

AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: 9:00 a.m., Wednesday, July 12, 2023
Glenn S. Dumke Auditorium

Larry L. Adamson, Chair
Jean Picker Firstenberg, Vice Chair
Diana Aguilar-Cruz
Douglas Faigin
Lillian Kimbell
Jack McGrory
Yamilette Rodriguez
Lateefah Simon
Christopher Steinhauser

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| Consent | 1. Approval of Minutes of the Meeting of May 24, 2023, <i>Action</i> |
| Discussion | 2. Executive Compensation: Chancellor – select, California State University, <i>Action</i> |
| | 3. Executive Compensation: President – Sonoma State University, <i>Action</i> |
| | 4. Executive Compensation, <i>Action</i> |
| | 5. Executive Transition Assignments, <i>Information</i> |
| | 6. Proposed Amendment of California State University Conflict of Interest Code,
<i>Information</i> |

**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**

May 24, 2023

Members Present

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

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

Public Comment

All public comment 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

A motion to approve the consent agenda without discussion passed. The minutes from the meeting of March 22, 2023 were approved as submitted.

Approval of Recommended Revision of Title 5, California Code of Regulations, Article 2.2, Management Personnel Plan, Section 42723 Employment Status

The committee approved the proposed resolution for two non-substantive revisions to Section 42723 of Article 2.2 of Title 5 which addresses Management Personnel Plan employees.

The amendments update language by stating that MPP employees serve "at the will of" rather than "at the pleasure of" the campus president or the chancellor and removes unnecessary language

concerning layoff which applies to MPP employees hired on or after January 1, 1984. (Those employees serve “at will” and are not eligible for layoff.)

Vice Chancellor for Human Resources Leora D. Freedman noted that the item was noticed for the 45-day public hearing on Title 5 revisions. No written comments were received and there were no comments during the public comment period at the beginning of the board meeting. Trustee Clarke closed the public hearing and the resolution passed (RUF 05-23-06).

Executive Compensation: President – California State University, Chico

Interim Chancellor Jolene Koester introduced Dr. Stephen J. Perez as president of California State University, Chico and recommended an annual salary of \$454,757. A \$50,000 annual housing allowance and monthly auto allowance of \$1,000 were also recommended. A motion to approve the resolution passed (RUF 05-23-07).

Executive Compensation: President – California State University, Sacramento

Interim Chancellor Jolene Koester introduced Dr. J. Luke Wood as president of California State University, Sacramento and recommended an annual salary of \$476,225. A \$60,000 annual housing allowance and monthly auto allowance of \$1,000 were also recommended. A motion to approve the resolution passed (RUF 05-23-08).

Executive Compensation: Interim Presidents

Interim Chancellor Jolene Koester presented information on the appointment of four interim presidents: Dr. Leroy M. Morishita, interim president of Cal State LA; Retired Vice Admiral Michael J. Dumont, interim president of Cal Maritime; Dr. Sylvia A. Alva, interim president of Cal State Fullerton; and Dr. Susan E. Borrego, interim president of Stanislaus State.

The chancellor recommended that the interim presidents of Cal State Fullerton and Stanislaus State receive the same salary as the incumbents: \$476,223 at Fullerton and \$370,319 at Stanislaus.

Salary increases for the interim presidents of Cal State LA and Cal Maritime were recommended. The salary for the incumbent at Cal State LA is 10.86% below the peer group median. A salary of \$496,213 (10% increase) was recommended for the interim president of Cal State LA. The salary for the incumbent at Cal Maritime is 5.86% below the peer group median. A recommended salary of \$370,241 increases the salary for the Maritime interim president to the peer group median. The chancellor noted that both increases are authorized by current policy which allows for increases up to 10 percent of the incumbent’s salary.

A motion to approve the resolution passed (RUF 05-23-09).

Report on CSU Systemwide Title IX and DHR Assessment by Cozen O'Connor

Board Chair Wenda Fong shared that recent events involving reports of sexual harassment on campuses reflect that the CSU had fallen short in providing safe and welcoming campus environments. The board took immediate action and in March 2022 Cozen O'Connor's Institutional Response Group was retained to conduct a comprehensive assessment of the university's implementation of Title IX and other anti-discrimination programs.

Vice Chancellor of Human Resources Leora D. Freedman introduced Gina Maisto Smith and Leslie Gomez, chair and vice chair of the Institutional Response Group at Cozen O'Connor, who presented a report of their assessment. Their presentation described the assessment process, what the assessment revealed, and recommendations at the system level (chancellor's office) and campus level. A written report will be publicly released and will include observations and recommendations at the system level and for each campus and the chancellor's office.

Cozen O'Connor's May 24th presentation to the board is available on the CSU's Title IX web site at: <https://www.calstate.edu/titleix/Pages/cozen-title-ix-assessment.aspx>.

Trustee Clarke adjourned the Committee on University and Faculty Personnel.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation: Chancellor-select, California State University

Presentation By

Wenda Fong
Chair of the Board

Summary

This action item establishes the compensation for Dr. Mildred García as chancellor of the California State University.

Executive Compensation

This item recommends that Dr. Mildred García receive an annual salary of \$795,000 effective October 1, 2023, the date of her appointment as chancellor of the California State University. Additionally, Dr. García will receive annual deferred compensation of \$80,000, subject to IRC 457f and the provisions of a plan document that will be drafted to provide this benefit.

Dr. García will receive an annual housing allowance of \$96,000 and in accordance with existing policy of the California State University, the following benefits:

- An auto allowance of \$1,000 per month;
- Standard benefit provisions afforded CSU Executive classification employees;
- Reimbursement for reasonable actual and necessary travel and relocation expenses in accordance with university policy.

Subject to faculty consultation and approval in accordance with CSU systemwide, board and applicable university policy, Dr. García will hold an appointment with the academic rank of full professor with tenure; the respective department and campus to be named.

Recommended Action

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that Dr. Mildred García shall receive a salary set at the annual rate of \$795,000 effective October 1, 2023, the date of her appointment as chancellor of the California State University; and be it further

AMENDED

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RESOLVED, that Dr. Mildred García shall receive annual deferred compensation of \$80,000; and be it further

RESOLVED, that Dr. Mildred García shall receive an annual housing allowance of \$96,000; and be it further

RESOLVED, that Dr. Mildred García shall receive additional benefits as cited in Agenda Item 2 of the Committee on University and Faculty Personnel at the July 9-12, 2023 meeting of the Board of Trustees.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation: President – Sonoma State University

Presentation By

Jolene Koester
Interim Chancellor

Summary

This action item establishes the compensation for Dr. Ming-Tung “Mike” Lee as president of Sonoma State University.

Executive Compensation

This item recommends that Dr. Ming-Tung Lee receive an annual salary of \$381,409 effective on May 23, 2023, the date of his appointment as president of Sonoma State University.

Dr. Lee has been serving as interim president since August 2022. There will be no change to the compensation he received at the time of his interim appointment, which is also the same compensation received by the incumbent effective July 1, 2022. He will continue to receive a housing allowance of \$5,000 per month as president.

In accordance with existing policy of the California State University, Dr. Lee will receive the following benefits:

- An auto allowance of \$1,000 per month;
- Standard benefit provisions afforded CSU Executive classification employees; and
- Reimbursement for actual, necessary and reasonable travel and relocation expenses.

Subject to faculty consultation and approval in accordance with systemwide and Sonoma State University policy, Dr. Ming-Tung Lee will hold an appointment with the academic rank of full professor with tenure at Sonoma State.

Recommended Action

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that Dr. Ming-Tung Lee shall receive a salary set at the annual rate of \$381,409 effective on May 23, 2023, the date of his appointment as president of Sonoma State University; and be it further

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RESOLVED, Dr. Ming-Tung Lee shall receive a housing allowance of \$5,000 per month; and be it further

RESOLVED, Dr. Ming-Tung Lee shall receive additional benefits as cited in Agenda Item 3 of the Committee on University and Faculty Personnel at the July 9-12, 2023 meeting of the Board of Trustees.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation

Presentation By

Jolene Koester
Interim Chancellor

Yammilette Rodriguez
Chair, Committee on Audit

Summary

Equity adjustments will be recommended for four presidents resulting from salary assessments during their triennial performance review. A salary adjustment will also be recommended for the vice chancellor and chief audit officer.

Executive Compensation: Presidents

Background

In accordance with the Board of Trustees' CSU Policy on Compensation and the Policies and Procedures for Review of Presidents, following completion of presidential triennial performance reviews, and following an ensuing salary assessment, the Board of Trustees may consider a compensation adjustment. The policy was adopted in November 2019.

In September 2021, the Board of Trustees adopted a salary review process (RUF 09-21-06) that 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 four presidents who are eligible for equity adjustments as a result of a salary assessment conducted during their triennial performance evaluation period. Equity adjustments

may occur over the three years as outlined in the governing policy. Adjustments are designed to incrementally reach the peer group median (target salary).

Six-year performance reviews were completed in 2022 and 2021 for the presidents listed below. Their salaries remain below the peer group median. Therefore, equity adjustments are recommended in accordance with the table set forth in the salary assessment notes below. For three presidents, this is the final year of the triennial salary adjustment period.

Trustee approval of the proposed equity adjustments for the presidents listed below is recommended as presented.

President	Peer Group Median (Target Salary)	Current Annual Salary	Amt to Reach PG Md	Triennial Increase Year	Proposed Equity Increase	Effective Date	New Salary to be Approved	New Amt to Reach PG Md
Lynn Mahoney	\$498,269	\$445,755	11.78%	Yr. 2 of 3	4.00%	7/15/2023	\$463,585	7.48%
Ellen Neufeldt	\$476,015	\$436,783	8.98%	Yr. 3 of 3	2.00%	7/1/2023	\$445,519	6.85%
Thomas Parham	\$476,015	\$445,070	6.95%	Yr. 3 of 3	2.00%	6/30/2023	\$453,971	4.86%
Tomás Morales	\$476,015	\$446,276	6.66%	Yr. 3 of 3	2.00%	8/15/2023	\$455,201	4.57%

Presidential Triennial Performance Review Salary Assessment Notes:

Target Salary = Peer Group Median (PG Md)

Salary adjustments over a three-year period if warranted and availability of funds and budget conditions.

Year 1 increase = Percent to reach Peer Group Median, maximum 10% increase.

Year 2 or Year 3 increase = Equity increase, if applicable (see matrix).

Amount 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%

Executive Compensation: Vice Chancellor and Chief Audit Officer

The Rules Governing the Board of Trustees of the California State University provide for the Committee on Audit, along with input from the chancellor, to make recommendations to the Board of Trustees concerning the compensation of the vice chancellor and chief audit officer. Executive Compensation is presented under the Committee of University and Faculty Personnel.

Interim Chancellor Jolene Koester and Trustee Yammilette Rodriguez (Chair of the Committee on Audit) recommend a ten percent equity increase for Vice Chancellor and Chief Audit Officer Vlad Marinescu effective July 1, 2023. A proposed salary of \$314,900 is reflective of the scope and

duties of the University's chief audit officer and aligns his salary equitably when compared to his executive peers and top paid MPP employees at the Chancellor's Office.

Trustee approval of the proposed increase for the vice chancellor and chief audit officer of the California State University is recommended.

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 Item 4 of the Committee on University and Faculty Personnel at the July 9-12, 2023 meeting of the Board of Trustees shall receive the new salaries as stated in the item.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Transition Assignments

Presentation By

Jolene Koester
Interim Chancellor

Summary

In accordance with CSU's Transition II Program (revised on November 16, 2022), Interim Chancellor Jolene Koester will present as an information item on the discussion agenda of the Committee on University and Faculty Personnel, the executive transition assignments for Cal Maritime President Thomas A. Cropper and Cal State Fullerton President Framroze Virjee, who are resigning their positions in July.

Background

Executive transition assignments enable the university to continue to benefit from an executive's accumulated experience and insights. This includes assisting the successor president by facilitating a smooth transition of responsibilities by, among other things, providing background and historical information on university operations; briefing the successor on current institutional and campus issues; and making introductions to key community stakeholders, university alumni and other supporters.

The CSU currently offers two executive transition programs. To be eligible to participate in CSU's Transition II Program, an executive must have been appointed prior to March 22, 2022. In addition, the executive must have served for at least five years in an executive position at the CSU; they must be in good standing at the commencement and duration of the transition assignment; they must have previously identified a position at the CSU to return to upon completion of the transition program; and they must not have accepted employment outside of the CSU.

President Virjee and President Cropper are both eligible to participate in the CSU's Transition II Program. In addition to the responsibilities described above, they will also be available to the Interim Chancellor and her successor, at their request. As part of the transition assignment, both presidents will prepare to join the faculty at the conclusion of their transition assignments.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Proposed Amendment of California State University Conflict of Interest Code

Presentation By

Leora D. Freedman
Vice Chancellor
Human Resources

Summary

The Political Reform Act of 1974 requires the Trustees of the California State University (CSU) to adopt a Conflict of Interest Code which requires employees in designated positions to file a Statement of Economic Interests (Form 700) every year. Employees in designated positions are required to disclose financial interests which foreseeably could be materially affected by their making, or participating in the making of, decisions in their CSU employment. The Fair Political Practices Commission (FPPC) is the governing authority that approves Conflict of Interest Code updates.

The California State University Conflict of Interest Code must be updated periodically to reflect changes in designated positions and disclosure categories of those individuals who make or participate in the making of decisions that foreseeably will have a material effect on personal financial interests.

The purpose of this information item is to provide a summary of the proposed amendment to the Code:

- a. FPPC recommended and CSU proposes to condense the disclosure categories from 8 to 7, and also to update designated position changes.
- b. The proposed amendment brings into conformity, changes made by campuses and the Chancellor's Office in the titles and responsibilities of designated positions.

These changes will amend the CSU's disclosure categories and list of designated positions.

Attachment A identifies proposed disclosure categories changes. The Designated Positions List which identifies proposed designated positions, some of which may be subject to minor changes prior to final action by the Board, can be accessed at <https://www.calstate.edu/csu-system/faculty-staff/systemwide-human-resources/conflict-of-interest>.

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This item will be presented for action at the September 2023 Board of Trustees meeting.

Upon approval by the Board of Trustees, the amendment will be submitted to the Fair Political Practices Commission (FPPC) for final approval.

CSU CONFLICT OF INTEREST DISCLOSURE CATEGORIES

INTRODUCTION

For designated employees of a campus of the California State University, “the campus” shall mean the campus of the employee’s service.

For designated employees in the headquarters office, “the campus” shall mean each campus of the California State University including the headquarters office or any or all of these.

Each designated employee is assigned to one or more of the following disclosure categories and must disclosure reportable financial interests in each category assigned.

Designated employees need not report any investment in a business entity or real property worth less than \$2,000, or any source of income, including gifts, loans and travel payments, which aggregated less than ~~\$500-590~~ (if a gift, less than \$50) during the calendar year prior to filing, beginning January 1, 2023. An interest in real property used as the designated employee’s principal residence need not be reported.

CATEGORY "1"

Interests in real property located within two miles of the campus at which the designated employee works, or within two miles of land owned or used, or proposed for acquisition or use by the campus.

CATEGORY "2"

Investments and business positions in business entities and income, including gifts, loans, and travel payments, from sources of the type which, within the last two calendar years, have contracted with the California State University to either (a) supply goods or services, and/or (b) perform construction work. This disclosure is limited to the types of contracts over which the designated employee has authority or influence.

CATEGORY "3"

Interests in real property located within the State of California.

CATEGORY "4"

All investments and positions in business entities, and income, including gifts, loans and travel payments, from any business or nonprofit entities (other than an entity deemed by the FPPC as

exempt under FPPC regulation 18755) which will be providing funds, or support for the research project for which the filer is the principal investigator. (The required disclosure shall be made on FPPC Form 700-U).

~~CATEGORY "5"~~_____

~~All investments and business positions in business entities, and income (including gifts, loans and travel payments) from sources which are of the type in which California State University funds are or may be invested.~~

CATEGORY "65"

Investments and business positions in any business entity or income, including gifts, loans, and travel payments, from sources of the type which, within the last two calendar years, have contracted with the California State University to purchase goods or services, including agricultural commodities or other products, which are sold by the campus.

CATEGORY "76"

Consultants and new positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Chancellor or President as appropriate may determine in writing that a particular consultant/new position, although serving in a "designated position", is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this category "76". Such written determination shall include a description of the consultant/new position's duties and based upon that description, a statement of the extent of disclosure requirements. The Chancellor or President's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (Gov. Code Sec. 81008)

New positions shall be recorded and maintained on an Interim Disclosure until the conflict of interest code is updated to formally include the new positions on the official list of designated positions.

CATEGORY "87"

All interests in real property, all investments, all income, including gifts, loans and travel payments, and business positions.