

---

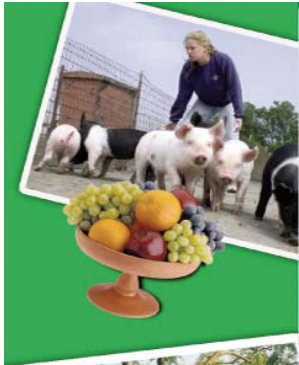
# CAL POLY POMONA FOUNDATION

## 2017-2018

Board of Directors Meeting  
Business Plan & Budget Review

May 18, 2017

---



## **POLICY NO. 118 - Foundation Budget Process**

**Annual operating and capital budget for all activities include:**

- Proposed Revenues and Expenditures
- Requests for Designated Gifts
- Requests for Capital Improvements
- Requests for New Staff Positions
- Debt Service Coverage
- Contributions to Reserves and Withdrawals from Reserves
- Forecast of Current Year Revenues and Expenditures

## **General Activities**

- Administration
- Employment Services
- Marketing
- Accounting, Finance and Investments
- Management Information Systems
- Real Estate Development and Management

## **Enterprises**

- Bookstore
- Dining Services
- Kellogg West Conference Center
- Foundation Housing Services

## **Designated Gifts**

## **Supplemental Programs**

- Research and Sponsored Programs
- Agriculture Aid-to-Instruction
- Non-credit Continuing Education
- Unrestricted Foundation Programs

## **Restricted**

- Endowments/Investments
- Restricted Foundation Programs

## **Reserves**



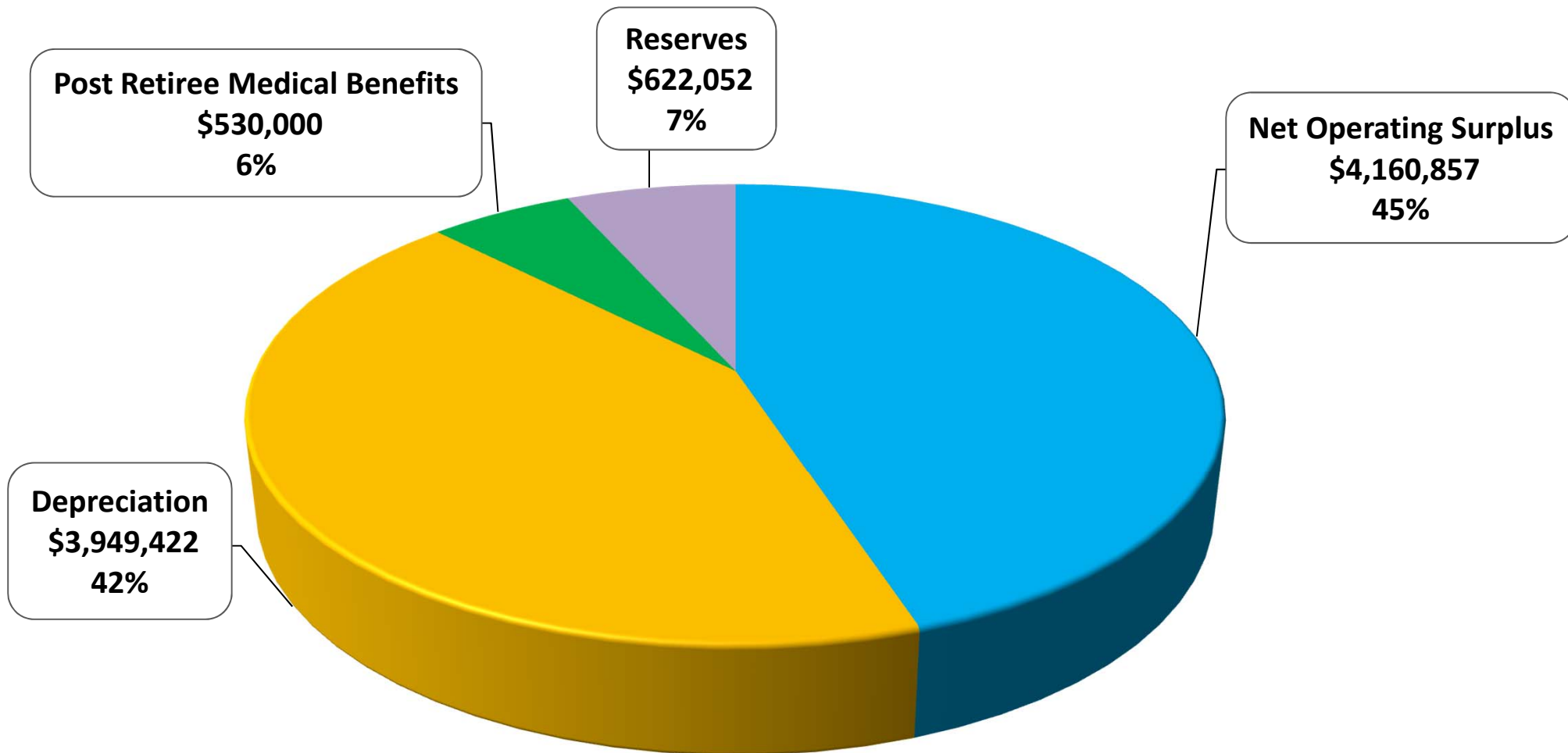
# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>SOURCES OF CASH</b>	<b>2016-2017 Approved Budget</b>	<b>2016-2017 Forecast Budget</b>	<b>2017-2018 Proposed Budget</b>
<b>SURPLUS (DEFICIT)</b>			
TOTAL OPERATING SURPLUS (DEFICIT)	4,932,162	6,458,261	5,738,430
Designated Gifts	(1,558,684)	(1,326,596)	(1,577,573)
<b>NET OPERATING SURPLUS (DEFICIT)</b>	<b>3,373,478</b>	<b>5,131,665</b>	<b>4,160,857</b>
<b>NON-CASH TRANSACTIONS:</b>			
Depreciation and Amortization	4,078,026	3,903,837	3,949,422
Post Retiree Medical Benefits	731,761	731,761	530,000
<b>TOTAL CASH GENERATED BY OPERATIONS</b>	<b>8,183,265</b>	<b>9,767,263</b>	<b>8,640,279</b>
<b>FINANCING</b>			
<b>TOTAL SOURCES OF FINANCING</b>	-	-	-
<b>RESERVES</b>			
Capital Reserve	1,187,400	733,183	54,000
Residential Board Meal Program Surplus Reserve	90,000	-	80,000
Venture Capital/Real Estate Reserve	500,000	-	-
Insurance Reserve	-	-	-
Pine Tree Ranch Reserve	70,000	50,000	-
Agriculture Program Reserve	14,750	-	14,750
Withdraw of funds from Post Retiree Medical Benefit Trust	392,879	473,302	473,302
<b>TOTAL SOURCES FROM RESERVES</b>	<b>2,255,029</b>	<b>1,256,485</b>	<b>622,052</b>
<b>TOTAL SOURCES OF CASH</b>	<b>\$ 10,438,294</b>	<b>\$ 11,023,748</b>	<b>\$ 9,262,331</b>

\* Cash generated by Operations, Financing and Reserves \$9.26 Million

# SOURCES OF CASH



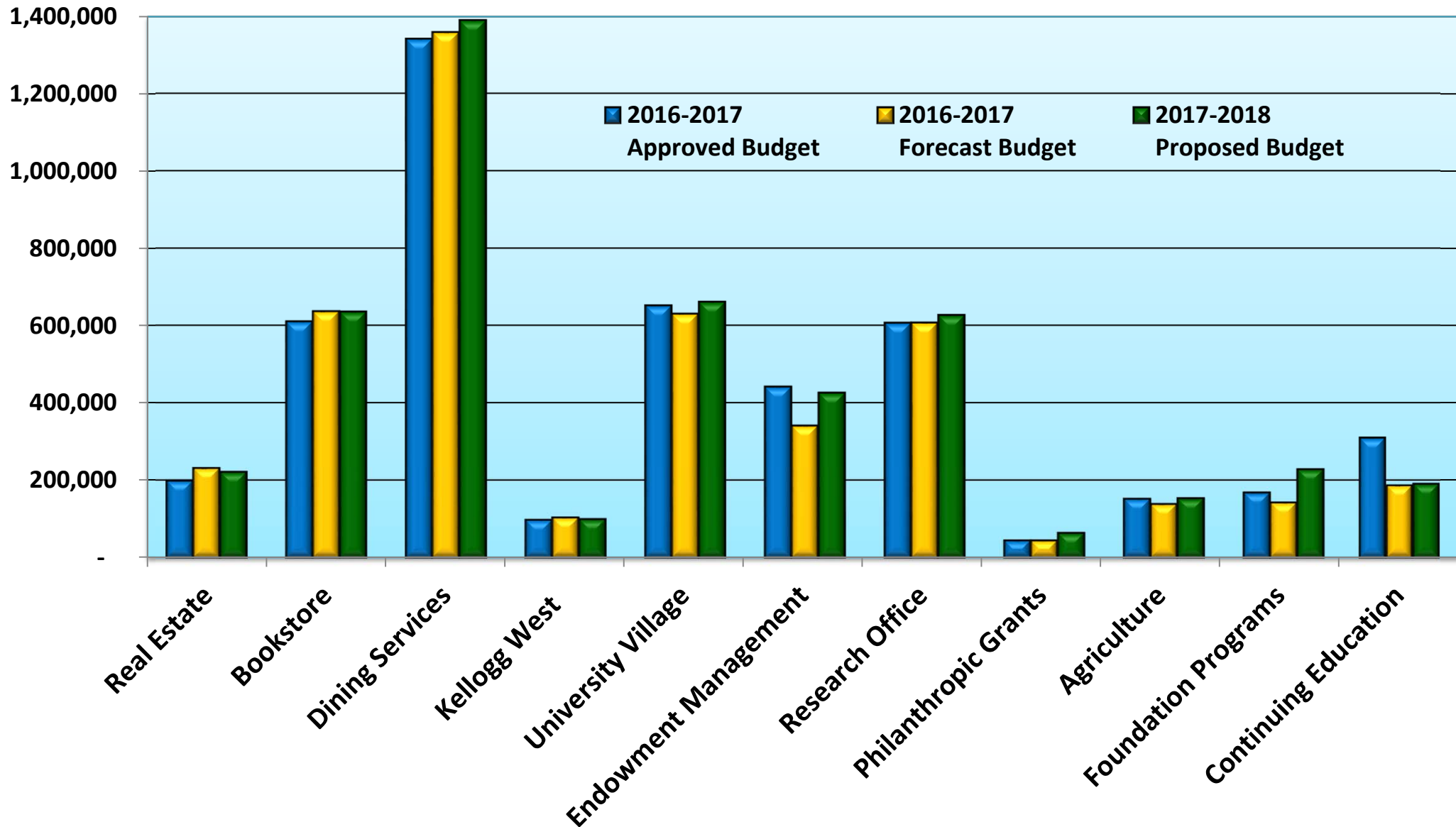


# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>ADMINISTRATION</b>	<b>2016-2017 Approved Budget</b>	<b>% Of Revenue</b>	<b>2016-2017 Forecast Budget</b>	<b>% Of Revenue</b>	<b>2017-2018 Proposed Budget</b>	<b>% Of Revenue</b>
<b>Revenues</b>	<b>4,703,009</b>	<b>100%</b>	<b>4,489,899</b>	<b>100%</b>	<b>4,789,579</b>	<b>100%</b>
Expenditures Controllable	869,839	18%	922,975	21%	1,046,876	22%
Expenditures Non-Controllable	331,615	7%	313,153	7%	338,324	7%
Total Labor	3,472,057	74%	3,342,410	74%	3,504,586	73%
<b>Total Expenditures</b>	<b>4,673,511</b>	<b>99%</b>	<b>4,578,538</b>	<b>102%</b>	<b>4,889,786</b>	<b>102%</b>
<b>Net Surplus (Deficit)</b>	<b>\$ 29,498</b>	<b>1%</b>	<b>\$ (88,639)</b>	<b>-2%</b>	<b>\$ (100,207)</b>	<b>-2%</b>

# Administration Fee Revenues





# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>REAL ESTATE</b>	<b>2016-2017 Approved Budget</b>	<b>% Of Revenue</b>	<b>2016-2017 Forecast Budget</b>	<b>% Of Revenue</b>	<b>2017-2018 Proposed Budget</b>	<b>% Of Revenue</b>
<b>Revenues</b>	<b>4,101,132</b>	<b>100%</b>	<b>4,766,123</b>	<b>100%</b>	<b>4,611,177</b>	<b>100%</b>
Cost of Goods Sold	-	0%	-	0%	-	0%
<b>Gross Margin</b>	<b>4,101,132</b>	<b>100%</b>	<b>4,766,123</b>	<b>100%</b>	<b>4,611,177</b>	<b>100%</b>
Expenditures Controllable	2,345,809	57%	2,679,162	56%	2,619,082	57%
Expenditures Non-Controllable	1,177,308	29%	1,196,548	25%	1,161,310	25%
Total Labor	245,684	6%	245,993	5%	257,280	6%
<b>Total Expenditures</b>	<b>3,768,801</b>	<b>92%</b>	<b>4,121,703</b>	<b>86%</b>	<b>4,037,672</b>	<b>88%</b>
<b>Net Surplus</b>	<b>\$ 332,331</b>	<b>8%</b>	<b>\$ 644,420</b>	<b>14%</b>	<b>\$ 573,505</b>	<b>12%</b>





# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>REAL ESTATE</b> SURPLUS/(DEFICIT) <b>DESCRIPTION</b>	<b>2016-2017</b> <b>Approved Budget</b>	<b>2016-2017</b> <b>Forecast Budget</b>	<b>2017-2018</b> <b>Proposed Budget</b>
<b><u>REAL ESTATE DEVELOPMENT</u></b>			
Center for Training Technology & Incubation	(92,490)	(7,712)	(3,860)
Innovation Village	740,519	784,239	794,035
Spadra Farm	-	-	-
Support for Lanterman Operations	(500,000)	(500,000)	(500,000)
<b>Total Real Estate Development</b>	<b>148,029</b>	<b>276,527</b>	<b>290,175</b>
<b><u>RENTAL BUILDINGS</u></b>			
Building 66 - Classrooms & Offices	131,358	153,807	148,802
Building 97 - Offices	130,638	139,767	137,643
CTTi Building 220A	(149,632)	(146,924)	(167,352)
<b>Total Rental Buildings</b>	<b>112,364</b>	<b>146,650</b>	<b>119,093</b>
<b><u>FACULTY HOUSING</u></b>			
Faculty Housing	71,938	221,243	164,237
<b>Total Faculty Housing</b>	<b>71,938</b>	<b>221,243</b>	<b>164,237</b>
<b>REAL ESTATE TOTAL</b>	<b>\$ 332,331</b>	<b>\$ 644,420</b>	<b>\$ 573,505</b>



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>INVESTMENTS - GENERAL</b>	<b>2016-2017 Approved Budget</b>	<b>% Of Revenue</b>	<b>2016-2017 Forecast Budget</b>	<b>% Of Revenue</b>	<b>2017-2018 Proposed Budget</b>	<b>% Of Revenue</b>
<b>Revenues</b>						
Investment Earnings	918,560	100%	1,891,864	100%	1,225,539	100%
<b>Expenditures</b>						
Investment Advisor Fees	87,476	10%	100,310	5%	99,320	8%
<b>Total Expenditures</b>	<b>87,476</b>	<b>10%</b>	<b>100,310</b>	<b>5%</b>	<b>99,320</b>	<b>8%</b>
<b>Net Surplus</b>	<b>\$ 831,084</b>	<b>90%</b>	<b>\$ 1,791,554</b>	<b>95%</b>	<b>\$ 1,126,219</b>	<b>92%</b>



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018


<b>INVESTMENTS - ENDOWMENTS</b>	<b>2016-2017 Approved Budget</b>	<b>% Of Revenue</b>	<b>2016-2017 Forecast Budget</b>	<b>% Of Revenue</b>	<b>2017-2018 Proposed Budget</b>	<b>% Of Revenue</b>
<b>Revenues</b>						
Investment Earnings	4,994,903	79%	9,240,464	98%	4,619,675	90%
Donations	1,308,000	21%	178,660	2%	512,000	10%
<b>Total Revenue</b>	<b>6,302,903</b>	<b>100%</b>	<b>9,419,124</b>	<b>100%</b>	<b>5,131,675</b>	<b>100%</b>
Endowment Distributions	-	0%	962,823	10%	3,779,422	74%
<b>Expenditures Non-Controllable</b>						
Administrative Fees	444,785	7%	344,293	4%	430,335	8%
Investment Advisor Fees	332,009	5%	162,270	2%	140,067	3%
<b>Total Expenditures Non-Controllable</b>	<b>776,794</b>	<b>12%</b>	<b>506,563</b>	<b>5%</b>	<b>570,402</b>	<b>11%</b>
<b>Total Expenditures</b>	<b>776,794</b>	<b>12%</b>	<b>1,469,386</b>	<b>16%</b>	<b>4,349,824</b>	<b>85%</b>
<b>Net Surplus</b>	<b>\$ 5,526,109</b>	<b>88%</b>	<b>\$ 7,949,738</b>	<b>84%</b>	<b>\$ 781,851</b>	<b>15%</b>




# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>ENTERPRISES</b>	<b>2016-2017 Approved Budget</b>	<b>% Of Revenue</b>	<b>2016-2017 Forecast Budget</b>	<b>% Of Revenue</b>	<b>2017-2018 Proposed Budget</b>	<b>% Of Revenue</b>
<b>Revenues</b>	<b>41,843,406</b>	<b>100%</b>	<b>42,209,621</b>	<b>100%</b>	<b>43,163,762</b>	<b>100%</b>
Cost of Goods Sold	13,548,761	32%	13,672,738	32%	13,620,292	32%
<b>Gross Margin</b>	<b>28,294,645</b>	<b>68%</b>	<b>28,536,883</b>	<b>68%</b>	<b>29,543,470</b>	<b>68%</b>
Expenditures Controllable	5,667,153	14%	5,568,908	13%	5,675,285	13%
Expenditures Non-Controllable	8,482,726	20%	8,385,939	20%	8,349,103	19%
Total Labor	10,728,262	26%	10,683,768	25%	11,356,446	26%
<b>Total Expenditures</b>	<b>24,878,141</b>	<b>59%</b>	<b>24,638,615</b>	<b>58%</b>	<b>25,380,834</b>	<b>59%</b>
<b>Net Surplus</b>	<b>\$ 3,416,504</b>	<b>8%</b>	<b>\$ 3,898,268</b>	<b>9%</b>	<b>\$ 4,162,636</b>	<b>10%</b>


 <b>BRONCO BOOKSTORE</b>	<b>2016-2017 Approved Budget</b>	% Of Revenue	<b>2016-2017 Forecast Budget</b>	% Of Revenue	<b>2017-2018 Proposed Budget</b>	% Of Revenue
<b>Revenues</b>	<b>9,310,080</b>	<b>100%</b>	<b>9,660,080</b>	<b>100%</b>	<b>9,696,620</b>	<b>100%</b>
Cost of Goods Sold	6,440,446	69%	6,897,880	71%	6,651,172	69%
<b>Gross Margin</b>	<b>2,869,634</b>	<b>31%</b>	<b>2,762,200</b>	<b>29%</b>	<b>3,045,448</b>	<b>31%</b>
Expenditures Controllable	290,313	3%	259,049	3%	303,738	3%
Expenditures Non-Controllable	896,147	10%	955,361	10%	910,835	9%
Total Labor	1,390,376	15%	1,277,221	13%	1,404,709	14%
<b>Total Expenditures</b>	<b>2,576,836</b>	<b>28%</b>	<b>2,491,631</b>	<b>26%</b>	<b>2,619,282</b>	<b>27%</b>
<b>Net Surplus</b>	<b>\$ 292,798</b>	<b>3%</b>	<b>\$ 270,569</b>	<b>3%</b>	<b>\$ 426,166</b>	<b>4%</b>

	<b>2016-2017 Approved Budget</b>	% Of Revenue	<b>2016-2017 Forecast Budget</b>	% Of Revenue	<b>2017-2018 Proposed Budget</b>	% Of Revenue
<b>Revenues</b>	<b>20,816,304</b>	<b>100%</b>	<b>21,073,833</b>	<b>100%</b>	<b>21,549,518</b>	<b>100%</b>
Cost of Goods Sold	7,108,315	34%	6,774,858	32%	6,969,120	32%
<b>Gross Margin</b>	<b>13,707,989</b>	<b>66%</b>	<b>14,298,975</b>	<b>68%</b>	<b>14,580,398</b>	<b>68%</b>
Expenditures Controllable	2,402,564	12%	2,566,297	12%	2,467,421	11%
Expenditures Non-Controllable	3,410,933	16%	3,443,761	16%	3,372,408	16%
Total Labor	7,123,474	34%	7,176,957	34%	7,609,502	35%
<b>Total Expenditures</b>	<b>12,936,971</b>	<b>62%</b>	<b>13,187,015</b>	<b>63%</b>	<b>13,449,331</b>	<b>62%</b>
<b>Net Surplus</b>	<b>\$ 771,018</b>	<b>4%</b>	<b>\$ 1,111,960</b>	<b>5%</b>	<b>\$ 1,131,067</b>	<b>5%</b>



# CAL POLY POMONA FOUNDATION


## Budget Presentation 2017-2018

 Kellogg West	2016-2017 Approved Budget	% Of Revenue	2016-2017 Forecast Budget	% Of Revenue	2017-2018 Proposed Budget	% Of Revenue
<b>Revenues</b>	<b>1,648,756</b>	<b>100%</b>	<b>1,745,230</b>	<b>100%</b>	<b>1,693,185</b>	<b>100%</b>
Expenditures Controllable	779,526	47%	680,335	39%	745,390	44%
Expenditures Non-Controllable	173,804	11%	173,582	10%	168,928	10%
Total Labor	678,474	41%	717,590	41%	728,130	43%
<b>Total Expenditures</b>	<b>1,631,804</b>	<b>99%</b>	<b>1,571,507</b>	<b>90%</b>	<b>1,642,448</b>	<b>97%</b>
<b>Net Surplus</b>	<b>\$ 16,952</b>	<b>1%</b>	<b>\$ 173,723</b>	<b>10%</b>	<b>\$ 50,737</b>	<b>3%</b>



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

 UNIVERSITY VILLAGE	<b>2016-2017 Approved Budget</b>	% Of Revenue	<b>2016-2017 Forecast Budget</b>	% Of Revenue	<b>2017-2018 Proposed Budget</b>	% Of Revenue
<b>Revenues</b>	<b>10,068,266</b>	<b>100%</b>	<b>9,730,478</b>	<b>100%</b>	<b>10,224,439</b>	<b>100%</b>
Expenditures Controllable	2,194,750	22%	2,063,227	21%	2,158,736	21%
Expenditures Non-Controllable	4,001,842	40%	3,813,235	39%	3,896,932	38%
Total Labor	1,535,938	15%	1,512,000	16%	1,614,105	16%
<b>Total Expenditures</b>	<b>7,732,530</b>	<b>77%</b>	<b>7,388,462</b>	<b>76%</b>	<b>7,669,773</b>	<b>75%</b>
<b>Net Surplus</b>	<b>\$ 2,335,736</b>	<b>23%</b>	<b>\$ 2,342,016</b>	<b>24%</b>	<b>\$ 2,554,666</b>	<b>25%</b>





# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>CONTINUING EDUCATION</b>	<b>2016-2017 Approved Budget</b>	<b>% Of Revenue</b>	<b>2016-2017 Forecast Budget</b>	<b>% Of Revenue</b>	<b>2017-2018 Proposed Budget</b>	<b>% Of Revenue</b>
<b>Revenues</b>	<b>6,967,988</b>	<b>100%</b>	<b>4,346,298</b>	<b>100%</b>	<b>4,469,434</b>	<b>100%</b>
Expenditures Controllable	2,555,699	37%	1,281,676	29%	1,338,447	30%
Expenditures Non-Controllable	733,890	11%	329,647	8%	341,935	8%
Total Labor	3,363,318	48%	2,409,885	55%	2,644,032	59%
<b>Total Expenditures</b>	<b>6,652,907</b>	<b>95%</b>	<b>4,021,208</b>	<b>93%</b>	<b>4,324,414</b>	<b>97%</b>
<b>Net Surplus</b>	<b>\$ 315,081</b>	<b>5%</b>	<b>\$ 325,090</b>	<b>7%</b>	<b>\$ 145,020</b>	<b>3%</b>



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>CONTINUING EDUCATION PROGRAMS</b>	<b>2016-2017</b>	<b>2016-2017</b>	<b>2017-2018</b>
<b>College of the Extended University - Programs</b>	<b>Approved Budget</b>	<b>Forecast Budget</b>	<b>Proposed Budget</b>
Administration	86,471	113,921	101,286
Program Development	(381,894)	(272,524)	(311,613)
Six Sigma Program	21,570	16,881	14,323
Professional Project Management Program	3,667	6,763	23,008
On Site Training Programs	7,276	6,394	8,808
Technical Programs	114	-	-
Test Prep Programs	542	30,977	27,153
Summer Support @ CEU	(1,661)	(436)	(981)
Accounting & Finance	-	-	-
Math & Science	(3,601)	8,698	704
Hospitality & Service Industry	6,363	438	6,186
Supply Chain Management	378	-	-
Human Resources Management	2,714	11,511	2,200
Building & Construction Management	13,693	21,650	16,780
ED 2 GO	7,697	860	528
Art, Media & Design	-	-	-
Global Ed Programs Standard	115,149	130,509	125,117
Global Ed Programs Camps	83,070	16,275	8,306
CPELI Camps	42,921	11,716	3,223
CPELI Standard	194,043	180,046	103,111
Summer Camps	15,705	4,439	1,204
IT, Web & Social Media	(18,600)	-	-
CEU CPP Aviation Hospitality	66,124	24,408	-
CEU Marketing Research	1,462	-	-
CEU ASP	48,576	1,105	8,154
<b>Total College of the Extended University Surplus</b>	<b>\$ 311,779</b>	<b>\$ 313,631</b>	<b>\$ 137,497</b>



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>CONTINUING EDUCATION PROGRAMS</b>	2016-2017 Approved Budget	2016-2017 Forecast Budget	2017-2018 Proposed Budget
<b>College of Engineering</b>			
Non-Credit Learning Administration	38	(125)	174
Civil Engineering Review	881	4,989	4,966
<b>Total College of Engineering Surplus</b>	<b>919</b>	<b>4,864</b>	<b>5,140</b>
<b>College of Science</b>			
Chemistry Agilent Project	2,383	6,595	2,383
<b>Total College of Science Surplus</b>	<b>2,383</b>	<b>6,595</b>	<b>2,383</b>
<b>TOTAL CONTINUING EDUCATION SURPLUS</b>	<b>\$ 315,081</b>	<b>\$ 325,090</b>	<b>\$ 145,020</b>



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>AGRICULTURE</b>	<b>2016-2017 Approved Budget</b>	<b>% Of Revenue</b>	<b>2016-2017 Forecast Budget</b>	<b>% Of Revenue</b>	<b>2017-2018 Proposed Budget</b>	<b>% Of Revenue</b>
<b>Revenues</b>	<b>3,858,345</b>	<b>100%</b>	<b>3,522,619</b>	<b>100%</b>	<b>3,890,385</b>	<b>100%</b>
Cost of Goods Sold	800,067	21%	684,783	19%	796,353	20%
<b>Gross Margin</b>	<b>3,058,278</b>	<b>79%</b>	<b>2,837,836</b>	<b>81%</b>	<b>3,094,032</b>	<b>80%</b>
Expenditures Controllable	1,653,269	43%	1,687,332	48%	1,710,547	44%
Expenditures Non-Controllable	255,426	7%	253,070	7%	268,808	7%
Total Labor	1,161,935	30%	1,029,866	29%	1,303,413	34%
<b>Total Expenditures</b>	<b>3,070,630</b>	<b>80%</b>	<b>2,970,268</b>	<b>84%</b>	<b>3,282,768</b>	<b>84%</b>
<b>Net Surplus (Deficit)</b>	<b>\$ (12,352)</b>	<b>0%</b>	<b>\$ (132,432)</b>	<b>-4%</b>	<b>\$ (188,736)</b>	<b>-5%</b>

The Office of the Provost is working with the Huntley College of Agriculture to develop a sustainable, integrated College-wide operating budget. The outcome of this effort will include a plan to address the College's deficit account balances with the Foundation. The Provost will provide ongoing updates to the Foundation's Board of Directors Finance Committee with a final report to the Finance Committee in February 2018.



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>AGRICULTURE AID-TO-INSTRUCTION PROGRAMS</b> Surplus/(Deficit) Budget Comparison Summary <b>DESCRIPTION</b>	<b>2016-2017</b> <b>Approved Budget</b>	<b>2016-2017</b> <b>Forecast Budget</b>	<b>2017-2018</b> <b>Proposed Budget</b>
Agronomy Farms	125,668	(130,393)	(508,546)
Arabian Horse Center	(270,908)	(311,996)	(142,118)
Beef Unit	582	762	8,618
Fruit Industry	654	17,820	11,548
Meat Lab	3,154	20,121	550
Ornamental Horticulture	33,095	9,082	5,530
Pine Tree Ranch	4,396	35,154	13,130
Sheep Unit	2,286	1,705	4,596
Swine Unit	2,836	1,452	116
Vet Clinic	12,839	5,558	8,271
Pumpkin Festival	64,192	118,401	86,182
Westwind Ranch	-	93,820	326,398
Wasmansdorff House-Pine Tree	-	(523)	11,149
Agriscapes	4,935	(12,964)	(33,787)
Farm Store at Kellogg Ranch	3,919	19,569	19,627
<b>Total Agriculture Aid-to-Instruction Programs</b>	<b>\$ (12,352)</b>	<b>\$ (132,432)</b>	<b>\$ (188,736)</b>



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

<b>RESEARCH OFFICE</b>	<b>2016-2017 Approved Budget</b>	<b>% Of Revenue</b>	<b>2016-2017 Forecast Budget</b>	<b>% Of Revenue</b>	<b>2017-2018 Proposed Budget</b>	<b>% Of Revenue</b>
<b>Revenues</b>	<b>1,355,000</b>	<b>100%</b>	<b>1,456,520</b>	<b>100%</b>	<b>1,505,000</b>	<b>100%</b>
Expenditures Controllable	586,202	43%	685,099	47%	712,304	47%
Expenditures Non-Controllable	609,750	45%	609,748	42%	630,000	42%
Total Labor	139,044	10%	141,673	10%	142,702	9%
<b>Total Expenditures</b>	<b>1,334,996</b>	<b>99%</b>	<b>1,436,520</b>	<b>99%</b>	<b>1,485,006</b>	<b>99%</b>
<b>Net Surplus</b>	<b>\$ 20,004</b>	<b>1%</b>	<b>\$ 20,000</b>	<b>1%</b>	<b>\$ 19,994</b>	<b>1%</b>

## **DESIGNATED GIFTS**

Per Policy No. 118, the Foundation has included in this year's budget a contribution in support of the University of \$1,577,573. The contribution is funded from the prior year's surplus after requirements for capital spending, reserves and debt service have been considered and includes the following:

- \* President's Request
- \* Foundation Request

### **TOTAL REQUESTED**

	<b>2016-2017 Forecast Budget</b>	<b>2017-2018 Proposed Budget</b>
	1,269,000	1,500,000
	57,596	77,573
	<hr/>	<hr/>
	<b>\$ 1,326,596</b>	<b>\$ 1,577,573</b>
	<hr/>	<hr/>

\* Over the past five years the Foundation Board has designated over \$6.7 million in cash for the benefit of the University.



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

### USES OF CASH

#### CAPITAL EXPENDITURES

	2016-2017 Approved Budget	2016-2017 Forecast Budget	2017-2018 Proposed Budget
Dining Services	490,700	236,732	878,000
Kellogg West	400,000	366,000	496,000
Bookstore	300,000	-	55,000
University Village	220,400	235,910	361,200
Administration	223,990	190,725	210,000
Real Estate	302,800	209,273	648,500
Agriculture	50,000	50,000	275,000
College of Extended University	90,000	25,000	20,000
Research & Sponsored Programs	15,900	15,900	-
PY Carryover	314,750	-	745,740
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>2,408,540</b>	<b>1,329,540</b>	<b>(1) 3,689,440</b>

#### FINANCING

University Village Bond Payment - 2013 & 2014 Series	660,000	660,000	695,000
CTTi Bond Payment - 2007	215,000	215,000	230,000
<b>TOTAL USES OF FINANCING</b>	<b>875,000</b>	<b>875,000</b>	<b>925,000</b>

#### RESERVES

Agriculture Program Reserve @ 55% net Annual Surplus	-	-	-
CalPERS UAL 10-Year Amortization Model	-	-	878,563
Capital Reserve @ 1.75% of Gross Auxiliary Revenues	2,389,138	933,756	464,839
Innovation Village Demo Reserve	11,547	11,547	11,727
Insurance Reserve	36,670	36,670	34,315
Residential Board Meal Program Surplus Reserve excess 7%	400,599	680,792	383,493
Pine Tree Ranch Reserve @ 50% net Annual Surplus	-	-	-
Post Retiree Medical Benefits Trust - <b>Note 1</b>	1,000,000	1,000,000	1,000,000
Research & Sponsored Programs	20,000	20,000	20,000
Venture Capital/Real Estate Reserve @ 1% of Gross Revenue	508,079	533,575	537,901
<b>TOTAL RESERVE CONTRIBUTIONS</b>	<b>4,366,033</b>	<b>3,216,340</b>	<b>3,330,838</b>

#### TOTAL USES OF CASH

<b>\$ 7,649,573</b>	<b>\$ 5,420,880</b>	<b>\$ 7,945,278</b>
---------------------	---------------------	---------------------

**Note 1 - The 2017-2018 budget includes funding \$1 Million to the VEBA Trust for the OPEB obligation, and a withdrawal of \$473,302**

**(1) Capital Expenditures of \$2.94 Million and carryover of \$745,740 for a total of \$3.69 Million**





# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

### CAL POLY POMONA FOUNDATION, INC. 2017-2018 PROPOSED CAPITAL BUDGET

RESERVES		Prior Years Remaining	Proposed Detail 2017-18	Proposed Total 2017-18	
	<b>University Village</b>	-	361,200	<b>361,200</b>	Interior painting 135, 240-270, 40A-40D, 50A-50C (\$120,000), Replace heating and cooling units in 240-260 (\$70,000), Carpet/tile - Various Apts. (\$48,000), Furniture 40A-40D, 50A-50C 7 apts (\$63,000), Stairway railings for 5 PII bldgs (\$50,000), Duct cleaning bldg 135 (\$10,200)
	<b>Bronco Bookstore</b>	310,000	55,000	<b>55,000</b>	New registers (\$30,000), Office furniture (\$25,000)
	<b>Dining Services</b>				
20,000	Dining	58,000	80,000		Manager+ implementation (\$20,000), Envision strategies master planning consulting (\$35,000), Cbord card readers (\$25,000)
	Poly Trolley	-	60,000		Truck remodel and upgrades
	Brewing Education	27,700	25,000		Misc. lab upgrades
	Carl's Jr.	-	95,000		Carl's Jr. brand mandatory refresh
	Denny's	-	49,000		Misc. equipment - dish machine, grille, refrigeration, panini press, milkshake machine, misc. utilities
	Einstein's	25,000	-		Bagel oven rebuild (\$10,000), Digital menu boards (\$15,000)
	Innovation Brew Works	-	20,000		Misc FOH upgrades - patio, games, etc.
	Poly Fresh	-	45,000		Replace open aired coolers, enlarge storage space (\$35,000), Update shelving and register stations (\$10,000)
	Kellogg West Dining	15,000	40,000		Milk truck vehicle #219 upgrade (\$9,000), Heavy duty 6 burners stove (\$10,000), Folding chairs (wedding) replacement (\$6,000), Industrial meat slicer (\$9,000), Dining rooms carpet repairs (\$6,000)
80,000	Los Olivos	30,000	50,000		Equipment replacement
	Round Table Pizza	-	14,000		Sound system, digital menu boards, umbrellas
	Starbucks	10,000	400,000		Design and construction
	SCE Coffee Shop	75,000	-		SCE Coffee Shop (approved at BM#369)
	<b>Total Dining Services</b>			<b>878,000</b>	
34,000	<b>Kellogg West Conference &amp; Hotel</b>	34,000	496,000	<b>496,000</b>	Conference center public restrooms (6) remodel/ upgrade (\$277,000), Security cameras (18) - KW front desk, bldg 77 & parking areas (\$100,000), Remodel/ renovation of interior guestroom hallways - Hillside & Woodview bldgs (\$40,000), Replace conference tables (\$34,000), Repair/ replace cement areas & walkway areas at south end exterior area of Hillside bldg. (\$45,000)



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

### CAL POLY POMONA FOUNDATION, INC. 2017-2018 PROPOSED CAPITAL BUDGET

(CONTINUED)

RESERVES	Prior Years Remaining	Proposed Detail 2017-18	Proposed Total 2017-18	
<b>Facilities</b>	-	-	-	No capital budget requested
<b>Real Estate Activities</b>				
Bldg 97	-	10,000		Entrance door replacement
Bldg 66	31,000	580,000		Restroom renovation (\$280,000), Lighting, paint and flooring (\$160,000), Entry way improvements (\$140,000)
CTTI Buildings	55,800	58,500		DDC thermostat retrofit building #C (\$30,000), Bathroom painting and repair (\$20,000), Carpet replacement - tenant (\$8,500)
<b>Total Real Estate Activities</b>			<b>648,500</b>	
<b>Research &amp; Sponsored Prog</b>	-	-	-	No capital budget requested
<b>College of Agriculture</b>				
Spadra/Westwind Ranch	-	75,000		Replacement of irrigation mainlines (\$75,000)
Pine Tree Ranch	-	50,000		Demo 5 acres of avocado to plant 5 acres of lemons
14,750 Swine Unit	14,750	-		Purchase of Kawasaki quad
Arabian Horse Center	-	50,000		Utility tractor - at least 45 hp (\$25,000), Utility vehicle - 4x4 (\$25,000)
Farmstore	-	100,000		Permanent orange juice area
<b>Total College of Agriculture</b>			<b>275,000</b>	
<b>College of Science</b>				
Chemistry Agilent Project	10,000	-	-	Computer Equipment
<b>CEU</b>	<b>20,000</b>	20,000	<b>20,000</b>	Reconfigure 105A to workstations/reception area
<b>Administration</b>				
Marketing	6,990	-		OkiDate printer
Management Info Systems	12,500	-		PCI 3.2 updates - Follow-up penetration testing, consulting on Gap mitigation, PCI training, and quarterly external scanning.
Management Info Systems	10,000	15,000		Windows 10/desktop updates - Rollout of new operating system to enterprise units through VDI. Some hardware refreshes to improve speed, automation, and security, including continued SSD disk upgrades where needed.
Management Info Systems	-	25,000		Analytics Licensing and Consulting Services - To continue the buildout of business intelligence analytics dashboards for grants, marketing, financial services and retail operations



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

### CAL POLY POMONA FOUNDATION, INC. 2017-2018 PROPOSED CAPITAL BUDGET

		Prior Years Remaining	Proposed Detail 2017-18	Proposed Total 2017-18	
<b>RESERVES</b>					<b>(CONTINUED)</b>
	Management Info Systems	-	15,000		Security log monitoring software - To improve risk response in security logging and monitoring software and to keep pace with growing security compliances
	Management Info Systems	-	30,000		Financial System Improvements - The upgrade of One Solution to version 17.1 and initial CDD to Cognos report conversion to enhance Enterprise reports with Business Intelligence improvements
	Management Info Systems	-	10,000		POS Private Network Buildout - Hardware updates to build an isolated POS network for Foundation retail services to improve PCI compliance mandates.
	Management Info Systems	-	30,000		POS VM Infrastructure update - Hardware and VM software updates to provide a next generation virtual server platform dedicated to isolated POS systems across the Foundation retail services.
	Management Info Systems	-	10,000		Mobile Device Management - Software system to provide mobile file access and security improvements
	Management Info Systems		10,000		Staff Training Hardware - Hardware/software upgrade of moveable all-in-one training computers to provide flexible classroom setup for staff training
	Management Info Systems	-	30,000		Event and Space Management - License/upgrade buy-in to a software system providing campus wide space management. The vendor will either be EMS or CollegeNet.
	Management Info Systems	-	35,000		Travel Expense Management - Concur software installation, using yearly report count, buy-in through university licensing agreement.
	<b>Total Administration</b>			<b>210,000</b>	
<b>Prior Years and Proposed Capital Budget</b>		<b>745,740</b>		<b>2,943,700</b>	
<b>Total Prior Years and Proposed Capital Budget</b>				<b>3,689,440</b>	
<b>148,750 Capital Funding from Reserves</b>				<b>(148,750)</b>	
<b>Capital Funding from Operations</b>				<b>3,540,690</b>	

**Note** - The proposed capital budget assumes funding of \$54,000 from the Capital Reserve, \$80,000 from the Residential Board Meal Program Surplus Reserve, and \$14,750 from the Agriculture Program Reserve.



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

### USES OF CASH

#### CAPITAL EXPENDITURES

	2016-2017 Approved Budget	2016-2017 Forecast Budget	2017-2018 Proposed Budget
Dining Services	490,700	236,732	878,000
Kellogg West	400,000	366,000	496,000
Bookstore	300,000	-	55,000
University Village	220,400	235,910	361,200
Administration	223,990	190,725	210,000
Real Estate	302,800	209,273	648,500
Agriculture	50,000	50,000	275,000
College of Extended University	90,000	25,000	20,000
Research & Sponsored Programs	15,900	15,900	-
PY Carryover	314,750	-	745,740

<b>TOTAL CAPITAL EXPENDITURES</b>	<b>2,408,540</b>	<b>1,329,540</b>	<b>3,689,440</b>
-----------------------------------	------------------	------------------	------------------

#### FINANCING

University Village Bond Payment - 2013 & 2014 Series	660,000	660,000	695,000
CTTi Bond Payment - 2007	215,000	215,000	230,000

<b>TOTAL USES OF FINANCING</b>	<b>875,000</b>	<b>875,000</b>	<b>(2)</b>	<b>925,000</b>
--------------------------------	----------------	----------------	------------	----------------

#### RESERVES

Agriculture Program Reserve @ 55% net Annual Surplus	-	-	-
CalPERS UAL 10-Year Amortization Model	-	-	878,563
Capital Reserve @ 1.75% of Gross Auxiliary Revenues	2,389,138	933,756	464,839
Innovation Village Demo Reserve	11,547	11,547	11,727
Insurance Reserve	36,670	36,670	34,315
Residential Board Meal Program Surplus Reserve excess 7%	400,599	680,792	383,493
Pine Tree Ranch Reserve @ 50% net Annual Surplus	-	-	-
Post Retiree Medical Benefits Trust - <b>Note 1</b>	1,000,000	1,000,000	1,000,000
Research & Sponsored Programs	20,000	20,000	20,000
Venture Capital/Real Estate Reserve @ 1% of Gross Revenue	508,079	533,575	537,901

<b>TOTAL RESERVE CONTRIBUTIONS</b>	<b>4,366,033</b>	<b>3,216,340</b>	<b>3,330,838</b>
------------------------------------	------------------	------------------	------------------

<b>TOTAL USES OF CASH</b>	<b>\$ 7,649,573</b>	<b>\$ 5,420,880</b>	<b>\$ 7,945,278</b>
---------------------------	---------------------	---------------------	---------------------

**Note 1 - The 2017-2018 budget includes funding \$1 Million to the VEBA Trust for the OPEB obligation, and a withdrawal of \$473,302**

**(2) Principal Debt Payment of \$925,000**



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

### DEBT SERVICE COVERAGE

(Fiscal Year Ended June 30)

Description	2015-2016 Actual <sup>3</sup>	2016-2017 Approved Budget	2016-2017 Forecast Budget	2017-2018 Proposed Budget
Change in Unrestricted Net Assets	736,912	3,373,478	5,131,665	4,160,857
Add Back:				
University Designated Expenditures	-	1,558,684	1,326,596	1,577,573
<b>Surplus (Deficit) before Designated Expenditures</b>	<b>736,912</b>	<b>4,932,162</b>	<b>6,458,261</b>	<b>5,738,430</b>
Add Back:				
Depreciation and Amortization	4,010,655	4,078,026	3,903,837	3,949,422
Interest Expense (see detail below)	1,080,228	993,010	993,009	947,592
Transfer of assets to the University	842,071	-	-	-
<b>Available for Debt Service</b>	<b>6,669,866</b>	<b>10,003,198</b>	<b>11,355,107</b>	<b>10,635,444</b>
<b>Maximum Annual Debt Service <sup>2</sup></b>				
2013 & 2014 Series Bonds	1,717,125	1,721,125	1,721,125	1,721,125
2007 Series Bonds	329,375	332,750	332,750	332,750
<b>Total Debt Service</b>	<b>2,046,500</b>	<b>2,053,875</b>	<b>2,053,875</b>	<b>2,053,875</b>
<b>Total Debt Service before Designated Expenditures <sup>1</sup></b>	<b>3.26</b>	<b>4.87</b>	<b>5.53</b>	<b>5.18</b>
<b>Total Debt Service after Designated Expenditures</b>	<b>3.26</b>	<b>4.11</b>	<b>4.88</b>	<b>4.41</b>
<b>Notes:</b>				
1 Per Section 4.4 of Executive Order 994, the Foundation shall generate a debt coverage ratio of at least 1.25.				
2 Maximum annual debt service is reported as the total amount of scheduled debt service during the year in which the debt service is scheduled to be highest during the life of the Bonds				
3 For the Actual Debt Service calculation, the actual annual debt service is used instead of the maximum annual debt service used in the forecast and proposed budgets; and University Designated Expenses are also not added back in the calculation. Transfer of assets is not included in the forecast or proposed budgets.				
<b>Interest Detail</b>				
2013 & 2014 Series Bonds - Interest	928,429	894,842	894,842	860,675
2007 Series Bonds - Interest	151,799	98,168	98,167	86,917
<b>TOTAL INTEREST EXPENSE</b>	<b>1,080,228</b>	<b>993,010</b>	<b>993,009</b>	<b>947,592</b>



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

### The Foundation's Reserves, OPEB & Pension are comprised of the following:

	Contributions	Requests	Balance at June 2018
* <b><u>Policy No. 103</u></b>			
Indirect Cost (Disallowance) Reserve	-	-	346,406
* <b><u>Policy No. 170</u></b>			
Agriculture Program Reserve	-	14,750	38,955
Pine Tree Ranch Reserve	-	-	90,886
* <b><u>Policy No. 171</u></b>			
Res Board Meal Program Surplus Reserve	383,493	80,000	3,134,245
Cafeteria Equipment Replacement Reserve	-	-	182,062
* <b><u>Policy No. 172</u></b>			
Operating Reserve	-	-	7,624,565
Capital Equipment Reserve	464,839	54,000	6,000,000
Venture Capital/Real Estate Reserve	537,901	-	2,936,967
* <b><u>Policy No. 173</u></b>			
Funded portion of Retiree Medical Benefits	1,000,000	473,302	1,053,396
* <b><u>Policy No. 174</u></b>			
Insurance Reserve	34,315	-	158,518
* <b><u>Policy No. 175</u></b>			
Research & Sponsored Programs Reserve	20,000	-	88,796
Innovation Village Demo Reserve	11,727	-	94,420
* <b><u>Policy No. 134</u></b>			
Emergency Reserve	-	-	120,152
* <b>CalPERS UAL 10-year Amortization Model</b>	878,563	-	878,563

# Funded Ratios from CalPERS June 2015 Actuarial Valuation

(The most recent actuarial data)

	<u>2% @ 55</u>	<u>2% @ 60</u>	<u>2% @ 62</u>	<u>Totals</u>
Present Value of Projected Benefits \$	51,447,904 \$	2,322,830 \$	3,458,367 \$	57,229,101
Normal Accrued Liability \$	45,310,406 \$	650,902 \$	394,903 \$	46,356,211
Market Value of Assets \$	38,917,787 \$	621,196 \$	377,842 \$	39,916,825
Unfunded Accrued Liability \$	6,392,619 \$	29,706 \$	17,061 \$	6,439,386
Funded Ratio	85.9%	95.4%	95.7%	
Funded Ratio Weighted Average	87%			

# CalPERS UAL Payment Schedule

(See Notes)

## Current 30 Year Payment Schedule\*

<u>Year</u>	<u>Unfunded Liability Beginning of Year</u>	<u>Scheduled Payment</u>
2017	7,043,179	315,720
2018	7,244,072	425,685
2019	7,346,018	541,963
2020	7,335,050	580,733
2021	7,283,061	634,129
2022	7,171,812	653,153
2023	7,032,495	672,747
2024	6,862,413	692,930
2025	6,658,649	713,718
2026	6,418,050	735,129
2027	6,137,205	757,183
2028	5,812,432	779,898
2029	5,439,748	803,295
2030	5,014,855	827,394
2031	4,522,109	852,216
2032	3,959,495	808,613
2033	3,450,319	761,627
2034	2,919,421	711,095
2035	2,401,099	656,844
2036	1,900,151	598,699
2037	1,421,917	79,273
2038	1,446,370	81,651
2039	1,470,190	84,100
2040	1,493,257	524,669
2041	1,061,263	383,955
2042	742,765	351,070
2043	434,475	246,938
2044	211,029	136,243
2045	85,597	18,683
2046	72,646	75,231
		<b>15,504,584</b>

## 10 Year Payment Schedule\*\*

<u>Year</u>	<u>Unfunded Liability Beginning of Year</u>	<u>New Payment</u>	<i>Proposed Additional</i>	<u>Unfunded Liability Interest</u>	<u>End of Year</u>
			<u>Payment</u> (Amount included in New Payment)		
1	7,043,179	878,563	562,843	495,888	6,660,504
2	6,660,504	904,920	479,235	466,217	6,221,801
3	6,221,801	932,067	390,104	432,314	5,722,048
4	5,722,048	960,029	379,296	393,803	5,155,822
5	5,155,822	988,830	354,701	350,276	4,517,268
6	4,517,268	1,018,495	365,342	301,292	3,800,065
7	3,800,065	1,049,050	376,303	246,377	2,997,392
8	2,997,392	1,080,521	387,591	185,017	2,101,888
9	2,101,888	1,112,937	399,219	116,661	1,105,612
10	1,105,612	1,146,325	411,196	40,711	-2
		10,071,736	4,105,829	3,028,556	

0.075 Interest Rate  
8.01671 10 Amortization Factor  
0.03 Payroll Growth Factor

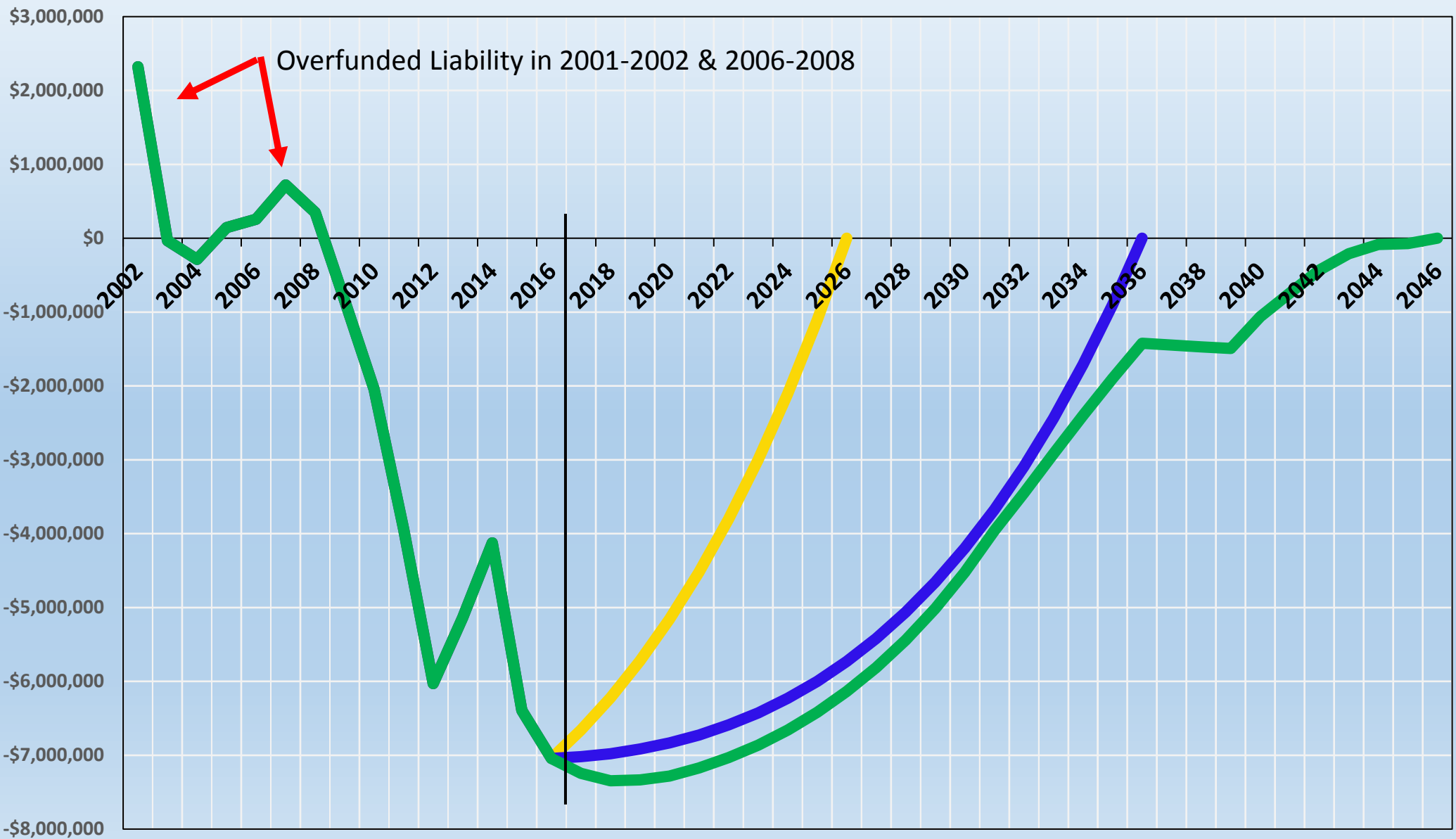
### Notes:

- \* Taken from page 10 of the CalPERS Actuarial Valuation, based upon the June 2015 actuarial data.
- \*\* Table provided by Mr. Randy Dziubek, Senior Pension Actuary, CALPERS, dated January 19, 2017, based upon the June 2015 actuarial data.



# CalPERS Unfunded Accrued Liability

■ 10 Year Model   
 ■ 20 year Model   
 ■ 30 Year Model



Total Estimated Savings using 10 year model: \$5,422,747  
 Total Estimated Savings using 20 year model: \$1,204,967



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

### USES OF CASH

#### CAPITAL EXPENDITURES

	2016-2017 Approved Budget	2016-2017 Forecast Budget	2017-2018 Proposed Budget
Dining Services	490,700	236,732	878,000
Kellogg West	400,000	366,000	496,000
Bookstore	300,000	-	55,000
University Village	220,400	235,910	361,200
Administration	223,990	190,725	210,000
Real Estate	302,800	209,273	648,500
Agriculture	50,000	50,000	275,000
College of Extended University	90,000	25,000	20,000
Research & Sponsored Programs	15,900	15,900	-
PY Carryover	314,750	-	745,740
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>2,408,540</b>	<b>1,329,540</b>	<b>3,689,440</b>

#### FINANCING

University Village Bond Payment - 2013 & 2014 Series	660,000	660,000	695,000
CTTi Bond Payment - 2007	215,000	215,000	230,000
<b>TOTAL USES OF FINANCING</b>	<b>875,000</b>	<b>875,000</b>	<b>925,000</b>

#### RESERVES

Agriculture Program Reserve @ 55% net Annual Surplus	-	-	-
CalPERS UAL 10-Year Amortization Model	-	-	878,563
Capital Reserve @ 1.75% of Gross Auxiliary Revenues	2,389,138	933,756	464,839
Innovation Village Demo Reserve	11,547	11,547	11,727
Insurance Reserve	36,670	36,670	34,315
Residential Board Meal Program Surplus Reserve excess 7%	400,599	680,792	383,493
Pine Tree Ranch Reserve @ 50% net Annual Surplus	-	-	-
Post Retiree Medical Benefits Trust - <b>Note 1</b>	1,000,000	1,000,000	1,000,000
Research & Sponsored Programs	20,000	20,000	20,000
Venture Capital/Real Estate Reserve @ 1% of Gross Revenue	508,079	533,575	537,901
<b>TOTAL RESERVE CONTRIBUTIONS</b>	<b>4,366,033</b>	<b>3,216,340</b>	<b>(3) 3,330,838</b>

#### TOTAL USES OF CASH

<b>TOTAL USES OF CASH</b>	<b>\$ 7,649,573</b>	<b>\$ 5,420,880</b>	<b>\$ 7,945,278</b>
---------------------------	---------------------	---------------------	---------------------

**Note 1 - The 2017-2018 budget includes funding \$1 Million to the VEBA Trust for the OPEB obligation, and a withdrawal of \$473,302**

***(3) Contribution to Reserves \$3.33 Million***



**CAL POLY POMONA FOUNDATION**  
**Budget Presentation 2017-2018**

**SUMMARY OF SOURCES AND USES OF CASH & WORKING CAPITAL RESERVE**

2017-2018 Proposed Budget

	2016-2017 Approved Budget	2016-2017 Forecast Budget	2017-2018 Proposed Budget
<b>Total Sources of Cash</b>	10,438,294	11,023,748	9,262,331
<b>Total Uses of Cash</b>	7,649,573	5,420,880	7,945,278
<b>NET SOURCES (USES) OF CASH - Note 1</b>	<b>2,788,721</b>	<b>5,602,868</b>	<b>1,317,053</b>
Beginning of the Year Working Capital Less Contingency		7,975,054	13,577,922
Net Working Capital Available End of Year - <b>Note 2</b>		<b>13,577,922</b>	<b>14,894,975</b>
<b>Minimum Two Months Working Capital Reserve Required</b>		<b>\$ 7,647,014</b>	<b>\$ 7,624,565</b>

**Note 1** - Post Retirement Medical Benefit - The actual funding is \$1.0 Million each year

**Note 2** - Net Working Capital does not include cash advances for Sponsored Programs per policy #172

## **POLICY NO. 172 - LONG-RANGE CASH FORECAST**

### **(Fiscal Viability) & Reserves**

**Long-Range Cash Forecast includes ten year forecaster of:**

- Surplus (Deficit)
- Non Cash Transactions
- Financing Activities
- Capital Improvements
- Designated Gifts
- Reserve Draws / Contributions
- Net Cash Available



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

Cal Poly Pomona Foundation, Inc.

Long Term Cash Plan/Reserve

Amounts in Thousands

### SOURCES OF CASH

Excess of Revenue over Expenditures

**Total Surplus (Deficit) - Operations**

**Non-Cash Transactions**

Depreciation

GASB 45 - Post Retiree Medical Benefits

**Total Non-Cash Transaction**

**TOTAL CASH GENERATED FROM OPERATIONS**

TOTAL FINANCING ACTIVITIES

TOTAL RESERVE ACTIVITIES

**TOTAL SOURCES OF CASH**

### USES OF CASH

Capital Project Requirements

Financing Activities

Designated Gifts

Reserve Contributions

**TOTAL USES OF CASH**

**Net Change in Cash**

**Cash Available**

	ACTUAL 2016	FORECAST 2017	PROPOSED 2018	5 YEARS 2019-2023	10 YEARS 2019-2028	RESERVE	
						BALANCES 2028	GOALS
<b>Total Surplus (Deficit) - Operations</b>	<b>737</b>	<b>6,459</b>	<b>5,739</b>	<b>34,084</b>	<b>79,254</b>		
<b>Non-Cash Transactions</b>							
Depreciation	4,011	3,904	3,950	19,750	39,500		
GASB 45 - Post Retiree Medical Benefits	785	732	530	2,143	3,634		
<b>Total Non-Cash Transaction</b>	<b>4,796</b>	<b>4,636</b>	<b>4,480</b>	<b>21,893</b>	<b>43,134</b>	<b>6,744</b>	<b>6,744</b>
<b>TOTAL CASH GENERATED FROM OPERATIONS</b>	<b>5,533</b>	<b>11,095</b>	<b>10,219</b>	<b>55,977</b>	<b>122,388</b>		
TOTAL FINANCING ACTIVITIES	-	-	-	20,000	20,000		
TOTAL RESERVE ACTIVITIES	2,362	1,256	622	14,755	27,183		
<b>TOTAL SOURCES OF CASH</b>	<b>7,895</b>	<b>12,351</b>	<b>10,841</b>	<b>90,732</b>	<b>169,571</b>		
<b>USES OF CASH</b>							
Capital Project Requirements	5,628	1,330	3,690	52,884	62,526		
Financing Activities	830	875	925	8,185	17,740		
Designated Gifts	1,209	1,327	1,578	8,841	20,125		
Reserve Contributions	2,450	3,216	3,330	19,105	34,639	<b>27,535</b>	<b>27,741</b>
<b>TOTAL USES OF CASH</b>	<b>10,117</b>	<b>6,748</b>	<b>9,523</b>	<b>89,015</b>	<b>135,030</b>		
<b>Net Change in Cash</b>	<b>(2,222)</b>	<b>5,603</b>	<b>1,318</b>	<b>1,717</b>	<b>34,541</b>		
<b>Cash Available</b>	<b>7,975</b>	<b>13,578</b>	<b>14,896</b>	<b>16,613</b>	<b>49,437</b>		

Minimum Two Month Working Capital Reserve Required

7,647

7,623

## General, Enterprise, and Reserve Budgets for Fiscal Year 2017-18 Resolution

- \* **WHEREAS**, Pursuant to the provisions of the Compliance Guide for California State University Auxiliary Organizations Section 11.7, the Cal Poly Pomona Foundation's proposed operating budgets and forecast include: General Activities (Administration; Real Estate & Investments) Enterprise Activities (Bookstore/Dining Services/Kellogg West/Foundation Housing); Supplemental Programs (Research Office, Agriculture Units, Continuing Education, Restricted and Unrestricted Foundation Programs); Designated Gifts; Reserves and Capital Budgets; along with the Summary of Sources and Uses and Working Capital; Statement of Activities; Debt Service Coverage; and Long Term Cash Plan/Reserves. The Foundation's governing Board accomplishes these activities by reviewing and approving the annual operating and capital budgets before the start of each fiscal year. Necessary changes to the approved budgets may be made by the governing Board as the fiscal year progresses, and
  
- \* **WHEREAS**, the Foundation Budget Process Policy No. 118, provides that Foundation Administration will present annually the operating and capital proposed budgets, forecasts and supporting detailed schedules and information to the Board of Directors; and



# CAL POLY POMONA FOUNDATION

## Budget Presentation 2017-2018

- \* **WHEREAS**, the budget includes contributing a blended rate of 11.33% to the three pension Plans with CALPERS for a total of approximately \$1,288,000 (Normal Cost of all three plans); and to use the CalPERS 10 year unfunded liability payment schedule to determine the payment due effective June 2017 to contribute an additional \$562,843 for a total of \$878,563 to the 2%@55 Plan, \$29,706 to the 2%@60 Plan and \$17,061 to the 2%@62 Plan; changes to salary grade ranges; a 3% or approximately \$189,000 wage adjustment for eligible employees (“Eligible employees” are regular benefited employees paid from non-grant funds, who were hired prior to the beginning of this 2016-17 fiscal year and who have not had any pay adjustments due to promotions or job restructures during the 2016-17 fiscal year, and among the other employees includes the two Officers of Foundation); contribute \$1.0 million and withdraw \$392,879 with the VEBA Trust; and assume 4.89% or \$530,000 as the benefit cost for the postretirement health care plan as per actuarial studies.
- \* **WHEREAS**, the Foundation management has prepared and presents these proposed operating and capital budgets and forecasts, designated gifts, reserves and long range plan/reserve, and
- \* **WHEREAS**, the Board of Directors has reviewed and discussed these proposed operating and capital budgets and forecasts, designated gifts, reserves and long range plan/reserve pursuant to Foundation Budget Process Policy No. 118, and
- \* **NOW, THEREFORE**, the Board of Directors approves the Proposed Operating and Capital Budgets for fiscal year 2017-18 and forecasts for fiscal year 2016-17 for General Activities, Enterprise Activities, Supplemental Programs, Designated Gifts, Reserves and the long-range cash plan/reserve.

**Passed and adopted this 18th day of May 2017.**

**By:**

---

**Mr. John McGuthry, Secretary**

**Cal Poly Pomona Foundation Board of Directors**