

AGENDA

Chair: Ysabel Trinidad, Chair

Directors: Alison Baski, Mayra Brown, Dr. Soraya Coley, Erica Frausto-Aguado, Dr. Terri Gomez, Christina Gonzales, April Jimenez, Dr. Rita Kumar, John McGuthry, Cynthia Nelson, Dr. Phyllis Nelson, Lowell Overton, Stephanie Pastor, Anissa Patel, Dr. Homeyra Sadaghiani, Oliver Santos, Dr. David Speak, Ruby Suchecki, Frances Teves, Dr. Maryann Tolano-Leveque, Ysabel Trinidad, Cade Wheeler, Kris Zoleta

Staff: Shari Benson, Claudia Burciaga-Ramos, Lisa Coats, Jared Ceja, Ernest Diaz, Tariq Marji, Thomas Sekayan

Guests: Dr. Alison Baski

I. ACKNOWLEDGEMENT OF MEMBERS OF THE PUBLIC

Ysabel Trinidad, Chair

who may or may not be commenting on a specific item or making a general comment.

II. CHAIR'S REPORT

Ysabel Trinidad

III. GENERAL UPDATES

a. CEO's Report

Jared Ceja, CEO

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IV. ACTION ITEMS

b. Approval of May 29, 2024, Minutes
(Attachment) **A**

Ysabel Trinidad

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c. Election of New 2024-2025 Dean Director
(Attachment) **A**

Jared Ceja

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d. 2024-2025 Committee Descriptions and Assignments
(Attachment) **A**

Jared Ceja

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V. INFORMATION & DISCUSSION ITEMS

The following items provide information and reports by Management to the Board. Staff and Board may engage in discussion on any item if requested by Board, committee, or staff members.

e. 2024-2025 Committee Chairs, Officer Roles, & Nominating Committee
(Attachment) **I**

Jared Ceja,

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f. Capital Emergency Fund Uses 23/24

Tariq Marji, CFO

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VI. OPEN FORUM

VII. ADJOURNMENT

Ysabel Trinidad

Next Board Meeting #404 – September 17, 2024 at 2:00 p.m. at Kellogg West & via Zoom

The open proceedings of this meeting are being recorded.



CAL POLY POMONA
ENTERPRISES

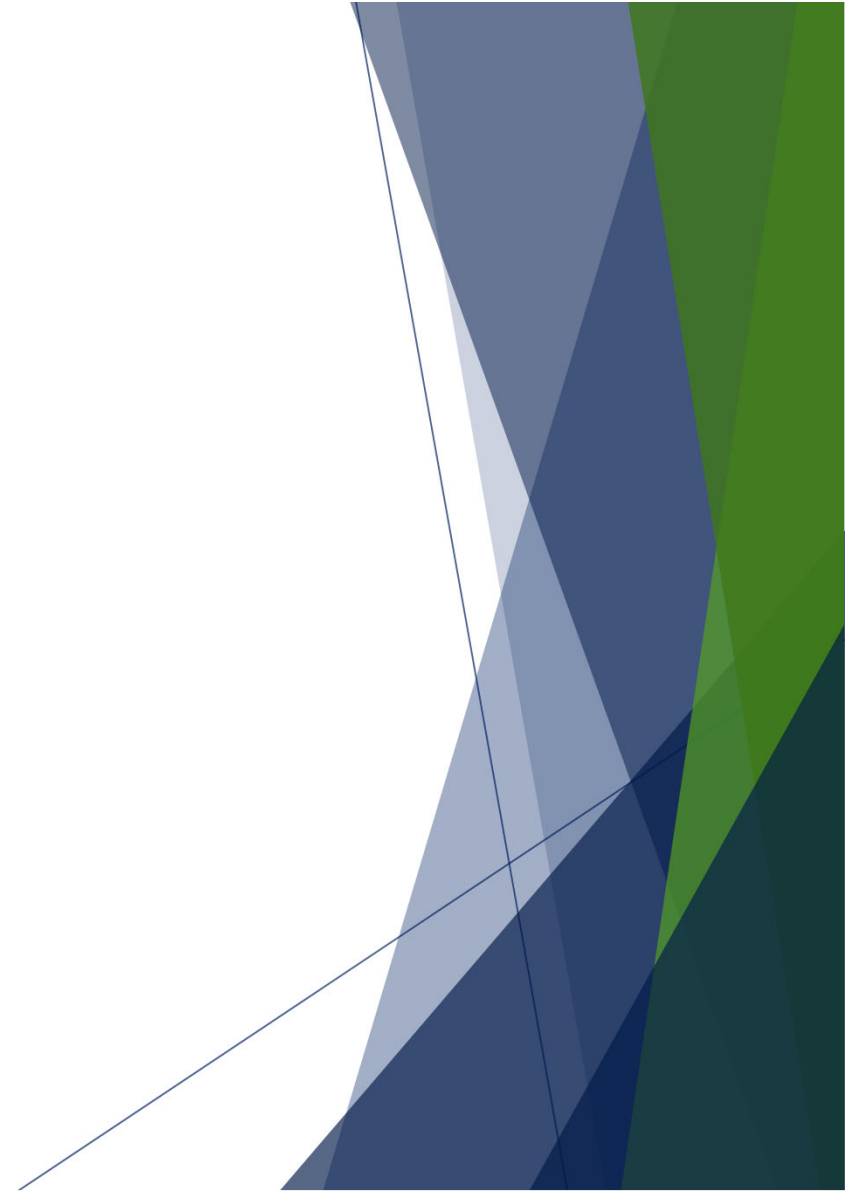
CEO's Report

July 13, 2024

Board of Directors

Topics

- ▶ Personnel Change
- ▶ Invitations:
 - ▶ Pumpkin Fest Preview Night
 - ▶ Athletics' Golf Tournament



CAL POLY POMONA FOUNDATION, INC.
Board of Directors, Meeting #402
May 29, 2024 at 2:00 PM
Minutes

CAL POLY POMONA
ENTERPRISES

Notice is hereby given that a meeting of the Board of Directors was held by video teleconference on Wednesday, May 29, 2024 at 2:00 p.m. to discuss matters on the posted agenda. The meeting notice in its entirety was posted on the internet at: <https://foundation.cpp.edu/meetingpackets.aspx>.

Present: Dr. Terri Gomez, Christina Gonzales, April Jimenez-Valadez, Dr. Rita Kumar, Cynthia Nelson, Lowell Overton, Stephanie Pastor, Oliver Santos, Dr. David Speak, Ysabel Trinidad, Kris Zoleta, Dr. Soraya Coley, Erica Frausto-Aguado, Frances Teves, Ruby Suchecki
Absent: Dr. Martin Sancho-Madriz, John McGuthry, Dr. Maryann Tolano-Leveque, Mayra Brown, Dr. Homeyra Sadaghiani, Dr. Phyllis Nelson, Ilke Suzer, Naman Pandadiya, Anissa Patel
Staff: Shari Benson, Claudia Burciaga-Ramos, Jared Ceja, Lisa Coats, Ernest Diaz, Tariq Marji, Thomas Sekayan

CHAIR'S REPORT

Dr. Soraya Coley called the meeting to order at 2:03 p.m. She commended Enterprises for the help provided during commencement. She asked Jared Ceja, CEO, to introduce those in the Zoom call and asked everyone present to introduce themselves. Dr. David Speak asked to take a moment to remember Dr. Bob Suzuki, the former university president who recently passed. Dr. Coley recognized Frances Teves and Terri Gomez as having been appointed to permanent VP roles and are joining the cabinet with Ysabel Trinidad, Christina Gonzales, John McGuthry, and Nicole Hawkes. Dr. Coley requested a presentation for an upcoming board meeting to review the university's budget and overall state of higher education. This will assist the board in understanding where we are as a university and what is happening in the Cal State University system and in education in general.

CONSENT ACTION ITEMS

- A. Approval of Minutes: Meeting #401 (2/20/24)
- B. Investment Portfolio Report Q3 2023-2024
- C. Job Title List Update for CalPERS
- D. Employee Handbook Update
- E. PARS Conversion
- F. FLPP Contribution
- G. Transfer to VEBA Trust
- H. CalTrans Audit Results

A motion was made by Dr. David Speak and seconded by Kris Zoleta to approve the consent action items as presented; there was no opposition; the motion was approved unanimously.

GENERAL UPDATES

- I. Introduction of Tariq Marji, Chief Finance Officer
Mr. Jared Ceja, CEO, introduced Mr. Tariq Marji, Interim CFO. Mr. Marji was the Foundation's general business accounting manager 20 years ago. He comes with 25 years of auxiliary leadership experience within the Cal State University system and extensive connections at the Chancellor's Office, the Auxiliary Organizations Association, and within the NACAS communities.
- J. CEO's Report
Mr. Ceja mentioned updates made to the 24/25 budget assumption; there could be an impact on enrollment due to some challenges with FAFSA; University Village occupancy upped to 95–96%; the Instant Access Program was highly successful, keeping the same prices; the franchise minimum wage was set at \$20.00 on April 1st (leads are \$21 or \$21.50 an hour). We still have a \$16.00 minimum wage with the rest of the employees, which will be going up to \$18 in January 2025 and has been factored into the budgets. This increase in wages also has a ripple effect on staff positions and entry-level management, which the law says is double the minimum wage. Mr. Ceja reviewed the increases in the residential meal plans in comparison to other campuses: we rank #2 on the list of the least price increases over three years of CSU campuses. The dining team, under the leadership of Thomas, has been able to bring down the costs, be more efficient, rework the structure of dining, and get away with the low meal plan increases. We participated actively in the Bronco Bound Open House for new students, including Bronco One Card, Bookstore, Dining, HR, Marketing, and University Village. Dining brought in \$44k, and the bookstore had its best non-textbook day in our history with \$112k. A leap-year sale on February 29th brought in great sales. Another partnership was with Apparel Merchandise Management (AM2), where we sell their designs at the Bookstore. Mr. Ceja mentioned there is an ice cream challenge for the Board of Trustees in July: CPP versus Fresno. An idea brought by students was to swap Round Table with IBW to be able to sell IBW pizza; a survey will go out with name options. Global Ed put on an event at Kellogg West with about 50 attendees from community and local international programs in partnership with University Village and KW to bring in more students and programs to campus. Tours were provided, along with program insights, business solicitation, and a possible couple of conferences. Guest speakers were Provost Gomez and Dean Larissa Preiser-Houy. Enterprises received a letter from NACUFS highlighting campus dining excellence with reference to an article featuring our campus dining team's commitment to the needs of the campus community. Mr. Ceja noted that hundreds of the graduates this year were Enterprises employees; additionally, all exempt employees worked at the ceremony, either helping at the Bookstore, Dining, or assisting on the state side. Dr. Coley complimented Dining Services' help during the

Staff Appreciation event, with support provided at the Open House for 4,000 prospective students and their families and at the bookstore for supporting the apparel merchandise.

ACTION ITEM

K. Election of 2024/2025 Board Members

Mr. Ceja mentioned this year we welcomed three (3) potential new members, one of which is presented today, and confirmed three (3) returning members. Of the six (6) new or renewed directors, five (5) are nominees and require a vote of the board to accept their nomination. Three (3) nominees were presented at this meeting for consideration by the Board.

Designated Directors: Cade Wheeler (N)

At-large Director: Dr. David Speak, Ruby Suchecki, Dr. Maryann Tolano-Leveque

Dean Director: one (1) to be nominated by the Deans Action Council

Student Directors: one (1) to be nominated by ASI and approved at the next meeting.

A motion was made by Oliver Santos and seconded by Lowell Overton that the Board of Directors accepted the nominations of Dr. David Speak, Ruby Suchecki, and Dr. Maryann Tolano-Leveque, as nominated by the University President and presented, and welcomed them to the 2024-2025 Board of Directors effective July 1, 2024. There was no opposition to the motion; it was approved unanimously.

L. Election of Officers for 2024-2025

Dr. Terri Gomez introduced this item. The Nominating Committee voted on May 28th, 2024, and selected the following slate of officers as nominees for the 2024–2025 Board of Directors: The new board officers will take their seats beginning July 1, 2024.

Board Chair: Ysabel Trinidad

Vice-Chair: Christina Gonzales

Secretary/Treasurer: John McGuthry

A motion was made by Dr. David Speak and seconded by Kris Zoleta that the Board of Directors elect the slate of board officers presented by the Nominating Committee for the fiscal year 2024-2025, effective July 1, 2024, for a term of one year. There was no opposition to the motion; it was approved unanimously.

M. Proposed 24/25 Operating and Capital Budgets and Proforma

Vice President Trinidad introduced the key details of the proposed 2024–25 budget. Mr. Marji provided additional summary information. The proposed budget includes \$74.4 million in revenue and \$72 million in expenditures, resulting in a net surplus of \$2.4 million. Mr. Marji reviewed the various operations and highlighted the major differences between the current year's forecast and the 2024–25 proposed budget. Additionally, Mr. Marji presented a five-year projection of the net fund balance allocation of reserves. The Board discussed programs with deficit budgets, as well as the process of tracking and reviewing reserve funds and how we are working to move them to a positive position.

A motion was made by Oliver Santos and seconded by Dr. David Speak to accept the recommendation of management and the Finance & Investment Committee to approve the proposed operating and capital budgets for fiscal year 2024–25 for enterprise activities, commercial services, supplementary programs, designated gifts, and reserves with the associated proforma pursuant to Budget Process Policy No. 118. There was no opposition to the motion; it was approved unanimously.

INFORMATION & DISCUSSION ITEMS

N. Financial Highlights Q3 2024/2025

Mr. Marji provided an overview of the key financial highlights for the period ending March 31, 2024. The Statement of Activities shows total revenue of \$76.8 million and expenses of \$69.2 million, resulting in a net income of \$7.6 million. This represents a favorable variance of \$5.1 million compared to the budget, which was largely driven by investment gains. Grant activity increased by 13% from the prior year, totaling \$15.7 million. The Balance Sheet reflects current assets of \$158.7M, current liabilities of \$7.1M, and a total fund balance of \$46.6M.

Dr. Coley asked if staff could provide a 10-year analysis review of the research office, agriculture enterprises, and CPGE at a future meeting or the Retreat. She would like clarity on the fund balance, and if there are other areas where there is a continued deficit at the end of the year.

O. Summer Retreat, July 12th and 13th

Mr. Ceja reviewed the core of the Summer Board Retreat with a possible draft agenda, including a member orientation, welcoming two new board members, tours of operations, training on responsibilities, the conflict of interest, a brief board meeting to establish committee membership, and dinner at Kellogg House. Mr. Ceja mentioned that hotel rooms are available on Friday and Saturday nights for interested individuals. Ideas for other content include a deep dive into understanding CPPE Financials, a review of other CSU auxiliaries, an overview of the campus master plan, initiatives within CPPE, evaluating ice cream growth, and others.

P. Negotiated F&A Rate

Mr. Tariq mentioned that to evaluate the appropriate facilities and administrative (“F&A”) rate, CPPF contracted with Attain Partners Consulting to compile and assess the cost and fringe benefit rates based on relevant data. In December 2023, CPPF submitted a proposal for a new F&A

rate to the Department of Health and Human Services, the responsible federal audit agency. However, the Department of Health and Human Services (DHHS) has a large number of pending proposals and has not yet processed CPPF's proposal. While we await their response, CPPF will continue to use the current rate of 47%. Various board members asked clarifying questions that were addressed by Tariq and Jared as the presentation progressed. CPP is one of many institutions still waiting for a response from DHHS.

Q. Recognition of Outgoing Board Directors'

Dr. Martin Sancho-Madriz, Ilke Suzer, and Naman Pandadiya were all publicly recognized by Jared Ceja and Chair Coley for their contributions and support while serving as members of the Board of Directors.

EXECUTIVE SESSION

R. Adjourn to Closed Session: A motion was made by Dr. Speak and seconded by Kris Zoleta to adjourn to a close session; there was no opposition.

S. Executive Session: CEO's review and compensation.

A motion and second were made to adjourn close session and return to regular session. There was no opposition.

T. Report Out on Closed Session Actions:

Shari Benson reported the Boards satisfaction with Mr. Ceja's 3-year performance review and their approval of his compensation effective July 7, 2024.

OPEN FORUM

April Jimenez-Valadez thanked CPP Enterprises for their help and support for Staff Council's Annual Staff Appreciation Week; she also thanked Dining Services at IBW and Starbucks. Staff Council hosted two workshops in partnership with Kellogg House, the Farm Store, and the Green House. Those are two workshops that were completely booked at full capacity, and we got a lot of great feedback. Dr. Coley thanked the Staff Council for their hard work, especially at Centerpointe's lunch, which included a chocolate fountain and a bag that was given away.

ADJOURMENT

Dr. Speak made a motion to adjourn. There was no opposition to the motion; the meeting was adjourned at 3:55 p.m.

Respectfully submitted,

John McGuthry, Secretary Treasurer

Next Board Meeting #403 – Tuesday September 17, 2024 at 2:00 p.m. at Kellogg West & via Zoom



Memorandum

Date: July 13, 2024
To: Board of Directors
From: Jared G. Ceja, Chief Executive Officer
Subject: **Election of New 2024-2025 Dean Director**

Serving as a member of the Cal Poly Pomona Foundation Board of Directors is a challenging and rewarding position of serious responsibility. Board member decisions affect the lives of students, faculty, staff, and the surrounding CPP community now and into the future.

Per Article V of the Bylaws, the maximum authorized number of voting Directors of the Board shall be twenty-four (24). This includes nine (9) Designated Directors appointed by virtue of the position they hold at the University as follows:

- University President, Vice President for Academic Affairs, Vice President for Student Affairs, Vice President for Advancement, Vice President for Administrative Affairs, Vice President for Instructional & Information Technology, Chair of the Academic Senate, Chair of Staff Council and President of the Associated Students, Inc.

There are an additional fifteen (15) elected Directors with terms and nominations as follows:

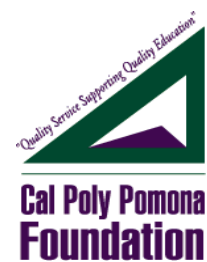
- a) one (1) Dean Director – three (3) year term (nominated by the Deans Action Council);
- b) two (2) Faculty Directors – three (3) year term (nominated by the Academic Senate);
- c) five (5) At Large Directors – two (2) year term (nominated by the University President);
- d) three (3) Community Directors - three (3) year term (nominated by the University President);
- e) two (2) Staff Directors - three (3) year term (nominated by the Staff Council); and
- f) two (2) Student Directors - two (2) year term (nominated by the Associated Students Senate).

Today we welcome a new potential Dean Director, Dr. Alison Baski, for the 2024-2025 fiscal year. Dr. Baski has received support from the Deans Action Council and her nomination requires approval by the Board.

BE IT RESOLVED that the Board of Directors accepts the nominations of Dr. Alison Baski, as nominated by the Deans Action Council, and welcomes her to the 2024-2025 Board of Directors effective immediately.

PASSED AND ADOPTED THIS 13th DAY OF July 2024.

By: _____
John McGuthry
Secretary/Treasurer, Board of Directors



Memorandum

Date: July 13, 2024
To: Board of Directors
From: Jared G. Ceja, CEO
Subject: **2024-2025 Committee Assignments**

Board Directors work with Management each year to understand the needs of all active committees and what can be expected for the upcoming fiscal year. Committees are most effective when the talents and interests of Board directors align with the responsibility of their selected committee(s). All Board members are expected to serve on at least one committee but may choose to sit on two or more.

Each open standing committee has an executive management liaison:

- Audit – Tariq Marji, CFO
- Finance & Investment – Tariq Marji, CFO
- Personnel – Shari Benson, CHRO
- Program – Thomas Sekayan, COO

Time has been allocated for committee consideration prior to and during the Summer Board Retreat. A list of committee assignments will be presented on screen for consideration by the Board. The Executive and Nominating committees will be presented separately as they are filled with designated and appointed roles per the bylaws.

BE IT RESOLVED that the Board of Directors accepts the nominations for committee membership, as presented, for the 2024-2025 Audit, Finance & Investment, Personnel, and Program committees, effective immediately.

PASSED AND ADOPTED THIS 13th DAY OF July 2024.

By: _____
John McGuthry
Secretary/Treasurer, Board of Directors

Committee Chairs, Officers, & Committee Appointments 2024-2025

Board Officers:

Chair – Ysabel Trinidad
Vice Chair – Christina Gonzales
Secretary/Treasurer – John McGuthry

Executive Committee designated by position (except where noted):

Board Chair – Ysabel Trinidad
Vice Chair – Christina Gonzales
Academic Senate Chair – Dr. Rita Kumar
ASI President – Cade Wheeler
Community Representative – Ruby Suchecki (appointed by the University President)
Staff Council Chair – Stephanie Pastor
University President – Dr. Soraya Coley

Committee Chairs (appointed by the Board Chair):

Audit Committee – Dr. David Speak
Finance & Investment Committee – Ysabel Trinidad
Personnel Committee – Dr. Phyllis Nelson
Program Committee – Christina Gonzales

Nominating Committee (appointed by the Board Chair):

Dr. Terri Gomez (Chair), Stephanie Pastor, Dr. Homeyra Sadaghiani

Corporate Officers:

Chief Executive Officer – Jared Ceja
Chief Financial Officer – Tariq Marji
Chief Operating Officer – Thomas Sekayan
Chief Human Resources Officer – Shari Benson
Chief Brokerage Officer – Randy Wallace Jr.

Memorandum (Informational)



Date: July 13, 2024
To: Board of Directors
From: Tariq Marji, CFO
Subject: **Year-End Capital Budget Update 2023-2024**

Management is providing this update on the Emergency & Unanticipated Needs fund (\$525,000) approved by the Board on May 25, 2023, as part of the 23/24 Budget. As anticipated, unscheduled equipment breakdowns and operating needs have surfaced throughout our various programs, specifically in Dining Services and Real Estate. These needs directly impact day-to-day operations and our ability to provide safe and consistent services. They include:

- 1) \$15,000 (Programmatic)– The current fleet of delivery vehicles for Retail Catering is insufficient to support projected needs for Spring 2024 and beyond. One additional electric delivery cart will be procured to support our services. The cart will also be used occasionally for retail store product deliveries and restocking.
- 2) \$40,000 (Deferred Maintenance) – The existing frozen yogurt machine utilized in Centerpointe is too frequently out of service and has become increasingly difficult to maintain. The new frozen yogurt machine quoted for purchase is expected to be more reliable and have lower maintenance needs.
- 3) \$15,000 (Contractual/Legal) – One of two existing Turbo Chef ovens at Starbucks is broken and non-reparable. Starbucks' licensing agreement requires the purchase of two new models if a legacy unit breaks.
- 4) \$60,000 (Health & Safety) – Building roof re-coat needed to seal openings and prevent further water intrusion in tenant spaces. The roof work includes a 15-year leak free warranty.
- 5) \$24,000 (Health & Safety) – Expansion of scope: additional capital for repair and performance of a sectional replacement of roofing at Building #55.
- 6) \$15,000 (Programmatic) – Smart refrigerator store with tablet POS, merchandising shelves, and RFID sensors at H-Café store. This is a more cost-effective delivery for H-Café than the previous iteration.
- 7) \$25,000 (Programmatic) – API configuration between the Dining POS system and our payroll system, enabling added labor reporting functionality and accuracy. This will have a positive ROI, likely in under 1 year, and needed to be completed before Fall of 2024.

The amounts have been rounded off for simplicity. Committee action is not needed on this item as the funds were approved during the 23/24 annual budget process. This memo services as an update for the Board on how those funds are being used.