

PROGRAM COMMITTEE MEETING
Monday, December 9, 2024 at 9:00-10:30 a.m.
Join Zoom Meeting
<https://cpp.zoom.us/j/83200055414>
Meeting ID: 832 0005 5414

AGENDA

Committee Chair: Christina Gonzales

Members: Mayra Brown, Erica Frausto-Aguado, Dr. Rita Kumar, Dr. Craig LaMunyon, Dr. Phyllis Nelson, Dr. David Speak, Frances Teves, Dr. Maryann Tolano-Leveque, Cade Wheeler, Kris Zoleta

Staff: Claudia Burciaga-Ramos, Jared Ceja, Lisa Coats, Ernest Diaz, Alex Hernandez, Darren Isomoto, Thomas Sekayan, Randy Wallace Jr.

Guests: Sojo Alex,- Envision Strategies

I. CONSENT ACTION ITEMS

Items in this section are routine and acted on by the committee in one motion. Each item of the Consent agenda approved by the committee shall be deemed to have been considered in full and adopted as recommended. Any committee member may request that a consent item be removed from the consent agenda to be considered as a separate action item. If no additional information is requested, the approval vote will be taken without discussion.

A. Reading of Minutes Christina Gonzales, Chair 3 - 5
- Tuesday, February 13, 2024, Meeting minutes

II. GENERAL UPDATES

B. CEO's Report Jared Ceja, CEO 6 - 7

III. INFORMATION & DISCUSSION ITEMS ACTION ITEMS

C. Introduction of Kellogg West General Manager Thomas Sekayan, COO

D. Dining Program Refresh Initiative & Analysis Results Thomas Sekayan
Sojo Alex- Envision Strategies

E. CPPE/Pepsi Scholarship Thomas Sekayan

F. Mid-year Emergency & Unanticipated Needs Fund Update Jared Ceja 8

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Randy Wallace Jr, Director- Real
Estate & Facilities Management

V. OPEN FORUM

VI. ADJOURNMENT

Christina Gonzales

CAL POLY POMONA FOUNDATION, INC.
Program Committee Meeting
Tuesday, February 13, 2024 at 1:00 pm
Minutes

Notice is hereby given that a regular meeting of the Program Committee was held by video conference/teleconference on Tuesday, February 13, 2024 at 1:00 p.m. to discuss matters on the posted agenda. The meeting notice in its entirety was posted on the internet at https://www.foundation.cpp.edu/content/d/Meeting%20Packets/Program%20Meeting%20Packet_02132024.pdf

Committee Chair: Erica Frausto-Aguado in place of Christina Gonzales

Members: Erica Frausto-Aguado, April Jimenez-Valadez, Dr. Rita Kumar, Dr. Craig LaMunyon, Cynthia Nelson, Dr. David Speak, Kris Zoleta

Absent: Ilke Suzer, Frances Teves

Staff: Claudia Burciaga-Ramos, Jared Ceja, Lisa Coats, Ernest Diaz, Aaron Nielson, Thomas Sekayan, Randy Wallace Jr

Erica Frausto-Aguado called the meeting to order at 1:04 PM in place of Chair Christina Gonzales.

CONSENT ACTION ITEMS

A. Approval of minutes for November 17, 2023

There was a motion made by Erica Frausto-Aguado and seconded by Dr. Rita Kumar to approve the minutes; the minutes were approved unanimously.

GENERAL UPDATES

B. CEO's Report

In the CEO's report, Mr. Ceja provided updates on recent developments impacting campus operations. He discussed proposed Department of Education (DOE) policies that could eliminate the practice of dining dollar "sweeps." This change would increase the upfront meal plan costs and reduce flexibility in meal options for students. Additionally, financial aid is at risk of no longer covering certain course materials, which could jeopardize the Instant Access Complete program. Mr. Ceja assured the committee that the Foundation is partnering with higher ed professional organizations in advocacy efforts to influence the policy language and mitigate any negative outcomes for students.

Mr. Ceja discussed a new property, The Current, located near the university and primarily intended as student housing, scheduled to open in May. While it is open to the public, the management has stated that less than 1% of their occupancy is non-student, with a strong focus on serving the student population. The property is a third-party construction project funded by capital investment groups. Discussions are ongoing regarding potential partnerships with the university, particularly considering the historically high demand for housing both through University Housing Services and the Village. A potential collaboration opportunity is integrating the university's shuttle service to support transportation needs for students residing there. Additionally, there are discussions about operating the property's commissary or market, ensuring financial safeguards to prevent potential losses. The property consists of apartment-style units ranging from studios to five-bedroom configurations. Each unit features single-occupancy rooms with individual bathrooms, centered around shared common spaces. The housing is priced at a premium, with rents reaching up to \$2,000 per month plus utilities, making it more expensive compared to university-provided housing. This cost also excludes many services typically included in campus housing, such as student life programs.

Despite the premium pricing, the property boasts attractive amenities and is already 73% booked for the upcoming August term. The demand reflects the long-standing housing shortages faced by students, though it remains a higher-cost alternative situated near the freeway.

Mr. Ceja presented the updated student employment structure in light of the pending \$20 franchise minimum wage law, which is currently enacted but may ultimately exclude certain employers. If implemented, franchises on campus such as Subway, Starbucks, Panda Express, Qdoba, and Round Table Pizza would start wages at \$20 per hour.

To prepare for this potential change, a new student employment structure is being developed. Most students will continue to begin their employment in non-franchise locations such as dining services, the bookstore, Kellogg West, and grant-funded positions. From there, students will have opportunities for promotions into leadership roles or specialized areas such as IT, marketing, HR, financial services, and student supervision.

An additional "franchise associate" level is being introduced, allowing students excelling in non-franchise roles to be promoted to franchise locations, where they will earn \$20 per hour. Students may further advance to "franchise lead" positions, which include an additional pay increase.

The proposed pay scale includes five levels (A through E), with Level E starting at \$21 per hour. This structure is being prepared for review by the Board to ensure readiness should the legislation be fully enacted. While the new pay structure may have ripple effects on staff and management positions, it is seen as a strong opportunity to support student growth and advancement within the organization. Mr. Ceja explained that the franchise minimum wage was set at \$20.00 on April 1st. We still have a \$16.00 minimum wage with the rest of the employees, which could be going up to \$18 in January 2025 and has been factored into the budgets.

Mr. Ceja also shared that the Instant Access Complete program had a successful spring semester, with a 78% participation rate compared to 76.5% in the fall. He noted that the program's popularity is due to its convenience, as 74% of students surveyed said it was easier than obtaining materials independently. To support students struggling with costs, the Foundation allocated funding to subsidize IAC fees in the form of student scholarships, reducing the cost for eligible students to \$50 per semester. Financial Aid manages the selection and distribution of funds.

Mr. Ceja presented an update on the increased filming activity on university properties, which has reached a steady and productive pace. Recent productions include scenes for *Griselda* (Netflix), a dramatic and violent series, and *Lessons in Chemistry* (Apple TV), an academically focused show. Both utilized locations at the Lanterman property. Additionally, Mr. Ceja highlighted a Super Bowl commercial featuring Spadra Farm, where the farm was prominently showcased throughout the ad.

Mr. Ceja concluded by noting that updates on future filming activities will continue to be shared as the university properties remain a popular choice for production companies following the challenging dead periods during the writer's and actor's strikes.

INFORMATION & DISCUSSION ITEMS

C. Strategic Priority Update:

- JLL Housing Demand Study (Final)

Mr. Wallace presented the results of the JLL housing demand study, which confirmed a significant need for additional student housing. The study found that even with the addition of 650 new units, there is still an unmet demand for 2,150 beds. Rising construction costs remain a challenge, and the team is exploring collaborations with Mt. SAC to help address both student and faculty housing needs.

- Schools First Branch @ CPP

Mr. Sekayan provided an update on the upcoming SchoolsFirst Federal Credit Union branch at Cal Poly Pomona. SchoolsFirst, a long-time community partner, will open a new branch on campus to offer financial services tailored to student workers, staff, and faculty. The initiative aims to enhance financial literacy through workshops and personalized banking services. This partnership aligns with the university's goal to provide comprehensive support for the campus community. The branch is expected to open in the coming months.

- Retail Food Program Update - Potential Brand Partners

Mr. Aaron Neilson discussed ongoing efforts to diversify food services on campus, including potential partnerships with recognizable brands. He emphasized the importance of aligning food offerings with student preferences and dietary needs, such as introducing halal stations and exploring Korean – Mexican fusion concepts. Additionally, he highlighted the need for careful management of vendor relationships and outlined plans to address potential wage increases for student employees at franchise locations.

ACTION ITEMS

D. Capital Budget 24/25

The presentation was provided by Mr. Ceja and Mr. Sekayan. The proposed budget includes planned 24/25 capital requests of about \$5.5MM throughout multiple units. They include deferred maintenance, health & safety, programmatic changes, scheduled renewals/security, ADA upgrades, and contractual/legal obligations. Specific highlights of larger amounts include:

- Dining: \$125k to convert Round Table to a version of IBW, \$175k to bring a known coffee concept to Saddles, and \$125k to introduce TaKorean at CCMP
- Administration: \$525k for emergency and unanticipated needs, a repeat of last year's request
- Kellogg West: \$210k for elevator modernization, \$630k for needed HVAC related work, and \$300k to replace failing boilers
- Ag Enterprises: \$350k to rebuild the walk-in freezer system and \$175k to bring utilities to event spaces
- University Village: \$125k in safety repairs to the walkways, \$240k in cyclical furniture replacements, \$220k for needed HVAC work, and \$285k for scheduled painting and flooring replacements

The committee discussed the feasibility of moving forward with the budget, especially in light of rising construction costs and potential legislation changes affecting financial aid. Mr. Sekayan noted that the five-tier pay structure within dining services would help absorb potential wage increases by offering promotional pathways for student employees. The top pay tier will start at \$21/hour, allowing students to advance through roles at non-franchise and franchise locations alike. These anticipated costs will be included in the final 24/25 proposed budget.

Moved and seconded by Dr. David Speak and Kris Zoleta that the members of the Program Committee have reviewed and approved the presented capital budget 2024-2025 and recommends forwarding this resolution to the full Board for consideration at their next scheduled meetings. No opposition, the motion was approved.

OPEN FORUM

Cynthia Nelson inquired about the financial impact of transitioning from Round Table Pizza to Innovation Brew Works, asking whether the change would be beneficial, detrimental, or neutral. Mr. Ceja explained that the current IBW is primarily an exterior-facing operation targeting the community, while Round Table Pizza serves an internal campus audience. Round Table operates under a franchise model, incurring 6-7% royalty fees and additional costs, while IBW would eliminate these costs and allow for lower pricing. The new location is intended to leverage localized IBW brand recognition and better pricing to increase transaction counts. The anticipated benefits of IBW include greater foot traffic and an improved bottom line by 2-3 percentage points compared to Round Table. Thus, a net benefit is expected.

ADJOURNMENT

A motion was made by Cynthia Nelson and Dr Rita Kumar to adjourn the meeting. There was no opposition; the meeting was adjourned at 2:20 p.m.

Respectfully submitted,

Christina Gonzales
Program Committee, Chair



CAL POLY POMONA **ENTERPRISES**

CEO's Report

December 9, 2024
Program Committee

Agenda

- ▶ Hot Dog Caper 2024
- ▶ AHC TeachingHorse Update
- ▶ CPGE Financial & Program Review
- ▶ Strong Q1 Performance
- ▶ Sr. Director of Organizational Effectiveness & Strategy

Informational Memorandum



Date: December 9, 2024

To: Program Committee

From: Jared Ceja, CEO

Subject: **Mid-Year Emergency & Unanticipated Needs Fund Update 2024-2025**

Management is providing this update on the Emergency & Unanticipated Needs fund (\$525,000) approved by the Board on May 29, 2024 as part of the 24/25 Budget. Unanticipated equipment breakdowns and operating needs have occurred throughout our various programs, specifically in Dining Services and Real Estate, resulting in the necessity to draw from this fund. These needs directly impact day-to-day operations and affect their ability to provide consistent service and/or rectify health and safety concerns.

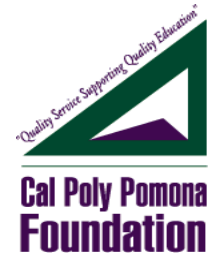
They include:

- 1) \$38,641 (Deferred Maintenance) – Sewer line break at Bldg. 97 caused emergency repairs.
- 2) \$31,500 (Deferred Maintenance) - Remodel of 4 suites at CTTi. Two CTTi tenants moved out, and work including patch, paint and carpet replacement was necessary.
- 3) \$25,000 (Deferred Maintenance) – The exterior deck waterproofing above the underground HVAC and Electrical infrastructure at Kellogg West failed and resulted in an immediate need to reseal the deck, which also serves as a patio for conference and hotel guests.
- 4) \$18,928 (Programmatic) – The renovation of the former Taco Bell space to the new TaKorean food concept in Building 97 required change orders due to additional updates in food, ADA, health, and safety codes that were not included in the original scope of work.
- 5) \$53,000 (Programmatic) – IBW kegs were being stored off-site at other dining locations on campus proper, which posed a logistical issue and additional labor expense, including increased risk involving the transportation of the heavy kegs. An additional refrigerating unit was installed in IBW for the purpose of reducing labor expense and mitigating risk caused by the transportation of the kegs.

Committee action is not needed on this matter as the funds were approved during the 24/25 annual budget process.

Memorandum

Date: December 09, 2024
To: Program Committee
From: Jared Ceja, CEO
Thomas Sekayan, COO
Attachment: Mid-Year Capital Request 24/25
Subject: **Mid-Year Capital Budget Requests 2024-2025**



As we continue to move within the current fiscal year, Management has encountered mid-year capital needs essential to sustain operation efficiency, effectiveness, compliance, and safety. These capital expenditures were not anticipated when the 2024-2025 capital budget was proposed. Management is requesting this additional capital to maintain programmatic continuity.

- **\$70,000** Combi oven at Centerpointe to replace a convection oven set that has failed on multiple occasions and is nearing end of life. The Combi oven has a steamer capability that will extend the lifespan of the stand-alone steamer unit that is being used heavily.
- **\$65,000** Cargo van or smaller vehicle at IBW - current vehicle is beyond its lifecycle and currently out of commission due to inability to pass smog and campus checklists.
- **\$19,000** Electric Golf Cart for Dining Services – Replacing a van used beyond lifecycle to transport goods between units, Centerpointe, and special events supporting university departments.
- **\$13,000** Vehicle for Facility Operations - The original budget for a used vehicle was set at \$27,000; however, an appropriate used model was not identified. This conversion opens the possibility for a new vehicle.
- **\$15,000** Electric Golf Cart for IT- the current cart exceeded its useful life and currently is nonoperational.
- **\$15,000** Ice Machine at Starbucks - Brand standard was cubed ice, current requirement required to switch to pelleted ice.

RECOMMENDED ACTION:

Management is requesting that the Program Committee approve the mid-year capital budget increase for 2024/2025, as listed, and forward this resolution to the Finance & Investment Committee and full Board for consideration at their next scheduled meetings.

BE IT RESOLVED, that the members of the Program Committee have reviewed and approved the presented 2024-2025 mid-year capital budget items.

BE IT FURTHER RESOLVED, that the Program Committee forwards this resolution to the Finance & Investment Committee and Board for consideration at their next scheduled meetings

PASSED AND ADOPTED THIS 9th DAY OF DECEMBER 2024

By: _____
Christina Gonzales, Chair
Program Committee

CAL POLY POMONA FOUNDATION
2024-2025 CAPITAL EXPENDITURES BUDGET
MID-YEAR REQUEST

Project	Division	APPROVED CAPITAL	2024-2025 MID YEAR REQUEST	Purpose	Category
Dining Services					
170104	IBW		65,000	Cargo Van at IBW - current vehicle is beyond its lifecycle and currently out of commission due to inability to pass smog and campus safety checks.	Deferred Maintenance
170130	Centerpointe		70,000	Combi oven to replace convection oven set that continuously fails and nearing end of life, also will extend life of stand-alone steamer unit.	Deferred Maintenance
170130	Centerpointe		19,000	Replacing a van used beyond lifecycle and currently out of commission due to inability to pass smog and campus safety checklists.	Deferred Maintenance
170108	Starbucks		15,000	Ice machine at Starbucks needs replacing, brand standard was cubed ice, current requirement required to switch to pelleted ice.	Contractual/Legal
Dining Services Total			169,000		
Real Estate Activities					
170080	Foundation Maintenance	27,000	13,000	Vehicle for Facility Operations - the original budget for a used vehicle was set at \$27K, and additional funds needed to purchase appropriate vehicle.	Programmatic
Real Estate Activities Total			13,000		
Information Technology					
110030	Foundation Information Technology		15,000	Electric golf cart for IT - the current cart exceeded its useful life and currently is nonoperational.	Programmatic
Information Technology Activities Total			15,000		

Additional Capital Needs

\$ 197,000

Memorandum



Date: December 9, 2024
To: Program Committee
From: Jared Ceja, CEO
Subject: **Children's Center Authorized Signatures**

CSPP and CCTR grants require that the Child Care Center Director and the Chief Executive Officer of Cal Poly Pomona Enterprises be authorized, on an annual basis by the Board, to sign contractual documents. The Director is to be authorized as the responsible person for programmatic management and conduct of the contract/project, for the purpose of providing childcare and development services in compliance with the educational mission of the University, the policies and procedures of Enterprises, and the restrictions imposed by the awarding agency. This signing authority is consistent with that given to Principal Investigators on other grants.

PROPOSED ACTION:

Management recommends that the Program Committee approve the Children Center Director and the Chief Executive Officer of Cal Poly Pomona Enterprises as authorized signers on the CSPP and CCTR grants.

BE IT RESOLVED that the Program Committee approves Children's Center Director Celeste Salinas and CEO Jared Ceja as authorized signers on the CSPP and CCTR grants and forwards the request to the Board of Directors for review and approval at its next regularly scheduled meeting.

Passed and adopted this 9th day of December 2024.

By: _____
Christina Gonzales, Chair
Program Committee

Memorandum

Date: December 9, 2024
To: Program Committee
From: Jared Ceja, CEO
Darren Isomoto, Marketing Manager
Attached: "CPPE Logo Options A thru D"
Subject: **Finalized CPPE Branding**



In recent years, the Cal Poly Pomona Foundation has initiated a phased brand refresh strategy, including revisions to its name and logo. The Board approved a DBA (Doing Business As) of "Cal Poly Pomona Enterprises" and we began the process of identifying a new logo in alignment with the University's rebranding campaign. In consultation with the Office of Strategic Communication, we are presenting this committee with four potential brand logo options. We request that this committee review these options and offer their top selections to the Board for final consideration.

Please find attached the finalized CPPE Branding logos for consideration.

PROPOSED ACTION:

Management recommends that the Program Committee select and approve their top CPPE Logos for full Board of Directors' consideration.

BE IT RESOLVED, that the Program Committee approves the top CPPE Logo options, and forwards them to the Board of Directors for review, final logo selection and approval at its next regularly scheduled meeting.

Passed and adopted this 9th day of December 2024.

By: _____
Christina Gonzales, Chair
Program Committee

Branding Elements



Color



Cal Poly
Pomona

University Logo

Cal Poly Pomona
ENTERPRISES

Wordmark

A



B



C



D



Memorandum

Date: December 9, 2024

To: Program Committee

From: Jared Ceja, CEO
Randy Wallace Jr, Director of Real Estate & Facilities Management

Subject: **Potential Student Housing Acquisition – “The Current”**



Background

Cal Poly Pomona Enterprises (“CPPE”) has been providing student housing for over 30 years and currently has 1,243 beds at University Village (“UV”) that primarily serve upper division housing students. Our housing is in addition to the 2,768 beds that University Housing (“UHS”) has in their portfolio. UV and UHS have had waiting lists for the past three years that they were unable to fulfill due to CPP student demand for housing. Thus, students were forced to find housing off campus or absorb a daily commute.

The recent demand study completed by JLL showed significant demand for all CPP Populations and found that a tremendous need exists specifically for student housing:

Students

- i. Total Net Demand for 2,150 beds from CPP and Mt. SAC students.
- ii. The CPP student housing waiting list average 571 beds annually

Waitlists continued at UV and UHS this fall despite the opening of The Current. The Current also reports being 100% full while maintaining a triple digit waitlist.

PROPOSAL

CPPE is requesting approval to proceed with our due diligence process and negotiations for the purchase of a 636-bed property known as The Current. This involves further engagement with CSU Finance & Treasury, CPP Administrative Affairs, and The Current’s ownership. Pricing for the purchase has yet to be determined and will be substantiated by an appraisal. To ensure feasibility, we plan to increase the number of beds by approximately 275 by the second year, which will enable us to reduce the cost to students.

Any needed down payment will be targeted to come from a combination of operating capital and reserves appropriate for this type of acquisition: namely the Capital Reserve Fund (\$8.5 MM), Venture Capital Reserve Fund (\$3.8 MM), and Village Development Reserve (\$2.6 MM)

The purchase will be contingent on successful SRB financing arranged through the CSU Chancellor’s Office once all due diligence is completed. In addition, CPPE will be led by the guidelines found in Foundation Policy No. 123, Real Estate Acquisition and Development.

PROPOSED ACTION:

Management requests the Program Committee’s support to continue the due diligence process and enter into negotiations for the potential acquisition of “The Current”. Any preliminary deal will be contingent upon approval from the CSU Board of Trustees, financing approval, an acceptable appraisal, and other applicable conditions.

BE IT RESOLVED, that the Program Committee approves Management’s request to continue the due diligence process and enter into negotiations for the potential acquisition of “The Current”, and forwards the request to the Board of Directors for review and approval at its next regularly scheduled meeting.

Passed and adopted this 9th day of December 2024.

By: _____
Christina Gonzales, Chair
Program Committee