Humboldt	Gist Hall Renewal	PWC	2,644,000	6,900,000	9,544,000	84,527,000
Long Beach	PH1 Preliminary Projects	PWC	0	2,500,000	2,500,000	87,027,000
Long Beach	Corporation Yard Replacement Facility	PWC	0	1,200,000	1,200,000	88,227,000
Long Beach	Japanese Garden Electrical Enclosure	PWC	0	900,000	900,000	89,127,000
Long Beach	HHW South Loop Laterals	PWC	0	9,000,000	9,000,000	98,127,000
Long Beach	MSX Road Repair, Ph. 3	PWC	0	1,150,000	1,150,000	99,277,000
Los Angeles	Administration Building Demolition	PWCE	0	12,150,000	12,150,000	111,427,000
Maritime Academy	Facilities Grounds Replacement Building	PWC	0	2,750,000	2,750,000	114,177,000
Maritime Academy	Lower Campus ADA Improvements	PWC	23,000	704,000	727,000	114,904,000
Maritime Academy	Campuswide Power Metering & Demand Response Capability	PWC	0	913,000	913,000	115,817,000
Monterey Bay	Infrastructure Improvements	WC	0	2,462,000	2,462,000	118,279,000
Monterey Bay	ADA Projects	WC	0	400,000	400,000	118,679,000
Monterey Bay	Energy Efficiency Projects	PWC	0	1,200,000	1,200,000	119,879,000
Monterey Bay	Seismic Projects	C	0	2,400,000	2,400,000	122,279,000
Northridge	Solar, Ph. 1 Supplemental	C	0	2,234,000	2,234,000	124,513,000
Northridge	Solar, Ph. 2, 3, & 4	PWC	0	5,000,000	5,000,000	129,513,000
Northridge	North Field Substation Replacement & Baseball Lights	PWC	0	3,672,000	3,672,000	133,185,000
Northridge	Heating Hot Water System Emissions Reduction	PWC	0	3,000,000	3,000,000	136,185,000
Pomona	Kellogg Drive & E. Campus Drive Improvements	PWC	0	12,000,000	12,000,000	148,185,000
Pomona	Safety & Security Improvements	PWC	0	1,600,000	1,600,000	149,785,000

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2023-2024 Infrastructure Improvements Program Project List

Cost Estimates are at Engineering News Record California Construction Cost Index 10461 and Equipment Price Index 5000

ACADEMIC PROJECTS¹ continued

Campus	Project Title	Phase	Campus Reserves/ Other Budget	SRB-AP Budget	Total Project Budget	Cumulative Total Project Budget
Sacramento	ADA Upgrades	PWC	0	2,682,000	2,682,000	152,467,000
Sacramento	All Gender Restrooms/Mothers Rooms	PWC	0	1,200,000	1,200,000	153,667,000
Sacramento	Sequoia Hall Improvements, Ph. 1A	PWC	0	6,682,000	6,682,000	160,349,000
Sacramento	Fire/Life Safety Upgrades	PWC	0	2,850,000	2,850,000	163,199,000
San Bernardino	Handball/Racquetball Courts Demolition	PWC	0	2,500,000	2,500,000	165,699,000
San Bernardino	Old Physical Education Pool Demolition	PWC	0	3,000,000	3,000,000	168,699,000
San Bernardino	Access Barrier Removal	PWC	0	1,000,000	1,000,000	169,699,000
San Bernardino	Chilled Water Conservation Modifications	PWC	0	2,700,000	2,700,000	172,399,000
San Diego	Campuswide Utilities Upgrade 2	PWC	0	16,562,000	16,562,000	188,961,000
San Francisco	Administration Building Seismic Upgrade	PWC	0	4,200,000	4,200,000	193,161,000
San Francisco	Business Building HVAC Addition	PWC	0	4,320,000	4,320,000	197,481,000
San Francisco	TH/HH Elevator Renewal	PW	0	1,574,000	1,574,000	199,055,000
San Francisco	Cox Stadium ADA Upgrades	PWC	0	1,256,000	1,256,000	200,311,000
San Francisco	Softball Clubhouse	PWC	0	650,000	650,000	200,961,000
San Francisco	Campus IT Infrastructure	PW	0	1,800,000	1,800,000	202,761,000
San José	Campuswide Exterior Lighting Retrofit	PWC	0	2,750,000	2,750,000	205,511,000
San José	Central Plant Auxiliary Boiler 2 & 3 Replacement	PWC	2,150,000	0	2,150,000	207,661,000
San José	Campuswide NW Quad Utility System Renewal	PWC	0	3,000,000	3,000,000	210,661,000
San José	Campuswide Well	PWC	2,100,000	0	2,100,000	212,761,000
San José	Campuswide Telecomm Infrastructure Retrofit	PWC	0	2,000,000	2,000,000	214,761,000
San José	South Campus Exterior Lighting Renewal	PWC	1,250,000	0	1,250,000	216,011,000
San José	South Campus Electrical Utility Network Retrofit	PWC	1,712,000	0	1,712,000	217,723,000
San José	South Campus Telecomm Infrastructure Retrofit	PWC	0	1,000,000	1,000,000	218,723,000
San José	Moss Landing Sea Water Pump Renewal	PWC	0	1,350,000	1,350,000	220,073,000
San Luis Obispo	Water Reclamation Facility	PWCE	18,800,000	16,200,000	35,000,000	255,073,000
San Marcos	Resilient Solar Battery & Microgrid	PWC	0	5,500,000	5,500,000	260,573,000
Sonoma	Accessibility Upgrades	PWC	0	1,000,000	1,000,000	261,573,000
Sonoma	Electrical & Mechanical Upgrades to Labs	PWC	0	7,175,000	7,175,000	268,748,000
Stanislaus	Naraghi Hall Ventilation Reduction	PWC	0	1,306,000	1,306,000	270,054,000
Stanislaus	Naraghi Chiller Pumps	PW	0	802,000	802,000	270,856,000
Stanislaus	Animal Care Facility Replacement	PWC	120,000	1,082,000	1,202,000	272,058,000
Stanislaus	Cafeteria Main Dining Replacement of Walk-ins	PWC	176,000	1,585,000	1,761,000	273,819,000
Stanislaus	Telecom - Building & Security Management	PWC	0	2,750,000	2,750,000	276,569,000
Systemwide	HVAC & Electrical Upgrades	PWC	0	60,000,000	60,000,000	336,569,000
Systemwide	Resiliency/Energy/Water Projects	PWC	0	60,000,000	60,000,000	396,569,000
Systemwide	Critical Infrastructure	PWC	0	60,000,000	60,000,000	456,569,000
Total ACADEMIC Infrastructure Improvements Program			\$ 36,510,000	\$ 420,059,000	\$ 456,569,000	\$ 456,569,000

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.]

AGENDA

COMMITTEE ON FINANCE

Meeting: 10:00 a.m., Wednesday, September 14, 2022
Glenn S. Dumke Auditorium

Jack McGrory, Chair
Julia I. Lopez, Vice Chair
Diana Aguilar-Cruz
Larry L. Adamson
Lillian Kimbell
Anna Ortiz-Morfit
Romey Sabalius
Christopher Steinhauser

- Consent** 1. Approval of Minutes of the Meeting of July 13, 2022, *Action*
- Discussion** 2. Quarterly Investment Report, *Information*
3. Approval of the 2023-2024 Operating Budget Request, *Action*

**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**

July 13, 2022

Members Present

Jack McGrory, Chair
Julia I. Lopez, Vice Chair
Larry L. Adamson
Anna Ortiz-Morfit
Christopher Steinhauser

Wenda Fong, Chair of the Board
Jolene Koester, Interim 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 consent agenda, including the minutes of the May 24, 2022, meeting of the Committee on Finance was approved as submitted.

2022-2023 Final Budget

This agenda item provided a recap of the state's final budget decisions related to the Trustees' budget request for the 2022-2023 fiscal year.

An important development this year was the multi-year compact between Governor Newsom's administration and the CSU. The administration commits to proposing annual, year-over-year ongoing state general fund increases of five percent (or approximately 2.8 percent of the CSU

Operating Fund). This does and will provide predictable and more sustainable funding for shared CSU and administration commitments through 2026-2027.

For 2022-2023, the CSU received a \$365 million-dollar ongoing, base increase. The largest portion of this increase is attributable to a \$211 million-dollar increase for general operating costs, which will primarily fund employee compensation and most mandatory cost increases. These categories of spending align with the priorities of the trustees 2022-2023 operating budget request.

Also, one-time funding reached one billion, eighty-two million dollars. Most of that funding is dedicated to specific academic, student supports, and student housing construction projects.

However, the funding provided to the University does not cover all of the CSU's new ongoing costs for 2022-2023. Consequently, it is estimated that campuses will redirect approximately \$50 million dollars from existing campus budgets to cover some of these new costs.

After the presentation, trustees asked if there were conditions related to housing funding and discussed understanding what it really costs to run university operations.

Planning for the 2023-2024 Operating Budget

The purpose of this item was to provide the Board of Trustees with a preliminary operating budget plan for the 2023-2024 fiscal year and to solicit comments and feedback from the trustees on that draft plan. That input will be used to craft the final plan that will be presented as an action item at the September board meeting.

Staff described a shift of the CSU's budget planning and adoption to two months earlier than it has been in the past, which will be the standard for the future. The new timeline provides the CSU more advocacy opportunities with the legislature and the governor's administration prior to the administration's state budget proposal in January. Also, the multi-year compact with the governor's administration has current and prospective state revenue implications that could impact how the operating budget request is structured for 2023-2024 and beyond.

Staff shared a draft budget request that contained potential ongoing revenue and expenditure categories as well as a potential one-time expenditure category and amount.

After the presentation, trustees requested that the Mercer salary study be listed separately, inquired about earmarks, mandatory costs, future expected costs, and the ability to holistically discuss the budget.

Law Enforcement Regulated Equipment and Tools

The purpose of this item was to review the requirements of AB 481 that took effect January 1, 2022. The process used to develop the proposed policy was discussed as well as a summary of the policy.

The overarching objective of CSU's university police departments is to build community trust and establish a guardian mentality. The CSU is committed to a transparent and supportive campus culture that contributes to the intellectual, social and personal development of CSU students. Just like the CSU, the goal of AB 481 is to enhance transparency for law enforcement agencies in California to help strengthen the public's trust.

After the presentation, trustees asked for reporting when this type of equipment is used and discussed understanding the nuances of how we use of force policies and how officers are hired and trained and embracing community dialogue. There was a question on funding for this effort and examples of when equipment may not be used within policy. There was also a request for a utilization report. Trustee Linares requested adding additional language to the policy regarding timing of community engagement meetings.

Trustee McGrory adjourned the meeting of the Committee on Finance.

COMMITTEE ON FINANCE

California State University Quarterly Investment Report

Presentation By

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

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

Summary

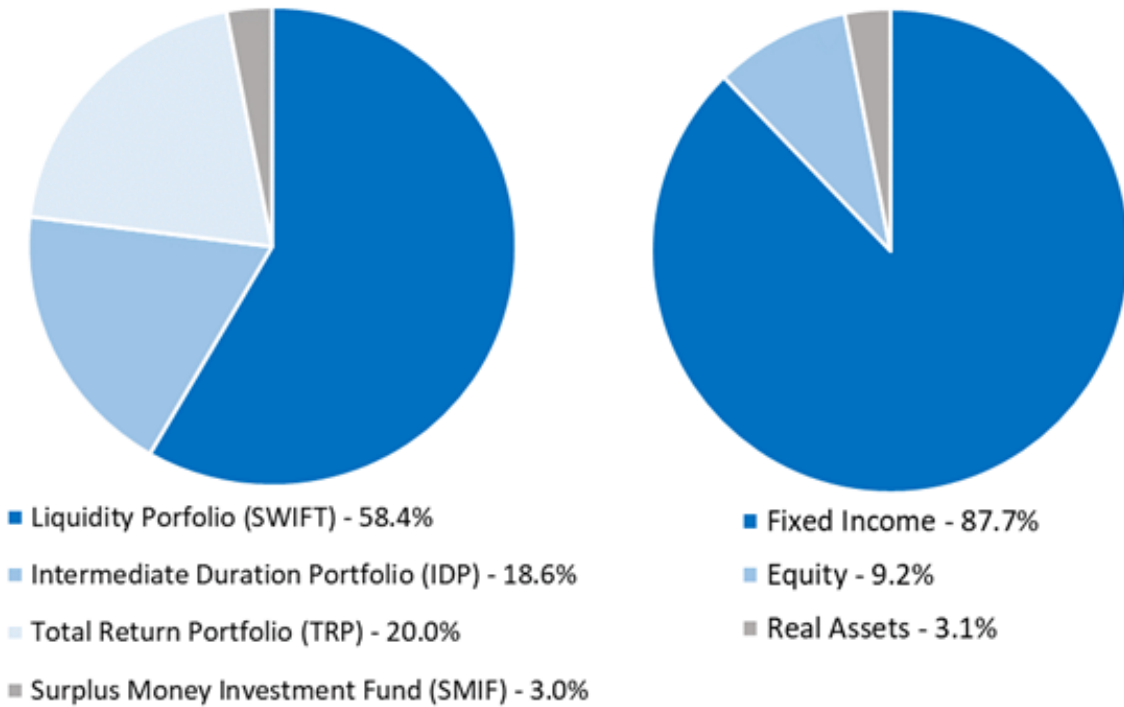
This item provides the quarterly investment report to the California State University Board of Trustees for the quarter ended March 31, 2022. The information in Attachment A provides the entire quarterly investment report regarding CSU investments as required by Education Code § 89726.

Background

The California State University Master Investment Policy is posted publicly to: <https://calstate.policystat.com/policy/11691689/latest>. Pursuant to the CSU Master Investment Policy, CSU investments as of March 31, 2022 consisted of investments in the Liquidity Portfolio (Systemwide Investment Fund Trust or SWIFT), the Intermediate Duration Portfolio (IDP), 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 \$1.60 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
 March 31, 2022**

	<u>Balance</u>	<u>% of CSU Investments</u>	<u>Twelve Month Returns</u>
Liquidity Portfolio (SWIFT)	\$4.049 billion	58.4%	-1.75%
Intermediate Duration Portfolio (IDP)	\$1.293 billion	18.6%	N/A
Total Return Portfolio (TRP)	\$1.388 billion	20.0%	4.20%
Surplus Money Investment Fund (SMIF)	\$0.209 billion	3.0%	0.23%
CSU Investments	\$6.94 billion	100%	



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.

The Liquidity Portfolio is managed through contracts with two investment management firms, BlackRock Financial Management and Payden & Rygel, each of whom provides investment management services for the program. 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 Intermediate Duration Portfolio (IDP)

The Intermediate Duration Portfolio launched on October 1, 2021, with an initial investment of \$675 million. On March 31, 2022, an additional \$675 million was invested in the IDP. The purpose of the IDP is to provide opportunity for modest, additional risk adjusted returns on CSU funds not needed for immediate liquidity. The investment objectives are safety of principal, liquidity, and return. The IDP is managed through contracts with three investment management firms, Western Asset Management Company, PGIM Fixed Income, and Income Research & Management, each of whom provides investment management services for the program. While the custodian, US Bank, holds the funds invested in the IDP, 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 IDP investment policy. Consistent with state law, the IDP 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. 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
Risk Tolerance	Framework
Expected Return	Risk Management
Asset Allocation	Monitoring and Control Procedures
Benchmarks	

The IAC has adopted an investment schedule for the TRP that utilizes a dollar-cost averaging approach and provides regular monthly contributions to the TRP. 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. Recently, in January of 2022, the IAC approved an additional \$900 million investment into the TRP scheduled over the next eighteen months. The investment schedule may also be adjusted by the IAC at any time depending on market conditions and staff will ensure the TRP does not exceed 30 percent of CSU Investments.

Since the TRP Inception date¹ through March 31, 2022, the TRP investment earnings were approximately \$308.9 million. During this period, the TRP total return exceeded the Liquidity Portfolio total return by 7.36% annualized (net of fees) or a cumulative \$287.7 million, which was about 14.5 times higher than Liquidity Portfolio investment earnings.

In October 2021, the IAC approved the third annual TRP distribution to the system of approximately \$55.6 million, bringing total TRP distributions to the system since inception to \$112.98 million. TRP distributions are allocated to the campuses annually for capital outlay or maintenance. Consistent with state law, specifically Education Code § 89726, additional moneys

¹ The TRP Inception Date was April 1, 2018.

earned through investments in the TRP shall be used only for capital outlay or maintenance, and shall not be used for ongoing operations.

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 Developments/Next Steps

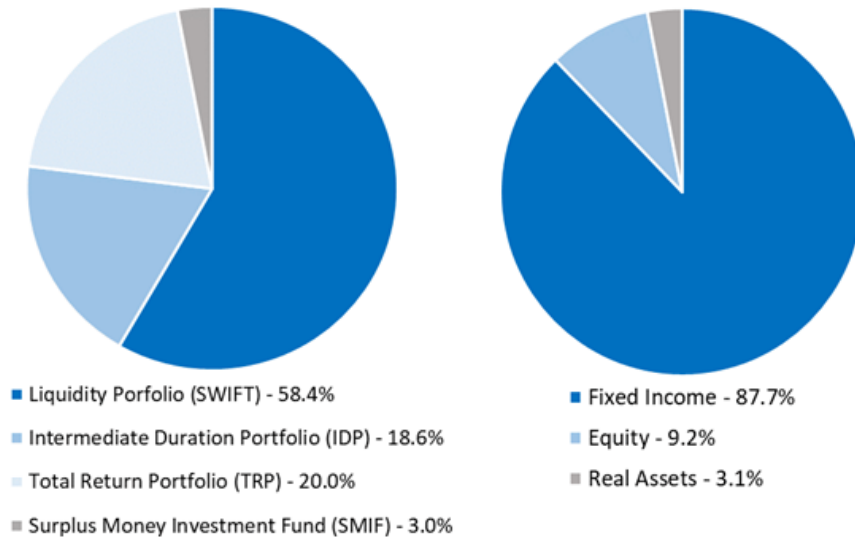
With oversight from the IAC, staff will continue implementing the TRP investment schedule and continue monitoring market conditions to determine if any changes in the TRP investment schedule are warranted. The next investment report to the board is scheduled for the November 2022 meeting and will provide information on the CSU Annual Investment Report for the fiscal year ending June 30, 2022.

CSU Quarterly Investment Report For the Fiscal Quarter Ended March 31, 2022

CSU investments as of March 31, 2022 consisted of investments in the CSU Liquidity Portfolio (Systemwide Investment Fund Trust or SWIFT), the Intermediate Duration Portfolio (IDP), 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 \$1.60 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 March 31, 2022

	<u>Balance</u>	<u>% of CSU Investments</u>
Liquidity Portfolio (SWIFT)	\$4.049 billion	58.4%
Intermediate Duration Portfolio (IDP)	\$1.293 billion	18.6%
Total Return Portfolio (TRP)	\$1.388 billion	20.0%
Surplus Money Investment Fund (SMIF)	\$0.209 billion	3.0%
CSU Investments	\$6.94 billion	100%



For the quarter ending March 31, 2022, direct investment management fees¹, advisory, and custodial fees totaled just under \$2.5 million, or about 0.042 percent (4.2 basis points) on CSU investments' average balance for the quarter ending March 31, 2022.

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.

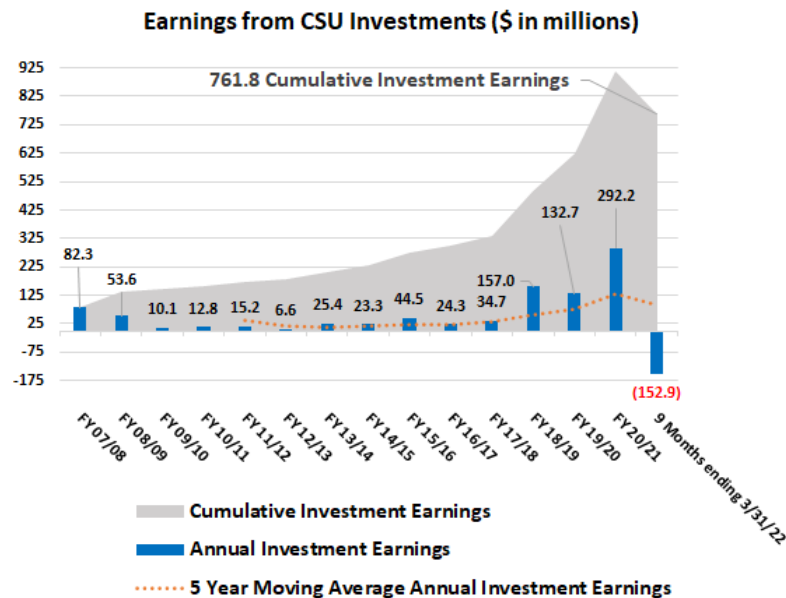
CSU Consolidated Investment Portfolio

The following table displays performance returns for the CSU Consolidated Investment Portfolio which includes the Liquidity Portfolio (SWIFT), IDP, and TRP.²

	CSU Consolidated Investment Portfolio	CSU Total Return Portfolio (TRP)	CSU Intermediate Duration Portfolio (IDP)	CSU Liquidity Portfolio (SWIFT)
1 Year Return	-0.70%	4.20%	N/A	-1.75%
3 Year Annualized Return	2.83%	9.29%	N/A	0.89%
5 Year Annualized Return	2.39%	N/A	N/A	1.19%
10 Year Annualized Return	1.55%	N/A	N/A	0.95%
Since Inception Return ³	1.65%	8.63%	-5.80%	1.25%

As of March 31, 2022, the TRP investment earnings since inception were approximately \$308.9 million. During this period, the TRP total return exceeded the Liquidity Portfolio total return by 7.36 percent annualized (net of fees) or a cumulative \$287.7 million, which was about 14.5 times higher than Liquidity Portfolio investment earnings.

Investment Earnings from CSU Investments Support Campus Operations and Student Experience



² CSU Consolidated Investment Portfolio returns exclude SMIF.

³ Inception Dates for the CSU portfolios were: Consolidated Investment Portfolio, July 1, 2007; SWIFT, July 1, 2007; IDP, October 1, 2021; and TRP, April 1, 2018. CSU Consolidated Investment Portfolio, SWIFT, and IDP returns reported gross of fees and as total return, including income and gains (realized and unrealized).

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 objectives are safety of principal and liquidity. Consistent with state law, the portfolio is restricted to high quality, fixed income securities.

	<u>CSU Liquidity Portfolio</u>	<u>Benchmark⁴</u>
1 Year Return ⁵	-1.75%	-2.04%
3 Year Annualized Return	0.89%	0.90%
5 Year Annualized Return	1.19%	1.13%
10 Year Annualized Return	0.95%	0.82%
Annualized Since Inception Return ⁶	1.25%	1.45%
Yield	1.74%	1.84%
Duration (Years)	1.29	1.44
Average Credit Rating	AA-	Aaa/AA+

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

Treasuries	41.86%	Commercial Paper	3.09%
U.S. Corporate Bonds	27.99%	Agency MBS	1.70%
Certificates of Deposit	10.37%	CA Municipal Obligations	0.87%
U.S. Government Agencies	8.00%	Supranationals	0.38%
Cash Equivalents	5.74%		

⁴ Benchmark for the SWIFT is the Bank of America Merrill Lynch 0-3 Year Treasury Index.

⁵ SWIFT Returns reported gross of fees and as total return, including income and gains (realized and unrealized).

⁶ Inception Date for SWIFT was July 1, 2007.

CSU Intermediate Duration Portfolio (IDP)

The purpose of the Intermediate Duration Portfolio is to provide opportunity for modest, additional risk adjusted returns on CSU funds not needed for immediate liquidity. The investment objectives are safety of principal, liquidity, and return. Consistent with state law, the portfolio is restricted to high quality, fixed income securities.

	CSU Intermediate Duration Portfolio	Benchmark⁷
Since Inception Return ⁸	-5.80%	-5.32%
Yield	2.90%	2.91%
Duration (Years)	4.64	4.53
Average Credit Rating	A+	AA-

Holdings by Asset Type (% of CSU Intermediate Duration Portfolio):

U.S. Corporate Bonds	58.6%	CA Municipal Obligations	1.2%
Agency MBS	22.4%	Cash Equivalents	0.4%
Treasuries	15.8%	Supranationals	0.1%
U.S. Government Agencies	1.5%		

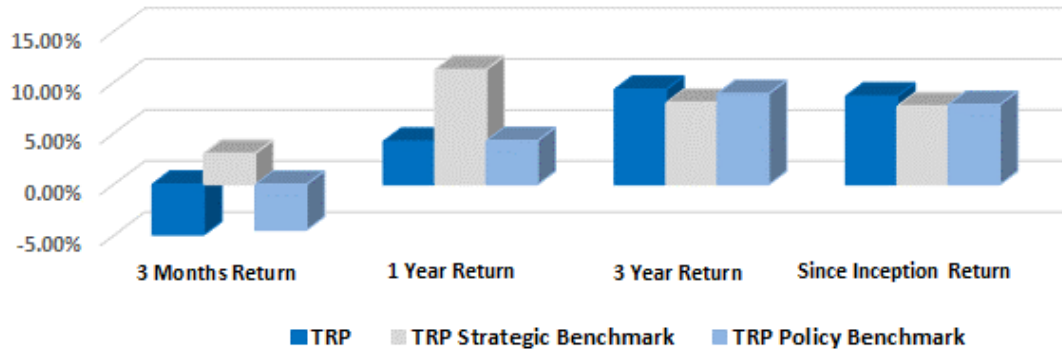
⁷ Benchmark for the IDP is 50% Bloomberg Barclays US Corporate 1-10 Year A or Better Ex-Yankee / 30% Bloomberg Barclays US MBS / 20% Bloomberg Barclays US Intermediate Treasury Index.

⁸ Inception Date for the IDP was October 1, 2021. IDP Returns reported gross of fees and as total return, including income and gains (realized and unrealized).

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 Benchmark⁹	Policy Benchmark¹⁰
3 Months Return	-4.93%	3.02%	-4.46%
1 Year Return	4.20%	11.24%	4.28%
3 Year Annualized Return	9.29%	8.02%	8.88%
Annualized Since Inception Return ¹¹	8.63%	7.67%	7.81%

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 \$112.98 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.

⁹ 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.

¹⁰ The TRP Policy Benchmark is a blend of passive indices whose weights match the TRP target asset allocation.

¹¹ TRP Inception Date was April 1, 2018.

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

Equity Mutual Funds	45.9%	Passive Index Mutual Funds	74%
Fixed Income Mutual Funds	38.7%	Actively Managed Mutual Funds	26% ¹²
Real Asset Mutual Funds	15.4%		

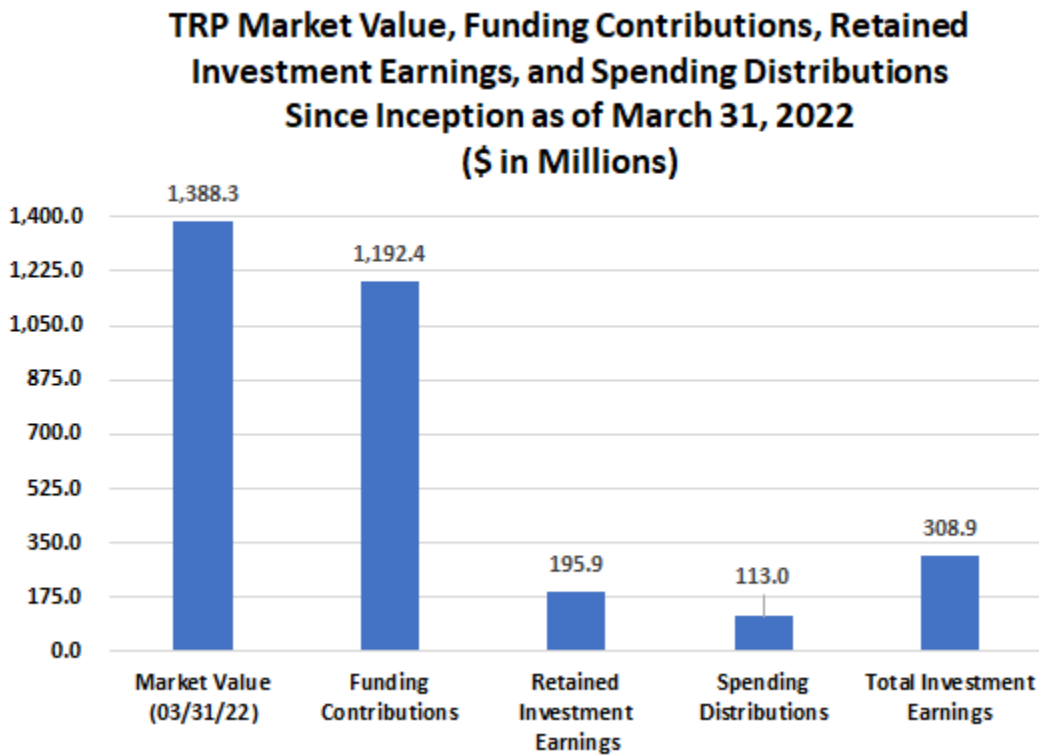
Values, Holdings & Fees (CSU Total Return Portfolio)

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	303.0	21.83%	0.03%	0.42%
	Vanguard Inflation-Protected Securities Fd	VIPIX	68.6	4.94%	0.07%	0.37%
	Lord Abbett High Yield Fund	LHYOX	82.8	5.97%	0.59%	0.69%
	Pacific Funds Floating Rate Income Fund	PLFRX	41.3	2.97%	0.75%	0.77%
	Payden Emerging Markets Bond Fund	PYEIX	20.7	1.49%	0.69%	0.84%
	T. Rowe Emerging Markets Bond Fund	TREBX	20.8	1.50%	0.70%	0.84%
Equity						
	Vanguard Total Stock Market Index Fund	VSMPX	336.8	24.26%	0.02%	0.75%
	Vanguard Developed Markets Index Fund	VDIPX	164.9	11.88%	0.04%	0.88%
	Driehaus Emerging Markets Growth Fund	DIEMX	81.3	5.86%	1.07%	1.05%
	DFA Emerging Markets Value Fund	DFEVX	40.9	2.95%	0.45%	1.05%
	RWC Global Emerging Equity Fund	RWCEX	13.5	0.97%	1.20%	1.05%
Real Assets						
	Vanguard Real Estate Index Fund	VGSNX	113.4	8.17%	0.10%	0.88%
	Vanguard Materials Index Fund	VMIAX	35.6	2.56%	0.10%	0.95%
	First Sentier Global Listed Infrastructure Fd	FLIIX	64.6	4.65%	0.95%	0.98%
Cash			0.0	0.00%	NA	NA
Total			1,388.3	100%	0.24%	0.73%

¹² 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. The total TRP Fund Expense Ratio and total Universe Median Expense Ratio are weighted averages using the percent of the Total Return Portfolio shown in the table for each fund and their respective universe.

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 as of March 31, 2022. 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 Yield¹³	
Trailing 12 months as of 3/31/22	0.23%
Average (FYE 06/30/07 – 3/31/22)	1.06%

¹³ Annual Yield calculated by CSU Treasury Operations based on the quarterly apportionment yield rates published by the State Controller’s Office.

COMMITTEE ON FINANCE

Approval of the 2023-2024 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 2023-2024 CSU Operating Budget Request. Accompanying this agenda item as Attachment A is the proposed 2023-2024 request, which contains historical detail as well as prospective information for the Board of Trustees' consideration.

At its July 2022 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 2023-2024 CSU Operating Budget Request and a brief discussion of potential opportunities to address the necessary revenues of the operating budget.

The California Constitution requires the submittal of the governor's budget proposal each year by January 10. To better meet consequent deadlines of the Department of Finance as well as additional time this fall to promote this request with state lawmakers and the governor's administration, it is necessary to adopt the proposed 2023-2024 CSU Operating Budget Request at the September CSU Board of Trustees meeting.

Proposed 2023-2024 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 ongoing 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, ongoing funding to the CSU's budget. The 2022-

2023 fiscal year was another strong fiscal year for the state and the CSU with \$365.7 million of incremental, ongoing funding added to the CSU’s funding base.

At this point in time, both positive and challenging economic signals make the future uncertain. On the challenging side, inflation and interest rates are up and gross domestic product is down for the first two quarters of 2022. These suggest the possibility of economic challenges ahead. On the positive side, the state has had record-breaking state budget surpluses over the past two fiscal years despite the pandemic and unemployment remains low. Additionally, the governor’s administration committed in its multi-year compact with the CSU to consistently propose five percent, ongoing state general fund increases in both positive and challenging times for the next four years. For 2023-2024, the governor’s administration is committed to a proposal of \$227.3 million ongoing.

The prospect of the state providing investments above the compact level in 2023-2024 could break either direction. As a result, the university should be positioned for 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 2023-2024 Operating Budget Request proposes a base, ongoing increase of \$529.8 million supported by the compact, state general fund above the compact, and new tuition revenue from enrollment growth. With these investments, 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 & Basic Needs: Equitable	
Student Outcomes	\$75.0
Workforce Investments	311.5
<i>Faculty & Staff Compensation Pool</i>	<i>\$261.0</i>
<i>Health Premium Increases</i>	<i>50.5</i>
Academic Facilities & Infrastructure	50.0
Strategic Resident Enrollment Growth (1%)	50.6
Required Operational Costs	42.7
<i>Maintenance of New Facilities</i>	<i>6.0</i>
<i>Insurance Premium Increases</i>	<i>13.7</i>
<i>Inflation on Non-Personnel Costs</i>	<i>23.0</i>
Total Incremental Expenditures	\$529.8

Anticipated, Incremental Revenues	
State General Fund: Compact	\$227.3

Tuition from Enrollment Growth	16.1
State General Fund: Above Compact	286.4
Total Incremental Revenues	\$529.8

One-Time Funding Request	in million
Critical Capital Renewal	\$1,300.0

Potential Opportunities to Address Operating Budget Revenue Needs

The CSU’s highest priority is to advocate for increased state funding above the compact to cover the full operating budget request. The CSU will work collaboratively with stakeholders and partners across the system including trustees, campuses, alumni, students, and CSU champions 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 final state allocation will not be known until the state reaches a budget agreement in June 2023. It is early in the 2023-2024 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.

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 2023-2024 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 the CSU does not secure funding at or beyond compact levels for the operating budget request through general fund, priority areas of the operating budget would not be funded, 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 if the final state budget for 2023-2024 will meet or exceed the anticipated \$227.3 million from the compact and provide the necessary, additional resources to invest in the operating budget priorities of the CSU. As the budget cycle moves forward, the CSU will collaborate 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 2023-2024 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 its transformational mission.

The budget outlined in Attachment A is the official presentation of the 2023-2024 CSU Operating Budget Request and, if approved, the Chancellor's Office will distribute the request to the governor, legislators, and other policy makers in the capitol. Access to the document and additional supplemental detail is 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

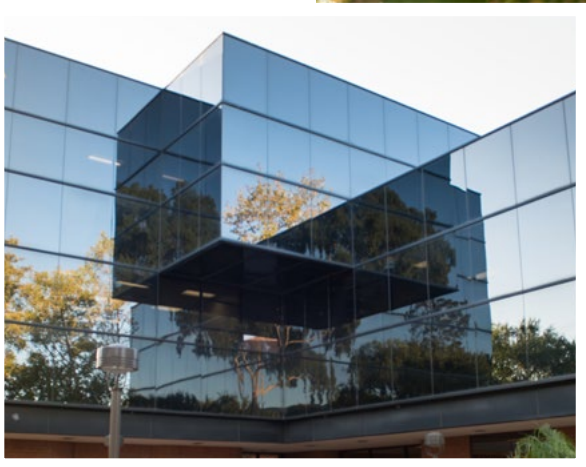
RESOLVED, by the Board of Trustees of the California State University that the 2023-2024 Operating Budget Request is approved as submitted by the chancellor; and be it further

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 the chancellor promptly communicate any changes to the trustees; and be it further

RESOLVED, that the chancellor transmit copies of this resolution and the 2023-2024 CSU Operating Budget Request included as Attachment A to this agenda item to the governor, to the director of the Department of Finance, and to the legislature.

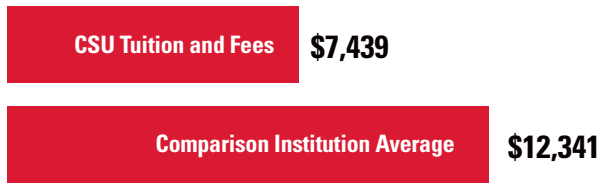
OPERATING BUDGET REQUEST

2023-24

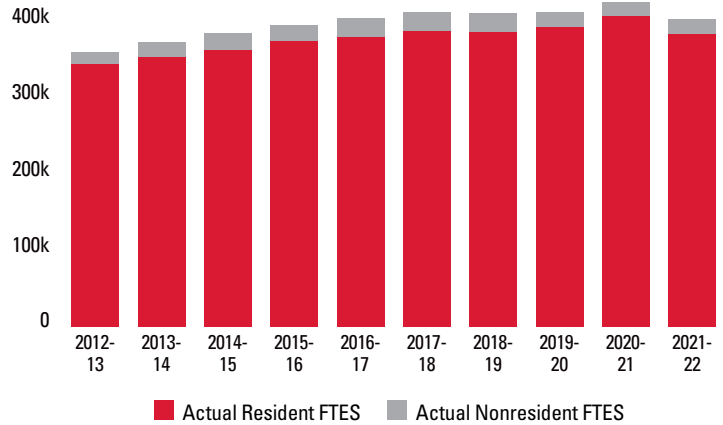


CSU TUITION AND FEES REMAIN AFFORDABLE

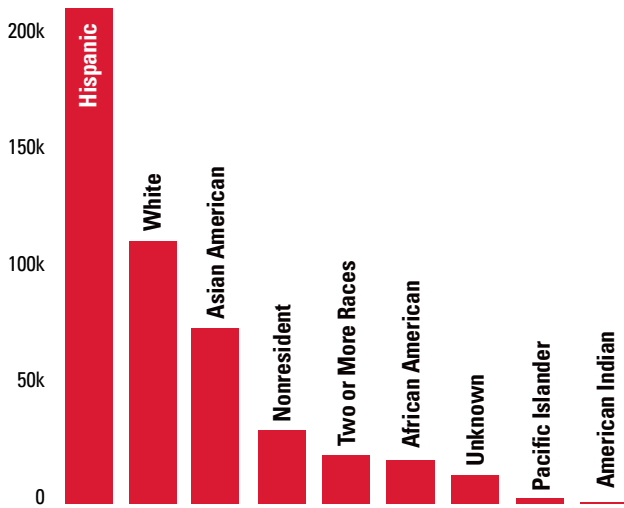
(Based on average resident undergrad)



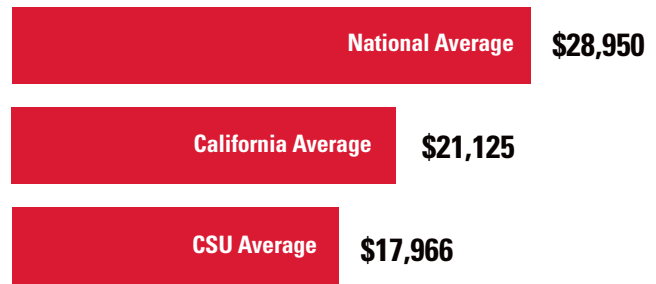
95% OF CSU STUDENTS ARE FROM CALIFORNIA



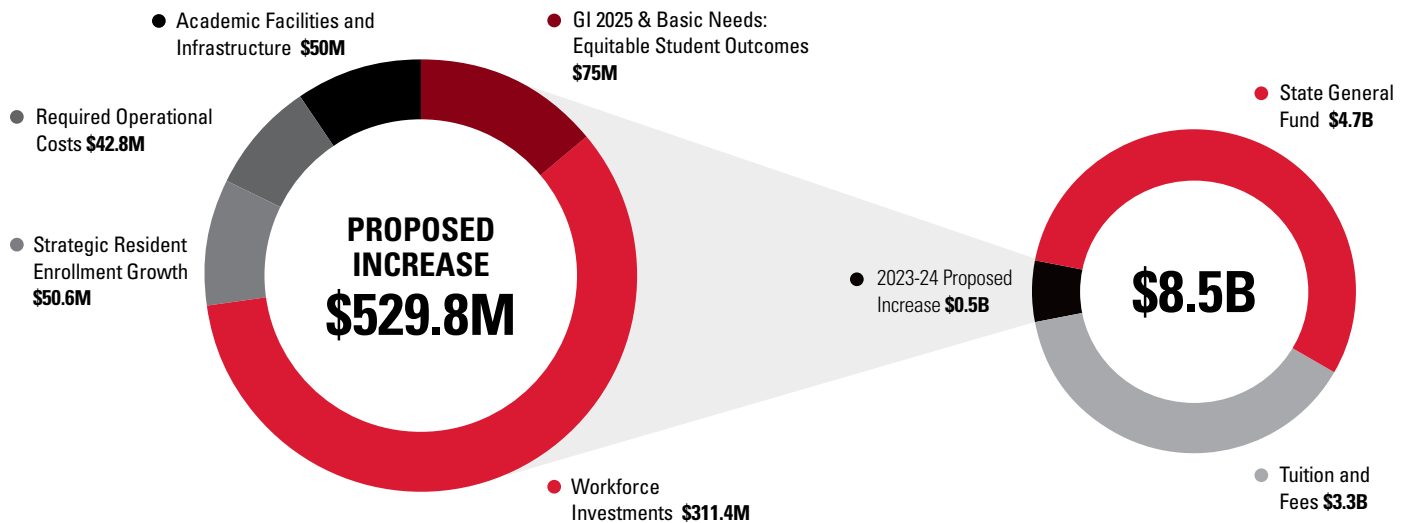
CSU SERVES A DIVERSE STUDENT POPULATION



CSU STUDENTS HAVE LOWER AVERAGE DEBT

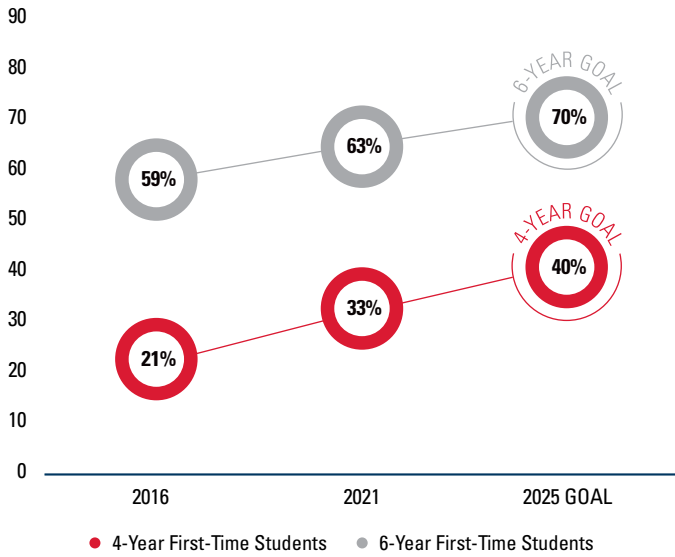


2023-24 PROPOSED OPERATING BUDGET

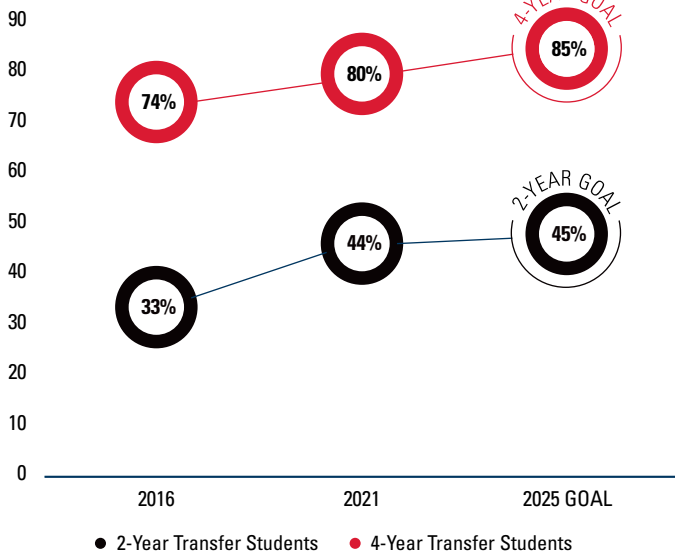


CSU IS ON TRACK TO MEET ITS SYSTEMWIDE GRADUATION RATE GOALS BY 2025

FIRST-TIME STUDENTS



TRANSFER STUDENTS



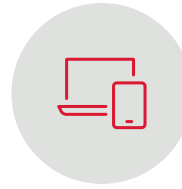
EQUITABLE STUDENT OUTCOMES



REENGAGE AND REENROLL UNDERSERVED STUDENTS



EXPAND CREDIT OPPORTUNITIES



ACCESS TO A DIGITAL DEGREE PLANNER



ELIMINATE BARRIERS TO GRADUATION



PROMOTE EQUITABLE LEARNING AND REDUCE HIGH FAILURE RATES

81%

OF ALL CSU STUDENTS RECEIVED FINANCIAL AID

60%

OF ALL CSU STUDENTS PAID \$0 TUITION

56,000

FACULTY AND STAFF ARE EMPLOYED BY CSU

51%

OF UNDERGRADUATES ARE FROM TRADITIONALLY UNDER-REPRESENTED MINORITIES

95%

OF NEW UNDERGRADUATE TRANSFERS ARE FROM CALIFORNIA COMMUNITY COLLEGES



College
of
Engineering
and
Computer

C
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THE CSU TODAY



In the 2022-23 final budget, the CSU received from the state a permanent base budget increase of \$365.7 million and will receive a \$68.5 million state-funded retirement adjustment in a subsequent General Fund appropriation. The 2022-23 total CSU operating budget of \$8.0 billion is composed of \$4.7 billion in state General Fund and \$3.3 billion in tuition and fees. New resources to fulfill the CSU's budget request for 2023-24 are \$529.8 million, as shown in Table 1.

TABLE 1: OPERATING BUDGET AND INFRASTRUCTURE

	2021-22 Past Year	2022-23 Current Year	2023-24 Budget Year	2023-24 Increase
General Fund, Operations	\$4,864,822,000	\$4,317,574,000	\$4,781,354,000	\$463,780,000
General Fund, Academic Facilities and Infrastructure	340,560,000	340,560,000	390,560,000	50,000,000
Tuition and Other Fee Revenue	3,240,100,000	3,302,044,000	3,318,112,000	16,068,000
TOTAL OPERATING BUDGET AND INFRASTRUCTURE	\$8,445,482,000	\$7,960,178,000	\$8,490,026,000	\$529,848,000

TABLE 2: EXPENDITURES BY PROGRAM AREA

	2021-22 Past Year	2022-23 Current Year	2023-24 Budget Year
Instruction	\$3,065,003,000	\$3,182,672,000	\$3,182,672,000
Research	34,614,000	25,822,000	25,822,000
Public Service	26,015,000	18,825,000	18,825,000
Academic Support	812,116,000	816,791,000	816,791,000
Student Services	863,084,000	858,315,000	858,315,000
Institutional Support	1,353,058,000	1,205,697,000	1,205,697,000
Operation and Maintenance of Plant	1,496,914,000	1,096,540,000	1,096,540,000
Student Grants and Scholarships	794,678,000	755,516,000	755,516,000
New Expenditures	0	0	529,848,000
TOTAL EXPENDITURES	\$8,445,482,000	\$7,960,178,000	\$8,490,026,000

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, \$5.6 billion, of its total operating budget on instruction, academic support, student services, and financial aid. All these activities promote student success, enrich the academic experience, and ensure that each CSU graduate is prepared to succeed.



The CSU's core values of inclusive excellence, equity, access, and elevating lives through the transformative power of higher education are on exhibit every day across the 23 Cal State universities. University leadership, faculty, staff, and—importantly—students are accelerating the CSU's undeniable positive momentum evidenced by record numbers of graduates and student success measures at all-time highs for students from all backgrounds and walks of life.

The university is fertile ground for self-evaluation and commitment to transformation. To that end, more must be done to address existing inequities in academic preparation, retention, and graduation and to ensure that every Cal State student has the equal opportunity to earn the life-long and life-transforming benefits of a CSU degree. Based on the recommendations of an advisory committee comprised of a broad cross-section of faculty, staff, students, and community leaders, the university is implementing an equity action plan across the 23 universities. The plan includes:

- An immediate, systemwide reenrollment campaign to reach out to students who have stopped out and to connect them with the support they need to return to college and get back on track
- The implementation and wide usage of digital degree planners across the 23 campuses to give students an accurate, real-time roadmap of the courses they need to graduate
- Expanded resources for students to take courses over the summer and winter intersession to accumulate academic credits and remain on track for graduation
- Efforts to dramatically improve outcomes in key courses with the highest number of underserved students receiving Ds, Fs, or withdrawals
- The elimination of administrative barriers that disproportionately impede low-income and first-generation students from progressing toward their degrees

As the CSU continues to advance its educational mission, strategic work groups are currently assessing our operations in key areas and developing recommendations for continuous improvement. These collaborative partnerships will drive success at the system and campus levels by addressing four of the CSU's most critical strategic challenges: 1) creating a sustainable financial model; 2) managing enrollment to ensure that every qualified student can have access to a high-quality Cal State degree; 3) meeting Graduation Initiative 2025 goals to graduate more students and eliminate inequities in student outcomes; and 4) recruiting, hiring, and retaining the diverse, world-class human talent that the CSU's students deserve.

The recommendations developed by the CSU's leadership and foremost subject matter experts will offer rich resources and actionable strategies to tackle the institution's most pressing strategic and operational challenges.

Financial sustainability and predictability are critically important for the CSU to accomplish its mission and to overcome its challenges. The State of California has been and is poised to remain a vital partner. California is underwriting the CSU's efforts in two extremely important, and foundational ways. The first includes the sustainable, new financial investments by state lawmakers and governors over the past decade. The second is the multi-year compact between the governor and the CSU. The compact provides predictable funding over the next five years for our shared commitments to access, equity, and student success. Further, the compact is a critical safety net to protect the university from economic fluctuations. The CSU is grateful for both the past sustainable investments as well as the future financial commitments by state leaders.

The 2023-24 budget plan will allow the CSU to grow student enrollment, provide additional investment in Graduation Initiative 2025 (with particular emphasis on ensuring equitable student outcomes), improve compensation for all employee groups, cover required operational cost obligations, begin or continue initiatives included in the multi-year compact, and make progress on facility and infrastructure needs and critical capital renewal. Funding commitments included in the multi-year compact would support significant portions of the preliminary plan. State general fund *above* the compact would support other portions of the plan if the state's budget condition were to allow it and if state leaders were to choose to invest more in the CSU.

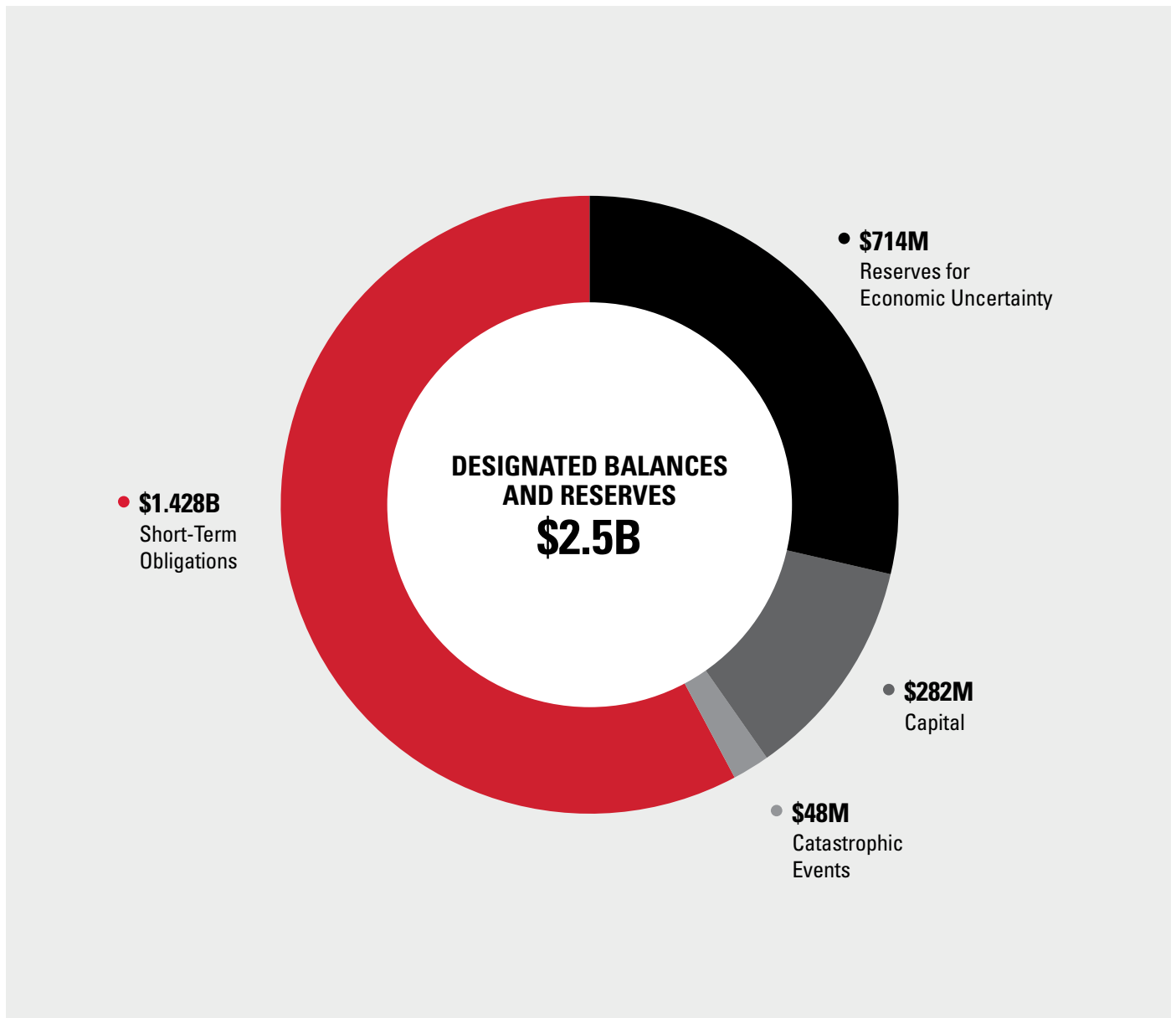
The budget priorities included in this plan are critical to the university, consistent with our core values, promote student success, and advance our mission. Understanding this, stakeholders from across the CSU and throughout the state will continue to advocate with a powerful and unified voice for the needed resources to continue to transform lives, families, and communities as we help drive California to its brightest future.

DESIGNATED BALANCES AND RESERVES: \$2.5 BILLION

Designated balances and reserves in the CSU operating fund represent equity balances that are held or designated for specific purposes. They are used to address non-recurring expenses by managing short-term obligations and commitments; provide funding for capital projects, infrastructure repairs, and facility maintenance; and help to ensure that operating costs can be paid during times of catastrophic events and economic and budgetary uncertainty. Designated balances and reserves are determined and reported annually by the campuses and the system office and are published on CSU's financial transparency portal (calstate.edu/transparency).

Designated balances and reserves are not used to fund recurring expenses, such as salary increases. The use of one-time monies to pay ongoing, permanent expenses can lead to structural deficits.

The CSU has prudently managed designated balances and reserves to meet certain strategic goals. As of June 30, 2022, designated balances and reserves in the operating fund totaled \$2.5 billion. They are held for economic uncertainty, catastrophic events, capital needs, and short-term obligations as displayed in the chart below.





Reserves for Economic Uncertainty

Reserves for economic uncertainty are part of the university's prudent fiscal strategy. Reserves are held for costs that may occur due to short-term recessionary cycles or state budget fluctuations. As of June 30, 2022, reserves for economic uncertainty totaled \$714 million and represent about 33 days of operation for all 23 campuses and the Chancellor's Office. This is significantly below the need to maintain three to six months of operating expenses.

Designated for Catastrophic Events

These designated balances are 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 totaled \$48 million, which is sufficient to cover expected needs.

Designated for Capital

Balances designated for capital are for new projects and to repair current buildings that include planning costs and

equipment acquisition associated with those buildings. Capital reserves fall well short of the expected need, which is at least ten percent of the cost of academic projects approved in the most recent multi-year capital plan. With over \$16.5 billion of academic facility and infrastructure needs identified in the 2022-23 through 2026-27 multi-year capital program, over \$1.6 billion is required. Balances designated for capital totaled \$282 million.

Designated for Short-Term Obligations

Amounts 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 \$1.4 billion at the end of last year, which are sufficient to cover expected needs and are typically paid in the following fiscal year.

2023-24 OPERATING BUDGET PLAN

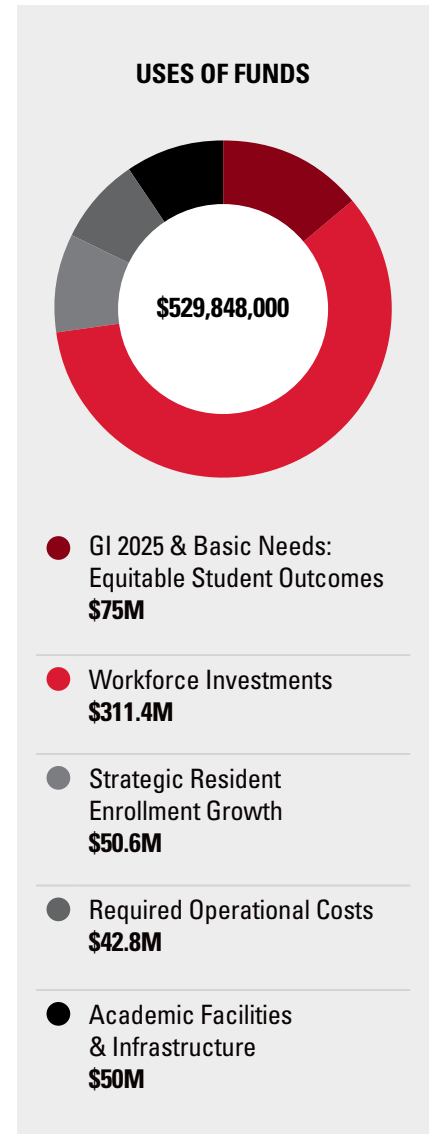


The CSU proposes an \$8.5 billion operating budget for 2023-24, with \$5.2 billion from the state General Fund and \$3.3 billion from tuition and fee revenue. As shown in Table 1, this budget plan is an increase of \$529.8 million over the 2022-23 operating budget. It includes significant investments so 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 \$529.8 million increase. Because of the multi-year compact, the 2023-24 budget plan is different than past budget plans: it indicates sources and uses of funds within the limits of the multi-year compact and sources and uses of funds above the compact. The 2023-24 budget plan reveals that within the compact, the CSU would prioritize Graduation Initiative 2025, provide workforce investments for all employee groups, grow student enrollment, and cover required operational costs. All budget priorities included in the plan could be supported by a combination of sources from within and above the compact.

TABLE 3: SOURCES AND USES OF FUNDS

SOURCES OF FUNDS	WITHIN COMPACT	ABOVE COMPACT	BUDGET REQUEST
Incremental New Revenue			
State General Fund: Compact	\$227,302,000		\$227,302,000
Tuition from Strategic Resident Enrollment Growth	16,068,000		16,068,000
State General Fund: Above Compact		\$286,478,000	286,478,000
TOTAL NEW SOURCES	\$243,370,000	\$286,478,000	\$529,848,000

USES OF FUNDS	WITHIN COMPACT	ABOVE COMPACT	BUDGET REQUEST
Incremental New Expenditures			
GI 2025 & Basic Needs	\$30,000,000	\$45,000,000	\$75,000,000
Workforce Investments			
Faculty & Staff Compensation Pool	92,466,000	168,444,000	260,910,000
Health Premium Increases	50,524,000		50,524,000
Academic Facilities and Infrastructure		50,000,000	50,000,000
Strategic Resident Enrollment Growth	50,648,000		50,648,000
Required Operational Costs			
Maintenance of New Facilities	6,032,000		6,032,000
Liability and Property Insurance Premium Increases	13,700,000		13,700,000
Inflation on Non-Personnel Costs		23,034,000	23,034,000
TOTAL NEW USES	\$243,370,000	\$286,478,000	\$529,848,000



GRADUATION INITIATIVE 2025 & BASIC NEEDS: EQUITABLE STUDENT OUTCOMES: \$75 MILLION

As it enters its seventh 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 launch of the initiative. Still, the CSU is committed to doing more, which means ensuring that all students, regardless of background, receive a high-quality education and have the same opportunity to earn a CSU degree. Since 2015-16, the CSU has dedicated an estimated \$420 million of ongoing funding to the initiative. The CSU expects to invest \$75 million more through the 2023-24 operating budget request to meet these ambitious goals.

Graduation Initiative 2025 reflects the CSU's commitment to not only improve student success but to advance equity. To that end, in 2021, the CSU redoubled its efforts to support equitable student outcomes by developing a targeted equity action plan through consultation with an advisory committee comprised of faculty, staff, and students from across the university. Within the newly defined equity priorities, the CSU has established goals and metrics for supporting equitable student outcomes.

Campus teams and system leaders have shown exceptional collaboration and creativity in addressing this critically important systemwide goal. The additional \$75 million investment will support the Graduation Initiative 2025 goals by advancing these priorities. The equity priorities website (calstate.edu/equity-priorities) contains updates on systemwide progress and showcases some of the best practices and initial success stories emerging from the action plan. The website will be updated frequently on CSU efforts in the identified priority areas:

- **Reengage and Reenroll Underserved Students**
Reflecting a nationwide trend exacerbated by the COVID-19 pandemic, student retention decreased disproportionately among historically-underserved students. Efforts are focusing on reengaging with students of color, Pell Grant recipients, and first-generation students to support their reenrollment to the CSU and assist them in meeting their academic goals. Targeted systemwide and campus reenrollment campaigns have begun for spring, summer, and fall 2022 terms. These efforts will continue over the next three years with the goal to identify and implement effective outreach to students who left the CSU before earning a degree. Each CSU campus is charged to leverage all available resources and strategies, including leading change management initiatives and re-imagining reenrollment processes and academic policies as well as addressing administrative barriers.
- **Expand Credit-Earning Opportunities**
Summer sessions and intersessions provide an opportunity to gain additional academic credits. This is particularly important for students of color and first-generation students who may have had fewer opportunities to earn academic credits. Additional funding will support students falling behind in academic credits and help facilitate timely degree completion.
- **Access to a Digital Degree Planner**
Digital degree planners, or roadmaps, help students navigate the registration process, select core courses, and stay on track for timely graduation. The CSU is committed to making a digital degree planner available to all students.
- **Eliminate Administrative Barriers to Graduation**
Administrative barriers disproportionately impact underserved students who are often more susceptible to academic disruptions, such as fee assessments, registration holds, and cumbersome processes. Campuses are reviewing practices to eliminate barriers to timely graduation.
- **Promote Equitable Learning and Reduce DFW Rates**
Earning a non-passing grade negatively impacts a student's academic trajectory. Without compromising academic rigor, the CSU is addressing equitable learning practices for classes with persistent high failure rates (D, F, or withdrawal) and providing opportunities for additional learning when needed.

Ensuring that every Californian has an equal opportunity to earn the life-long, life-transforming benefits of a CSU degree

Graduation Rates Continue to Climb

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 notable because of the commitment of CSU faculty, staff, and other campus leaders to student success despite the challenges of the pandemic.

- 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.

Additional state funding for Graduation Initiative 2025 is critical to maintain this momentum. These new investments

will be used to advance innovative student success practices. Specifically, campuses will focus on addressing a number of equity priorities within the framework of the six operational pillars of the Graduation Initiative:

- 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, support equitable student outcomes, and scale programs that have demonstrated success to ensure all California students have the same opportunity to earn a degree. More information about specific systemwide and campus priorities can be found at the Graduation Initiative 2025 website (calstate.edu/graduationinitiative).

TABLE 4: CSU SYSTEMWIDE GRADUATION INITIATIVE 2025 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	

WORKFORCE INVESTMENTS: \$311 MILLION

The CSU Board of Trustees recognizes that competitive salary and benefits for faculty, staff, and management is a key element to the university’s success. Continued investment in competitive salary and benefits is critical for the CSU to provide access to an affordable, high-quality education and graduate a well-prepared workforce. A competitive compensation package is essential to recruit and retain a world-class workforce.

Faculty and Staff Compensation Pool	\$260,910,000
Health Premium Increases	50,524,000
TOTAL	\$311,434,000

Faculty and Staff Compensation Pool

The faculty and staff compensation pool is funding that, under mutual agreement by the CSU and each CSU bargaining unit, could be used for different elements of compensation, such as salary and benefit changes for all employees of a bargaining unit; to address specific market, salary structure, or job framework issues for certain groups of employees within a bargaining unit; or for a wholesale change from one salary structure to another (e.g., market, traditional, job family, or step rate). The mutual agreement between the CSU and each CSU bargaining unit will determine the form of compensation that the compensation pool will support.

With some minor exceptions, no collective bargaining agreements have salary and benefit provisions that extend beyond 2022-23. This budget plan includes \$260.9 million to fund 2023-24 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 priority.

Health Premium Increases

Permanent base budget costs associated with January 2023 employer-paid health care premium increases are \$50.5 million, reflecting an eight percent increase in costs. Health care premiums are shared between the CSU and its employees, with the CSU funding a significant portion of the costs. The CSU currently invests over \$600 million per year in health care premiums for its employees. The CSU is governed by California Government Code Section 22871, which defines the employer-paid contribution rates.

ACADEMIC FACILITIES AND INFRASTRUCTURE: \$50 MILLION

Creating innovative and sustainable spaces that inspire learning, creativity, inquiry, and discovery

To provide students with the best educational experience, it is necessary to regularly invest in critical infrastructure and academic facilities. The CSU proposes using \$50 million of the request to finance needed facility and infrastructure projects. These projects will address critical infrastructure needs, renovate existing buildings, and expand capacity for growth in new student enrollment. The CSU five-year capital plan identifies the priority needs of each of the 23 campuses and is based on the categories and criteria approved by the Board of Trustees. The priorities are consistent with the state’s priorities of critical infrastructure, energy efficiency, and life safety projects.

The five-year plan identifies a systemwide need in 2023-24 alone that exceeds \$4.2 billion to address academic infrastructure and facility needs. The \$50 million in the 2023-24 budget request will help finance approximately \$750 million of the priority projects identified by the campuses and the Chancellor’s Office. While the 2023-24 Capital Plan is still being developed, the table below summarizes some of the CSU’s highest priority projects that could be funded with this additional support.

Category	Project Description	Total Budget
Existing Infrastructure	Statewide Infrastructure Improvements	\$510,000,000
Existing Facility	Replacement Facilities (Seismic)	\$170,000,000
New Facility	Sciences & Engineering–Growth	\$71,000,000

For more information on specific projects and priorities, please reference the CSU five-year capital plan (calstate.edu/major-capital-outlay).

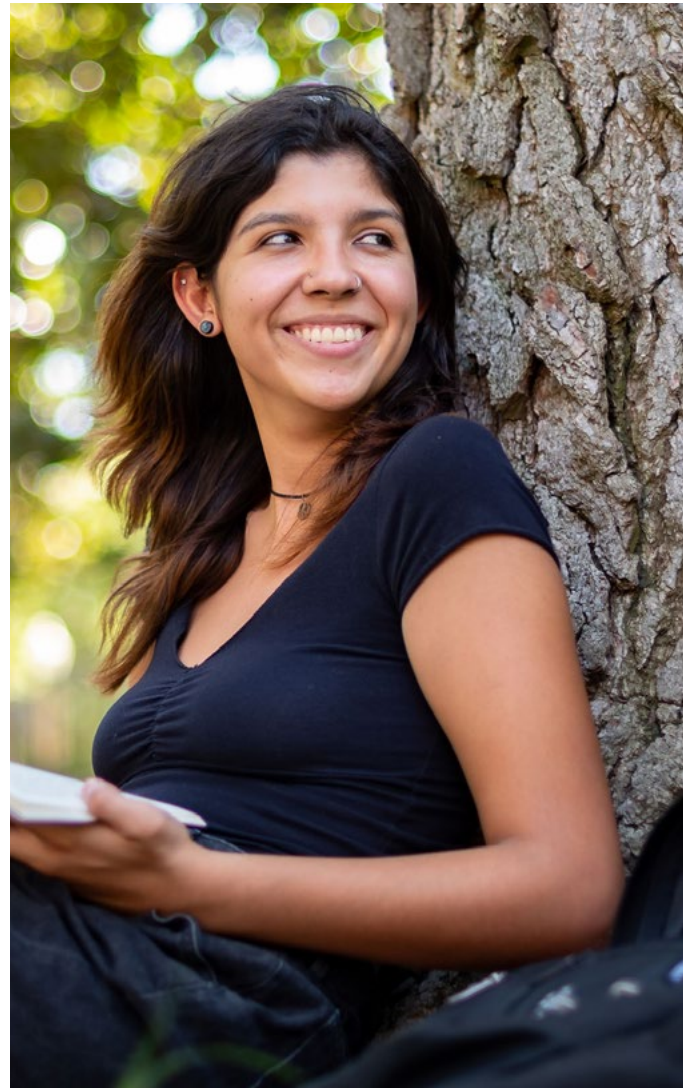
STRATEGIC RESIDENT ENROLLMENT GROWTH: \$51 MILLION

The CSU aims for steady and strategic increases in enrollment to meet student demand for a CSU education and to ensure a solid foundation for California's economy with a well-educated, degree-holding workforce. Aligned with the state's expectations in the multi-year compact, the CSU plans to increase resident undergraduate enrollment by one percent or 3,434 full-time equivalent students (FTES) for 2023-24. Using the marginal cost rate, which is the cost of education per FTES, the funding required to support these new students is \$50.6 million.

As was done in 2022-23, it is the CSU's intent to strategically place new enrollment at campuses that are experiencing significant prospective student demand and can expand more seats in academic programs that support high-demand career fields in California.

2022-23 Resident FTES Base	383,680
1% Proposed Growth	3,434
2023-24 TOTAL RESIDENT FTES	387,114
Marginal Cost Rate per FTES	\$14,749
TOTAL COST OF ENROLLMENT GROWTH	\$50,648,000
State's Share of Marginal Cost Rate	\$10,070

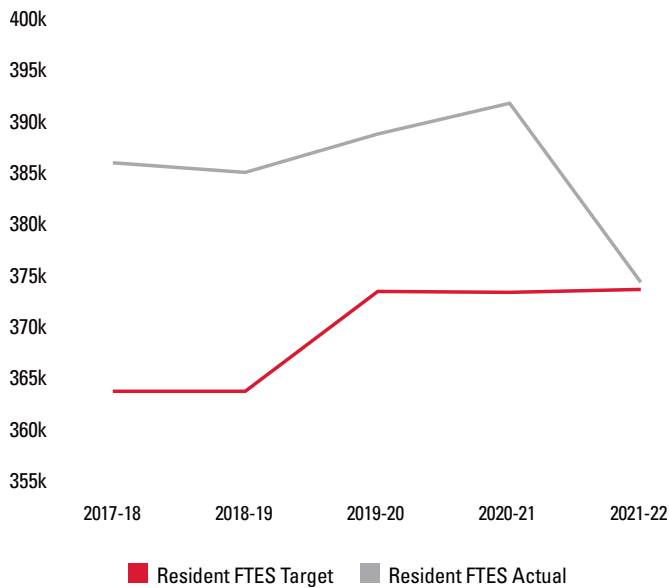
In 2015, the Public Policy Institute of California (PPIC) concluded that the state would fall about 1.1 million college graduates short of economic demand by 2030. Of the 1.1 million-degree gap, the PPIC calculated the CSU would need to graduate an additional 480,000 students to meet its share of the state's need. The CSU's commitment to Graduation Initiative 2025 will help meet workforce demand by increasing access and completion outcomes, but the other part of the equation necessary to shrink the gap is funded enrollment increases each year over the next several years. The multi-year compact includes a commitment by the CSU to grow resident undergraduate enrollment by one percent each year so that by 2026-27, CSU's enrollment will grow by approximately 14,000 FTES.



Transforming the lives of more deserving and qualified students—and meeting California's growing need for a diverse, highly educated workforce

For decades, California has encouraged generations of young Californians to pursue higher education, and during that time, the CSU has been a beacon of access to that opportunity. For many years now, the CSU has educated many more students than expected—approximately 76,000 more students over the past five years (cumulative) beyond the funded enrollment targets agreed to by the CSU and the state.

STUDENT ENROLLMENT EXCEEDS TARGET



Higher education enrollment declined across the country during the pandemic, but CSU campuses collectively fared better than other institutions. The 2021-22 academic year ended with actual resident enrollment tracking very closely to the resident enrollment target. As the state emerges from the pandemic, CSU campuses have returned to in-person outreach and recruitment efforts, but challenges exist including those related to the national sentiment about the value of a college degree and decreasing enrollment in California K-12 and community colleges. With 95 percent of CSU undergraduate student population enrolling from California schools, the system and campuses will need to carefully monitor application and enrollment numbers in future years.

REQUIRED OPERATIONAL COSTS: \$43 MILLION

Required operational costs (or mandatory costs) are expenditures the university must pay regardless of the level of funding allocated by the state, and they often increase despite the level of state support. The 2023-24 operating budget request includes \$42.8 million for increases due to inflation on non-personnel expenditures, maintenance of new facilities, and liability and property insurance premiums.

Maintenance of New Facilities	\$6,032,000
Liability and Property Insurance Premium Increases	13,700,000
Inflation on Non-Personnel Costs	23,034,000
TOTAL	\$42,766,000

Maintenance of New Facilities

The CSU is scheduled to open 284,405 square feet of new facilities in 2023-24. The cost to fund regular maintenance of these facilities is \$21.21 per square foot, for a total of \$6 million in 2023-24. Regular maintenance of new facilities includes the cost of utilities, building maintenance, custodial, landscape, and administrative support.

Liability and Property Insurance Premium Increases

The CSU requests \$13.7 million, equivalent to a 14 percent increase, in costs related to property and liability coverage. The insurance markets for property and liability coverage are emerging from nearly a decade of low premiums. Insurance premiums are on the rise across the country and more so for California public entities. There are many factors causing this significant rise in premiums in California, including an overall rise in claims and inflated values of settlements and verdicts. California higher education faces some of the toughest challenges in the liability insurance market due to higher physical abuse and molestation, law enforcement, and employment practice exposures. Additionally, sizable liability settlements at other higher education institutions are resonating throughout the insurance industry. Wildfire losses are also a factor; the CSU has experienced multiple losses, and these contribute to property insurance premium increases.

Inflation on Non-Personnel Costs

Inflation impacts all areas of the university. Over the past decade, the CSU operating budget request and the final state budget have not included funding explicitly dedicated to cost increases on a variety of expenses, such as technology, instructional equipment, library subscriptions, software subscriptions, contracts, and other supplies. Utilizing the California Consumer Price Index of three percent for 2023-24, the CSU requests \$23 million for expenditure increases due to inflation.



ONE-TIME REQUEST



CRITICAL CAPITAL RENEWAL: \$1.3 BILLION

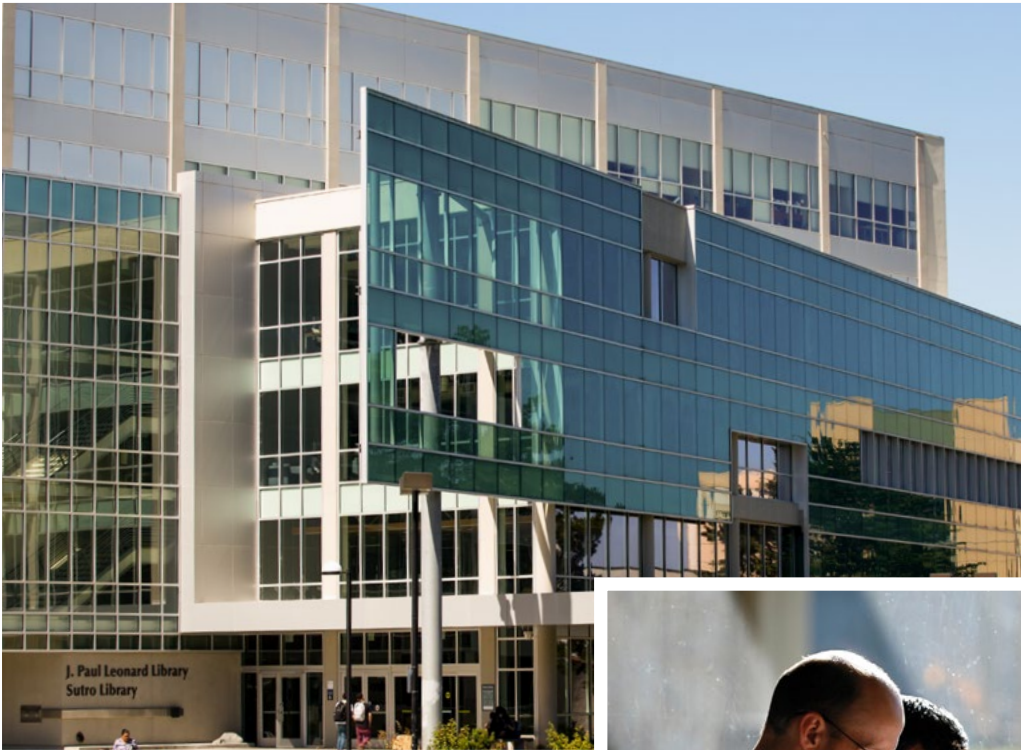
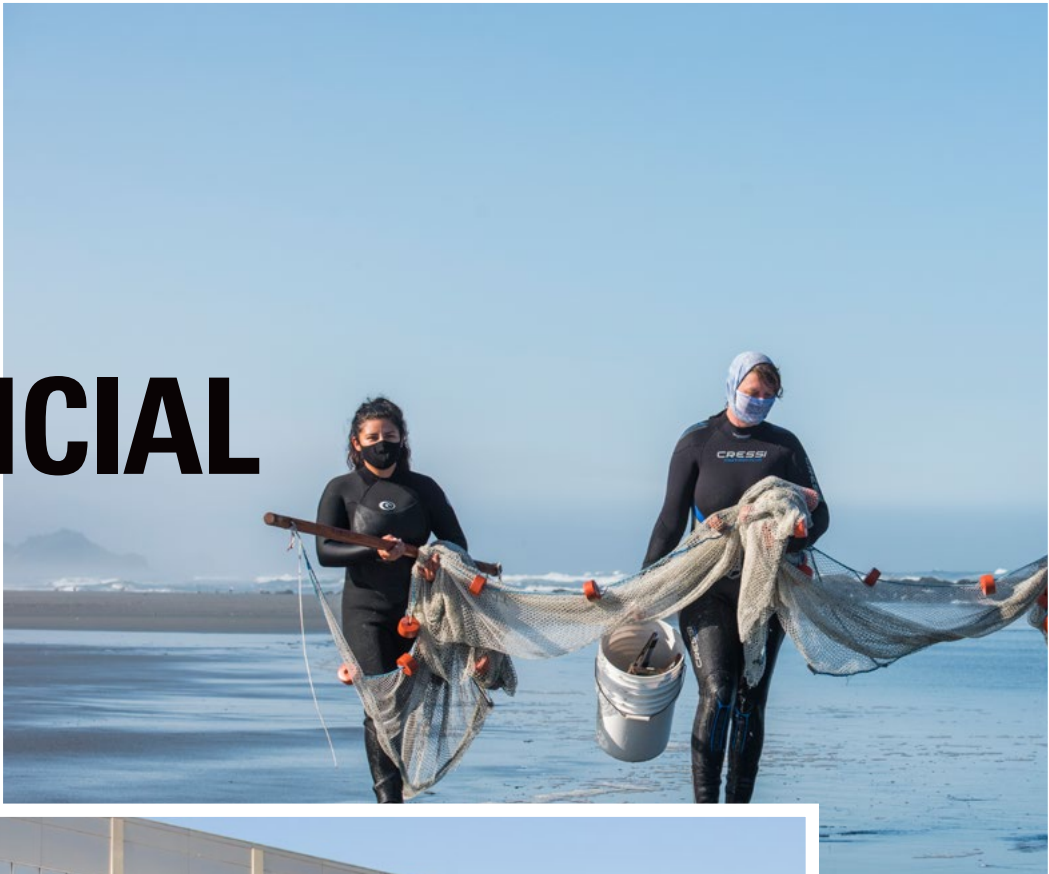
Providing safe and modern facilities for students, faculty, and staff—spaces where teaching, learning, and student well-being can thrive

The CSU seeks \$1.3 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 CSU's academic buildings are over 40 years old, and many of these buildings are overdue for major renovation. The CSU has an estimated \$5.8 billion critical capital renewal backlog and accumulates approximately \$284 million of additional critical capital renewal costs per year.

As buildings and their associated systems age, the cost to operate, maintain, and renovate the facilities increases. Although CSU facilities staff does an admirable job of keeping these aging facilities operational with limited financial resources, increased funding is necessary. Over the past two years, the state has provided \$450 million in one-time funding to address a portion of the deferred renewal backlog. This is a substantial amount of funding, and it is being put to good use on the most pressing campus projects. It should be noted, however, that two significant factors are exacerbating this budget challenge: year-over-year growth in the CSU backlog and construction inflation exceeding ten percent in 2021-22.

The \$1.3 billion 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. Aligned with the CSU's overarching academic mission, system repairs, and replacements will provide safer and healthier environments that support teaching and learning across all 23 campuses.

CSU FINANCIAL AID



The CSU understands the impact financial 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 strives to keep costs to a minimum by offering institutional aid in addition to federal and state grant and loan programs. Financial aid allows CSU students to better focus on their academics by easing the pressure of educational and personal costs. Although CSU tuition is among the lowest in the nation at \$5,742 per year for a resident undergraduate student, 81 percent of all CSU students receiving financial aid and 60.5 percent of all enrolled undergraduate students receive non-loan aid to cover the full cost of tuition. The CSU currently provides nearly \$945 million of institutional aid, which includes \$701 million for the State University Grant program. An additional \$821 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. These CSU, state, and federal financial aid programs help defray the cost of attendance for the lowest-income students and keep CSU student debt well below the national average. In 2020-21, CSU baccalaureate degree recipients have lower average debt (\$17,966) than other students in California (\$21,125) compared to the 2019-20 national average (\$28,950).

STATE UNIVERSITY GRANT PROGRAM

To further the CSU’s mission to provide an affordable, high-quality education to all students, the CSU launched the State University Grant (SUG) program in 1982-83 to assist students with 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 based on the Free Application for Federal Student Aid 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 2022-23. Over 140,000 students received a SUG award in 2020-21. Currently, nearly nine 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.

ADDITIONAL BUDGET CONSIDERATIONS



Although the state has provided significant investments in the CSU over the past two years, it is important to point out several remaining fiscal challenges the university system still faces.

STAFF AND FACULTY COMPENSATION STUDIES

The Budget Act of 2021 included funding for the Chancellor's Office to evaluate the existing salary structure for CSU non-faculty, represented staff employees. The study, executed by consulting firm Mercer, found issues related to salary structure and pay inequities. To properly address all findings and recommendations, Mercer identified initial ongoing costs of \$287 million in year one and over \$50 million additional each year thereafter for the implementation of salary steps. The CSU and employee unions advocated together for state funding to support the implementation costs of the study. However, the Budget Act of 2022 did not include funding for this item.

In December 2021, the CSU initiated a faculty employee salary study. The work is underway, and the study findings and recommendations are expected in 2023.

Future collective bargaining agreements between the CSU and employee bargaining units will be necessary to implement any staff study or faculty study recommendations. For the CSU to be able to implement any cost-creating recommendations of either study, the receipt of new, incremental, ongoing funding for this purpose will be necessary.

CHANGES TO FEDERAL AND STATE FINANCIAL AID PROGRAMS

Recent changes to federal and state financial aid programs could impact access to the CSU and put financial pressure on the State University Grant program. Financial aid programs complement one another to provide maximum financial support for students. Program changes have cascading effects that must be considered and potentially addressed. Several of the approved changes will streamline processes, remove barriers, and expand access. But these changes come with certain tradeoffs, such as a lower income eligibility threshold, removal of non-tuition awards for all CSU students, and a drop in aid for transfer students. As the CSU strives to maximize access to aid and balance the federal and state changes, the CSU will be pressed to change or expand the State University Grant institutional aid program to make up some of the losses in the state financial aid programs. The financial implications are currently unknown.

ENERGY

Across the 23 campuses, the CSU estimates recent energy cost increases of approximately \$15.4 million. The war in Ukraine, other geopolitical dynamics, and market conditions are some of the many complex factors contributing to energy



cost increases. However, it is not yet clear if the recent energy cost increases are permanent and require base, ongoing funding or are temporary one-time funding obligations. The CSU will monitor conditions and continue analyzing the situation over the coming months to determine the appropriate funding source to address these required operational costs.

MINIMUM WAGE

In January 2022, the California minimum wage reached \$15 per hour. Senate Bill 3 of 2016, which raised the state's minimum wage to \$15 per hour over consecutive years, includes a provision for the state to adjust the rate in subsequent years for inflation. Due to high rates of inflation, it is likely that the minimum wage will increase to \$15.50 in January 2023. The estimated annualized cost of the increase on CSU campuses is \$3.9 million.

RETIREMENT BENEFITS (BEYOND STATE-FUNDED)

Beginning with the 2013-14 fiscal year, the legislature placed a limit on the state's obligation to adjust CSU retirement funding due to annual changes in CalPERS rates. CalPERS employer contribution rates increased significantly for 2022-23. While rates are estimated to drop again in the next few years, the



increase is a significant financial burden to the CSU. It is estimated that the unfunded cost to the CSU will be \$28 million in 2022-23 and will require the reprioritization of existing one-time campus resources to fund this required cost until rates drop again in the next few years.

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 fixed at the CSU 2013-14 pensionable payroll level in the state budget. Final 2021-22 pensionable payroll for the CSU was \$738 million (32 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.

This practice is problematic and unsustainable. 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 required and unavoidable. 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.

UNFUNDED 2022-23 COMPENSATION

Following two years without salary increases, nearly all CSU employees received, at minimum, a seven percent general salary increase over 2021-22 and 2022-23. However, the CSU did not receive sufficient funding in the Budget Acts of 2021 and 2022 to cover all necessary budget priorities during the two fiscal years. Consequently, it is estimated that campuses will be required to redirect approximately \$44 million from existing campus budgets to cover some of these new compensation costs. The commitment to fair and competitive employee compensation requires budgetary tradeoffs and nearly all other operating budget request priorities will only receive some or none of the new funding in 2022-23 (enrollment growth is the exception). For example, the CSU is unable to fully invest in the Graduation Initiative 2025 or finance some of our highest priority academic facilities and infrastructure projects as identified by the CSU's five-year capital plan.





AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 11:00 a.m., Wednesday, September 14, 2022
Glenn S. Dumke Auditorium

Douglas Faigin, Chair
Maria Linares, Vice Chair
Diego Arambula
Jack McGrory
Yammilette Rodriguez
Romey Sabalius
Lateefah Simon

Consent 1. Approval of Minutes of the Meeting of May 24, 2022, *Action*
Discussion 2. State Legislative Update, *Information*

**MINUTES OF THE MEETING OF
COMMITTEE ON GOVERNMENTAL RELATIONS**

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

May 24, 2022

Members Present

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

Jolene Koester, Interim Chancellor
Lillian Kimbell, Chair of the Board

Trustee Faigin called the meeting to order.

Approval of Minutes

The minutes of the March 23, 2022, meeting were approved as submitted.

Sponsored State Legislation for 2022

Executive Vice Chancellor and Chief Financial Officer Steve Relyea introduced an action item for the board's consideration that would authorize the CSU to award the Doctor of Public Health degree. As a follow-up from a previous discussion during the March 2022 Board of Trustees Meeting, Interim Assistant Vice Chancellor Eric Bakke provided an analysis to the board regarding employment data that found a growing need across the state for bachelor's, master's and doctoral degrees in the public health sector over the next 10 years.

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The committee recommended approval by the board of the proposed resolution (RGR 05-22-02) that the state legislative proposal described in the agenda item is adopted as part of the 2022 Board of Trustees' Legislative Program.

State Legislative Update

Executive Vice Chancellor and Chief Financial Officer Steve Relyea acknowledged that this is the last meeting for Governmental Relations Committee Vice Chair Krystal Raynes and thanked her for her outstanding work and tremendous contributions in helping shape legislative priorities. He then handed the presentation over to Mr. Bakke to discuss key legislative priorities and budget advocacy efforts in Sacramento.

Mr. Bakke provided information about recent budget developments within the state of California and the "Building California's Future" campaign for the CSU. Mr. Bakke next discussed legislative deadlines and highlighted bills being tracked by the CSU. He then turned the presentation over to Director of Financial Aid Programs Noelia Gonzalez, who discussed the proposed modernization of the Cal Grant financial aid program.

Several trustees had questions on specific bills and initiatives.

Trustee Faigin adjourned the meeting.

COMMITTEE ON GOVERNMENTAL RELATIONS

State Legislative Update

Presentation by:

Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

Eric Bakke
Interim Assistant Vice Chancellor
Advocacy and State Relations

Summary

The Legislature returned from summer recess on August 1 and quickly got back to work to wrap up this legislative year. Fiscal committees were held the first two weeks followed by floor session in order to complete all work for the year by August 31. For those bills that advanced to the Governor, he has until September 30 to take action. The Legislature will remain in recess until November 30 at which time the legislative session will adjourn sine die.

This report is organized as follows:

- Board of Trustees sponsored legislation
- Active bills
 - Senate Bills
 - Assembly Bills
- Bills no longer advancing
 - Senate Bills
 - Assembly Bills
- Governor's Actions
 - Senate Bills
 - Assembly Bills

All bill summaries and positions are accurate as of August 29, 2022.

Finally, Fresno County has put forth a ballot measure that would support academic programs and facilities at Fresno State. Additional details can be found at the end of this report.

SPONSORED LEGISLATION

SB 684 (Hueso) – California State University: Doctoral Programs in Public Health

This bill would authorize the California State University (CSU) to award the Doctor of Public Health degree.

- **CSU Position:** Sponsor
- **Status:** This bill is awaiting an Assembly floor vote.

SB 1280 (Hueso) – Tied-House Restrictions: Advertising: San Diego State University

This bill authorizes alcohol beverage suppliers to advertise at specified venues located at San Diego State University.

- **CSU Position:** Sponsor
- **Status:** This bill was enrolled and presented to the Governor at 12:30 p.m. on August 23.

AB 2422 (McCarty) – California State University: Investments

This bill provides additional flexibility to the California State University investment authority established in 2016 by SB 1412 to allow for more investment earnings.

- **CSU Position:** Sponsor
- **Status:** This bill is in Assembly Engrossing and Enrolling.

ACTIVE BILLS

Senate Bills

SB 410 (Leyva) – CSU: Nonfaculty Staff Employees: Merit Salary System

This bill requires the CSU to implement a merit-based nine-step salary system for nonfaculty staff employees from existing resources.

- **CSU Position:** Oppose
- **Status:** This bill is awaiting an Assembly floor vote.

SB 641 (Skinner) – CalFresh for College Students Act

This bill codifies recommendations previously made by the College Hunger Working Group and mandates the Department of Social Services to report the number of college students receiving CalFresh benefits, disaggregated by county and by higher education institution, and to propose ways to better serve eligible students.

- **CSU Position:** Support
- **Status:** This bill is in Senate Engrossing and Enrolling.

SB 785 (Glazer) – California Promise Program: CSU Students

This bill requires, commencing with the 2023-2024 academic year, that at least five percent of each incoming class at each participating campus of the CSU be a participant in the California Promise Program, and that at least 70 percent of those participating students be either low-income, first-generation or from communities that are underrepresented in higher education.

- **CSU Position:** Tracking
- **Status:** This bill is awaiting an Assembly floor vote.

SB 886 (Weiner) – California Environmental Quality Act (CEQA): Exemptions: Public Universities Housing Projects

This bill would exempt campus owned student housing projects from CEQA if the project meets certain requirements such as LEED certification and labor agreements.

- **CSU Position:** Tracking
- **Status:** This bill is in Senate Engrossing and Enrolling.

SB 907 (Pan) – Electronic Benefits Transfer (EBT) Systems: Farmers’ Markets

This bill requires the State Department of Social Services and the Department of Food and Agriculture to establish a noncompetitive grant program designed to expand the use of EBT acceptance systems at farmers’ markets.

- **CSU Position:** Support
- **Status:** This bill was enrolled and presented to the Governor at 2:00 p.m. on August 26.

SB 960 (Skinner) – Public Employment: Peace Officers: Citizenship

This bill would remove the citizenship requirement in order to serve as a police officer. It would instead permit any individual who is legally authorized to work in the United States to serve, provided they meet all the other requirements as specified under existing state and federal law.

- **CSU Position:** Support
- **Status:** This bill was enrolled and presented to the Governor at 2:00 p.m. on August 26.

SB 964 (Wiener) – Behavioral Health

This bill would require the Department of Health Care Access and Information to commission consultants to prepare a report for the Legislature that provides a landscape analysis of the current behavioral health workforce and the state’s behavioral health workforce needs. (Note: Stipends for postgraduate behavioral health students, previously included in this bill, were funded in the 2022 Budget Act and clarified in AB 2222 by Assembly Member Reyes.)

- **CSU Position:** Tracking
- **Status:** This bill was enrolled and presented to the Governor at 2:00 p.m. on August 26.

SB 1141 (Limon) – Exemption from Payment of Nonresident Tuition

This bill allows students to count three years in attendance in community college credit courses rather than two years in community college credit courses and one year at a K-12 or adult school in order to become eligible for resident tuition.

- **CSU Position:** Tracking
- **Status:** This bill is awaiting a concurrence vote on the Senate floor.

Assembly Bills

AB 288 (Calderon) – California Ban on Scholarship Displacement Act of 2021

This bill prohibits public and private higher education institutions from reducing certain students' institution-based financial aid awards below their cost of attendance.

- **CSU Position:** Tracking
- **Status:** This bill was enrolled and presented to the Governor at 3:30 p.m. on August 29.

AB 524 (Rodriguez) – Postsecondary Education: Campus Recognized Sorority and Fraternity Transparency Act

The bill requires higher education institutions to annually collect information from each sorority and fraternity and post it online.

- **CSU Position:** Tracking
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 1467 (Cervantes) – Student Safety: Sexual Assault and Domestic Violence Procedures and Protocols: Sexual Assault and Domestic Violence Counselors

This bill requires procedures related to the hiring of campus sexual assault and domestic violence counselors, requires this position to be independent from the campus Title IX office, and expands the information that victims are required to receive regarding the availability of support services.

- **CSU Position:** Tracking
- **Status:** This bill is awaiting a Senate floor vote.

AB 1671 (Patterson) – California Ban on Scholarship Displacement for Foster Youth Act of 2022

This bill prohibits public and private higher education institutions from reducing former foster youth students' institution-based financial aid award below their cost of attendance.

- **CSU Position:** Tracking
- **Status:** This bill is on the Assembly inactive file.

AB 1712 (Medina) – Campus Safety: Online Survey Tool

This bill requires the CSU, and requests the UC, to develop questions in consultation with students and trauma experts to determine student perspectives on campus climate that will be included in the Department of Education’s online survey that will be administered every two years, and to report those survey results to the Legislature.

- **CSU Position:** Support
- **Status:** This bill was enrolled and presented to the Governor at 3:00 p.m. on August 23.

AB 1731 (Davies) – Title 38 Awards: Postsecondary Educational Institutions: Application for Approval or Renewal

This bill authorizes the California State Approving Agency for Veterans Educations to require that postsecondary educational institutions provide specified information to be approved or renewed as Title 38-eligible institutions in order to award student financial aid to military veterans.

- **CSU Position:** Tracking
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 1775 (Ward) – Occupational Safety: Live Events

This bill requires public events venues, which includes CSU and CSU auxiliary-run facilities, that host live events to require specific criteria for events vendors.

- **CSU Position:** Tracking
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 1796 (Choi) – Reenrollment

This bill requires the CSU, and requests the UC, to grant students the right to reenroll after withdrawing prior to degree completion, if the student was in good academic standing with the campus.

- **CSU Position:** Neutral
- **Status:** This bill was enrolled and presented to the Governor at 3:00 p.m. on August 23.

AB 1997 (Gipson) – CSU: Emergency Response Programs: Report

This bill would require the CSU to convene a stakeholder workgroup which includes specified stakeholders to evaluate and report on alternative options to current emergency response programs on CSU campuses and alternative dispute resolution options to resolve employee conflicts.

- **CSU Position:** Tracking
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 2004 (Garcia, Cristina) – California DREAM Loan Program

This bill deletes the prohibition within the current DREAM Loan Program against a student borrowing more than \$20,000 in aggregate from any one participating institution and instead limits the amount to \$40,000 at any one institution and requires participating institutions to offer DREAM Loan forgiveness program options.

- **CSU Position:** Tracking
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 2232 (McCarty) – School Facilities: Heating, Ventilation, and Air Conditioning Systems

This bill would require various educational entities, including the CSU, to adopt several requirements pertaining to HVAC systems on our campuses including adhering to minimum ventilation rate requirements and meeting minimum filtration levels.

- **CSU Position:** Tracking
- **Status:** This bill is awaiting a Senate floor vote.

AB 2459 (Cervantes) – Postsecondary Education: Student Housing: Data Collection

This bill requires CSU campuses to post to their websites data related to housing stock twice each academic year and require the Chancellor's Office to compile this information into an annual systemwide report to the Legislature.

- **CSU Position:** Neutral
- **Status:** This bill awaiting a concurrence vote on the Assembly floor.

AB 2464 (Garcia, Cristina) – CSU: Employees: Paid Parental Leave of Absence

This bill requires the CSU to grant paid parental leave to an employee for up to one semester of an academic year.

- **CSU Position:** Oppose
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 2482 (Calderon) – Student Health: Pilot Program: Wellness Vending Machines

This bill requires the CSU, and requests the UC, to select five campuses to participate in a five-year pilot program in which at least one vending machine containing wellness products such as contraception and pregnancy tests are available on campus. This bill contains reporting requirements to the Legislature.

- **CSU Position:** Tracking
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 2683 (Gabriel) – Sexual Violence and Harassment: Training and Resources

This bill requires postsecondary institutions to provide information and training about sexual harassment and assault, including campus and community resources for survivors, on an annual basis beginning in 2024. Campuses must also post this information on their websites.

- **CSU Position:** Support
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 2747 (Nazarian) – Tuition and Fees: Team USA Student Athletes

This bill would entitle a Team USA student athlete who trains in California in an elite-level program approved by the United States Olympic and Paralympic Committee to receive resident classification for tuition purposes at public postsecondary education institutions until July 1, 2032.

- **CSU Position:** Tracking
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 2810 (Arambula) – CalFresh: Student Eligibility: FAFSA data

This bill requires the CSU and CCC, and encourages all other postsecondary institutions, to utilize FAFSA data to identify students who may be eligible for CalFresh benefits and to share relevant information with those students.

- **CSU Position:** Neutral
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 2815 (Berman) – Elections: Vote by Mail Ballot Drop-Off Locations

This bill requires elections officials to designate a ballot drop-off location on each CSU campus for statewide primary and general elections held during academic terms. The bill requires elections officials to request that the UC authorize one ballot drop-off location per campus and to give preference to ballot drop-off locations on CCC campuses.

- **CSU Position:** Tracking
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 2881 (Berman) – Public Postsecondary Education: Students with Dependent Children

This bill requires the CSU to include resources for student parents on campus websites, share information on the Women, Infants and Children nutrition program, and offer priority registration to students with minor dependents.

- **CSU Position:** Support
- **Status:** This bill is in Assembly Engrossing and Enrolling.

AB 2973 (Committee on Higher Education) – Postsecondary Education: Omnibus Bill

This bill contains clarifying and conforming changes to various provisions of the Education Code affecting higher education. Two of the Trustees’ sponsored legislation have been included in the Education Committee omnibus bill: updating in statute Humboldt State as California State Polytechnic University, Humboldt; and the authority to discontinue the designation of impactation in a streamlined manner.

- **CSU Position:** Support
- **Status:** This bill is in Assembly Engrossing and Enrolling.

BILLS NO LONGER ADVANCING

Senate Bills

SB 22 (Glazer) – Education Finance: School Facilities: Public Preschool, K-12, and College Health and Safety Bond Act of 2022

This bill enacts a school facilities bond act for 2022, which if approved by voters, would authorize \$15.5 billion in bonds for K-16, of which \$4 billion would be divided equally between the UC and the CSU.

- **CSU Position:** Support

SB 1160 (Durazo) – Exemption from Nonresident Tuition

This bill modifies eligibility for AB 540 students by opening the pathway to students with nonimmigrant visas.

- **CSU Position:** Tracking

SB 1229 (McGuire) – Mental Health Workforce Grant Program

This bill, upon appropriation, creates the Mental Health Workforce Grant Program within the California Student Aid Commission (CSAC) to award up to 10,000 grants to postgraduate students over a three-year period in amounts of up to \$25,000 each. Grant recipients must be enrolled in postgraduate programs at CSU, UC, or an independent college and commit to working at a California-based nonprofit or local education agency for two years upon completion of their program.

- **CSU Position:** Pending

SB 1401 (Bradford) – College Athlete Race and Gender Equity Act

This bill requires that higher education institutions, except CCC, establish, manage and distribute degree completion funds to qualifying student athletes using a specified formula. The bill allows the qualifying student athlete to withdraw up to \$25,000 annually and receive the remaining balance upon proof of graduation.

- **CSU Position:** Oppose

Assembly Bills

AB 295 (Jones-Sawyer) – Pilot Program for Free Cost of Education: Working Group

This bill establishes a working group with representatives from the Department of Education, Board of Governors of the CCC, Trustees of the CSU, and Regents of the UC to consider the creation of a pilot program that provides free postsecondary education.

- **CSU Position:** Tracking

AB 595 (Medina) – CSU and UC: Student Eligibility Policy

This bill requires the Trustees of the CSU, and requests the Regents of the UC, to engage in a specified process, including the commission of an independent study, and present the policy change to the legislature before making any change in undergraduate student eligibility policy that adds new eligibility requirements.

- **CSU Position:** Tracking

AB 1602 (McCarty) – Student, Faculty, and Staff Housing: California Student Housing Revolving Loan Fund Act of 2022

This bill would establish a \$5 billion California Student Housing Revolving Loan Fund Act of 2022 to provide zero-interest loans to qualifying UC, CSU, and CCC applicants for the purpose of constructing affordable student housing and faculty and staff housing.

- **CSU Position:** Pending
 - *Note:* The framework and funding for this bill were included in the Governor’s 2022 Budget.

AB 1606 (Ramos) – Education: Veterans: Waiver of Mandatory Systemwide Tuition and Fee

This bill would amend the income eligibility level of a dependent child seeking a waiver of tuition and fees to not exceed the area median income, as defined. This bill would also include the spouse of a veteran with a disability rating of 70 percent or greater in the definition of “dependent of a veteran.”

- **CSU Position:** Tracking

AB 1701 (Medina) – CSU: Jump Start Grant Program

This bill creates the CSU Jump Start Grant Program to increase the number of tenure-track, full-time, and part-time limited term bilingual faculty for bilingual authorization programs of accredited schools of education.

- **CSU Position:** Tracking

AB 1733 (Quirk) – State Bodies: Open Meetings

This bill modernizes the Bagley-Keene Open Meeting Act by requiring that all meetings be held by teleconference, allowing members to participate remotely in private locations, and requiring that both physical and remote locations be available for members of the public to give public comment.

- **CSU Position:** Tracking

AB 1746 (Medina) – Student Financial Aid: Cal Grant Reform Act

This bill enacts the Cal Grant Reform Act, replacing the current Cal Grant program with Cal Grant 2 for community college students and Cal Grant 4 for students attending four-year institutions. This bill changes eligibility requirements and requests changes to CSU’s institutional aid policy.

- **CSU Position:** Tracking
 - *Note:* The framework and funding for this proposal was included in the Governor’s 2022 Budget and specified delayed implementation dependent upon future state resources.

AB 1764 (Medina) – Student Housing: Survey

This bill requires the CSU, CCC, and requests the UC, to collect data on each campus’s rate of student housing insecurity and submit this data to the Legislature every two years beginning in October 2023 and ending in October 2027.

- **CSU Position:** Pending

AB 1815 (Nazarian) – Cultural Heritage Destruction: California Universities and Museums

This bill would prohibit the CSU and CCC from inviting and request the UC to refrain from inviting a sponsored professor to any campus if the person is employed by a university that receives funding from a country that has received an adverse judgement by the International Court of Justice (ICJ). It also prohibits museums that receive public funding from displaying artifacts from countries with adverse ICJ judgements.

- **CSU Position:** Pending

AB 1844 (Medina) – Higher Education Student and Faculty Protection Act

This bill would require the CSU, UC, and CCC to take certain actions prior to extending an official offer of employment to an applicant and to complete an investigation into an allegation or complaint of sexual harassment even if the accused leaves the institution. This bill also disallows any settlement agreements with an employee to include a prohibition against disclosure of a criminal or Title IX investigation for sexual harassment.

- **CSU Position:** Pending

AB 1872 (Low) – Election Day Holiday

This bill creates a state holiday for the general election in even numbered years, and requires state offices, public schools and public postsecondary campuses, including the CSU, to be closed.

- **CSU Position:** Tracking

AB 1987 (Salas) – Student Mental Health Spending: Report

This bill requires CSU, UC, and CCC to submit an annual report to the Legislature detailing these of funds allocated for student mental health resources.

- **CSU Position:** Tracking

AB 2371 (Santiago) – CSU: Tuition

This bill, upon appropriation, prohibits the CSU from collecting tuition for two academic years from a student who received the California Promise fee waiver and has transferred with an Associate Degree for Transfer from a CCC. Qualifying students who have their tuition waived under existing financial aid programs shall instead receive a nontuition grant in the commensurate amount to waiving tuition.

- **CSU Position:** Tracking

AB 2401 (McCarty) – Teacher Preparation Programs: Planning Grants and Implementation or Expansion Grants

This bill seeks to expand existing teacher prep programs at the CSU by providing campuses with grants of \$250,000 in order to better diversify the teaching profession and create programs which lead to more credentialed teachers in certain subject matters where a shortage may exist. It would also expand options for teaching candidates to complete their field placement requirement in a public K-12 academic setting instead of at the elementary or secondary school level only.

- **CSU Position:** Tracking

AB 2456 (McCarty) – Cal Grant Program: Student Eligibility: Summer Term

This bill allows students who will be taking 30 or more units per year to access Cal Grant awards for the summer term without impacting their four years of total Cal Grant eligibility.

- **CSU Position:** Support

AB 2491 (Cervantes) – Postsecondary Education: Cost of Attendance: Fiscal Matters

This bill requires the CSU, UC and CCC to incorporate the cost of a one-bedroom apartment in the community surrounding the institution as determined by the Secretary of Housing and Urban Development into the cost of attendance of a student who identifies that they will be living off-campus.

- **CSU Position:** Tracking

AB 2497 (Reyes) – Higher Education Employer-Employee Relations Act: New Employee Orientation: Membership Authorization Forms

The bill requires higher education institutions to distribute union membership authorization forms to each higher education employee as part of the new employee orientation process and imposes financial penalties for failure to comply with these requirements.

- **CSU Position:** Pending

AB 2624 (Kalra) – Course Materials

This bill requires CSU, CCC, and requests the UC, to display the estimated costs for the required course materials and fees for no less than 75 percent of the total number of courses on an online campus schedule.

- **CSU Position:** Pending

AB 2652 (McCarty) – Student Aid Commission: California Dream Act applicants: Food Support Pilot Program

This bill requires the California Student Aid Commission to establish a state-funded Food Support Pilot Program, until January 1, 2025, to provide food assistance benefits to students who submit a California Dream Act application.

- **CSU Position:** Support

AB 2664 (Friedman) – Collegiate Athletics: Coaches: Misconduct

This bill prohibits postsecondary institutions from hiring new or renewing existing contracts for collegiate athletic coaches who have been convicted or found civilly liable of misconduct related to their current or any previous employment.

- **CSU Position:** Tracking

AB 2676 (Cervantes) – Postsecondary Education: Student Financial Aid Verification

This bill prohibits institutions of higher education and the California Student Aid Commission from performing a verification to establish eligibility for state financial aid on a student more than once, unless there is a break in attendance of more than one year or the student transfers between institutions.

- **CSU Position:** Pending

AB 2692 (Choi) – Priority Registration for Members and Former Members of the Armed Forces of the United States

This bill adds veterans of the United States Space Force to the list of veterans who receive priority registration for enrollment at the CSU.

- **CSU Position:** Tracking
 - *Note:* The provisions of this bill were included in AB 1715 (Muratsuchi), which is on the Senate Floor.

AB 2695 (Berman) – CSU: Cybersecurity Regional Alliances and Multistakeholder Partnerships Pilot Program

This bill establishes a pilot program at CSU for cybersecurity workforce development.

- **CSU Position:** Tracking
 - *Note:* The framework and funding for this bill were included in the Governor’s 2022 Budget.

AB 2920 (Arambula) – Postsecondary Education: Students with Disabilities: Inclusive College Pilot Programs

This bill, upon an appropriation from the legislature, requires the CSU and requests the UC to establish or expand inclusive college programs for students with intellectual and developmental disabilities.

- **CSU Position:** Pending

GOVERNOR’S ACTIONS

Assembly Bills

AB 1625 (Medina) – Trustees of the CSU: Student Members

This bill extends the term of the outgoing trustee for up to six months, or until a new student trustee is appointed by the governor, to ensure that the CSU Board of Trustees always includes two student voices.

- **CSU Position:** Support
- **Status:** Chaptered by Secretary of State - Chapter 103, Statutes of 2022.

AB 1633 (Seyarto) – Veterans’ Educational Benefits: Information Sharing

This bill would require the CSU, and request the UC, to share, with informed consent, specified personal information regarding students who utilize GI Bill educational benefits to the Department of Veterans Affairs beginning in 2023.

- **CSU Position:** Tracking
- **Status:** Chaptered by Secretary of State - Chapter 174, Statutes of 2022.

AB 1963 (Salas) – CSU and UC: Gene Synthesis Providers

This bill requires the CSU to develop systemwide guidance for purchasing gene synthesis equipment or products from gene synthesis providers who prevent the misuse of synthetic genes.

- **CSU Position:** Tracking
- **Status:** Chaptered by Secretary of State - Chapter 179, Statutes of 2022.

AB 1968 (Seyarto) – Uniform Informational Guidance for Sexual Assault Victims

This bill requires the CSU, and requests the UC, to develop certain content and presentation standards for campus websites regarding the steps a campus community member who is a victim of sexual assault may take to seek help.

- **CSU Position:** Support
- **Status:** Chaptered by Secretary of State - Chapter 115, Statutes of 2022.

AB 2122 (Choi) – Mental Health Hotlines: Student Identification Cards

This bill requires the CSU, CCC, and requests the UC, to print the phone number of a campus mental health hotline on new student identification cards.

- **CSU Position:** Tracking
- **Status:** Chaptered by Secretary of State - Chapter 183, Statutes of 2022.

Senate Bills

SB 367 (Hurtado) – Student Safety: Opioid Overdose Reversal Medication

This bill requires the CSU and the California Community Colleges (CCC), and requests the UC, to maintain opioid overdose reversal medication in all student health centers. Additionally, campuses must provide educational and preventative information about opioids during new student orientations as well as instruct students on the use and location of opioid overdose reversal medications on campus.

- **CSU Position:** Support
- **Status:** Chaptered by Secretary of State - Chapter 218, Statutes of 2022.

FRESNO COUNTY LOCAL TAX MEASURE

Fresno County Measure E would designate a 1/5 of a cent sales tax in support of Fresno State. The tax would provide an estimated \$36 million a year for 20 years. A minimum of two-thirds of the revenue will support academic programs and facilities important to local economic development. Remaining funds may equitably support women's and men's athletics programs and facilities. Fresno County may issue bonds and use the revenue source for debt financing. If passed, a Joint Powers Authority may be created to manage projects, which would require CSU Board of Trustees approval.

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

**California State University
Office of the Chancellor
Glenn S. Dumke Auditorium
401 Golden Shore
Long Beach, CA 90802**

Wednesday, September 14, 2022

Presiding: Wenda Fong, Chair

11:40 a.m.* Board of Trustees Dumke Auditorium

Call to Order

Roll Call

Consent

- Action* 1. Approval of the Minutes of the Board of Trustees Meeting of July 12, 2022, and July 13, 2022
- Action* 2. Conferral of Title of President Emerita – Judy K. Sakaki
- Action* 3. Approval of Committee Resolutions as follows:

Committee on Committees

2. Amendments to Board of Trustees’ Standing Committee Assignments for 2022-2023

Committee on University and Faculty Personnel

2. Executive Compensation: Acting Vice Chancellor, Human Resources – California State University
3. Executive Compensation: Triennial Performance Reviews – Equity Adjustments

Committee on Finance

3. Approval of the 2023-2024 Operating Budget Request

*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.

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> .

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**

July 12, 2022

Trustees Present

Wenda Fong, Chair
Jack Clarke, Jr., Vice Chair
Larry L. Adamson
Diana Aguilar-Cruz
Diego Arambula
Adam Day
Douglas Faigin
Jean Picker Firstenberg
Maria Linares
Julia I. Lopez
Jack McGrory
Anna Ortiz-Morfit
Yammilette Rodriguez
Lateefah Simon
Christopher Steinhauser
Jolene Koester, Interim Chancellor

Chair Wenda Fong called the meeting of the Board of Trustees to order.

Public Comment

In an effort to provide accessibility and flexibility for the public as the board returns to in-person meetings, all public comment took place at the beginning of open session prior to all committees.

The board heard from the following individuals who participated in-person: Lisa Pena, CSUSB; Robie Madrigal, CSUSB; Joe Richardson, CSUSB; Michele Bray, CSUSB; Emanuel Ortega, CSU San Bernardino; Melina Herndon, CSUSB; Robert Herndon, CSUSB; Edie Brown, APC; Rose Duran, APC; Rose Duran, APC (San Luis Obispo); Steven Osuna; Michelle Ceraseras.

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The board also heard from the following individuals who participated virtually: Tessy Reese, CSUEU; Jessica Westbay, CSUEU; Maria Gutierrez, SFSU; Crystal Dilworth, CSU East Bay; Bell Escalera, SQE; Angelmarie Taylor, SQE; Breanna Peterson, CSU Monterey Bay; Madeleine Villanueva, SB 1141; Evan Fern, SB 1141; Meghan O'Donnell, CFA CSU Monterey Bay; Margarita Berta-Avila, CFA; Steve Kaye; Lilyana Sanchez, SQE; Anabell Rangel, CSULA; Berj Amir, CSUMB; Grely Mazariegos, Sonoma State; Uchechi Okey-Dike, SQE; Randall Santiago, SQE; Courtland Briggs, CSU Channel Islands; Milo Cedillo SQE; Maria Chiem, SB 1141; Nancy Jodaitis, SB 1141; Rose Carmona-Arbuly, SB 1141; Kevin Wehr, San Diego; Destiny Marquez and Sara Langford.

Chair's Report

Chair Fong's report is available online at the following link: <https://www.calstate.edu/csu-system/board-of-trustees/reports-of-the-chair/Pages/july-2022.aspx>

Chancellor's Report

Interim Chancellor Jolene Koester's report is available online at the following link: <https://www.calstate.edu/csu-system/board-of-trustees/chancellor-reports/Pages/july-12-2022.aspx>

Report of the Academic Senate CSU

CSU Academic Senate Chair Beth A. Steffel'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 Krishan Malhotra'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 John Poli'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>

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**

July 13, 2022

Trustees Present

Wenda Fong, Chair
Jack Clarke, Jr., Vice Chair
Larry L. Adamson
Diana Aguilar-Cruz
Diego Arambula
Douglas Faigin
Jean Picker Firstenberg
Maria Linares
Julia I. Lopez
Jack McGrory
Anna Ortiz-Morfit
Yammilette Rodriguez
Lateefah Simon
Christopher Steinhauser
Jolene Koester, Interim Chancellor

Chair Wenda Fong called the meeting of the Board of Trustees to order.

Consent Agenda

Prior to the approval of the consent agenda, Chair Fong requested that item 7, Executive Compensation from the Committee on University and Faculty Personnel, be removed from the consent agenda for separate discussion and approval.

Chair Fong asked to move all the remaining consent agenda items for approval. There was a motion and a second. The minutes of the meeting of May 24, 2022, and May 25, 2022, 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 2022-2023 (RCOC 07-22-01)

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 2022-2023:

AUDIT

Lateefah Simon, Chair
Yammilette Rodriguez, Vice Chair
Diana Aguilar-Cruz
Jack Clarke, Jr.
Adam Day
Lillian Kimbell
Jack McGrory

CAMPUS PLANNING, BUILDINGS AND GROUNDS

Larry L. Adamson, Chair
Anna Ortiz-Morfit, Vice Chair
Diana Aguilar-Cruz
Adam Day
Douglas Faigin
Maria Linares
Romey Sabalius
Lateefah Simon

COLLECTIVE BARGAINING

Christopher Steinhauser, Chair
Jack Clarke, Jr., Vice Chair
Larry L. Adamson
Adam Day
Julia I. Lopez
Lateefah Simon

EDUCATIONAL POLICY

Romey Sabalius, Chair
Diego Arambula, Vice Chair
Douglas Faigin
Jean Picker Firstenberg
Maria Linares
Julia I. Lopez
Yammilette Rodriguez
Christopher Steinhauser

FINANCE

Jack McGrory, Chair
Julia I. Lopez, Vice Chair
Larry L. Adamson
Diana Aguilar-Cruz
Lillian Kimbell
Anna Ortiz-Morfit
Romey Sabalius
Christopher Steinhauser

GOVERNMENTAL RELATIONS

Douglas Faigin, Chair
Maria Linares, Vice Chair
Diego Arambula
Jack McGrory
Yammilette Rodriguez
Romey Sabalius
Lateefah Simon

INSTITUTIONAL ADVANCEMENT

Lillian Kimbell, Chair
Jean Picker Firstenberg, Vice Chair
Diego Arambula
Anna Ortiz-Morfit
Yammilette Rodriguez

ORGANIZATION AND RULES

Jean Picker Firstenberg, Chair
Julia I. Lopez, Vice Chair
Diana Aguilar-Cruz
Diego Arambula
Jack Clarke, Jr.
Adam Day
Lillian Kimbell
Christopher Steinhauser

UNIVERSITY AND FACULTY

PERSONNEL

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

COMMITTEE ON EDUCATIONAL POLICY

**Recommended Amendments to Title 5 Regarding Blended Academic Programs
(REP 07-22-06)**

RESOLVED, by the Board of Trustees of the California State University, acting under the authority prescribed herein and pursuant to Sections 66600, 89030, and 89035 of the Education Code, to amend Section 40510 of Title 5 of the California Code of Regulations. The amendment is as follows:

Proposed Revisions – § 40510. The Master's Degree.

**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 7 – Graduate Degrees**

§ 40510. The Master's Degree.

To be eligible for the Master's degree, the candidate shall have completed the following minimum requirements:

(a) Advancement to Candidacy. For advancement to candidacy for the Master's degree, the applicant shall meet the requirements of Section 41011, and such particular requirements as the Chancellor and the campus may prescribe.

(b) Requirements for the Degree.

(1) The completion of a specified pattern of study approved by the appropriate campus authority.

(2) A minimum of thirty semester units of approved graduate work completed within a maximum time to be established by each campus. Such maximum time shall be no more than seven years nor less than five years for each particular program. An extension of time beyond the limit may be granted by appropriate campus authority if warranted by individual circumstances and if the outdated work is validated by examination, in the relevant additional course or subject field of work or such other demonstration of competence as may be prescribed. In the degree program:

(A) Not less than 21 semester units (32 quarter units) shall be completed in residence. The appropriate campus authority may authorize the substitution of credit earned by alternate means for a part of this residence requirement.

(B) Not less than one-half of the units required for the degree shall be in courses organized primarily for graduate students.

(C) Not more than six semester units shall be allowed for a thesis or project.

(D) For programs that combine a Bachelor's and a Master's degree into a single program (referred to as blended programs), up to 12 semester units may be double counted for both the Bachelor's degree and the Master's degree so that the total number of units may be 138 semester units, provided that 1) none of the required graduate classes is replaced by an undergraduate class, and 2) the graduate classes that are also counted toward the Bachelor's degree either assume the more rudimentary knowledge taught at the undergraduate level or cover the content of the undergraduate courses that they replace.

(3) Satisfactory completion of a thesis, project, or comprehensive examination, defined as follows:

(A) A thesis is the written product of a systematic study of a significant problem. It identifies the problem, states the major assumptions, explains the significance of the undertaking, sets forth the sources for and methods of gathering information, analyzes the data, and offers a conclusion or recommendation. The finished product evidences originality, critical and independent thinking, appropriate organization and format, and thorough documentation. Normally, an oral defense of the thesis is required.

(B) A project is a significant undertaking appropriate to the fine and applied arts or to professional fields. It evidences originality and independent thinking, appropriate form and organization, and a rationale. It is described and summarized in a written abstract that includes the project's significance, objectives, methodology and a conclusion or recommendation. An oral defense of the project may be required.

(C) A comprehensive examination is an assessment of the student's ability to integrate the knowledge of the area, show critical and independent thinking, and demonstrate mastery of the subject matter. The results of the examination evidences independent thinking, appropriate organization, critical analysis and accuracy of documentation. A record of the examination questions and responses shall be maintained in accordance with the records retention policy of The California State University.

(4) A grade point average of 3.0 (grade of B) or better in all courses taken to satisfy the requirements for the Master's degree, except that a course in which no letter grade is assigned shall not be used in computing the grade point average.

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

COMMITTEE ON INSTITUTIONAL ADVANCEMENT

Renaming of the University Library – California State University, Fresno (RIA 07-22-11)

RESOLVED, by the Board of Trustees of the California State University, that the Henry Madden Library at California State University, Fresno revert to its functional designation as Library.

Naming of Valley Children’s Stadium – California State University, Fresno (RIA 07-22-12)

RESOLVED, by the Board of Trustees of the California State University, that the existing football stadium at California State University, Fresno, be named as Valley Children’s Stadium for a 10-year term.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation: President – California State University, Monterey Bay (RUF 07-22-08)

RESOLVED, by the Board of Trustees of the California State University, that Dr. Vanya Quiñones shall receive a salary set at the annual rate of \$370,000 effective on August 15, 2022, the date of her appointment as president of California State University, Monterey Bay; and be it further

RESOLVED, Dr. Quiñones shall occupy the official presidential residence located in Marina, California, as a condition of her employment as president; and be it further

RESOLVED, Dr. Quiñones shall receive additional benefits as cited in Agenda Item 2 of the Committee on University and Faculty Personnel at the July 11-13, 2022 meeting of the Board of Trustees.

Executive Compensation: Interim President – Sonoma State University (RUF 07-22-09)

RESOLVED, by the Board of Trustees of the California State University, that Dr. Ming-Tung “Mike” Lee shall receive a salary set at the annual rate of \$324,052 effective on August 1, 2022, the date of his appointment as interim president of Sonoma State University; and be it further

RESOLVED, Dr. Lee shall receive a housing allowance of \$5,000 per month; and be it further

RESOLVED, Dr. Lee shall receive additional benefits as cited in Agenda Item 3 of the Committee on University and Faculty Personnel at the July 11-13, 2022 meeting of the Board of Trustees.

**Employment Policy Governing Administrator Employees' Option to Retreat
(RUF 07-22-10)**

RESOLVED, by the Board of Trustees of the California State University, that the Employment Policy Governing Administrator Employees' Option to Retreat as cited in Attachment A of Item 4 of the Committee on University and Faculty Personnel at the July 11-13, 2022 meeting of the Board of Trustees, is adopted; and be it further

RESOLVED, all California State University campuses are to review their existing policies to ensure that they are in compliance with updated requirements; and be it further

RESOLVED, any and all previous versions of policies related to retreat options for administrator employees' are superseded.

**Employment Policy Governing Employee References
(RUF 07-22-11)**

RESOLVED, by the Board of Trustees of the California State University, that the Employment Policy Governing the Provision of Employee References as cited in Attachment A of Item 5 of the Committee on University and Faculty Personnel at the July 11-13, 2022 meeting of the Board of Trustees, is adopted; and be it further

RESOLVED, all California State University campuses are to review their existing policies to ensure that they are in compliance with updated requirements; and be it further

RESOLVED, any and all previous versions of policies related to employee references are superseded.

COMMITTEE ON FINANCE

**Law Enforcement Regulated Equipment and Tools
(RFIN 07-22-01)**

RESOLVED, the Regulated Equipment and Tools Use policy included as Attachment A of Agenda Item 4 of the July 11-13, 2022, meeting of the Committee on Finance is approved as amended during the meeting.

COMMITTEE ON CAMPUS PLANNING, BUILDINGS AND GROUNDS

**California State University, Northridge Affordable Student Housing Building #22 & #23 Schematic Design Approval
(RCPBG 07-22-05)**

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

1. The California State University, Northridge Affordable Student Housing Building #22 & #23 project will benefit the California State University.
2. The project before the Board of Trustees is consistent with the project description as set forth in the previously certified Master Plan Update Final EIR.
3. Applicable mitigation measures shall be implemented, monitored, and reported in accordance with the requirements of the California Environmental Quality Act (Cal. Pub. Res. Code § 21081.6).
4. The schematic plans for the California State University, Northridge Affordable Student Housing Buildings #22 and #23 are approved at a project cost of \$68,874,000 at CCCI 9129.

Prior to the approval of the consent agenda, Chair Fong requested that item 7, Executive Compensation from the Committee on University and Faculty Personnel, be removed from the consent agenda for separate discussion and approval.

There was a motion and a second to approve each resolution in item 7. There was no further discussion. Chair Fong called for a roll call vote to approve retroactive equity adjustments as shown in attachment B of item 7. There were 14 votes in favor (Trustees Adamson, Aguilar-Cruz, Arambula, Clarke, Jr., Firstenberg, Fong, Linares, Lopez, McGrory, Ortiz-Morfit, Rodriguez, Simon, Steinhauser and Interim Chancellor Koester), one opposed (Trustee Faigin) and no abstentions. The motion passed.

Chair Fong called for a roll call vote to approve the final salaries effective July 1, 2022, as shown in attachment B of item 7. There were 12 votes in favor (Trustees Adamson, Arambula, Clarke, Jr., Firstenberg, Fong, Lopez, McGrory, Ortiz-Morfit, Rodriguez, Simon, Steinhauser and Interim Chancellor Koester), three opposed (Trustees Aguilar-Cruz, Faigin and Linares) and no abstentions. The motion passed.

The following resolutions were approved by the board:

**Executive Compensation
(RUFP 07-22-12)**

RESOLVED, by the Board of Trustees of the California State University, that the individuals named in Attachment B of Item 7 of the Committee on University and Faculty Personnel at the July 11-13, 2022 meeting of the Board of Trustees shall receive the retroactive equity adjustments noted in Attachment B; and be it further

RESOLVED, that the individuals named in Attachment B of Item 7 of the Committee on University and Faculty Personnel at the July 11-13, 2022 meeting of the Board of Trustees shall receive the final salaries cited in Attachment B effective July 1, 2022.

The board had one item on the discussion agenda, conferral of the title of President Emeritus to Eduardo Ochoa. Trustees expressed their deep gratitude and appreciation for President Ochoa's many years of service and dedication to CSU Monterey Bay and the CSU system. There was a motion and a second. The following resolution was unanimously approved by the board:

**Conferral of Title of President Emeritus – Eduardo Ochoa
(RBOT 07-22-08)**

Chair Fong presented the action item conferring the title of Trustee Emerita on Eduardo Ochoa for his service, commitment and leadership to the California State University. The resolution (RBOT 07-22-08) was approved unanimously.

BOARD OF TRUSTEES

Conferral of Title of President Emerita – Judy K. Sakaki

Presentation By

Jolene Koester
Interim Chancellor

Summary

It is recommended that President Judy K. Sakaki be conferred the title of President Emerita for her many years of service to Sonoma State University and the California State University. The granting of emerita status carries the title but no compensation.

The following resolution is recommended for approval:

RESOLVED, by the Board of Trustees of the California State University, that this board confers the title of President Emerita on Dr. Judy K. Sakaki, with all the rights and privileges thereto.