

FIRST AMENDMENT TO CONTRACT FOR PURCHASE OF SERVICES BETWEEN CSU AND THE SEGAL GROUP

Contract Number:
C-CSUCO-00007756

A-1

This FIRST AMENDMENT TO CONTRACT FOR PURCHASE OF SERVICES (Contract Number C-CSUCO-00007756) (“First Amendment”), dated this 8th day of April, 2026 (the “Amendment Effective Date”), is made and entered into in the State of California by and between the Trustees of the California State University, which is the State of California acting in its higher education capacity (“CSU” or “University”), and The Segal Group (“Contractor”). For and in consideration of the mutual covenants and obligations stated herein and in Contract Number C-CSUCO-00007756, the Parties agree that, effective on the Amendment Effective Date, Contract Number C-CSUCO-00007756 by and between the Parties is hereby amended as follows:

Amendment to Rider A (California State University Terms and Conditions of Purchase)

Rider A is hereby amended by adding a new Section 10, which shall read as follows:

10. Contractor’s Trade Secrets; California Public Records Act

10.1 Definition and Identification of Contractor’s Trade Secrets. The Parties acknowledge that, in the course of performing this Contract, Contractor may disclose to CSU certain proprietary information, including, but not limited to, formulas, technical data, methodologies, processes, business strategies, financial information, and other non-public information that constitutes “trade secrets” as defined under California law (specifically, Civil Code § 3426 et seq.) (“Contractor’s Trade Secrets”). Contractor shall clearly mark or otherwise identify in writing any information it contends constitutes Contractor’s Trade Secrets at the time of disclosure to CSU (or, for oral disclosures, promptly confirm such designation in writing).

10.2 Limited Confidentiality Obligation. CSU agrees to maintain the confidentiality of Contractor’s Trade Secrets by using reasonable measures to protect such Trade Secrets from unauthorized disclosure to third parties. CSU shall not disclose Contractor’s Trade Secrets to any third party except as permitted under this Contract or as required by law.

10.3 California Public Records Act and/or Other Legal Processes.

- a) The Parties acknowledge and agree that CSU is subject to the California Public Records Act (California Government Code § 7920.000 et seq), which provides that records in the custody of a public entity must be disclosed unless the records sought fall into one or more of the exemptions to disclosure set out in Government Code Sections 7920.000 to 7931.000.
- b) Notwithstanding any other provision of this Contract, the Parties acknowledge and agree that CSU may be required to disclose records that Contractor has identified as constituting or containing Contractor’s Trade Secrets in response to a request made under the California Public Records Act or other legal process seeking disclosure of information. To the extent CSU determines that disclosure is legally required, no disclosure of records by CSU in response to a California

Public Records Act request or other legal process shall constitute a breach of this Contract or a violation of any obligation owed by CSU to Contractor, provided, however, that CSU agrees, to the extent reasonably practicable and permitted by law, to promptly notify Contractor and provide a reasonable opportunity for Contractor to seek a protective order or other appropriate remedy before releasing such records.

- c) Nothing herein shall be construed to require CSU to withhold records where disclosure is required by law, nor to limit CSU's obligations under the California Public Records Act.

Amendment to Rider D (The Segal Group Scope of Work)

Rider D is hereby amended as follows:

Section 4.2.3 ("Additional services: Management Personnel Plan (MPP), Staff and Faculty"), appearing on the 37th page of the original Agreement, is hereby supplemented with the additional scope of work outlined in the March 6, 2025 Segal Scope of Work correspondence (consisting of eight (8) pages), attached hereto as Exhibit A, the contents of which are incorporated into and made a part of this Amendment by this reference.

Amendment to Total Amount of the Agreement

Paragraph 5 on the first page of the Agreement is hereby amended by striking the original text and replacing it with the text immediately below:

5. The total amount of this Agreement shall not exceed One Million One Hundred and Five Thousand Dollars and Zero Cents (\$1,105,000.00).

No Other Changes

Contractor shall continue to report to Lety Hernandez-Landeros, Sr. Director, SW General Employment Services and Policy Administration.

Except as expressly amended herein, all other terms and conditions of the Contract remain unchanged and in full force and effect.

Document Creation: Erika Takenaka, Contracts Manager

IN WITNESS WHEREOF, this Amendment has been executed by the parties hereto.

UNIVERSITY		CONTRACTOR	
Trustees of the California State University		Segal Company	
BY (AUTHORIZED SIGNATURE)	DATE	BY (AUTHORIZED SIGNATURE)	DATE
	04/13/2026	 Jason Adwin (Apr 10, 2026 21:44:51 EDT)	04/10/2026
PRINTED NAME AND TITLE OF PERSON SIGNING		PRINTED NAME AND TITLE OF PERSON SIGNING	
Ivonne Romo, Director of Procurement Operations		Jason Adwin Senior Vice President	
ADDRESS		ADDRESS	
401 Golden Shore Long Beach, CA 90802		66 Hudson Blvd, E. 20th Floor, New York, NY 10001-2192	



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March 6, 2026

Frank Hurtarte
Vice Chancellor, Human Resources, Chief Human Resources Officer
The California State University
401 Golden Shore
Long Beach, CA 90802

Re: Contract # C-CSUCO-00007756

Dear Frank:

Thank you for the opportunity to submit this proposal to continue to assist the California State University System ("the CSU") with an update to the represented staff and faculty market analyses conducted in 2021-2023. This letter outlines the requested scope of work for the following populations.

Group	Headcount ¹	Job Count
Represented Staff (Units 1, 2, 4, 5, 6, 7, 8, 9, 10)	21,031	368
Faculty	31,606	N/A

1. Project Initiation: Through 3/6/26

At the beginning of the project, Segal will hold a meeting with the Project Team to:

- Discuss goals and objectives of the study
- Finalize project specifics, such as work steps and timing, and confirm the roles and responsibilities of Segal and two working groups
- Review and discuss materials from the data request
- Begin outlining the project plan details and identify milestones and key points for review with the Project Team

To expedite the work, Segal will be working primarily with the CSU's HR office and two small working groups. The staff working group will include three or four campus HR Vice Presidents, and the faculty group will include several members from academic affairs. These groups will meet regularly at the beginning of the studies to discuss and confirm methodology and towards the end of the studies to review and finalize the results.

¹ As of 12/1/25.

Within ten (10) business days of Agreement Start Date, Segal will provide a detailed project workplan including milestone dates, data dependencies, working group meeting cadence, and draft deliverable review schedule for the CSU's approval.

2. Data Collection and Review: Through 3/6

We will request, collect, and review all relevant information to gain the necessary background and context to conduct this engagement. These include pertinent data/information on the current compensation program and any other related documents (i.e., mission, strategic plan/objectives, organization charts, compensation strategy documents, classification/job profiles, benefit plan documents, census files, salary structure/ranges, and other materials used to make pay decisions, etc.) via a formal data request.

3. Methodology Review and Determination: Through 3/13

Segal will work with the Project Team to review the methodology used in the represented staff and faculty market assessments. This includes benchmark jobs to be priced, surveys sources, comparison markets, approach to geographic differentials, matching methodology, and match validation processes. During this step, we may determine to adjust one or more aspects of the prior studies' methodology based on the CSU's needs at this time and in the near future.

We will work with the CSU Project Team to confirm the published surveys for use in the assessment. The CSU will be responsible for providing Segal with access to the surveys used in the prior represented staff and faculty market assessments.² The CSU will have to grant Segal access to CUPA-HR's DataOnDemand subscription for the duration of this project.

Survey Sources and Cuts Used in Prior Study³

Higher Education	General Industry	Healthcare
Western Management Group - Educomp All Four-Year Public * California - All Institutions	Mercer Benchmark All Data *West Coast *Not-For-Profit	Mercer - Healthcare Individual Contributors All Data *West Coast
College and University Professional Association (CUPA) - Staff (1) Staff FTE-4th Quartile (>930) Public Institutions (2) All Bachelor, Master, and Doctoral Public Institutions	WTW General Industry Noncorporate	WTW Health Care Middle Management, Professional and Support Noncorporate
CompData Colleges and Universities National Data	CompData Benchmark Pro National Data *National Data -Nonprofit	CompData Health Care National Data
*Community College Survey	Western Management Group CompBase All Data *California - All Institutions	ECG Management Consultants National Physicians - Clinic *State of California

** Reflects data scopes gathered but not included in the Benchmark Composite. Utilized for reference only.
(1) & (2) Reflects order of priority. Scope two is only utilized in cases of limited data.*

² The CSU will be responsible for purchasing the surveys; we understand this places a notable financial burden on the CSU and have reduced our fees by the estimated survey purchase amount as detailed on the following page.

³ Survey sources also include Western Management Group's Collegiate Athletics Survey.

Survey and Scopes Utilized for select positions with limited data:	Government of California-Cities Utilized for Police
	Economic Research Institute All Industries *California State

The goal is to follow the prior studies' methodologies as closely as appropriate, including survey sources.

Survey That Need to be Purchased:

Survey	Estimated Price	Pricing Notes	Estimated Price (Non-Participant)
1. CompData Benchmark Pro - National	\$1,791	Assumes agreement to participate, national cut added to a single region and purchase of multiple surveys.	\$6,291
2. CompData Colleges & Universities	\$895	Assumes agreement to participate and purchase of multiple surveys.	\$3,146
3. Mercer Benchmark - United States	\$12,700	Assumes agreement to participate.	\$31,750
4. Western Management Group CompBase	\$2,425 ⁴	Multiple survey discount of \$1,000 and on-time submission discount of \$75.	\$3,500
5. Western Management Group EduComp	\$2,375 ⁵	Multiple survey discount of \$250 and on-time submission discount of \$75.	\$2,700
6. Western Management Group Collegiate Athletics (Data Central Access Standard and Custom)	\$1,625 ⁶	Multiple survey discount of \$250 and on-time submission discount of \$75.	\$1,950
7. CUPA-HR Staff	\$28,245	Non-participant rate	\$28,245
8. CUPA-HR Faculty	\$28,245	Non-participant rate	\$28,245
Total	\$78,301		\$105,827

Note: The represented staff market analysis uses matches from the CUPA-HR Staff survey. The represented faculty market analysis uses matches from the CUPA-HR Faculty survey in the majority of cases. The CUPA-HR Professional survey is used only for Head and Assistant Coaches. Our recommendation is to use Western Management Group Collegiate Athletics survey at this time for Head and Assistant Coaches. When the CSU conducts the market analysis for non-represented staff (e.g., MPP, confidential), we are able to update the market analysis for Head and Assistant Coaches as we will need to use the CUPA-HR Professional survey.

4. Market Analysis: 3/2/26 – 5/22/26

The market study will include a total compensation competitive assessment, including the following elements:

⁴ Does not include previous participant discount (~\$400) or referral discount (~\$500).

⁵ Does not include previous participant discount (~\$250) or referral discount (~\$300).

⁶ Does not include previous participant discount (~\$250) or referral discount (~\$300).

- Cash compensation
- Health benefits
- Retirement
- Other benefits - as appropriate

Cash Compensation

For the cash compensation analysis, we will draw from the CSU's existing classification standards and organizational charts for all jobs determined to be benchmarks. Segal will conduct preliminary matching and will review these with the Project Team. We will review the matches used in the last study as a first step and may use those matches as is or refine as needed. All represented staff and non-instructional faculty job matches will reflect positions of similar responsibility, size and scope. The CSU HR team will be responsible for any review and vetting of matches with key leaders and/or administrators. Segal will work on matching by job family to ensure an efficient approach to matching, review, and approval. We expect to be able to benchmark up to 300 represented staff jobs.

It is important to note that the faculty population includes the following jobs: coaches and assistant coaches, counselors, librarians, instructional lecturer faculty, and instructional tenure-track faculty. Instructional faculty matches are typically made using each faculty member's rank, discipline, and tenure status. Discipline is identified by the Classification of Instructional Programs (CIP) code. The CSU will provide each faculty member's CIP code, Segal will review and identify areas of possible misalignment, and work with the CSU Project Team and faculty working group to finalize the mapping. We expect to be able to benchmark at least 90% of the faculty jobs.

After the matching is complete, we will collect compensation data (25th, 50th, and 75th percentiles) for the identified job matches using the pertinent identified survey sources, making any necessary data adjustments such as:

- Weightings of surveys or survey matches
- Premiums or discounts to market data to account for unique mixes of responsibilities, scope of role, and/or difference in job content between the CSU role and survey job
- Geographic differentials to account for labor market
- Alignment of market compensation to the same date

Benefits

For the benefits analysis, Segal has developed a comprehensive benefits database, to address the growing need in higher education for detailed benefit plan, provision, and cost data. Our own proprietary College and University Benefits Study (CUBS) database helps academic institutions and clients benchmark their benefit program offerings. The database contains data for nearly 200 higher education institutions and allows us to compare specific benefit offerings for an institution to a comparison market.

It is expected that the CSU will provide all available information on the benefits provided across the system. Segal will perform a quantitative benefits analysis using one agreed-upon peer group on the active medical and prescription drug plans, the dental plans, and the retirement income plans. In the quantitative analysis, we determine the relative value of the CSU's benefits compared to the benchmark designs. Additional census data from the CSU regarding medical plan enrollment for each plan would be required for this analysis.

Market Study Results

We will conduct a market analysis to determine market competitiveness of individual compensation to market percentiles by job, campus, job family, job level, etc. and prepare summary tables presenting the data by base pay, benefits, and total compensation.

Segal will provide an interactive Excel model that will allow the CSU to review market analysis results and gaps in aggregate and by different categories (e.g., campus, CBA, job family, job level, job) to assist the CSU in addressing compensation concerns.

All data files, including the interactive Excel model, will be delivered in fully editable format with formulas unlocked. Segal will provide documentation explaining calculation logic and assumptions embedded in the Excel model.

5. Board Presentation: 5/4/26 – 7/22/26

Segal will prepare a Board presentation and will deliver the draft with the market analysis models by 6/12/26. This presentation will include a summary of findings related to the market study. We understand that the presentation may require multiple revisions based on feedback from the CSU.

Segal will provide a Board-ready executive presentation draft at least ten (10) business days prior to the Board meeting.

Segal will present the market analysis results to the CSU's system leadership and at one closed and one public session of the Board during the July 20-22 sessions.

6. Range Analysis: 7/23/26 – 9/18/26

After the Board presentations, Segal will analyze the relationship between current market rates for each job and the pay ranges the CSU has established to assess the degree of alignment. This will include a compensation review for employees in step salary structures as well as employees in open salary ranges. Segal will identify areas where the ranges may be out of line with the market and propose recommendations for changes, including cost implications, provide guidance for how to identify appropriate placement of employee salaries within the structure, propose solutions to address potential pay compression issues, and provide suggestions on how to address employees who fall below the range minimum and above the grade maximum.

Segal will update the market analysis model with the results of these analyses and will deliver the updated model to the CSU in fully editable format with formulas unlocked. Segal will provide documentation explaining calculation logic and assumptions embedded in the Excel model.

7. Final Report and Presentation: 9/21/26 – 11/30/26

Segal will prepare one report that includes an executive summary of findings and actionable recommendations as well as detailed, comprehensive findings related to the full study, including the market analysis and range analysis. The report will include the study process and methodology, market analysis results, analyses related to pay ranges, and any recommendations for the CSU's consideration. We understand that the report and presentations may require multiple revisions based on feedback from the CSU.

Segal will provide a Board-ready executive presentation draft at least ten (10) business days prior to the Board meeting.

Segal will present the full results to the CSU's system leadership and at one closed and one public session of the Board as directed by the CSU.

Timing

The CSU would like to begin the study with represented staff and faculty with market assessment results to be delivered by June 12, 2026. The market assessment results will be provided in Excel, along with a Board-level presentation of the results. We expect the full study to be completed by the end of calendar 2026. This timing depends on minimal changes to the prior study methodology and timely decisions by the staff and faculty working groups.

Project Fees

Indicative Schedule. The parties have jointly agreed to an indicative schedule. This schedule may be impacted by various factors, including those outside of the control of the Parties. The schedule may be revisited by the Parties on a periodic basis and adjusted as appropriate.

Month	Milestone	Key Activities	Deliverables and Dates	Payment
March	Project Initiation, Data Collection & Review	Kickoff meeting, confirm scope, governance, and workplan; request and review data	Confirmed Data Request (2/20) Approved Project Workplan (3/13) Data Received from the CSU (3/13)	\$69,000 monthly payment
	Methodology Review & Finalization; Start Market Analysis	Survey confirmation, begin benchmark validation	Methodology Confirmation Document (3/13)	
April	Staff Market Analysis – Pay	Staff job matching, faculty CIP code mapping, geographic adjustments, preliminary compensation modeling	Faculty and Staff Benchmark Job Review and Approval (4/24)	\$69,000 monthly payment
	Faculty Market Analysis – Pay			
	Staff Market Analysis – Benefits	Benefits market analysis		

	Faculty Market Analysis – Benefits			
May	Draft Board Presentation	Prepare detailed Excel models with market analysis results; draft presentation to Board	Draft Excel Models to the CSU (5/15) Draft Presentation to the Board (5/22)	\$69,000 monthly payment
June	Finalize Board Presentation and Models	Refine presentation and finalize Excel models based on CSU feedback	Final Excel Models and Board Draft Presentation to the CSU (6/12)	\$69,000 monthly payment + \$100,000 milestone payment for Excel models + \$100,000 milestone payment for Board presentation upon CSU written acceptance
July	Range Analysis; Present to Board	Range alignment review, compression analysis; Board presentation	Segal Presentation to Board (7/20-22)	\$69,000 monthly payment
August	Range Analysis	Range alignment review, compression analysis	N/A	\$69,000 monthly payment
September	Range Analysis	Range alignment review, compression analysis	Updated Excel models to the CSU (9/18)	\$69,000 monthly payment
October	Draft Full Report	Draft full report including executive summary; draft presentation	Draft Full Report (10/30)	\$69,000 monthly payment
November	Final Report & Draft Presentation	Finalization of report; draft of presentation	Updated Full Report (11/13) Draft Executive Summary Board Presentation (11/13)	\$69,000 monthly payment
December	Final Delivery & Closeout	Board presentation and final documentation	Final Approved Report (11/30) Final Executive Summary Board Presentation (11/13) Final Interactive Excel Models (11/30)	\$69,000 monthly payment + \$100,000 milestone payment for Excel models + \$100,000 milestone payment for report & Board presentation upon CSU written acceptance
TOTAL				\$1,090,000 (includes survey discount as noted on the next page)
Optional Travel Not to Exceed Amount (assumes up to three onsite meetings)				\$15,000

Workstream	Fixed Fee
Represented Staff	\$595,000
1. Project Initiation	\$10,000
2. Data Collection and Review	\$20,000
3. Methodology Review and Determination	\$60,000
4. Market Study (Compensation)	\$355,000
5. Market Study (Benefits)	\$75,000
6. Report and Presentation	\$75,000
Faculty	\$575,000
1. Project Initiation	\$10,000
2. Data Collection and Review	\$20,000
3. Methodology Review and Determination	\$60,000
4. Market Study (Pay)	\$335,000
5. Market Study (Benefits)	\$75,000
6. Report and Presentation	\$75,000
Initial Total Not to Exceed Professional Fees	\$1,170,000
Survey Purchase Discount	(\$80,000)
Final Total Not to Exceed Professional Fees	\$1,090,000
Optional Travel Not to Exceed Amount (<i>assumes up to three onsite meetings</i>)	\$15,000

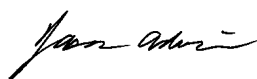
CSU Additional Terms:

The CSU reserves the right to elect the level of services to be provided. Travel rates, including but not limited to airfare, lodging, car rental, meals, or miscellaneous travel expenses shall conform with the CSU Travel Policy identified in Appendix E of the master agreement. Contractor will be reimbursed for actual travel costs incurred. Any travel associated to this agreement must be pre-approved and confirmed by CSU and comply with California State University travel procedures and regulations, details of which can be found at: <https://calstate.policystat.com/policy/12002664/latest>

Proposed Payment Schedule:

Segal will bill its fees in ten monthly installments, as detailed in the prior table, with the first installment issued in arrears. Payments will be in arrears, at the completion of each deliverable based upon CSU acceptance. Payment is withheld without any penalties.

Sincerely,



Jason Adwin
Senior Vice President



Yelena Stiles
Senior Vice President