

Meeting of the Board of Directors, Meeting 409
August 8, 2025 at 3:45 – 5:00 pm
Kellogg House &
Zoom: <https://cpp.zoom.us/j/84169862820>

AGENDA

Chair: Christina M. Gonzales, Chair

Directors: Dr. Alison Baski, Mayra Brown, Michelle Cardona, Dr. Iris Levine, Erica Frausto-Aguado, Dr. Terri Gomez, Amiyah Ellsworth, Dr. Peter Hanink, April Jimenez-Valadez, John McGuthry, Cynthia Nelson, Dr. Phyllis Nelson, Lowell Overton, Stephanie Pastor, Dr. Homeyra Sadaghiani, Dr. David Speak, Monique Robles, Ruby Suchecki, Frances Teves, Dr. Maryann Tolano-Leveque, Kris Zoleta

Staff: Naomi Aguilar, Shari Benson, Lisa Coats, Jared Ceja, Juan Hernandez, Tariq Marji, Thomas Sekayan

Guests: Kimberly Allain, Craig LaMunyon, Carl Lee, Madison Navarro, Jon C. Saclolo, Sherwin Weerakoon

I. ACKNOWLEDGEMENT OF MEMBERS OF THE PUBLIC

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

II. CHAIR'S REPORT

Christina Gonzales

III. GENERAL UPDATES

a. CEO'S Report

No report

IV. CONSENT ITEMS

Items in this section are considered to be routine and acted on in one motion. Each item of the Consent agenda approved by the Board shall be deemed to have been considered in full and adopted as recommended. Any Board 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. An "A" distinguishes items requiring approval.

b. Approval of May 13, 2025, Minutes
(Attachment) **A**

Christina Gonzales

c. Year-End 24/25 Profit & Loss Statement
(Attachment) **I**

Juan Hernandez, CFO

d. 2025/2026 Committee Chairs & Officer Roles
(Attachment) **I**

Jared Ceja, CEO

V. ACTION ITEMS

e. Election of New 2025 - 2026 Directors
(Attachment) **A**

Jared Ceja

f. 2025 - 2026 Board Committee Assignments
(Attachment) **A**

Committee Liaisons

g. Annual PARS Vacation/Sick Leave Conversion Program
(Attachment) **A**

Shari Benson, CHRO

VI. INFORMATIONAL ITEM

- | | |
|---|------------|
| h. 2025/2026 Board Meeting Calendar
(Attachment) I | Jared Ceja |
| i. Signing of 25/26 Conflict of Interest Statement | Jared Ceja |

Next Board Meeting # 410 – September 17, 2025, at 2:00 p.m. at Kellogg West & via Zoom

 Cal Poly Pomona
ENTERPRISES

Cal Poly Pomona Foundation, Inc.
Meeting of the Board of Directors, Meeting 408

May 13, 2025 @ 2:00 PM
Kellogg West Hotel & Conference Center
Join Zoom Meeting
<https://cpp.zoom.us/j/87238130332>
Meeting ID: 872 3813 0332
Minutes

Notice is hereby given that a special meeting of the Board of Directors was held by video teleconference on Tuesday, May 13, 2025, at 2:00 pm to discuss matters on the posted agenda. The meeting notice in its entirety was posted on the internet at: <https://cppenterprises.org/governance/board/>

Present: Dr. Alison Baski, Michelle Cardona, Erica Frausto-Aguado, Mayra Brown, Dr. Soraya Coley, Dr. Terri Gomez, Christina Gonzales (Chair), Dr. Rita Kumar, John McGuthry, Cynthia Nelson, Dr. Phyllis Nelson, Lowell Overton, Stephanie Pastor, Dr. Homeyra Sadaghiani, Megan Shadrick, Dr. David Speak, Ruby Suchecki, Frances Teves, April Jimenez, Cade Wheeler, Kris Zoleta.

Absent: Anissa Patel, Dr. Maryann Tolano- Leveque.

Staff Present & Guests:

Naomi Aguilar, Shari Benson, Claudia Burciaga-Ramos, Joe Bustamante, Jared Ceja (CEO), Lisa Coats, Juan Hernandez, Tariq Marji, Francine Ramirez, Thomas Sekayan.

I. CALL TO ORDER & PUBLIC ACKNOWLEDGEMENT

Chair, Christina Gonzales called the meeting to order at 2:06 pm. and welcomed attendees. No members of the public were present.

II. GENERAL UPDATES

A. CEO's Report

Jared Ceja welcomed Naomi Aguilar as Executive Assistant to the CEO and primary support for the Board of Directors; Mr. Ceja then provided highlights from a robust third quarter, marked by significant campus and community engagement.

CPPE participated in several high-visibility events including Bronco Bound showcasing University Village, Farm Store, student job opportunities, and marketing promotions. Our support for Uncorked increased this year between our event sponsorship, KW and Dining teams collaborating to serve high-end samples at the reception, and contributions to both the silent and live auctions. The Grad Fair saw higher transaction volumes despite a smaller graduating class. Visibility continued at the Lyle Center donor event, the LA County Fair, and the CEO Club I-Lab student competitions.

Jared noted Brew Works received media coverage through the Poly Post and Inland Empire Magazine, celebrating its 10-year anniversary, and TaKorean was featured in the Franchise Times. Jared referenced the successful launch of "Lunch with Leadership"—an informal lunch series aimed at fostering open dialogue between hourly employees and CPPE leadership. Early sessions were well received, and plans are in place to continue them in Fall. Jared concluded with recognition of student-driven innovations and shared his enthusiasm for the continued collaboration between CPPE and the campus community.

Mr. Ceja moved to a more somber note of recent cancellations or suspensions of 7 active grants, primarily from the National Science Foundation and U.S. Department of Agriculture, due to changing federal priorities. The cancellations resulted in a loss of approximately \$2.3 million in unspent research funding, impacting staffing of 3 full-time employees, 3 faculty members, several part-time roles, and 6 student workers. The indirect cost (IDC) loss associated with these grants is estimated at \$400,000 over time. Additionally, the federal Facilities and

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Administrative (F&A) rate for NSF grants was reduced from 47% to 15%, with legal appeals underway. The CSU and CSU auxiliaries are jointly advocating for the reversal of this decision.

The Board received updates on recent internal engagement initiatives, such as the successful pilot sessions of the TeachingHorse Leadership program and our first CPP Family Day. Despite weather disruptions, the event was well received and is expected to continue in future years. Lowell Overton, the longest serving member of the Board, was recognized in an alumni Spotlight for his many contributions to the university and student success.

The tentative dates for the Board Retreat are June 27–28. The retreat agenda is being developed and will be coordinated with the Chair and Vice Chair. The overall program will balance required content with opportunities for engagement, collaboration, and teambuilding.

B. Recognition of Outgoing Board Members

The Chair recognized the departing members of the Board, expressing appreciation for their service, expertise, and contributions.

- Dr. Rita Kumar was acknowledged for her business acumen and leadership during her tenure. Her insights and willingness to serve have been greatly valued.
- Student Directors Cade Wheeler, Megan Shadrick, and Anissa Patel were acknowledged for their impactful advocacy and perspective.
- Appreciation was extended to Oliver Santos for his 27 years of dedicated service to the board, during which he consistently contributed professional insight to numerous initiatives.
- President Soraya Coley was recognized for her 10 years of leadership and service as Board Chair and member; Dr. Coley played a pivotal role in advancing the missions of both the University and Enterprises. We congratulate Dr. Coley and wish her all our best in her retirement years ahead.

III. CONSENT ACTION ITEMS

Before proceeding to the Consent Agenda, the Chair noted a minor punctuation error in the draft meeting minutes that was posted online. A correction was made, and updated materials were shared with the Board.

- C. Approval of Minutes
- D. 990 Tax Return
- E. Policy 210 Update- Student Assistant Salary and Wage Program
- F. Job Title List Updates for CalPERS
- G. FLPP Contribution
- H. Policy 219 Update- Compensation Plan
- I. Employee Handbook Update
- J. Investment Portfolio Report Q3 2024-2025

Moved by Dr. Speak and seconded by Vice Chair McGuthry to approve all consent action items as presented. There were no abstentions. Motion Carried.

IV. INFORMATION & DISCUSSION ITEMS

K. Financial Highlights Q3 2024-2025

Juan Hernandez, Chief Financial Officer, presented the financial overview for the third quarter. In alignment with recommendations from the Finance & Investment Committee, the report included a new executive summary format to enhance clarity and transparency in budget-to-actual reporting. The organization reported a year-to-date net surplus of \$4.85 million, exceeding the budgeted \$3.0 million, reflecting a favorable variance of \$1.8 million. Key drivers contributing to this outcome included:

- Bookstore: Strong sales, including Intercollegiate Athletics buy-in and event-driven revenue, contributed to an additional \$223,000 to the surplus.

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- University Village: Maintained full occupancy, producing a favorable variance of \$600,000.
- Kellogg West: Delayed room availability contributed to a \$177,000 unfavorable variance.
- Investments & Administration: Investment earnings exceeded expectations (+\$360,000), and administrative savings from labor and cost efficiencies totaled approximately \$700,000.
- College of Professional Growth and Education (CPGE): Revenue improved, but timing of course material purchases led to a \$280,000 unfavorable variance, expected to normalize by the 4th quarter.
- Agriculture Operations: Reported a one-time gain of \$200,000, due to a Discovery Farms program transfer.
- Grants: Reimbursable activity was higher than projected. While grant reductions are anticipated, current impacts remain neutral to net position.

Summary metrics included:

- Total Revenue: \$84.9 million (actual) vs. \$73.9 million (budget)
- Total Expenses: \$80.1 million (actual) vs. \$70.9 million (budget)
- Net Surplus: \$4.8 million (actual) vs. \$3.0 million (budget)

A brief Q&A roundtable was held.

V. ACTION ITEMS

L. CalPERS Retired Annuitant Approval

Dr. Coley presented a request to approve a phased engagement plan for Deborah Astone, a recently retired expert in construction and property development from Fresno State, to support the ongoing Lanterman property initiative. Ms. Astone will serve as an independent contractor through CPP Enterprises from April 15 through June 30, 2025, and as a CalPERS retired annuitant through the University from July 1 to December 31, 2025. Effective January 1, 2026, she will transition to a retired annuitant role through CPPE. This staggered arrangement—developed in consultation with HR, the State Chancellor’s Office, and tax advisors—ensures compliance with IRS guidelines and CalPERS regulations. Ms. Astone will succeed Ben Quillian, who previously served in this role and is stepping down after years of service advancing development opportunities for Lanterman. Questions and answers followed, allowing Board members to ensure understanding before action was taken.

Moved by Dr. Alison Baski and seconded Kris Zoleta to approve the appointment of Deborah Astone as Special Advisor for Lanterman, as presented. There were no abstentions. Motion Carried.

M. Proposed Operating Budget 2025-2026 & Proforma

Jared and Juan reviewed the Proposed Operating and Capital budgets for Fiscal Year 25/26, including Commercial Services, Supplemental Programs, Designated Gifts, and Reserves. Jared gave an overview of the comprehensive budget process, emphasizing the extensive internal review each area undergoes.

Juan presented key highlights from the executive summary:

- A projected \$5.5 million surplus
- Strong financial performance contributed to factors such as:
 - The capitalized interest lift from the new property, The Current, which offsets expenses during the 1st year.
 - Full occupancy projected for The Current and Kellogg West, leading to substantial revenue gains.
 - A conservative outlook on real estate and media production revenues due to external market signals.
 - Continued support for campus operations via a \$2.15 million Designated Gift.

Detailed budgetary assumptions were also presented, including:

- Adjustments based on updated housing occupancy projections.
- New reporting formats to separate administrative fees from commercial operations for better comparability.
- Budgeted support for departments such as Agriculture, Research, CPGE, and Campus Programs—many of which are projected to reach break-even or surplus status.


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The long-term outlook anticipates a dip in surplus in FY 26/27 due to the onset of interest payments on capital, with a recovery trend in the following years. Reserve usage for the down payment on *The Current* was also outlined, particularly from the Real Estate Development and University Village reserves. A roundtable of questions and answers was held

Moved by Dr. Speak and seconded Dr. Phyllis Nelson to approve the Proposed Operating and Capital Budgets for fiscal year 2025–2026 for Commercial Services, Supplemental programs, Designated Gifts, and Reserves with the associated as presented. No abstentions. Motion carried unanimously.

N. Election of Board Members for 2025-2026

Mr. Ceja provided a brief overview of proposed Board membership for 25/26, including the designated directors and nominated individuals.

Moved by Kris Zoleta and seconded Dr. Alison Baski to approve the nominations of Erica Frausto-Aguado, Mayra Brown, Monique Manzanares, Lowell Overton, and Dr. Phyllis R. Nelson, and welcomes them to the 2025-2026 Board of Directors effective July 1, 2025. Motion carried.

O. Election of Officers for 2025-2026

Dr. Terri Gomez presented the recommended officers for the 2025–2026 term, as forwarded by the Nominating Committee:

- **Chair:** Christina Gonzalez
- **Vice Chair:** John McGuthry
- **Secretary/Treasurer:** Dr. Alison Baski

It was noted that, per governance requirements, this action item requires support from two-thirds of the Board. *The motion is brought forward by the Nominating Committee and seconded by Dr. Rita Kumar to approve the proposed slate of Board officers for fiscal year 2025-2026, effective July 1, 2025, for a 1-year term. Motion carried.*

VI. OPEN FORUM

The Chair opened the floor for questions. Director April Jimenez, Vice President of Staff Council, expressed appreciation to CPP Enterprise for their continued partnership and support during Staff Appreciation Week. She recognized Chef Kris, Thomas Sekayan, and Interim Director David Corral for their involvement in hosting workshops and providing staff incentives.

VII. CLOSED SESSION

It was moved by Dr. Phyllis Nelson and seconded by Dr. Speak to move into a closed session. Motion carried.

A closed session was held with only members of the Board of Directors, CEO, and CHRO present; all other attendees were excused. During the session, the Board reviewed and discussed the compensation of the Chief Financial Officer (CFO), during which the Chief Executive Officer (CEO) was present. When the Board proceeded to review and discuss the compensation of the CEO, Mr. Ceja excused himself from the meeting to allow for further discussion. The update CEO and CFO compensations for 25/26 were approved.

ADJOURNMENT *The meeting was adjourned by acclamation at 3:40 pm*

Respectfully submitted,

Dr. Rita Kumar, Secretary/Treasurer

Next Board Meeting #409 –Board Retreat July 27-28, 2025, at the Kellogg West Hotel and Conference



**Cal Poly Pomona Enterprises
Statement of Activities (P&L Report)
For Period Ending Jun 30, 2025**

	REVENUES		EXPENSES - Payroll		EXPENSES - Other				EXPENSES - Total		SURPLUS/(DEFICIT)		
	FY 24-25 YE	FY 24-25 YE	FY 24-25 YE	FY 24-25 YE	FY 24-25 YE			FY 24-25 YE	FY 24-25 YE	FY 24-25 YE			
	Actual	Budget	Actual	Budget	Admin Fees	Other Expense	Actual	Budget	Actual	Budget	Actual	Budget	S Variance
Commercial Services													
Dining Services	21,898,369	22,249,805	7,740,732	8,277,784	1,389,044	12,002,734	13,391,778	13,504,018	21,132,510	21,781,802	765,859	468,003	297,856
Bookstore	16,275,221	15,590,526	1,536,748	1,761,313	986,566	13,132,498	14,119,064	13,272,957	15,655,812	15,034,270	619,409	556,256	63,153
Kellogg West	3,586,368	4,195,365	2,125,891	2,371,303	233,114	1,962,278	2,195,392	2,274,706	4,321,283	4,646,009	(734,914)	(450,644)	(284,270)
CPPE Student Housing	12,932,096	12,217,717	2,607,831	2,598,610	828,705	6,269,058	7,097,763	7,307,208	9,705,594	9,905,818	3,226,502	2,311,899	914,603
Real Estate/Rentals	9,538,775	7,387,729	464,323	655,786	422,768	6,194,077	6,616,845	4,545,097	7,081,168	5,200,883	2,457,607	2,186,846	270,761
Total Commercial Services	64,230,829	61,641,142	14,475,525	15,664,796	3,860,197	39,560,644	43,420,841	40,903,986	57,896,366	56,568,782	6,334,463	5,072,360	1,262,103
Other Activities													
Investments	5,166,252	2,012,196	0	0	0	95,927	95,927	100,285	95,927	100,285	5,070,324	1,911,911	3,158,413
Administration	737,733	531,756	6,173,099	6,904,814	(5,501,563)	1,224,789	(4,276,775)	(3,863,415)	1,896,325	3,041,399	(1,158,591)	(2,509,643)	1,351,052
Total Other Activities	5,903,985	2,543,952	6,173,099	6,904,814	(5,501,563)	1,320,716	(4,180,847)	(3,763,130)	1,992,252	3,141,684	3,911,733	(597,732)	4,509,465
Total Commercial Services+Other Activities	70,134,814	64,185,094	20,648,624	22,569,610	(1,641,366)	40,881,360	39,239,994	37,140,856	59,888,618	59,710,466	10,246,196	4,474,628	5,771,568
Designated Funds													
Annual Designated	120,252	0	80,029	0	0	2,118,178	2,118,178	2,149,992	2,198,206	2,149,992	(2,077,954)	(2,149,992)	72,038
Total Designated Funds	120,252	0	80,029	0	0	2,118,178	2,118,178	2,149,992	2,198,206	2,149,992	(2,077,954)	(2,149,992)	72,038
Support Activities													
Bronco One Card	452,125	448,874	252,524	259,211	29,388	163,944	193,332	193,581	445,855	452,792	6,270	(3,918)	10,188
Research Office	3,184,011	2,350,000	110,019	342,378	1,238,788	1,582,464	2,821,252	1,957,622	2,931,271	2,300,000	252,740	50,000	202,740
Agriculture	6,012,533	5,365,519	1,881,825	2,144,136	240,501	3,466,765	3,707,267	3,169,593	5,589,092	5,313,729	423,442	51,790	371,652
College of P&GE	2,828,910	2,059,624	1,323,655	1,106,254	124,250	1,593,113	1,717,364	1,006,779	3,041,019	2,113,033	(212,108)	(53,409)	(158,699)
Support Programs	7,187,943	100,000	1,450,505	48,500	8,438	4,795,976	4,804,414	51,386	6,254,919	99,886	933,024	114	932,910
Total Support Activities	19,665,523	10,324,017	5,018,527	3,900,479	1,641,366	11,602,262	13,243,629	6,378,961	18,262,156	10,279,440	1,403,368	44,577	1,358,791
Grants+Transfers													
Grants and Contracts	28,645,544	19,844,533	0	0	0	28,373,845	28,373,845	19,844,533	28,373,845	19,844,533	271,699	0	0
Vesting Grant Assets	0	0	0	0	0	(1,472,700)	(1,472,700)	0	(1,472,700)	0	1,472,700	0	1,472,700
Transfers	0	0	0	0	0	268,973	268,973	0	268,973	0	(268,973)	0	(268,973)
Total Grants+Transfers	28,645,544	19,844,532	0	0	0	27,170,118	27,170,118	19,844,532	27,170,118	19,844,532	1,475,426	0	1,203,727
Total Foundation Net	118,566,134	94,353,643	25,747,180	26,470,089	0	81,771,917	81,771,917	65,514,341	107,519,097	91,984,430	11,047,036	2,369,213	8,406,124

Committee Chairs, Officers, & Committee Appointments 2025-2026

Board Officers:

Chair – Christina Gonzales
Vice Chair – John McGuthry
Secretary/Treasurer – Dr. Alison Baski

Executive Committee designated by position (except where noted):

Board Chair – Christina Gonzales
Vice Chair – John McGuthry
Academic Senate Chair – Dr. Peter Hanink
ASI President – Amiyah Ellsworth
Community Representative – Ruby Suchecki (appointed by the University President)
Staff Council Chair – Stephanie Pastor
University President – Dr. Iris S. Levine

Committee Chairs (appointed by the Board Chair):

Audit Committee – Dr. David Speak
Finance & Investment Committee – Michelle Cardona
Personnel Committee – Dr. Phyllis Nelson
Program Committee – April Jimenez-Valadez

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 – Juan Hernadez
Chief Operating Officer – Thomas Sekayan
Chief Human Resources Officer – Shari Benson
Chief Brokerage Officer – Randy Wallace Jr.
Senior Director – Tariq Marji

Memorandum

Date: August 8, 2025
To: Board of Directors
From: Jared G. Ceja, Chief Executive Officer
Subject: **Election of Board Directors**

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 on 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).

For the 2025-2026 fiscal year we welcome four (4) potential new members to the Board.

Designated Directors – Dr. Iris S. Levine and Dr. Peter Hanink

Student Directors – Madison Navarro and Sherwin Weerakoon (both nominated by Associated Students)

Of the four (4) new Directors, two (2) are nominees from Associated Students Senate and require a vote from the Board to accept their nomination.

BE IT RESOLVED that the Board of Directors accepts the nominations of Madison Navarro and Sherwin Weerakoon and welcomes them to the 2025-2026 Board of Directors effective immediately.

PASSED AND ADOPTED THIS 8th DAY OF August 2025.

By: _____
Dr. Alison Baski, Secretary/Treasurer
Board of Directors

Memorandum

Date: August 8, 2025
To: Board of Directors
From: Jared G. Ceja, CEO
Subject: **2025-2026 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 – Juan Hernandez, CFO

Finance & Investment – Juan Hernandez, CFO

Personnel – Shari Benson, CHRO

Program – Thomas Sekayan, COO

Time has been allocated for committee consideration during the Summer Board Retreat. A list of committee assignments will be presented for consideration by the Board after thorough discussion. 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 at the 2025 Board Retreat, for the 2025-2026 Audit, Finance & Investment, Personnel, and Program committees, effective immediately.

PASSED AND ADOPTED THIS 8th DAY OF August 2025.

By: _____
Dr. Alison Baski
Secretary/Treasurer, Board of Directors

PARS YEARLY CONVERSION DATA

Fiscal Year	Number of Employees Eligible for Vacation Conversion	Number of Employees Eligible for Vacation Conversion	Number of Employees Electing Vacation Conversion	Percentage Electing Vacation Conversion	\$ Amount Vacation Employees Eligible	\$ Amount Vacation Employees Converted
2021-2022	75	75	36	48%	\$184,720	\$88,563
2022-2023	56	56	29	52%	\$162,905	\$76,486
2023-2024	44	44	24	55%	\$144,496	\$92,654
2024-2025	37	37	20	54%	\$140,972	\$81,142

Fiscal Year	Number of Employees Eligible for Sick Conversion	Number of Employees Electing Sick Conversion	Number of Employees Electing Sick Conversion	Percentage Electing Sick Conversion	\$ Amount Sick Employees Eligible	\$ Amount Sick Employees Converted
2021-2022	45	45	33	73%	\$138,183	\$100,810
2022-2023	45	45	23	51%	\$138,705	\$109,689
2023-2024	40	40	27	68%	\$141,857	\$101,467
2024-2025	30	30	25	83%	\$113,555	\$99,719

Fiscal Year - Combined Total	
2021-2022	\$ 189,373
2022-2023	\$ 186,175
2023-2024	\$ 194,121
2024-2025	\$ 180,861

Memorandum

Date: August 8, 2025
To: Board of Directors
From: Shari Benson, Chief Human Resources Officer
Attached: PARS Yearly Activity
Subject: **Annual PARS Vacation/Sick Leave Conversion Program**

The annual PARS Vacation/Sick Leave Conversion Program provides eligible employees a supplemental retirement plan as part of the overall company benefits program. It allows eligible employees to convert a portion of unused leave balances to cash and then contribute those funds directly into the employees' PARS 457(b) individual accounts. The percentage of participation is fully elective by an eligible employee and the option to convert occurs on an annual basis. A regular, full-time benefited employee is eligible to participate in the program once they have completed at least 4 years of full-time service.

Employees who desire to convert vacation time must have at least 160 hours of accrued vacation and have taken a minimum of 40 hours of vacation over the previous 12 months of employment preceding the current plan year. A maximum conversion of 100 hours of vacation time may occur. The resulting vacation balance may not fall below 160 hours due to converting hours.

Employees who desire to convert sick leave must have more than 320 hours of sick leave available. They may convert up to 100 sick leave hours for hours in excess of 320. A sick leave balance may not fall below 320 hours due to converting hours.

The annual renewal of this employee benefit is designed to ensure that the financial obligations of the organization are being met prior to Board approval. The annual forecast for 2024-2025 currently shows a net surplus of approximately \$11.1M after all annual financial obligations are paid. This compares to \$254,528 in eligible contributions for FY 24/25. The total conversion is \$180,861 which equals a 71% conversion rate. Any converted vacation will not result in an additional expense as those balances have already been accrued.

Eligible employees were invited to an online training session on July 30, 2025, delivered by representatives from John Hancock and PARS to learn about the advantages and disadvantages of converting leave with the program, along with investment information.

PROPOSED ACTION:

Management is recommending the Board of Directors approve the annual payment of the PARS Vacation/Sick Leave Conversion Program.

BE IT RESOLVED that the Board of Directors has reviewed and approved the PARS Vacation/Sick Leave Conversion Plan for fiscal year 24/25, as presented.

PASSED AND ADOPTED THIS DAY 8th DAY OF August 2025.

By: _____
Dr. Alison Baski
Secretary/Treasurer, Board of Directors

2025-2026

Board of Directors Briefings & Meetings

Board members:

- | | |
|--|--------------------------------|
| 1. Christina Marie Gonzales, Chair | 17. Monique Robles |
| 2. John McGuthry, Vice Chair | 18. Dr. Homeyra Sadaghiani |
| 3. Dr. Alison Baski, Secretary/Treasurer | 19. Dr. David Speak |
| 4. Mayra Brown | 20. Ruby Suchecki |
| 5. Michelle Cardona | 21. Frances Teves |
| 6. Amiyah Ellsworth | 22. Dr. Maryann Tolano-Leveque |
| 7. Erica Frausto-Aguado | 23. Sherwin Weerakoon |
| 8. Dr. Terri Gomez | 24. Kris Zoleta |
| 9. Dr. Peter Hanink | |
| 10. Dr. Iris Levine | Corporate Liaisons: |
| 11. Madison Navarro | Jared Ceja, CEO |
| 12. Cynthia Nelson | Juan Hernandez, CFO |
| 13. Dr. Phyllis Nelson | Shari Benson, CHRO |
| 14. April Jimenez-Valadez | Tariq Marji, Sr. Director |
| 15. Lowell Overton | Thomas Sekayan, COO |
| 16. Stephanie Pastor | |

Meets every quarter (September, December, February & May)
Board Meeting Wednesday, September 17, 2025 2:00 pm – 4:00 pm KW Auditorium & Zoom
Board Meeting Wednesday, December 3, 2025 2:00 pm – 4:00 pm KW Auditorium & Zoom
Board Meeting Tuesday, February 17, 2026 2:00 pm – 4:00 pm KW Auditorium & Zoom
Board Meeting Tuesday, May 5, 2026 2:00 pm – 4:00 pm KW Auditorium & Zoom