

AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: **10:00 a.m. & 3:15pm, Tuesday, July 24, 2018**
 Glenn S. Dumke Auditorium

Hugo N. Morales, Chair
Silas H. Abrego, Vice Chair
Rebecca D. Eisen
Douglas Faigin
Debra S. Farar
Jean P. Firstenberg
Lillian Kimbell

- Consent** 1. Approval of Minutes of the Meeting of March 21, 2018, *Action*
- Discussion** 2. Executive Compensation Policy, *Action*
3. Compensation for Executives, *Action*

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

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

March 21, 2018

Members Present

Hugo N. Morales, Chair
Debra S. Farar, Vice Chair
Douglas Faigin
Jean P. Firstenberg
Lillian Kimbell
Rebecca D. Eisen, Chair of the Board
Timothy P. White, Chancellor

Trustee Morales called the meeting to order.

Approval of the Minutes

The minutes from the January 31, 2018 meeting were approved as submitted.

Executive Compensation

Chancellor White presented information on the appointments of Dr. Lynnette Zelezny as president of California State University, Bakersfield (Agenda Item 2) and, Dr. Thomas Parham as president of California State University, Dominguez Hills (Agenda Item 3). Salary was recommended as stated in the agenda items.

Compensation was approved as stated in Agenda Items 2 and 3 respectively. (RUF 03-18-04)
(RUF 03-18-05)

Recommended Revision of Title 5, California Code of Regulations, Section 42909, Vacation Accumulation and Carry-Over

Ms. Melissa Bard, vice chancellor of human resources, presented for action on a proposed amendment to Title 5, Section 42909, which addresses vacation accumulation and carry-over. It was recommended to increase the maximum confidential employees' vacation accrual from 384 hours to 440 hours for more than 10 years of qualifying service. The revision will align confidential employees' vacation accrual with changes in other employee groups. There were no public comments received on the proposed amendment during the public hearing.

The proposed amendment was approved by the committee. (RUPF 03-18-06)

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation Policy

Presentation By

Timothy P. White
Chancellor

Melissa L. Bard
Vice Chancellor
Human Resources

Sibson Consulting

Summary

Recommendations for executive compensation policy will be presented.

Background

High-performing campuses are a key element in ensuring the mission of the CSU and meeting the goals of Graduation Initiative 2025. Campus presidents and Chancellor's Office executives are crucial to both, and their roles have become ever more complex and demanding over the past several years. The robust employment market and the limited pool of qualified executives makes it difficult to attract and retain exceptional leaders.

The CSU has reached a laudable achievement in 2017-18 in becoming the sole national leader on gender equity for campus presidents, with more than half – 12 out of 23 – of those posts held by women. The 23 campus presidents are a meaningful reflection of California's demographics, and enjoy national recognition.

To continue to attract and retain strong leadership reflective of CSU's commitment to inclusivity and equity, the ability to offer a competitive compensation program is critical. The CSU has engaged a third-party consultant (Sibson Consulting) to conduct a comprehensive executive compensation study encompassing all 23 campus presidents.

Because our campuses vary with respect to enrollment, overall budget and other factors, CSU has placed each campus into one of three groups. Each group has a different set of peer comparators. The peer groups were established in 2011 by a working committee of trustees and Chancellor's Office staff working with data from the existing California Postsecondary Education Commission (CPEC). In 2017-18, salary data was collected through custom surveys by Sibson.

Based on the results of the study, four models will be presented to establish new executive compensation practices at the CSU.

The models for Board of Trustees consideration differ in two important ways. Two of the models recommend salary adjustments targeted to differing percentages of the market midpoint (85% and 100% of midpoint). The other two models are similar, but also factor in duration of executive service to the CSU.

The models proposed are intended to complement the existing policy on new president salary (RUFP 09-17-05) adopted by the Board of Trustees at the September 2017 meeting.

Recommended Action

Staff recommends that the Committee on University & Faculty Personnel adopt an Executive Compensation Policy consistent with one of the models presented in this agenda item. An appropriate resolution will be drafted to reflect the policy adopted by the Committee, and will be presented to the Board of Trustees for approval during the plenary session.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Compensation for Executives

Presentation By

Timothy P. White
Chancellor

Douglas Faigin
Chair, Committee on Audit

Adam Day
Chairman of the Board

Summary

Recommendations for fiscal year 2018-2019 executive compensation will be presented by Chancellor Timothy White for all executives; except, Trustee Douglas Faigin will for the vice chancellor and chief audit officer; and Chairman Adam Day will for the chancellor.

Executive Compensation

Executive positions include the chancellor, presidents, executive vice chancellors, and vice chancellors.

Over the past eight years, executives in the system have received compensation increases as shown below:

Executive Employee Group

2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
0	0	0	0	3%	2%	2%	2.5%	TBD

A 3.0 percent increase is recommended for executive employees, consistent with the 3 percent increase for Management Personnel Plan (MPP) and Confidential employees for fiscal year 2018-2019. Additionally, an approximately 9.6 percent equity adjustment for Vice Chancellor Garrett Ashley is recommended in addition to the 3.0 percent increase.

The base salary adjustments for the individuals listed in the tables below are recommended for trustee approval effective July 1, 2018.

These amounts may be adjusted further based on the Trustees decision regarding adopting an Executive Compensation Policy (UFP Agenda Item 2).

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Campus	President	Current Annual Base Pay	Proposed Increase	Proposed Annual Base Pay
Bakersfield	Lynnette Zelezny	\$313,044	\$9,391	\$322,436
Channel Islands	Erika Beck	\$290,075	\$8,702	\$298,777
Chico	Gayle Hutchinson	\$300,984	\$9,030	\$310,014
Dominguez Hills	Thomas Parham	\$324,029	\$9,721	\$333,750
East Bay	Leroy Morishita	\$333,541	\$10,006	\$343,547
Fresno	Joseph Castro	\$328,422	\$9,853	\$338,275
Fullerton	Framroze Virjee	\$356,431	\$10,693	\$367,124
Humboldt	Lisa Rossbacher	\$327,181	\$9,815	\$336,996
Long Beach	Jane Close Conoley	\$351,851	\$10,556	\$362,406
Los Angeles	William Covino	\$328,422	\$9,853	\$338,275
Maritime Academy	Thomas Cropper	\$274,601	\$8,238	\$282,839
Monterey Bay	Eduardo Ochoa	\$296,914	\$8,907	\$305,821
Northridge	Dianne Harrison	\$356,431	\$10,693	\$367,124
Pomona	Soraya Coley	\$320,734	\$9,622	\$330,356
Sacramento	Robert Nelsen	\$324,029	\$9,721	\$333,750
San Bernardino	Tomás Morales	\$350,390	\$10,512	\$360,902
San Diego	Adela de la Torre	\$428,645	\$12,859	\$441,504
San Francisco	Leslie Wong	\$356,981	\$10,709	\$367,690
San José	Mary Papazian	\$380,275	\$11,408	\$391,683
San Luis Obispo	Jeffrey Armstrong	\$417,393	\$12,522	\$429,915
San Marcos	Karen Haynes	\$326,912	\$9,807	\$336,719
Sonoma	Judy Sakaki	\$305,450	\$9,164	\$314,614
Stanislaus	Ellen Junn	\$290,754	\$8,723	\$299,476

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System Officer	Title	Current Annual Base Pay	Proposed Increase	Proposed Annual Base Pay
Timothy White ¹	Chancellor	\$450,345	\$13,510	\$463,855
Steve Relyea	Executive Vice Chancellor and Chief Financial Officer	\$340,505	\$10,215	\$350,720
Andy Jones	Executive Vice Chancellor and General Counsel	\$340,505	\$10,215	\$350,720
Loren Blanchard	Executive Vice Chancellor for Academic and Student Affairs	\$340,505	\$10,215	\$350,720
Melissa Bard	Vice Chancellor for Human Resources	\$288,880	\$8,666	\$297,546
Garrett Ashley	Vice Chancellor, University Relations & Advancement	\$263,617	\$33,929	\$297,546
Larry Mandel ²	Vice Chancellor and Chief Audit Officer	\$252,189	\$7,566	\$259,755

¹ Salary will be recommended by the Chairman of the Board.

² Salary will be recommended by the Chair of the Committee on Audit.

Recommended Action

The following resolutions are recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that the individuals named in the salary tables cited in Item 3 of the Committee on University and Faculty Personnel at the July 24, 2018 meeting of the Board of Trustees shall receive the annual base salaries cited in the tables effective July 1, 2018.