

Cal Poly Pomona Foundation, Inc.

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Reports**

June 30, 2024

Cal Poly Pomona Foundation, Inc.

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Independent Auditor's Report

The Board of Directors
Cal Poly Pomona Foundation, Inc.
(A California State University Auxiliary Organization)

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate remaining fund information of Cal Poly Pomona Foundation, Inc. (the "Foundation"), a component unit of California State Polytechnic University, Pomona as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the index.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the Foundation as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 to 12, the Schedule of Foundation's Proportionate Share of the Net Pension Liability on page 48, the Schedule of Foundation Contributions on page 49, and the Schedule of Changes in Net OPEB Liability and Related Ratios on page 50 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an

opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Foundation's basic financial statements. The accompanying supplementary information on pages 52 to 66 is presented for purposes of additional analysis as required by an Administrative Directive dated June 24, 2003, Financial Reporting Requirements for Auxiliary Organizations, from the California State University Office of the Chancellor, and is not a required part of the basic financial statements.

The accompanying supplementary information on pages 52 to 66 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information on pages 52 to 66 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2024 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

CohnReznick LLP

Los Angeles, California
September 20, 2024

Management's Discussion and Analysis

**Management's Discussion and Analysis ("MD&A")
Year Ended June 30, 2024**

Introduction

The Cal Poly Pomona Foundation, Inc. (the "Foundation") is a nonprofit organization formed to support and advance the mission of California State Polytechnic University, Pomona (the "University"). To fulfill this mission, the Foundation pursues a wide range of opportunities through the development and administration of research and educational grants and contracts; conducting commercial activities including dining services, bookstore/retail, a conference center/hotel, apartment style housing, continuing education, and agricultural aid to instruction; the management of the Foundation's support programs and real estate activities; the development and administration of the Affordable Faculty/Staff Housing Program, a research park, special programs, and other similar activities on behalf of the University. The employment and training of students is a key priority of the Foundation.

The following discussion and analysis provide an overview of the financial position and activities of the Foundation for the year ended June 30, 2024.

This discussion and analysis have been prepared by management, and should be read in conjunction with the financial statements and notes.

Overview of the Financial Statements

This annual report consists of a series of financial statements prepared in accordance with the Governmental Accounting Standards Board ("GASB") principles, and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Included in this report are the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, Statement of Fiduciary Net Position, and the Statement of Changes in Fiduciary Net Position, which will provide a comprehensive financial overview of the Foundation's operations.

Statement of Net Position

The Statement of Net Position includes all assets, deferred outflows and inflows of resources, liabilities, and net position of the Foundation. The statement also identifies major categories of restrictions on the net position of the Foundation.

Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position presents revenues earned and expenses incurred during the year on an accrual basis.

Statement of Cash Flows

The Statement of Cash Flows provides relevant information about the sources and uses of cash during the year. In addition, it provides information on the effects that cash and noncash investing, capital, and financing transactions during the year have on the Foundation's financial position.

Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position

Fiduciary funds are used to account for resources held for the benefit of parties outside the Foundation. The Foundation holds funds for the declining balance programs (Bronco Bucks, Meal Points). The Foundation's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. Fiduciary funds are not reflected in the Foundation's financial statements because the resources of those funds are not available to support other Foundation activities.

Cal Poly Pomona Foundation, Inc.

Management's Discussion and Analysis ("MD&A")
Year Ended June 30, 2024

These statements are supported by notes to the basic financial statements, required supplementary information, as appropriate, and this section. All sections must be considered together to obtain a complete understanding of the financial status of the Foundation.

A summary of the Foundation's assets, deferred outflows, liabilities, deferred inflows, and net position is as follows:

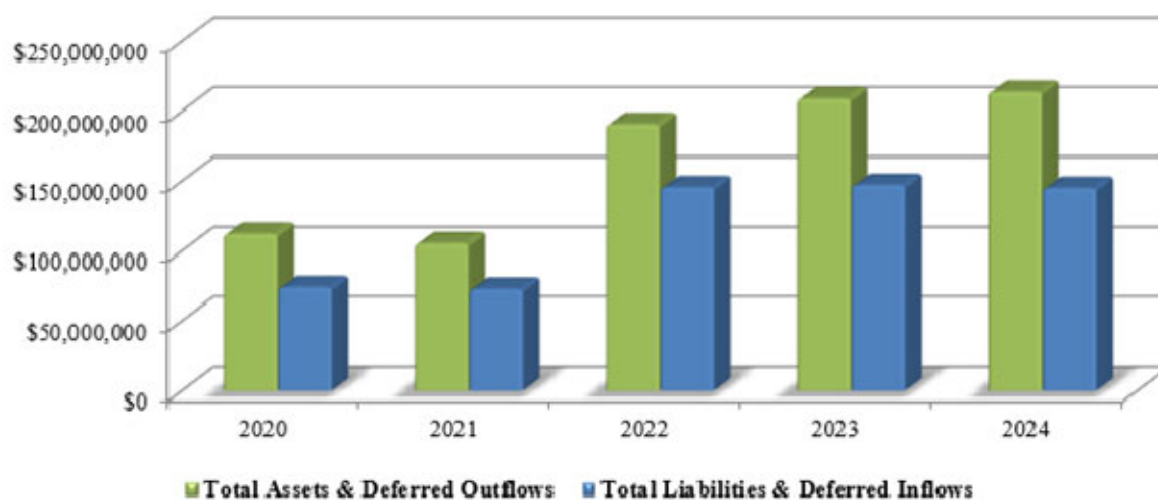
	2024 (in thousands)	2023 (in thousands)
Assets		
Current assets	\$ 73,342	\$ 63,449
Noncurrent assets		
Restricted cash and cash equivalents	20	5
Accounts receivable, net of current portion	2,312	2,313
Lease receivables, net of current portion	92,578	93,067
Long-term investments	1,515	1,433
Capital assets, net	37,096	39,004
Total noncurrent assets	<u>133,521</u>	<u>135,822</u>
Total assets	<u>206,863</u>	<u>199,271</u>
Deferred outflows of resources		
Net pension liability	6,617	6,750
Net OPEB liability	843	3,042
Total deferred outflows of resources	<u>7,460</u>	<u>9,792</u>
Liabilities		
Current liabilities	14,205	12,131
Noncurrent liabilities	34,249	39,362
Total liabilities	<u>48,454</u>	<u>51,493</u>
Deferred inflows of resources		
Net pension liability	4,324	3,404
Leases	89,127	91,018
Net OPEB liability	2,480	493
Split interest agreements	899	715
Total deferred inflows of resources	<u>96,830</u>	<u>95,630</u>
Net position		
Net investment in capital assets	19,442	20,984
Restricted unvested grant assets	344	222
Unrestricted	49,253	40,734
Total net position	<u>\$ 69,039</u>	<u>\$ 61,940</u>

Cal Poly Pomona Foundation, Inc.

Management's Discussion and Analysis ("MD&A")
Year Ended June 30, 2024

Total assets and deferred outflows were \$214.3 million and \$209.1 million for fiscal years 2024 and 2023, respectively. The increase between 2024 and 2023 of \$5.2 million or 2.5% is attributed to the increase in current assets of \$9.9 million and a decrease of \$2.3 million in deferred outflows related to pension and OPEB liabilities, and \$1.9 million in net capital assets. Net capital assets decreased by \$1.9 million due to additions of \$2.0 million offset by depreciation of \$3.9 million.

Total Assets & Deferred Outflows, Liabilities & Deferred Inflows



Total liabilities and deferred inflows were \$145.3 million and \$147.1 million for the fiscal years 2024 and 2023, respectively. The net decrease of \$1.8 million is mainly due to a decrease of \$3.0 million in total liabilities and an increase of \$1.2 million in deferred inflows. Included in the decrease of \$3.0 million is a decrease in lease liabilities of \$1.3 million due to payments during the fiscal year.

Net Position

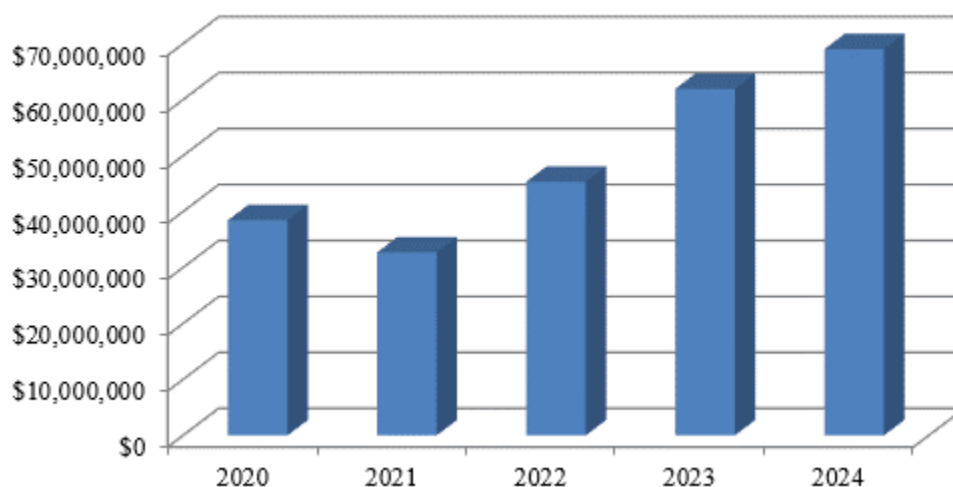
Net position represents the residual interest in the Foundation's assets after liabilities are deducted. The Foundation's net position is as follows:

	2024 (in thousands)	2023 (in thousands)
Net investment in capital assets	\$ 19,442	\$ 20,984
Restricted		
Expendable	344	222
Unrestricted	49,253	40,734
Net position	\$ 69,039	\$ 61,940

Net position increased by 11.5% or \$7.1 million primarily in unrestricted entrepreneurial activities of the Foundation as well as program activities. Net investment in capital assets decreased by \$1.5 million or 7.2%.

Management's Discussion and Analysis ("MD&A")
Year Ended June 30, 2024

Net Position



Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the Foundation's results of operations. A summary of the Foundation's revenues, expenses, and changes in net position is as follows:

	2024 (in thousands)	2023 (in thousands)
Operating revenues		
Educational activities	\$ 9,377	\$ 19,232
Enterprise activities	54,012	49,901
Grants and contracts	22,077	19,093
Admin and real estate activities	11,638	10,465
Total operating revenues	<u>97,104</u>	<u>98,691</u>
Operating expenses	<u>93,660</u>	<u>83,093</u>
Operating income	<u>3,444</u>	<u>15,598</u>
Nonoperating revenues (expenses)		
Gain on PPP loan forgiveness	-	3,795
Investment income, net	4,984	2,137
Interest expense	(1,229)	(1,294)
Other nonoperating expenses	(100)	(3,628)
Net nonoperating revenues (expenses)	<u>3,655</u>	<u>1,010</u>
Change in net position	7,099	16,608
Net position		
Net position, beginning of year	61,940	45,332
Net position, end of year	<u>\$ 69,039</u>	<u>\$ 61,940</u>

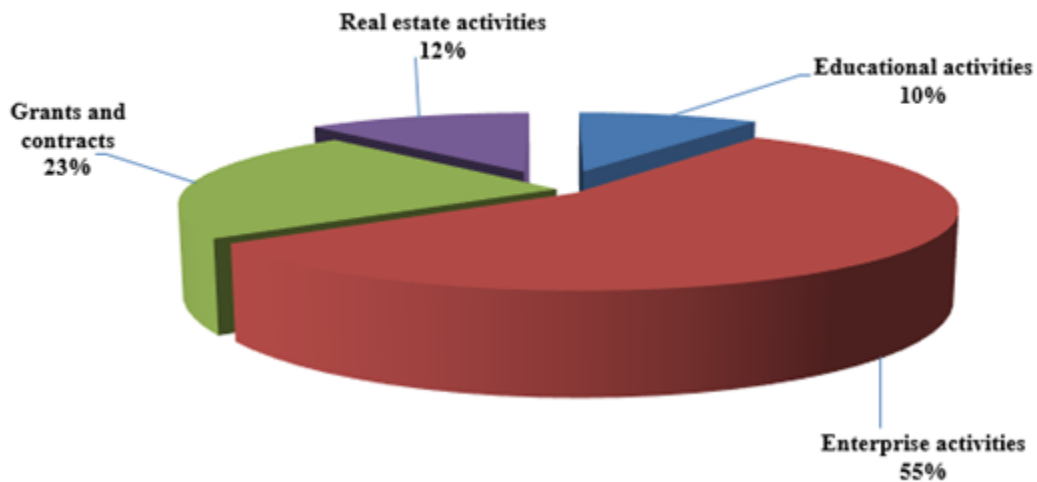
**Management's Discussion and Analysis ("MD&A")
Year Ended June 30, 2024**

During the fiscal year 2024, total operating revenues decreased 1.6% or \$1.6 million as educational activities decreased by \$9.9 million but all other areas increased by \$8.3 million in total. Operating expenses increased 12.7% or \$10.6 million because of the increase in enterprise and grant and contracts activities.

The net nonoperating revenues were approximately \$3.7 million. Net investment gain for the year was approximately \$5.0 million as the market continued to produce positive gains.

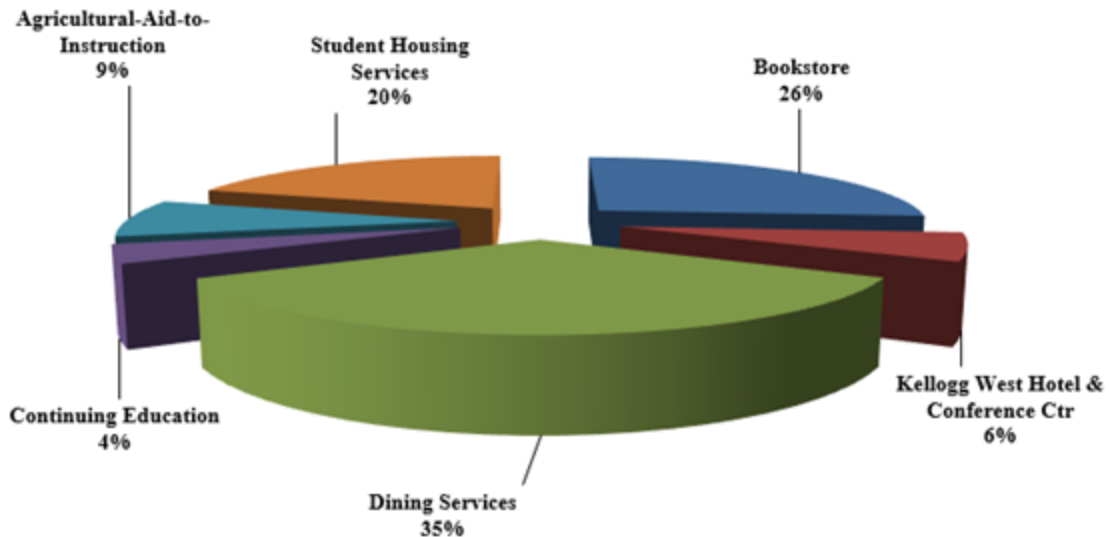
Operating revenues also include grants and contracts awarded by governmental and private institutions. Amounts administered by the Foundation are recorded as revenue and expense in the financial statements.

Operating Revenues



Auxiliary enterprise operating revenues consist of the following programs:

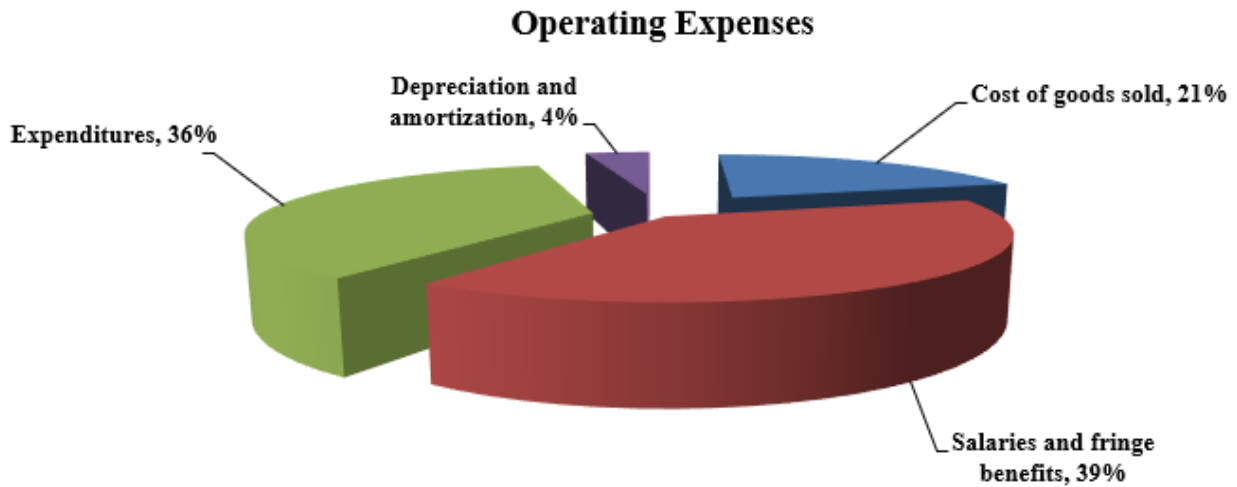
Enterprise Revenues



**Management’s Discussion and Analysis (“MD&A”)
Year Ended June 30, 2024**

The Foundation entered into a master operating agreement and various supplemental operating agreements with the Trustees of the California State University in July 2018, on behalf of the University that expires in February 2025 and allows the Foundation to operate various activities including the above enterprise activities. All activities of the Foundation are designed to support students, faculty and staff by providing convenient goods and services at reasonable prices. These services provide additional resources and support services to further the University's mission.

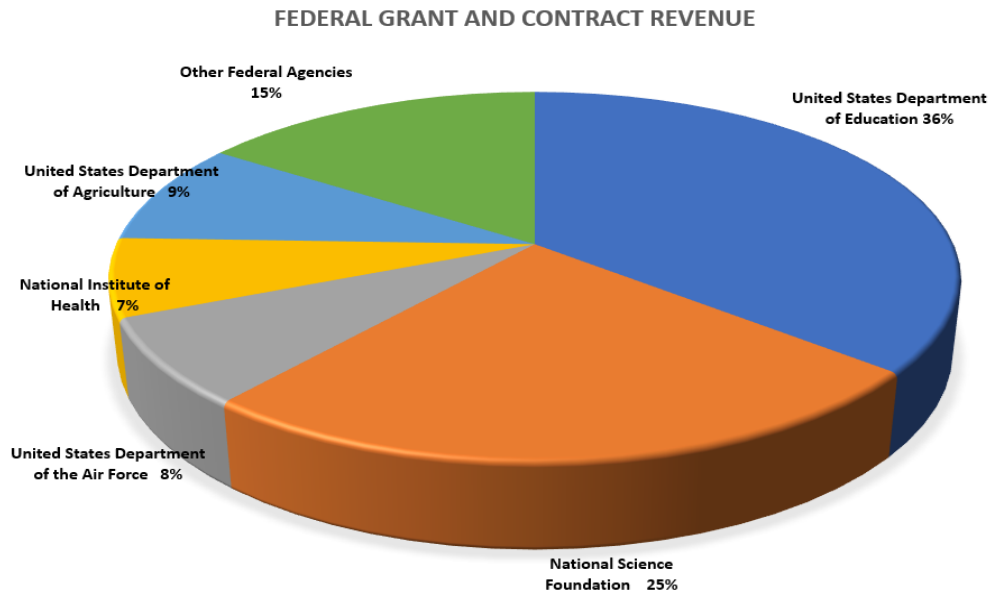
In fiscal year 2024, operating expenses consist of cost of goods sold of \$19.3 million, salaries and fringe benefits of \$36.4 million, payments to vendors of \$34.1 million, and depreciation and amortization of \$3.9 million.



Grants and Contracts

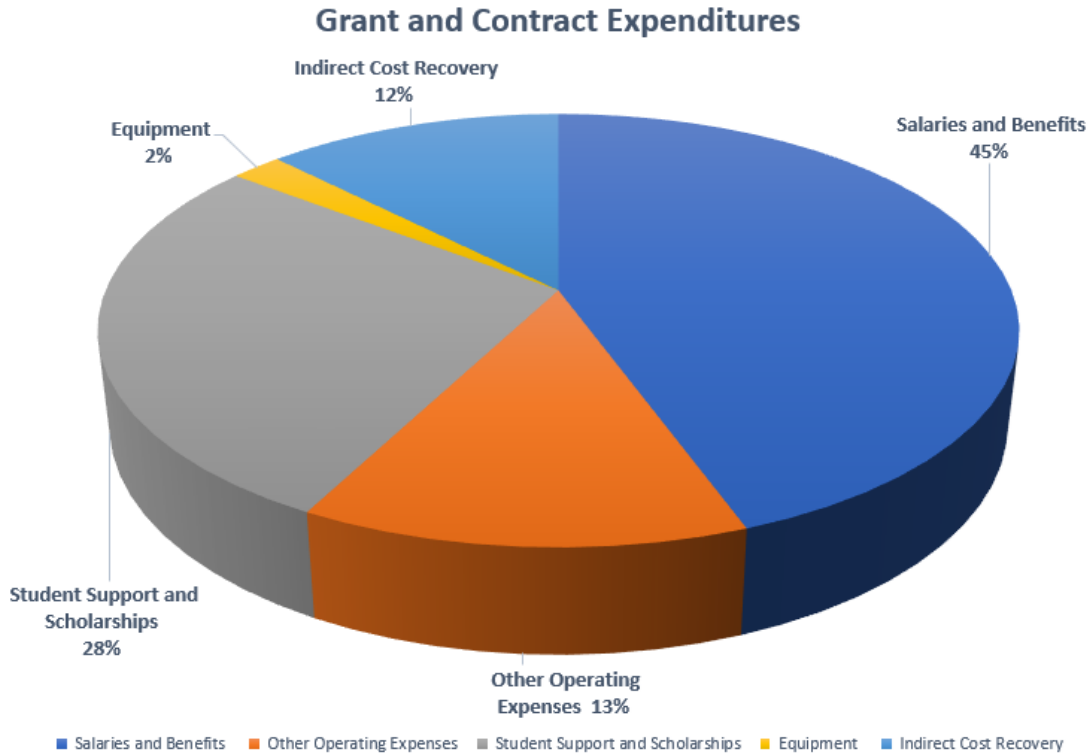
The Foundation is the recipient of all externally-funded sponsored projects awarded on behalf of California State Polytechnic University, Pomona. For the fiscal year 2023-24, University faculty and staff have secured over \$23.3 million in external funds representing 153 projects.

Federal grant and contract awards received represents 71% of the sponsored program activity and includes support from a variety of agencies including:



Management's Discussion and Analysis ("MD&A")
Year Ended June 30, 2024

During the last two fiscal years, grants and contracts expenditures totaled \$41.4 million consisting of federal grants and contracts of \$29.2 million, state grants and contracts of \$8.0 million, and non-governmental grants and contracts of \$4.2 million. Expenditures relating to grant and contract projects consisted of the following items:



The total amount of indirect cost recovery income collected from grant and contract projects totaled \$5.2 million in fiscal year 2023-24 and 2022-23. This income is used to pay for the pre-award operating costs of the Office of Research and Sponsored Programs and the Foundation's post award administrative fee, with the excess being returned to Academic Affairs for distribution back to the Academic/University units that generated the activity.

Factors Impacting Future Periods

The effects of the pandemic and declining population trends have had continued influence within the higher education industry. Students enrollment, future capital considerations, as well as inflation, affect future financial presentations. However, the impact of the implementation of these to the statements of the Foundation have not been assessed at this time.

Basic Financial Statements

Cal Poly Pomona Foundation, Inc.

Statement of Net Position
June 30, 2024

Assets

Current assets

Cash and cash equivalents	\$ 4,310,666
Short-term investments	42,858,571
Accounts receivable, current portion, net	9,685,780
Accounts receivable from related parties	13,878,438
Lease receivables, current portion	866,568
Inventories	1,521,301
Prepaid expenses and other assets	<u>220,790</u>

Total current assets 73,342,114

Noncurrent assets

Restricted cash and cash equivalents	19,780
Accounts receivable, net of current portion	2,312,129
Lease receivables, net of current portion	92,578,446
Long-term investments	1,514,561
Capital assets, net	<u>37,096,092</u>

Total noncurrent assets 133,521,008

Total assets 206,863,122

Deferred outflows of resources

Net pension liability	6,616,841
Net OPEB liability	<u>842,602</u>

Total deferred outflows of resources \$ 7,459,443

Cal Poly Pomona Foundation, Inc.

Statement of Net Position
June 30, 2024

Liabilities	
Current liabilities	
Accounts payable	\$ 4,242,730
Accounts payable to related parties	1,826,344
Accrued salaries and benefits payable	843,514
Accrued compensated absences	824,266
Unearned revenue	1,771,244
Lease liabilities, current portion	1,329,452
Other liabilities	<u>3,366,792</u>
Total current liabilities	<u>14,204,342</u>
Noncurrent liabilities	
Lease liabilities, net of current portion	16,325,029
Net pension liability	14,847,664
Net OPEB liability	2,437,917
Unitrust liability	<u>638,399</u>
Total noncurrent liabilities	<u>34,249,009</u>
Total liabilities	<u>48,453,351</u>
Deferred inflows of resources	
Net pension liability	4,324,348
Leases	89,126,861
Net OPEB liability	2,479,664
Split interest agreements	<u>899,309</u>
Total deferred inflows of resources	<u>96,830,182</u>
Net position	
Net investment in capital assets	19,441,611
Restricted unvested grant assets	344,248
Unrestricted	<u>49,253,173</u>
Total net position	<u>\$ 69,039,032</u>

See Notes to Financial Statements.

Cal Poly Pomona Foundation, Inc.

**Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2024**

Operating revenues	
Educational activities	\$ 9,376,953
Enterprise activities	54,011,524
Grants and contracts	22,077,519
Administrative and real estate activities	<u>11,638,090</u>
Total operating revenues	<u>97,104,086</u>
Operating expenses	
Educational activities	8,038,698
Enterprise activities	44,650,664
Grants and contracts	21,647,053
Administrative and real estate activities	15,464,825
Depreciation and amortization	<u>3,858,400</u>
Total operating expenses	<u>93,659,640</u>
Operating income	<u>3,444,446</u>
Nonoperating revenues (expenses)	
Investment income	4,983,792
Interest expense	(1,228,757)
Other nonoperating expenses	<u>(100,433)</u>
Net nonoperating revenues	<u>3,654,602</u>
Change in net position	7,099,048
Net position, beginning of year	<u>61,939,984</u>
Net position, end of year	<u><u>\$ 69,039,032</u></u>

See Notes to Financial Statements.

Cal Poly Pomona Foundation, Inc.

Statement of Cash Flows
Year Ended June 30, 2024

Cash flows from operating activities	
Receipts from federal grants and contracts	\$ 16,910,029
Receipts from state and local grants and contracts	3,256,373
Receipts from nongovernmental grants and contracts	1,911,117
Payments to suppliers	(47,876,940)
Payments to employees	(26,974,277)
Payments for benefits	(7,870,543)
Sales and services of educational activities	9,376,953
Sales and services of enterprise activities	43,067,076
Other receipts	8,722,814
	<u>522,602</u>
Net cash provided by operating activities	
Cash flows from noncapital financing activities	
Other noncapital financing activities	(100,433)
	<u>(100,433)</u>
Net cash used in noncapital financing activities	
Cash flows from capital and related financing activities	
Acquisitions of capital assets	(1,971,897)
Principal paid on capital debt and leases	(1,345,801)
Interest paid on capital debt and leases	(1,228,757)
Principal collections on lease receivable	938,169
Deferred inflow of leases	(1,891,583)
	<u>(5,499,869)</u>
Net cash used in capital and related financing activities	
Cash flows from investing activities	
Proceeds from sales and maturities of investments	13,431,408
Purchases of investments	(20,460,857)
Investment income	617,746
	<u>(6,411,703)</u>
Net cash used in investing activities	
Net decrease in cash and cash equivalents	(11,489,403)
Cash and cash equivalents, beginning	<u>15,819,849</u>
Cash and cash equivalents, end	<u>\$ 4,330,446</u>
Breakdown of ending cash balance	
Cash and cash equivalents	\$ 4,310,666
Restricted cash and cash equivalents	19,780
	<u>\$ 4,330,446</u>

Cal Poly Pomona Foundation, Inc.

**Statement of Cash Flows
Year Ended June 30, 2024**

Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 3,444,446
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation and amortization	3,858,400
Lease receivable additions	(435,964)
Loss on disposal of assets	21,551
Change in assets and liabilities	
Accounts receivable, net	(10,745,532)
Prepaid expenses and other assets	648,149
Deferred outflows of resources	2,332,736
Accounts payable and accounts payable to related parties	2,209,446
Accrued salaries and benefits payable	(28,369)
Accrued compensated absences	61,832
Unearned revenue	(198,916)
Net other postemployment benefits liability	(5,166,111)
Net pension liability	1,470,851
Other liabilities	(40,989)
Deferred inflows of resources	3,091,072
	<hr/>
Net cash provided by operating activities	<u>\$ 522,602</u>

See Notes to Financial Statements.

Cal Poly Pomona Foundation, Inc.
Statement of Fiduciary Net Position
June 30, 2024

	<u>Bronco Bucks</u>
Assets	
Current assets	
Cash	<u>\$ 449,840</u>
Total assets	<u>449,840</u>
Net position	
Restricted:	
Funds held for others	<u>449,840</u>
Total net position	<u><u>\$ 449,840</u></u>

See Notes to Financial Statements.

Cal Poly Pomona Foundation, Inc.

Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2024

	<u>Bronco Bucks</u>
Additions	
Program income	<u>\$ 449,840</u>
Total additions	<u>449,840</u>
Deductions	
Distributions	<u>429,553</u>
Total deductions	<u>429,553</u>
Change in fiduciary net position	20,287
Fiduciary net position, beginning of year	<u>429,553</u>
Fiduciary net position, end of year	<u><u>\$ 449,840</u></u>

See Notes to Financial Statements.

Cal Poly Pomona Foundation, Inc.

Notes to Financial Statements June 30, 2024

Note 1 - Organization

Cal Poly Pomona Foundation, Inc. (the "Foundation") was organized as a nonprofit corporation and auxiliary organization of California State Polytechnic University, Pomona (the "University") in 1966. The Foundation assists the University in several ways, through the development and administration of research and educational grants and contracts; conducting enterprise activities including dining services, bookstore/retail, a conference center/hotel, apartment style housing, continuing education, and agricultural aid to instruction; the management of Foundation programs and real estate activities; the development and administration of the Affordable Faculty/Staff housing Program, a research park, special programs, and other similar activities on behalf of the University.

Note 2 - Summary of significant accounting policies

Financial reporting entity

The Foundation is a legally separate tax-exempt component unit of the University. The University is part of the California State University ("CSU") system. Costs are allocated to specific programs and activities where applicable. Costs not identified with specific activities that relate to the full scope of the Foundation's activities are allocated to general operations.

The Foundation's Board appointments require approval from the University President, and as a result, the Foundation follows the reporting principles promulgated by the Governmental Accounting Standards Board ("GASB"). The basic financial statements present the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, Statement of Fiduciary Net Position, and Statement of Changes in Fiduciary Net Position (if applicable) of the Foundation. These statements do not purport to present financial information of the CSU system as a whole.

The Foundation is the trustee, or fiduciary, for assets that belong to students through the Bronco Bucks program. The Foundation is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The Foundation excludes these activities from their financial statements because the Foundation cannot use these assets to finance its operations.

Basis of presentation

The Foundation records revenue in part from assisting the University in various activities as described in Note 1 above and accordingly, has chosen to present its basic financial statements using the reporting model for special-purpose governments engaged only in business-type activities. This model allows all financial information for the Foundation to be reported in a single column each year in each of the basic financial statements. The effect of any internal activity between funds or groups of funds has been eliminated from these basic financial statements.

Basis of accounting

The accompanying basic financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"), as prescribed by the GASB. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position, if applicable. The Foundation's fiduciary funds only include

Cal Poly Pomona Foundation, Inc.

Notes to Financial Statements June 30, 2024

Custodial Funds, which are used to report fiduciary activities where the Foundation does not control the assets, intended for the benefit of the students. These assets are not held in a trust and are utilized by students through charges on campus on the Bronco Bucks cards. The Custodial Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting in accordance with GASB Statement No. 84, *Fiduciary Activities*.

Classification of current and noncurrent assets and liabilities

The Foundation considers assets to be current that can reasonably be expected, as part of its normal business operations, to be converted to cash and be available for liquidation within twelve months of the date of the statement of net position. Liabilities that reasonably can be expected, as part of normal Foundation business operations, to be liquidated within twelve months of the date of the statement of net position are considered to be current. All other assets and liabilities are considered to be noncurrent.

Federal grants and contracts

The Foundation serves as administrator for various grants and contracts awarded by governmental and private institutions. Amounts administered by the Foundation are recorded as revenue and expense, respectively, in the financial statements.

Cash and cash equivalents

The Foundation considers all highly-liquid investments with an original maturity date of three months or less to be cash equivalents.

Accounts receivable

Accounts receivable include receivables due from federal, state and local governments for contract and grant reimbursements. Accounts receivable also include receivables from enterprise sales and services and for real estate rents and leases. Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Foundation provides for losses on accounts receivable using the allowance method. The allowance is based on the length of time the receivable has been outstanding.

Leases receivable

Leases receivable include receivables that are recognized at the net present value of the leased assets, at a borrowing rate either explicitly described in the lease agreement or as implicitly determined by the Foundation, reduced by principal payments received.

Inventories

Inventories are presented at the lower of cost or net realizable value based on the average cost method and are expensed when used. Inventory consists of textbooks held for resale in the bookstore, ancillary instructional materials, apparel and other supplies held for educational purposes.

Investments

Investments are reflected at fair value using quoted market prices or net asset value ("NAV"). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses are included in the Statement of Revenues, Expenses, and Changes in Net Position as investment income, net.

The Foundation's general investment policy authorizes the investment of excess funds in a range of investments to seek an average total annual return of 2.0% plus the percentage change in the greater Higher Education Price Index ("HEPI").

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These investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities may occur in the near term and that such change could materially affect the financial statements. Although the market value of investments is subject to fluctuations, management believes the investment policies are prudent for the long-term welfare of the Foundation.

Lease assets

Lease assets are assets which the Foundation leases for a term of more than one year. The value of the lease assets is determined by the net present value of the leases using the interest rate implicit in the lease, or if not determinable, the Foundation's incremental borrowing rate at the time of the lease agreement, amortized over the term of the lease.

Capital assets

Capital assets are stated at cost or estimated historical cost if purchased or if donated, at estimated acquisition value at date of donation. Capital assets with a value of less than \$5,000 are not capitalized. Title to all assets, whether purchased, constructed, or donated, is held by the Foundation or title to an asset is transferred to the University and not included in the Foundation's capital assets. Depreciation is determined using the straight-line method over the estimated lives of the assets ranging from 3 to 40 years. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful lives or the term of the lease. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized.

Deferred outflows of resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

The deferred outflows of resources related to the net pension and other postemployment benefit ("OPEB") liabilities resulted from changes in actuarial assumptions, contributions to the pension and OPEB plans made subsequent to the measurement date of the actuarial valuations for the pension and OPEB plans, net difference between projected and actual earnings on plan investments, and differences between expected and actual actuarial experience in measuring plan liabilities. In addition, deferred outflows related to the net pension liability resulted in changes in its proportionate share of the net pension liability, as well as differences between actual contributions and its proportionate share of contributions.

Unearned revenue

Unearned revenue consists primarily of funds received in advance of earnings related to enterprise activities and continuing education.

Other liabilities

Other liabilities consist of grant and contracts funds received in advance of expenditures and the remainder interest associated with charitable remainder trust agreements.

Pension liability

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California Public Employees' Retirement System ("CalPERS") plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported

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by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value.

Net OPEB liability

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, the fiduciary net position of the Foundation's plans and additions to/ deductions from the Plans' fiduciary net position have been determined by Actuarial Standards of Practice and applicable Federal and State laws.

Unitrust liability

The Foundation administers irrevocable charitable remainder trusts that provide for the payment of lifetime distributions to the trustors or other designated beneficiaries. Upon the demise of the lifetime beneficiary, the trusts and gift annuities provide for the distribution of assets to the Foundation for the benefit of the campus. Remainder trust and gift annuity funds designated to the campus are recorded as deferred inflow per GASB 81 in the accompanying financial statements in the years received and as a donation in the year the trust matures. The fair value of the trusts' assets has been included in the accompanying statement of net position and a corresponding liability has been recorded to reflect the present value of required lifetime payments to the named beneficiaries.

Deferred inflows of resources

Deferred inflows of resources represent an acquisition of net position by the Foundation that is applicable to a future period and thus, will not be recognized as an inflow of resources (income) until then. The Foundation has a deferred gain on split interest agreements with charitable trusts and an advance refunding, resulting from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The deferred inflows of resources related to the net pension and OPEB liabilities resulted from changes in actuarial assumptions, differences between expected and actual experience, and net difference between projected and actual earnings on pension and OPEB plan investments. In addition, deferred inflows related to the net pension liability include changes in its proportionate share of the net pension liability and difference between contributions and proportionate share of contributions.

Deferred inflows also include changes as impacted by the implementation of GASB Statement No. 87 for single model lease accounting as the lessor.

Net position

The Foundation's net position is classified into the following categories:

Net investment in capital assets - Capital assets, net of accumulated depreciation, amortization, and outstanding principal balances of debt and lease liabilities attributable to the acquisition, construction, or improvement of those assets.

Restricted - expendable - Amounts subject to externally imposed conditions that can be fulfilled by the actions of the Foundation or by the passage of time. When both restricted and unrestricted resources are available for use, it is the Foundation's policy to use restricted resources first, then unrestricted resources as they are needed.

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Notes to Financial Statements June 30, 2024

Unrestricted - All other categories of net position. In addition, unrestricted net position may be designated for use by the Foundation's Board of Directors.

Classification of revenues and expenses

The Foundation considers operating revenues and expenses in the Statement of Revenues, Expenses, and Changes in Net Position to be those revenues and expenses that result from exchange transactions or from other activities that are connected directly to the Foundation's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Certain other transactions are reported as nonoperating revenues and expenses in accordance with GASB Statement No. 33. These nonoperating activities include the Foundation's net investment income, interest expense, transfer of assets to the University, and transfer of assets to the Philanthropic Foundation.

Income taxes

The Foundation is organized under the nonprofit public benefit laws of California and is recognized as an exempt organization for both federal and California purposes under Section 501(c)(3) and 23701(d), respectively.

The Foundation has evaluated its tax positions and the certainty as to whether those tax positions will be sustained in the event of an audit by taxing authorities at the federal and state levels. The primary tax positions evaluated are related to the Foundation's continued qualification as a tax-exempt organization and whether there are unrelated business income activities conducted that would be taxable. Management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required.

Estimates

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, revenues, and expenses in the accompanying basic financial statements. Actual results could differ from those estimates.

Subsequent events

The Foundation has evaluated subsequent events through September 20, 2024, which is the date the financial statements were available to be issued.

Note 3 - Credit risk

Custodial credit risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Foundation's deposits may not be returned. The cash and cash equivalents of the Foundation are maintained at financial institutions and are fully insured up to \$250,000 per financial institution or collateralized.

Securities Investor Protection Corporation ("SIPC") protects against the loss of cash and securities - such as stocks and bonds - held by a customer at a financially-troubled SIPC member brokerage firm. The limit of SIPC protection is \$500,000, which includes a \$250,000 limit for cash.

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Foundation will not be able to recover the value of its investments that are in the possession of the counterparty. As of June 30, 2024, all investments are in the name of the Foundation, and the Foundation is not exposed to custodial credit risk associated with its investments.

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**Notes to Financial Statements
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Following is a list of acceptable instruments to invest in as of June 30, 2024:

Description	General portfolio
Money market funds	X
Certificate of deposits	X
Common and preferred stocks	
U.S. Government or agency obligations	X
International bonds	X
Mortgage-backed securities	X
Corporate debt	X
Repurchase agreements	X
Mutual funds (debt or equity)	X
Real Estate Investment Trusts	
Real estate	X
Real assets	X
Alternative investments	X
Hedge funds	
Private equity	

Interest rate risk

This is the risk of loss due to the fair value of an investment falling due to rising interest rates. As a means of limiting its exposure to fair value losses from rising interest rates, in accordance with its investment policies, the Foundation limits and diversifies non-investment grade debts. The limit is 10%, or less, of the market value of fixed-income asset class in the portfolio and must invest in mutual or exchange-traded funds.

As of June 30, 2024, all mutual funds invested in fixed income securities, with total fair value of \$200,717, have a duration between one and four years, and were included in general investments.

Credit risk

This is the risk that an issuer or other counterparty to a debt instrument will not fulfill its obligations. This is measured by the assignment of ratings by nationally recognized statistical rating organizations. Specifically, the Foundation's investment policy requires that corporate debt must carry an investment grade rating by at least two of three rating agencies at the time of purchase. The debt mutual funds are unrated.

The Foundation had the following investments subject to credit risk:

Investment type	Rating (S&P/Moody's)	Fair value
Fixed income mutual funds	AA- through AA+	\$ 200,717
Corporate bonds	BB- through BB+	9,973,202
US treasury securities	AAA	-

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At June 30, 2024, the Foundation's fixed income securities have the following maturities:

	<u>1 year</u>	<u>1 - 5 years</u>	<u>5 - 10 years</u>	<u>Over 10 years</u>	<u>Total</u>
Fixed income mutual funds	\$ -	\$ 200,717	\$ -	\$ -	\$ 200,717
Corporate bonds	9,751,519	-	-	221,683	9,973,202
	<u>\$ 9,751,519</u>	<u>\$ 200,717</u>	<u>\$ -</u>	<u>\$ 221,683</u>	<u>\$ 10,173,919</u>

Concentration of credit risk

Financial instruments which potentially subject the Foundation to concentrations of credit risk include cash and cash equivalents. The Foundation maintains its cash and cash equivalents and investments with high-credit quality financial institutions, which typically exceeds the federally insured limits. The Foundation has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Foundation's investments are subject to various risks, such as interest rate, credit and overall market volatility risks. Further, because of the significance of the investments to the Foundation's financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of these investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements. Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes.

In order to maximize returns in the investment portfolio while preserving capital, the Foundation's investment policy provides for a range asset allocation as follows:

<u>Asset class</u>	<u>Target asset mix table general investments range</u>
Equities	10 - 65%
Domestic equities	N/A
International equities	N/A
Fixed income - mutual funds	40 - 85%
Cash equivalents	0 - 20%
Real estate	0 - 10%
Real assets	0 - 10%
Alternative investments	0 - 25%
Hedge funds	N/A
Private equity	N/A

As of June 30, 2024, the Foundation was not exposed to concentration of credit risk as there were no investments in a single issuer in excess of 5%.

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Notes to Financial Statements June 30, 2024

Note 4 - Cash, and cash equivalents

Cash and cash equivalents as of June 30, 2024, are composed of the following:

Cash on hand	\$	2,494
Cash in bank		998,791
Cash and cash equivalents		3,309,381
Restricted cash and cash equivalents		<u>19,780</u>
	\$	<u>4,330,446</u>

Cash in banks

The *California Government Code* requires California banks and savings and loan associations to secure the Foundation's deposits. Obligations pledged to secure deposits must be delivered to an institution other than the institution in which the deposit is made; however, the trust department of the same institution may hold them. Written custodial agreements are required that provide, among other things, that the collateral securities are held separate from the assets of the custodial institution. The pledge to secure deposits is administered by the California Superintendent of Banks. The market value of pledged securities must equal 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure an agency's deposits by pledging first trust deeds or first mortgages having a value of 150% of an agency's total deposits. All such collateral is considered to be held by the pledging financial institutions' trust departments or agents in the name of the Foundation. At June 30, 2024, cash held by financial institutions for the Foundation of \$6,242,623 was insured and collateralized as described above. At June 30, 2024, the book balance for the Foundation was \$998,791, cash and cash equivalents was \$3,309,381 and restricted cash and cash equivalents was \$19,780.

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of receivables and cash accounts in financial institutions. The total cash balances are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per institution. As of June 30, 2024, the Foundation's bank deposits exceeded the balance insured by the FDIC by \$5,992,623. The Foundation monitors its financial institutions and the concentration of credit risk on a regular basis and does not anticipate nonperformance by the financial institutions.

Note 5 - Investments

At June 30, 2024, investments consist of the following:

Common stocks	\$	26,631,688
Corporate bonds		9,973,202
Indexed annuity		238,330
Fixed income mutual funds		200,717
Local agency investment fund		104,266
Alternative investments		<u>7,224,929</u>
Total investments		<u>44,373,132</u>
Less short-term investments		<u>42,858,571</u>
Long-term investments	\$	<u>1,514,561</u>

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Fair value measurements

Investments are presented in the financial statements at fair value in accordance with GAAP. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. Valuation techniques are used to determine fair value which consists of the market, cost and income approach.

In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The carrying value of cash, receivables, and payables approximates fair value as of June 30, 2024 due to the relative short maturities of these instruments.

At June 30, 2024, the investments are carried at fair value and are classified in the table below in one of the three categories as described above:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Investments measured at NAV</u>	<u>Total</u>
Common stocks	\$ 26,631,688	\$ -	\$ -	\$ -	\$ 26,631,688
Corporate bonds	-	9,973,202	-	-	9,973,202
Indexed annuity	238,330	-	-	-	238,330
Fixed income mutual funds	200,717	-	-	-	200,717
Local agency investment fund	-	-	-	104,266	104,266
Alternative investments	-	-	-	7,224,929	7,224,929
Total	<u>\$ 27,070,735</u>	<u>\$ 9,973,202</u>	<u>\$ -</u>	<u>\$ 7,329,195</u>	<u>\$ 44,373,132</u>

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Common stocks, indexed annuities, and fixed income mutual funds categorized as Level 1 are valued based on prices quoted in active markets for those securities. Corporate bonds and U.S. treasury securities categorized as Level 2 are valued using a matrix pricing technique that values securities based on their relationship to benchmark quoted prices.

At June 30, 2024, the Foundation has the following investments in limited partnerships that calculate net asset value ("NAV") per share:

Description	NAV	Unfunded commitments	Redemption terms	Redemption notice period
Private Equity Funds				
Atalaya Sof TE IX	\$ 56,499	\$ 193,501	None	None
Fortress Lending IV A (FO)	7,500	242,500	None	None
Fortress Lending IV A (FO) CPV	17,500	-	None	None
Premier LCP X Offshore	122,314	278,285	None	None
Premier LCP X Offshore CPV	40,190	-	None	None
Hamilton Lane	2,712,082	616,666	None	None
Blue Owl	58,372	273,115	None	None
Hedge Funds				
Coatue Offshore	294,560	-	Quarterly	45 Calendar Days
Hudson Bay Ltd - Advisory	870,355	-	Quarterly	60 Days
Schonfeld Ltd	911,261	-	Quarterly	45 Calendar Days
Seg Partners Offshore Class I	299,892	-	Quarterly	60 Days
Third Point	263,752	-	Quarterly	60 Days
Hedge Funds - Shares				
Blackstone BCRED	261,024	-	Monthly	3 Days
BREIT CL I	521,266	-	Monthly	3 Days
HP/Starboard Value Ltd	304,045	-	Quarterly	90 Calendar Days
Partners Group Pe - I	484,317	-	Quarterly	Tender Window
	<u>\$ 7,224,929</u>	<u>\$ 1,604,067</u>		

Investment earnings

Net investment income was \$4,983,792 for the year ended June 30, 2024, which is comprised of interest, dividends, realized gains and losses, and unrealized gains and losses due to changes in the fair value of investments held at year-end, net of investment fees. Investment income or losses are distributed ratably to participating funds.

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Note 6 - Accounts receivable

The following is a summary of accounts receivable at June 30, 2024:

Real estate	\$	2,855,218
Enterprise activities		3,251,318
Grants and contracts		4,710,537
Educational activities		1,354,217
Less allowance for uncollectible amounts		<u>(173,381)</u>
Subtotal accounts receivable		11,997,909
Due from related parties		<u>13,878,438</u>
Total accounts receivable		25,876,347
Less due from related parties		13,878,438
Less current accounts receivable		<u>9,685,780</u>
Noncurrent accounts receivable	\$	<u><u>2,312,129</u></u>

Note 7 - Capital assets

The capital assets balance at June 30, 2024, consists of the following activity:

	Balance July 1, 2023	Increases	Decreases	Transfers	Balance June 30, 2024
Capital assets, not being depreciated					
Land	\$ 7,102,910	\$ -	\$ -	\$ -	\$ 7,102,910
Construction in progress	<u>564,814</u>	<u>1,243,154</u>	<u>-</u>	<u>(1,069,885)</u>	<u>738,083</u>
Total capital assets not being depreciated	<u>7,667,724</u>	<u>1,243,154</u>	<u>-</u>	<u>(1,069,885)</u>	<u>7,840,993</u>
Capital assets being depreciated					
Buildings and building improvements	37,099,620	-	1,267,547	774,017	36,606,090
Orchards	143,638	-	-	-	143,638
Infrastructure	8,651,467	-	-	-	8,651,467
Equipment, furniture and vehicles	13,095,061	728,743	124,464	295,868	13,995,208
Right-of-use leases					
Land and building	21,410,300	-	-	-	21,410,300
Equipment, furniture and vehicles	<u>31,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,339</u>
Total capital assets being depreciated	<u>80,431,425</u>	<u>728,743</u>	<u>1,392,011</u>	<u>1,069,885</u>	<u>80,838,042</u>
Total capital assets	<u>88,099,149</u>	<u>1,971,897</u>	<u>1,392,011</u>	<u>-</u>	<u>88,679,035</u>
Less accumulated depreciation/amortization for					
Buildings and building improvements	30,903,251	1,230,243	1,267,547	-	30,865,947
Orchards	134,896	1,177	-	-	136,073
Infrastructure	3,224,962	216,255	-	-	3,441,217
Equipment, furniture and vehicles	11,409,951	697,613	102,913	-	12,004,651
Right-of-use leases					
Land and building	3,406,411	1,703,597	-	-	5,110,008
Equipment, furniture and vehicles	<u>15,532</u>	<u>9,515</u>	<u>-</u>	<u>-</u>	<u>25,047</u>
Total accumulated depreciation	<u>49,095,003</u>	<u>3,858,400</u>	<u>1,370,460</u>	<u>-</u>	<u>51,582,943</u>
Depreciable assets, net	<u>31,336,422</u>	<u>(3,129,657)</u>	<u>21,551</u>	<u>1,069,885</u>	<u>29,255,099</u>
Total capital assets - net	<u>\$ 39,004,146</u>	<u>\$ (1,886,503)</u>	<u>\$ 21,551</u>	<u>\$ -</u>	<u>\$ 37,096,092</u>

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For the year ended June 30, 2024, depreciation expense was \$2,145,288 and amortization expense was \$1,713,112.

Note 8 - Lease receivables

Lease receivable income was \$2,131,911 for the year ended June 30, 2024, which is comprised of \$938,169 of principal payments and \$1,193,742 of interest payments.

Lease receivables consists of the following as of June 30, 2024:

Name	Balance June 30, 2023	Additions	Principal payments	Balance June 30, 2024
Acroscience	\$ 34,105	\$ -	\$ 15,948	\$ 18,157
American National Red Cross	18,850,588	-	186,683	18,663,905
Biomedix	352,453	-	65,736	286,717
Biomedix	158,397	-	45,672	112,725
Blair, Church & Flynn Consulting Engineers	21,850	65,738	21,850	65,738
Circle Wood	104,343	-	104,343	-
Mesa	540,106	-	263,482	276,624
Titan Oil Recovery I, Inc.	98,317	-	73,267	25,050
Titan Oil Recovery II, Inc.	-	370,226	36,709	333,517
Southern California Edison III	18,861,230	-	28,941	18,832,289
Southern California Edison IV	22,483,468	-	79,643	22,403,825
Southern California Edison V	32,442,362	-	15,895	32,426,467
	<u>\$ 93,947,219</u>	<u>\$ 435,964</u>	<u>\$ 938,169</u>	<u>\$ 93,445,014</u>

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Lease agreements where the Foundation is the lessor are summarized as follows:

Tenant	Address	Unit/Suite#	Lease Start Date	Lease End Date	Lease term (months)	Discount Rate	Base monthly rent	Increase % per year	Current payment per month
Acroscience	3670 West Temple Ave., Pomona, CA 91768	135	8/1/2022	7/31/2025	36	1.86%	\$ 1,133	3% - 2nd yr 3% - 3rd yr	\$ 1,374
American National Red Cross	Lease land within the Innovation Village Project	-	5/1/2003	4/30/2058	660	1.86%	\$ 29,948	2%-5% per year based on CPI	\$ 44,596
Biomedix	3670 West Temple Ave., Pomona, CA 91768	277	10/1/2021	9/30/2026	60	1.86%	\$ 3,816	3% - 2nd yr 3% - 3rd yr 4% - 4th yr 4% - 5th yr	\$ 4,048
Biomedix	3670 West Temple Ave., Pomona, CA 91768	195 & 196	4/1/2023	3/31/2028	60	1.86%	\$ 5,904	Based on CPI rate	\$ 6,199
Blair, Church & Flynn Consulting Engineers	3670 West Temple Ave., Pomona, CA 91768	110	6/15/2021	6/30/2027	72	5.35%	\$ 1,915	3% - 2nd yr 3% - 3rd yr	\$ 1,839
Circle Wood	3670 West Temple Ave., Pomona, CA 91768	273 & 275	7/1/2019	6/30/2024	60	1.86%	\$ 7,804	3% - 2nd yr 3% - 3rd yr 3% - 4th yr 3% - 5th yr	\$ 8,783
Mesa	3670 West Temple Ave., Pomona, CA 91768	150, 151, 152, 153, 154, 191, 192, 193, 194 & 279	7/1/2020	6/30/2025	60	1.86%	\$ 20,688	3% - Months 13-24 3% - Months 25-36 3% - Months 37-48 3% - Months 49-60	\$ 22,606
Southern California Edison III	Lease land within the Innovation Village Project	-	4/14/2006	4/14/2081	900	1.30%	\$ 16,941	Based on CPI rate	\$ 22,830
Southern California Edison IV	Lease land within the Innovation Village Project	-	1/15/2009	1/15/2084	900	0.90%	\$ 16,154	Based on CPI rate	\$ 21,860
Southern California Edison V	Lease land within the Innovation Village Project	-	11/11/2014	4/1/2089	900	1.10%	\$ 26,461	Based on CPI rate	\$ 33,190
Titan Oil Recovery I, Inc.	3670 West Temple Ave., Pomona, CA 91768	270	11/1/2021	10/31/2024	36	5.35%	\$ 5,869	3% - 2nd yr 3% - 3rd yr	\$ 6,287
Titan Oil Recovery II, Inc.	3670 West Temple Ave., Pomona, CA 91768	240 & 271	12/1/2023	11/30/2028	60	5.12%	\$ 6,529	3% - 2nd yr 3% - 3rd yr	\$ 6,529

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Future payments due to the Foundation are as follows for the years ended June 30:

Fiscal year	Principal	Interest	Principal and interest
2025	\$ 866,568	\$ 1,175,495	\$ 2,042,063
2026	595,530	1,160,145	1,755,675
2027	595,281	1,147,204	1,742,485
2028	584,333	1,134,505	1,718,838
2029	502,890	1,123,449	1,626,339
2030-2034	2,996,885	5,491,716	8,488,601
2035-2039	4,122,302	5,230,561	9,352,863
2040-2044	5,422,627	4,882,609	10,305,236
2045-2049	6,920,283	4,434,226	11,354,509
2050-2054	8,640,792	3,869,971	12,510,763
2055-2059	9,356,795	3,184,957	12,541,752
2060-2064	6,805,523	2,706,921	9,512,444
2065-2069	8,170,707	2,298,053	10,468,760
2070-2074	9,712,313	1,809,084	11,521,397
2075-2079	11,449,767	1,229,682	12,679,449
2080-2084	10,920,067	578,823	11,498,890
2085-2089	5,782,351	155,029	5,937,380
	<u>\$ 93,445,014</u>	<u>\$ 41,612,430</u>	<u>\$ 135,057,444</u>

Note 9 - Lease liabilities

Lease liabilities consists of the following as of June 30, 2024:

Name	Balance June 30, 2023	Additions	Principal payments	Balance June 30, 2024
Ricoh Copier/Printer	\$ 7,356	\$ -	\$ 2,322	\$ 5,034
Ricoh Copier/Printer	1,231	-	1,231	-
Ricoh Copier/Printer	3,797	-	3,792	5
Ricoh Copier/Printer	3,156	-	2,228	928
CTTI - Tech Park Ground	583,902	-	288,252	295,650
University Village (Phase III) Ground	18,400,840	-	1,047,976	17,352,864
	<u>\$ 19,000,282</u>	<u>\$ -</u>	<u>\$ 1,345,801</u>	<u>\$ 17,654,481</u>

Cal Poly Pomona Foundation, Inc.

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Lease agreements where the Foundation is the lessee are summarized as follows:

Description	Address	Lease start date	Lease end date	Lease term (months)	Current payment per month
Ricoh Copier/Printer	Research Office 3801 W. Temple, Bldg. 1, RM 224, Pomona, CA 91768-2557	N/A	N/A	Month-to-month	\$ 216
Ricoh Copier/Printer	CPGE 3801 W. Temple, Bldg. 220C Pomona, CA 91768-2557	N/A	N/A	Month-to-month	\$ 316
Ricoh Copier/Printer	Kellogg West 3801 W. Temple Ave., Bldg. 76, Pomona, CA 91768-2557	8/23/2021	8/31/2026	60	\$ 194
Ricoh Copier/Printer	University Village 3801 W. Temple Ave., Pomona, CA 91768-2557	4/29/2021	8/31/2024	40	\$ 72
Ricoh Copier/Printer	Research Office 3801 W. Temple, Bldg. 1, RM 55, Pomona, CA 91768-2557	8/14/2019	8/31/2024	60	\$ 223
Ricoh Copier/Printer	Bronco Bookstore 3801 W. Temple Ave., Bldg. 66, Pomona, CA 91768-2557	10/29/2019	10/31/2024	60	\$ 186
Center for Training, Technology & Incubation - Tech Park Ground Lease	3650-3670 W. Temple Avenue, Pomona, CA 91768	8/1/2000	11/30/2024	292	\$ 23,868
University Village (Phase I, II, III) Ground Lease	3400 Poly Vista, Pomona CA 91768	5/1/2003	11/30/2035	391	\$ 85,141

Annual requirements to amortize long-term obligations and related interest are as follows for the years ending June 30:

Fiscal year	Principal	Interest	Principal and interest
2025	\$ 1,329,452	\$ 329,113	\$ 1,658,565
2026	1,386,462	303,717	1,690,179
2027	1,408,699	275,358	1,684,057
2028	1,392,014	244,088	1,636,102
2029	1,414,034	216,924	1,630,958
2030 - 2034	7,514,537	666,824	8,181,361
2035 - 2039	3,209,283	61,192	3,270,475
	<u>\$ 17,654,481</u>	<u>\$ 2,097,216</u>	<u>\$ 19,751,697</u>

Cal Poly Pomona Foundation, Inc.

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Note 10 - Long-term liabilities

A schedule of changes in long-term liabilities for the year ended June 30, 2024 is shown below:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Amount due within one year
Lease liability	\$ 19,000,282	\$ -	\$ 1,345,801	\$ 17,654,481	\$ 1,329,452
Compensated absences	762,434	512,076	450,244	824,266	824,266
Net pension liability	13,376,813	1,470,851	-	14,847,664	-
Unitrust liability	725,271	-	86,872	638,399	-
Net OPEB liability	7,604,028	-	5,166,111	2,437,917	-
	<u>\$ 41,468,828</u>	<u>\$ 1,982,927</u>	<u>\$ 7,049,028</u>	<u>\$ 36,402,727</u>	<u>\$ 2,153,718</u>

Note 11 - Transactions with related parties

California State Polytechnic University, Pomona

The Foundation and the University provide various services on each other's behalf. Such services are appropriately billed. At June 30, 2024, receivables from other activities and due from the University are \$13,093,348. Accounts payable include \$1,445,740 due to the University at June 30, 2024.

The Foundation made payments of \$11,597,525 to the University during the current fiscal year based on the agreements. Amounts paid to the Foundation during fiscal year 2023-24 totaled \$21,813,503.

During fiscal year 2023-24, the Foundation transferred assets totaling \$224,273 comprised of building improvements, equipment and renovations to various facilities at the University. The University assumed ownership and management of the building improvements, equipment and facilities.

Cal Poly Pomona Philanthropic Foundation ("Philanthropic Foundation")

The Foundation and Philanthropic Foundation are subject to a Support Services Agreement, effective July 1, 2019, wherein the Foundation provides fiscal and administrative services to the Philanthropic Foundation. Such services are appropriately billed. Amounts paid by the Foundation during fiscal year 2023-24 totaled \$497,562. Amounts paid to the Foundation during fiscal year 2023-24 totaled \$2,997,262.

At June 30, 2024, accounts payable due to the Philanthropic Foundation totaled \$4,206. Accounts receivable due from the Philanthropic Foundation totaled \$576,420.

Cal Poly Pomona Associated Students ("ASI")

The Foundation and ASI provide various services on each other's behalf. Such services are appropriately billed. Amounts paid by the Foundation during fiscal year 2023-24 totaled \$945,833. Amounts paid to the Foundation during fiscal year 2023-24 totaled \$267,440.

At June 30, 2024, receivables from other activities and due from ASI are \$208,670. Accounts payable due from the Foundation to ASI at June 30, 2024 totaled \$376,398.

Cal Poly Pomona Foundation, Inc.

**Notes to Financial Statements
June 30, 2024**

Note 12 - Pension plan - California Public Employees' Retirement System ("CalPERS")

The Foundation participates in a cost sharing multiple-employer defined benefit plan through the CalPERS which covers substantially all regular full-time employees of the Foundation. CalPERS acts as a common investment and administrative agent for participating public entities with the state of California and reports information to the Foundation in accordance with reporting standards established by the GASB.

Plan description

Qualified employees are eligible to participate in the Public Agency Cost-Sharing Multiple Employer Plan under the CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The Public Agency Cost-Sharing Multiple-Employer Plan is comprised of a Miscellaneous Risk Pool and a Safety Risk Pool. Individual employers may sponsor more than one Miscellaneous or Safety plan. The Foundation sponsors three Miscellaneous Risk Pool plans, however, the information presented represents the sum of the allocated pension amounts for each of the Foundation's respective plans (the "Plan"). The Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

Benefits provided

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to eligible plan members. Benefits are based on years of service credit, a benefit factor and the member's final compensation. All members are eligible for employment related disability benefits regardless of length of service and nonduty disability benefits after five years of service. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. The Post-Retirement Death Benefit is a one-time payment made to a retiree's designated survivor or estate upon the retiree's death. The Basic Death Benefit is a lump sum paid to any member's beneficiary if the member dies while actively employed. The spouse or registered domestic partner of a deceased member, who was eligible to retire for service at the time of death, may elect to receive the Pre-Retirement Option 2W Death Benefit in lieu of the Basic Death Benefit lump sum. The Pre-Retirement Option 2W Death Benefit is a monthly allowance equal to the amount the member would have received if they had retired for service on the date of death and elected Option 2W, the highest monthly allowance a member can leave a spouse or domestic partner. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The First Tier Plan closed to new entrants on or after June 26, 2011. The Second Tier Plan was closed to new entrants on or after December 31, 2012.

The Plan provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous Risk Pool		
	First Tier Plan	Second Tier Plan	PEPRA Misc Plan
Hire date:	On or Before June 25, 2011	June 26, 2011 December 31, 2012	On or after January 1, 2013
Benefit formula:	2% at 55	2% at 60	2% at 62
Benefit vesting schedule:	5 years of service	5 years of service	5 years of service
Benefit payments:	Monthly for life	Monthly for life	Monthly for life
Retirement age:	55	60	62
Required employee contribution rate:	6.92%	6.93%	7.75%
Required employer contribution rate:	13.84%	10.10%	7.68%

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Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are determined annually through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Foundation is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2024 are presented above and the total Foundation contributions were \$2,126,518.

Pension liabilities, pension expense, deferred outflows of resources, and deferred inflows of resources related to pensions

As of June 30, 2024, the Foundation reported net pension liabilities for its proportionate share of the Miscellaneous Risk Pool net pension liability totaling \$14,847,664. The net pension liability was measured as of June 30, 2023. The Foundation's proportion of the net pension liability was based on a projection of the Foundation's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the Foundation's proportion was 0.0029693, which increased from 0.0022859 in the prior year.

For the year ended June 30, 2024, the Foundation recognized pension expense of \$4,651,637. At June 30, 2024, the Foundation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 2,126,518	\$ -
Differences between expected and actual experience	-	-
Net difference between projected and actual earnings on pension plan investments	2,659,496	2,139,330
Effect of change in proportion	-	2,054,849
Difference between contributions and proportionate share of contributions	839,122	130,169
Changes of assumptions	991,705	-
	\$ 6,616,841	\$ 4,324,348

The deferred outflow of resources related to pensions resulting from Foundation contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

The net differences between projected and actual earnings on plan investments is amortized over a five-year period on a straight-line basis. One-fifth is recognized in pension expense during the measurement period and the remaining amount is deferred and will be amortized over the remaining four-year period. The remaining net differences between projected and actual earnings on plan investments shown above represents the unamortized balance relating to the current measurement period and the prior measurement period on a net basis.

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**Notes to Financial Statements
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All other deferred inflows of resources and deferred outflows of resources are amortized over the expected average remaining service life ("EARSL") of the plan participants. The EARSL for the Miscellaneous Plan for the June 30, 2023 measurement date is 3.8 years.

The amortization is recognized in pension expense for the year the gain or loss occurs. The remaining amounts are deferred and will be amortized over the remaining periods not to exceed 3.8 years.

The deferred inflows of resources and outflows of resources will be recognized in pension expense as follows:

<u>Years Ending June 30</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2025	\$ (1,140)
2026	(1,140)
2027	38,214
2028	130,041
	<u>\$ 165,975</u>

During the fiscal year ended June 30, 2024, the Foundation made contributions to the pension plan after the measurement date of \$2,126,518, which will reduce the deferred outflows of resources and deferred inflows of resources above. Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner in accordance with GASB 68.

Changes in benefit terms

In 2022, SB 1168 increased the standard retiree lump sum death benefit from \$500 to \$2,000 for any death occurring on or after July 1, 2023. For pooled plans this is a Class 3 benefit and there is no normal cost surcharge. The impact on the unfunded liability is included in the pool's differences between expected and actual experience.

Changes in assumptions

Amounts reported for the measurement period ended June 30, 2023 reflect no changes.

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Actuarial methods and assumptions

For the measurement period ended June 30, 2023, the total pension liability was determined by rolling forward the June 30, 2022 actuarial accounting valuation. The June 30, 2023 total pension liability was based on the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial Assumptions:	
Discount rate	6.90%
Consumer price Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality rate table	Derived using CalPERS' Membership Data for all Funds
and review of actuarial assumptions	Based on December 2017
Post Retirement benefits increase	2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 15 years of mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The expected real rates of return by asset class are as followed:

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10 ^{1,2}
Global equity - cap-weighted	30.00%	4.54%
Global equity non-cap-weighted	12.00	3.84
Private equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed securities	5.00	0.50
Investment grade corporates	10.00	1.56
High yield	5.00	2.27
Emerging market debt	5.00	2.48
Private debt	5.00	3.57
Real assets	15.00	3.21
Leverage	(5.00)	(0.59)

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021-22 Asset Liability Management study.

Discount rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made

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**Notes to Financial Statements
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at statutory contribution rates, actuarially determined. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the Foundation's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

<u>Discount Rate</u>	<u>Net Pension Liability</u>
1% decrease (5.9%)	\$ 23,960,916
Current discount rate (6.9%)	14,847,664
1% increase (7.9%)	7,346,675

Plan fiduciary net position

Detailed information about CalPERS Miscellaneous Risk Plan fiduciary net position is available in a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Note 13 - Other postretirement healthcare benefits ("OPEB") plan

Plan description

The Foundation sponsors a single-employer defined benefit postretirement health care plan to pay a portion of the retiree's insurance premiums. Based on the eligibility criteria shown below, this plan allows for employer paid retiree healthcare premiums for the retiree and their dependents. A retiree is eligible to enroll in the Plan on an annual basis during open enrollment or at any time the retiree experiences a qualifying event as defined by COBRA regulations.

Beginning in the fiscal year ended June 2011 the Foundation participated in the Auxiliaries Multiple Employer VEBA (Voluntary Employees' Beneficiary Association). The Auxiliaries Multiple Employer VEBA is a separate 501(c)(9) organization established in August 2010 to assist in funding post-retirement healthcare benefits for recognized auxiliaries of the California State University System. The Auxiliaries Multiple Employer VEBA issues separate audited financial statements. Copies of the annual report may be obtained from Keenan Associates, 2355 Crenshaw Blvd., Suite 200, Torrance, CA 90501.

The Auxiliaries Multiple Employer VEBA Board is comprised of at least three Trustees and no more than 16 Trustees. The Board consists of at least three officers, a Chairman, a Vice Chair and a Past Chair who serve one, one-year term in each officer seat. The Vice Chair is selected by the Nominating Committee and elected by a majority vote of the primary member of the participating auxiliaries. The Trustees of the Board are nominated by their respective auxiliary and elected by a majority vote of the primary member of the participating auxiliaries.

Eligibility and benefits

The Foundation pays a portion of the health care premium for an eligible retiree, eligible retiree plus one and eligible retiree plus two or more dependents. Eligibility is determined as a combination of age and service. The Foundation's portion of the health care premium is fixed at an annual increase of 5% as approved by the Board of Directors. A minimum of 1,720 hours of compensated employment in a regular benefited full time status qualifies as one year of service. Employees who

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retired before July 1, 2004 with at least five years of service and were age 50 or older qualify for 100% of the eligible portion of the premiums paid by the Foundation.

Employees who were hired before October 1, 2004, are at least 50 years of age, and have attained 10 years of service qualify to have 75% of the eligible portion of the premiums paid by the Foundation. For each additional year of service, the Foundation will increase the eligible portion of the premium by 5% until the employee attains 15 years of service and 100% of the eligible portion of the premiums paid by the Foundation. Additionally, employees who are at least 50 years of age and have at least 10 years of service may add together their age and years of service at retirement; when that amount totals 70, the employees qualify for 100% of the eligible portion of the premiums paid by the Foundation.

Employees who were hired on or after October 1, 2004 and before March 1, 2009, are at least 50 years of age, and have attained 10 years of service qualify to have 50% of the eligible portion of the premiums paid by the Foundation and earn an additional 5% for each year of service completed after 10 years of service. Employees reach 100% of the eligible portion of the premiums paid by the Foundation once attaining 20 years of service.

Employees hired on or after March 1, 2009, are ineligible for benefits under the defined benefit healthcare plan for retirees.

Schedule of changes in net OPEB liability

<u>Total OPEB Liability</u>	
Service cost	\$ 96,989
Interest	1,094,051
Differences between expected and actual experience	(3,817,550)
Change of assumptions	(151,479)
Benefit payments, including refunds of employee contributions	<u>(577,533)</u>
Net change in Total OPEB Liability	(3,355,522)
Total OPEB Liability - beginning <a>	<u>17,023,330</u>
Total OPEB Liability - ending 	<u><u>\$ 13,667,808</u></u>
<u>Plan Fiduciary Net Position</u>	
Contribution - employer	\$ 1,577,533
Net investment income	854,446
Benefit payments, including refunds of employee contributions	(577,533)
Administrative expense	<u>(43,857)</u>
Net change in Plan Fiduciary Net Position	1,810,589
Plan Fiduciary Net Position - beginning <c>	<u>9,419,302</u>
Plan Fiduciary Net Position - ending <d>	<u>11,229,891</u>
Net OPEB Liability - beginning <a> - <c>	<u>7,604,028</u>
Net OPEB Liability - ending - <d>	<u><u>\$ 2,437,917</u></u>

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The total OPEB liability was determined by an actuarial valuation as of June 30, 2023 with a measurement date of June 30, 2023 using the following assumptions, applied to all periods included in the measurement, unless otherwise specified.

Plan fiduciary net position

Detailed information about the plan fiduciary net position as of June 30, 2023 is available in the separately issued VEBA financial report. The VEBA financial report can be obtained by submitting a request to: Keenan Financial Services, 2355 Crenshaw Blvd. Suite 200, Torrance, CA 90501.

Actuarial methods and assumptions

Discount rate	6.50% based on the VEBA investment policy.
Net investment return	6.50% based on the VEBA investment policy.
Inflation	2.50% annual inflation.
Payroll increases	3.25% annual increases.
Baseline cost	\$665.73 Pre 65 Retiree & Spouse \$312.52 Post 65 Retiree & Spouse
Administrative expenses	\$43,857 for the measurement period ending June 30, 2023.
Health plan participant	100% of eligible participants will participate.

Healthcare trend rates used in the actuarial valuation are as follows:

<u>Year beginning</u>	<u>Increase in premium rates</u>	
	<u>Pre-65</u>	<u>Post-65</u>
2023	Actual	Actual
2024	7.56%	4.85%
2025	7.31%	5.00%
2026	7.06%	5.00%
2027	6.71%	5.00%
2028	6.36%	5.00%
2029	6.02%	5.00%
2030	5.67%	5.00%
2031	5.32%	5.00%
2032-2033	5.00%	5.00%
2034-2051	4.75%	4.75%
2052-+	4.50%	4.50%

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Mortality rates used in this valuation are those described in the 2021 CalPERS experience study.

Pre-Retirement: CalPERS 2021 Mortality

Post-Retirement: CalPERS 2021 Mortality

Age	Sample Mortality Rates			
	Active Employees		Retired Employees	
	Male	Female	Male	Female
55	0.20%	0.12%	0.39%	0.33%
60	0.29%	0.18%	0.58%	0.46%
65	0.40%	0.25%	0.86%	0.61%
70	0.59%	0.40%	1.33%	1.00%
75	0.93%	0.69%	2.39%	1.78%
80	1.52%	1.15%	4.37%	3.40%
85	0.00%	0.00%	8.27%	6.12%
90	0.00%	0.00%	14.54%	11.09%

Long-term expected rate of return

As of June 30, 2023, the long-term expected rates of return for each major investment class in the VEBA's portfolio are as follows:

Investment class	Target allocation	Long-term expected RRR
Equity	54.00%	4.61%
Fixed Income	38.00%	6.56%
REITs/TIPS	8.00%	6.85%
	<u>100.00%</u>	

The above table shows the target asset allocation in VEBA investment policy.

Discount rate

The discount rate is based on a blend of the long-term expected rate of return on assets for benefits covered by plan assets and a yield or index for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or better for benefits not covered by plan assets.

The arithmetic long-term expected real rates of return by asset class shown above is for the next 10 years. For the years thereafter, returns were based on historical average index real returns over the last 30 years assuming a similar equity/fixed investment mix and a 2.50% inflation rate. Investment expenses were assumed to be 10 basis points per year. These returns were matched with cash flows for benefits covered by plan assets and the Fidelity Municipal GO Index as of June 30, 2023 (Bond Buyer 20-Bond General Obligation index as of June 30, 2022) was matched with cash flows not covered by plan assets to measure the reasonableness of the choice in discount rate.

Cal Poly Pomona Foundation, Inc.

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June 30, 2024**

Below are the discount rates used and the Bond Buyer 20-Bond GO Index as of measurement dates of June 30, 2023 and 2022:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Discount Rate	6.50%	6.50%
Long-term Rate of Return	6.50%	6.50%
Fidelity 20yr GO Bond Index	3.86%	3.69%

Sensitivity analysis

The following presents the Foundation's net OPEB liability if it were calculated using a discount or trend rate that is 1% point lower (5.50%) or 1% higher (7.50%) than the current rate:

Sensitivity of the net OPEB liability to changes in the discount rate:

<u>Discount rate</u>	<u>Net OPEB Liability</u>	<u>\$ Change</u>	<u>% Change</u>
+1%	\$ 1,088,519	\$ (1,349,398)	-55%
Base	2,437,917	-	0%
-1%	4,542,363	2,104,446	86%

Sensitivity of the net OPEB liability to changes in the trend rate:

<u>Trend Rate</u>	<u>Net OPEB Liability</u>	<u>\$Change</u>	<u>%Change</u>
+1%	\$ 4,478,430	\$ 2,040,513	84%
Base	2,437,917	-	0%
-1%	1,114,064	(1,323,853)	-54%

Annual OPEB expense and net OPEB liability

At June 30, 2024, the Foundation reported \$2,437,917 for the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2023. The Foundation's net OPEB liability was based on a projection of the Foundation's covered employee payroll of \$2,428,800.

Plan Fiduciary Net Position (plan assets) was valued as of the measurement date of June 30, 2023 and the total OPEB liability was determined based upon the actuarial valuation as of June 30, 2023. As of June 30, 2023, the Plan Fiduciary Net Position was \$11,229,891.

For the year ended June 30, 2024, the Foundation recognized OPEB income of \$1,167,109. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for service cost, interest on the total OPEB liability, expected investment return, net of investment expense, and the deferred recognition of changes in investment gains and losses, actuarial assumptions or methods, and plan benefits.

At June 30, 2024, the measurement of the Total OPEB Liability, plan membership included thirty-seven (37) active plan members and one hundred twenty-one (121) retired members and beneficiaries receiving benefit for a grand total one hundred fifty-eight (158) plan participants.

Cal Poly Pomona Foundation, Inc.

**Notes to Financial Statements
June 30, 2024**

Deferred outflows/inflows of resources

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between expected and actual experience in the measurement of the total OPEB liability	\$ -	\$ 2,387,126
Changes in assumptions	-	92,538
Net difference between projected and actual earnings on OPEB plan investments	842,602	-
Contributions to OPEB plan after measurement date	<u>-</u>	<u>-</u>
 Total	 <u>\$ 842,602</u>	 <u>\$ 2,479,664</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal year ended June 30:</u>	<u>Deferred outflows/(inflows) of resources</u>
2025	\$ (1,416,113)
2026	(746,099)
2027	567,374
2028	(42,224)
2029	-
Thereafter	<u>-</u>
	<u>\$ (1,637,062)</u>

During the fiscal year ended June 30, 2024, the Foundation made contributions to the OPEB plan after the measurement date of \$0, which will reduce the deferred outflows of resources and deferred inflows of resources above. Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net OPEB liability to be recognized in future periods in a systematic and rational manner in accordance with GASB 75. Investment gains or losses are recognized in OPEB expense over a five-year period and economic/demographic gains or losses and assumption changes or inputs are recognized over the average remaining service life for all active and inactive members.

Note 14 - Commitments and contingencies

Litigation

The Foundation is subject to certain claims that arise out of the normal operations of the Foundation. In the opinion of management, the Foundation has sufficient liability insurance to cover any such claims, and these matters will not have a material effect on the financial position of the Foundation if disposed of unfavorably.

Required Supplementary Information

Cal Poly Pomona Foundation, Inc.
California Public Employees Retirement Plan
Schedule of Foundation's Proportionate Share of the Net Pension Liability
Plan Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Foundation's proportion of the collective net pension liability	0.29693%	0.22859%	0.12669%	0.24413%	0.22170%	0.21743%	0.24325%	0.21200%	0.07771%	0.07957%
Foundation's proportionate share of the collective net pension liability (asset)	\$ 14,847,664	\$ 13,376,813	\$ 2,405,616	\$ 10,297,623	\$ 8,877,822	\$ 8,194,358	\$ 9,589,146	\$ 8,352,723	\$ 5,338,104	\$ 4,998,351
Foundation's covered-employee payroll	\$ 8,141,971	\$ 9,642,240	\$ 12,143,926	\$ 9,741,322	\$ 12,562,122	\$ 11,541,499	\$ 11,061,078	\$ 11,198,164	\$ 10,995,860	\$ 10,862,791
Foundation's proportionate share of the collective net pension liability (asset) as a percentage of its covered-employee payroll	182.4%	138.7%	19.8%	105.7%	70.7%	71.0%	86.7%	74.6%	48.5%	46.0%
Plan fiduciary net position as a percentage of the total pension liability	78.0%	78.2%	90.5%	85.4%	84.0%	85.6%	82.2%	86.1%	88.3%	89.1%

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

Amounts for covered payroll are reported as of the previous fiscal year to align with the measurement date of the net pension liability.

See Independent Auditor's Report.

Cal Poly Pomona Foundation, Inc.
California Public Employees Retirement Plan
Schedule of Foundation Contributions
Plan Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 2,126,518	\$ 2,015,253	\$ 1,697,759	\$ 1,495,924	\$ 1,731,723	\$ 2,159,281	\$ 2,331,544	\$ 1,786,168	\$ 1,010,277
Contributions in relation to the contractually required contribution	<u>(2,126,518)</u>	<u>(2,015,253)</u>	<u>(1,697,759)</u>	<u>(1,495,924)</u>	<u>(1,731,723)</u>	<u>(2,159,281)</u>	<u>(2,331,544)</u>	<u>(1,786,168)</u>	<u>(1,010,277)</u>
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
Foundation's covered-employee payroll	\$ 8,141,971	\$ 9,642,240	\$ 12,143,926	\$ 9,741,322	\$ 12,562,122	\$ 11,541,499	\$ 11,061,078	\$ 11,198,164	\$ 10,995,860
Contributions as a percentage of covered employee payroll	26.1%	20.9%	13.98%	15.36%	13.79%	18.71%	21.08%	15.95%	9.19%

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

Changes of Benefit Terms: The CalPERS Plan had no changes in benefit terms since the previous valuation.

Note: In 2022, SB 1168 increased the standard retiree lump sum death benefit from \$500 to \$2,000 for any death occurring on or after July 1, 2023. For pooled plans this is a Class 3 benefit and there is no normal cost surcharge. The impact on the unfunded liability is included in the pool's differences between expected and actual experience.

Changes in Assumptions: The CalPERS Plan had no assumption changes in 2023.

See Independent Auditor's Report.

Cal Poly Pomona Foundation, Inc.
California Public Employees Retirement Plan
Schedule of Changes in Net OPEB Liability and Related Ratios
Plan Year Ended June 30, 2024

Plan Year Ended June 30	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service cost	\$ 96,989	\$ 92,370	\$ 197,238	\$ 187,854	\$ 182,673	\$ 142,277	\$ 148,176
Interest	1,094,051	1,077,426	1,141,658	1,104,006	1,051,769	894,698	1,051,372
Differences between expected and actual experience	(3,817,550)	(286,598)	79,980	(86,309)	(745,620)	1,014,722	1,680,006
Change of assumptions	(151,479)	-	(1,668,472)	14,502	985,763	890,259	(3,591,876)
Benefits payments, including refunds of employee contributions	(577,533)	(675,951)	(592,799)	(705,751)	(647,375)	(486,936)	(584,422)
Net change in Total OPEB Liability	(3,355,522)	207,247	(842,395)	514,302	827,210	2,455,020	(1,296,744)
Total OPEB Liability - beginning	17,023,330	16,816,083	17,658,478	17,144,176	16,316,966	13,861,946	15,158,690
Total OPEB Liability - ending	\$ 13,667,808	\$ 17,023,330	\$ 16,816,083	\$ 17,658,478	\$ 17,144,176	\$ 16,316,966	\$ 13,861,946
Plan Fiduciary Net Position							
Contributions - employer	\$ 1,577,533	\$ 397,371	\$ 436,315	\$ 1,705,751	\$ 1,647,375	\$ 1,000,000	\$ 1,111,120
Net investment income	854,446	(2,263,832)	2,841,138	420,836	449,772	567,209	743,578
Benefit payments, including refunds of employee contributions	(577,533)	(1,112,266)	(1,968,173)	(705,751)	(647,375)	(486,936)	(584,422)
Administrative expense	(43,857)	(34,920)	(36,221)	(34,779)	(49,278)	(39,162)	(33,384)
Net change in Fiduciary Net Position	1,810,589	(3,013,647)	1,273,059	1,386,057	1,400,494	1,041,111	1,236,892
Plan Fiduciary Net Position - beginning	9,419,302	12,432,949	11,159,890	9,773,833	8,373,339	7,332,228	6,095,336
Plan Fiduciary Net Position - ending	\$ 11,229,891	\$ 9,419,302	\$ 12,432,949	\$ 11,159,890	\$ 9,773,833	\$ 8,373,339	\$ 7,332,228
Net OPEB Liability - ending	\$ 2,437,917	\$ 7,604,028	\$ 4,383,134	\$ 6,498,588	\$ 7,370,343	\$ 7,943,627	\$ 6,529,718
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	82.16%	55.33%	73.93%	63.20%	57.01%	51.32%	52.89%
Covered employee payroll	\$ 2,428,800	\$ 2,872,472	\$ 2,699,762	\$ 4,760,791	\$ 4,010,791	\$ 4,550,937	\$ 4,550,937
Plan Net OPEB Liability as a Percentage of covered employee payroll	100.38%	264.72%	162.35%	136.50%	183.76%	174.55%	143.48%

Notes to the OPEB Required Supplementary Information:

The actuarial methods and assumptions used to calculate the total OPEB liability are described in Note 13 to the financial statements.

The average per capita claims cost was updated to reflect the actual 2023 and 2024 premiums. The health care cost trend rate was updated to reflect 2023 industry survey data. The mortality, withdrawal, and retirement tables were updated to reflect the latest 2021 CalPERS Experience Studies. The population for curving and morbidity factors have also been updated to the 2021 CalPERS Experience Studies. Inflation was updated from 2.26% to 2.5%. All other assumptions remained the same.

The net OPEB liability amount presented for each fiscal year was determined as of the fiscal year-end.

The schedules are intended to present ten years of data. Additional years of data will be presented as they become available.

The Foundation has not presented a Schedule of Foundation Contributions since an actuarially determined contribution has not been calculated and there is no statutorily determined contribution applicable to the Foundation.

See Independent Auditor's Report.

Supplementary Information

Cal Poly Pomona Foundation, Inc.

**Schedule of Net Position
June 30, 2024
(For Inclusion in the California State University)**

Assets:

Current assets:

Cash and cash equivalents	\$	4,310,666
Short-term investments		42,858,571
Accounts receivable, net		23,564,218
Lease receivable, current portion		866,568
P3 receivable, current portion		-
Notes receivable, current portion		-
Pledges receivable, net		-
Prepaid expenses and other current assets		1,742,091

Total current assets		73,342,114
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Noncurrent assets:

Restricted cash and cash equivalents		19,780
Accounts receivable, net		2,312,129
Lease receivable, net of current portion		92,578,446
P3 receivable, net of current portion		-
Notes receivable, net of current portion		-
Student loans receivable, net		-
Pledges receivable, net		-
Endowment investments		-
Other long-term investments		1,514,561
Capital assets, net		37,096,092
Other assets		-

Total noncurrent assets		133,521,008
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Total assets		206,863,122
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Deferred outflows of resources:

Unamortized loss on debt refunding		-
Net pension liability		6,616,841
Net OPEB liability		842,602
Leases		-
P3		-
Others		-

Total deferred outflows of resources		7,459,443
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Cal Poly Pomona Foundation, Inc.

**Schedule of Net Position
June 30, 2024
(For Inclusion in the California State University)**

Liabilities:

Current liabilities:

Accounts payable	6,069,074
Accrued salaries and benefits	843,514
Accrued compensated absences, current portion	824,266
Unearned revenues	1,771,244
Lease liabilities, current portion	1,329,452
SBITA liabilities - current portion	-
P3 liabilities - current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	3,366,792
	<hr/>
Total current liabilities	14,204,342

Noncurrent liabilities:

Accrued compensated absences, net of current portion	-
Unearned revenues	-
Grants refundable	-
Lease liabilities, net of current portion	16,325,029
SBITA liabilities, net of current portion	-
P3 liabilities, net of current portion	-
Long-term debt obligations, net of current portion	-
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	2,437,917
Net pension liability	14,847,664
Other liabilities	638,399
	<hr/>
Total noncurrent liabilities	34,249,009
	<hr/>
Total liabilities	48,453,351

Deferred inflows of resources:

P3 service concession arrangements	-
Net pension liability	4,324,348
Net OPEB liability	2,479,664
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	89,126,861
P3	-
Others	899,309
	<hr/>
Total deferred inflows of resources	96,830,182

Net position:

Net investment in capital assets	19,441,611
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	344,248
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	49,253,173
	<hr/>
Total net position	\$ 69,039,032

Cal Poly Pomona Foundation, Inc.

**Schedule of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2024
(For Inclusion in the California State University)**

Revenues:

Operating revenues:

Student tuition and fees, gross	\$	-
Scholarship allowances (enter as negative)		-
Grants and contracts, noncapital:		
Federal		16,910,029
State		3,256,373
Local		-
Nongovernmental		1,911,117
Sales and services of educational activities		9,376,953
Sales and services of auxiliary enterprises, gross		54,011,524
Scholarship allowances (enter as negative)		-
Other operating revenues		11,638,090
Total operating revenues		<u>97,104,086</u>

Expenses:

Operating expenses:

Instruction	10,638,496
Research	12,301,929
Public service	23,714
Academic support	5,488,089
Student services	579,266
Institutional support	612,069
Operation and maintenance of plant	42,188
Student grants and scholarships	-
Auxiliary enterprise expenses	60,115,489
Depreciation and amortization	3,858,400
Total operating expenses	<u>93,659,640</u>
Operating income (loss)	<u>3,444,446</u>

Cal Poly Pomona Foundation, Inc.

**Schedule of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2024
(For Inclusion in the California State University)**

Nonoperating revenues (expenses):	
State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	-
Investment income (loss), net	4,983,792
Endowment income (loss), net	-
Interest expense	(1,228,757)
Other nonoperating revenues (expenses)	(100,433)
Net nonoperating revenues (expenses)	<u>3,654,602</u>
Income (loss) before other revenues (expenses)	<u>7,099,048</u>
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	<u>7,099,048</u>
Net position:	
Net position at beginning of year, as previously reported	61,939,984
Restatements	-
Net position at beginning of year, as restated	<u>61,939,984</u>
Net position at end of year	<u><u>\$ 69,039,032</u></u>

Cal Poly Pomona Foundation, Inc.

Other Information

June 30, 2024

(For Inclusion in the California State University)

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	\$	-
All other restricted cash and cash equivalents		19,780
Noncurrent restricted cash and cash equivalents		19,780
Current cash and cash equivalents		4,310,666
Total	\$	4,330,446

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	\$ -	\$ -	\$ -
Repurchase agreements	-	-	-
Certificates of deposit	-	-	-
U.S. agency securities	-	-	-
U.S. treasury securities	-	-	-
Municipal bonds	-	-	-
Corporate bonds	9,973,202	-	9,973,202
Asset-backed securities	-	-	-
Mortgage-backed securities	-	-	-
Commercial paper	-	-	-
Supranational	-	-	-
Mutual funds	200,717	-	200,717
Exchange-traded funds	-	-	-
Equity securities	25,117,127	1,514,561	26,631,688
Alternative investments:			
Private equity (including limited partnerships)	3,014,457	-	3,014,457
Hedge funds	4,210,472	-	4,210,472
Managed futures	-	-	-
Real estate investments (including REITs)	-	-	-
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investments	-	-	-
Other external investment pools	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-
State of California Local Agency Investment Fund (LAIF)	104,266	-	104,266
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:			
Indexed annuity	238,330	-	238,330
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total other investments	<u>238,330</u>	<u>-</u>	<u>238,330</u>
Total investments	<u>42,858,571</u>	<u>1,514,561</u>	<u>44,373,132</u>
Less endowment investments (enter as negative number)	-	-	-
Total investments, net of endowments	<u>\$ 42,858,571</u>	<u>\$ 1,514,561</u>	<u>\$ 44,373,132</u>

Cal Poly Pomona Foundation, Inc.
Other Information
June 30, 2024
(For Inclusion in the California State University)

2.2 Fair value hierarchy in investments:

Investment Type	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	\$ -	\$ -	\$ -	\$ -	\$ -
Repurchase agreements	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-
Municipal bonds	-	-	-	-	-
Corporate bonds	9,973,202	-	9,973,202	-	-
Asset-backed securities	-	-	-	-	-
Mortgage-backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Supranational	-	-	-	-	-
Mutual funds	200,717	200,717	-	-	-
Exchange-traded funds	-	-	-	-	-
Equity securities	26,631,688	26,631,688	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	3,014,457	-	-	-	3,014,457
Hedge funds	4,210,472	-	-	-	4,210,472
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investments	-	-	-	-	-
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	104,266	-	-	-	104,266
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
Indexed annuity	238,330	238,330	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Total other investments	238,330	238,330	-	-	-
Total investments	\$ 44,373,132	\$ 27,070,735	\$ 9,973,202	\$ -	\$ 7,329,195

2.3 Investments held by the University under contractual agreements:

	Current	Noncurrent	Total
Investments held by the University under contractual agreements e.g. - CSU Consolidated Investment Pool (formerly SWIFT):	\$ -	\$ -	\$ -

Cal Poly Pomona Foundation, Inc.

Other Information
 June 30, 2024
 (For Inclusion in the California State University)

3.1 Capital Assets, excluding ROU assets:

Composition of capital assets, excluding ROU assets:

	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2023 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2024
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements	\$ 7,102,910	\$ -	\$ -	\$ -	\$ 7,102,910	\$ -	\$ -	\$ -	\$ 7,102,910
Works of art and historical treasures	-	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	564,814	-	-	-	564,814	1,243,154	-	(1,069,885)	738,083
Intangible assets:	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Intangible assets in progress (PWIP)	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	7,667,724	-	-	-	7,667,724	1,243,154	-	(1,069,885)	7,840,993
Depreciable/Amortizable capital assets:									
Buildings and building improvements	37,099,620	(158,994)	-	-	36,940,626	69,417	(1,267,547)	863,594	36,606,090
Improvements, other than buildings	143,638	-	-	-	143,638	-	-	-	143,638
Infrastructure	8,651,467	-	-	-	8,651,467	-	-	-	8,651,467
Leasehold improvements	-	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-	-
Equipment	13,095,061	158,994	-	-	13,254,055	659,326	(124,464)	206,291	13,995,208
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:	-	-	-	-	-	-	-	-	-
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	58,989,786	-	-	-	58,989,786	728,743	(1,392,011)	1,069,885	59,396,403
Total capital assets	66,657,510	-	-	-	66,657,510	1,971,897	(1,392,011)	-	67,237,396
Less accumulated depreciation/amortization:									
Buildings and building improvements	(30,903,251)	-	-	-	(30,903,251)	(1,230,243)	1,267,547	-	(30,865,947)
Improvements, other than buildings	(134,896)	-	-	-	(134,896)	(1,177)	-	-	(136,073)
Infrastructure	(3,224,962)	-	-	-	(3,224,962)	(216,255)	-	-	(3,441,217)
Leasehold improvements	-	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-	-
Equipment	(11,409,951)	-	-	-	(11,409,951)	(697,613)	102,913	-	(12,004,651)
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:	-	-	-	-	-	-	-	-	-
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(45,673,060)	-	-	-	(45,673,060)	(2,145,288)	1,370,460	-	(46,447,888)
Total capital assets, net excluding ROU assets	\$ 20,984,450	\$ -	\$ -	\$ -	\$ 20,984,450	\$ (173,391)	\$ (21,551)	\$ -	\$ 20,789,508

Cal Poly Pomona Foundation, Inc.
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Capital Assets, Right of Use

Composition of capital assets - Lease ROU, net:

	Balance June 30, 2023	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Non-depreciable/Non-amortizable lease assets:									
Land and land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total non-depreciable/non-amortizable lease assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable lease assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	21,410,300	-	-	-	21,410,300	-	-	-	21,410,300
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	31,339	-	-	-	31,339	-	-	-	31,339
Total depreciable/amortizable lease assets	21,441,639	-	-	-	21,441,639	-	-	-	21,441,639
Less accumulated depreciation/amortization:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	(3,406,411)	-	-	-	(3,406,411)	(1,703,597)	-	-	(5,110,008)
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	(15,532)	-	-	-	(15,532)	(9,515)	-	-	(25,047)
Total accumulated depreciation/amortization	(3,421,943)	-	-	-	(3,421,943)	(1,713,112)	-	-	(5,135,055)
Total capital assets - lease ROU, net	\$ 18,019,696	\$ -	\$ -	\$ -	\$ 18,019,696	\$ (1,713,112)	\$ -	\$ -	\$ 16,306,584

Composition of capital assets - SBITA ROU, net

	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Depreciable/Amortizable SBITA assets:									
Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total depreciable/amortizable SBITA assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Software	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - SBITA ROU, net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Cal Poly Pomona Foundation, Inc.
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Composition of capital assets - P3 ROU, net:

	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Non-depreciable/Non-amortizable P3 assets:									
Land and land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total non-depreciable/non-amortizable P3 assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable P3 assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable P3 assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - P3 ROU, net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total capital assets, net including ROU assets

\$ 37,096,092

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense - capital assets, excluding ROU assets	\$ 2,145,288
Amortization expense - Leases ROU	1,713,112
Amortization expense - SBITA ROU	-
Amortization expense - P3 ROU	-
Depreciation and Amortization expense - Others	-
Total depreciation and amortization	\$ 3,858,400

Cal Poly Pomona Foundation, Inc.

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4 Long-term liabilities:

	Balance June 30, 2023	Prior Period Adjustments/Reclassifications	Balance June 30, 2023 (Restated)	Additions	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ 762,434	\$ -	\$ 762,434	\$ 512,075	\$ (450,243)	\$ 824,266	\$ 824,266	\$ -
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
3. Capital lease obligations (pre-ASC 842):								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
Total capital lease obligations (pre ASC 842)	-	-	-	-	-	-	-	-
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Finance purchase of capital assets	-	-	-	-	-	-	-	-
4.5 Others:								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total others	-	-	-	-	-	-	-	-
Sub-total long-term debt	-	-	-	-	-	-	-	-
4.6 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
Total long-term debt obligations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

5. Lease, SBITA, P3 liabilities:

	Balance June 30, 2023	Prior Period Adjustments/Reclassifications	Additions	Remeasurements	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
Lease liabilities	\$ 19,000,282	\$ -	\$ -	\$ -	\$ (1,345,801)	\$ 17,654,481	\$ 1,329,452	\$ 16,325,029
SBITA liabilities	-	-	-	-	-	-	-	-
P3 liabilities - SCA	-	-	-	-	-	-	-	-
P3 liabilities - non-SCA	-	-	-	-	-	-	-	-
Sub-total P3 liabilities	-	-	-	-	-	-	-	-
Total Lease, SBITA, P3 liabilities	\$ 19,000,282	\$ -	\$ -	\$ -	\$ (1,345,801)	\$ 17,654,481	\$ 1,329,452	\$ 16,325,029
Total long-term liabilities						\$ 18,478,747	\$ 2,153,718	\$ 16,325,029

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5 Future minimum payments schedule - leases, SBTA, P3:

	Lease Liabilities			SBTA liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBTA, P3 liabilities		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:												
2025	\$ 1,329,452	\$ 329,113	\$ 1,658,565	-	-	\$ -	-	-	\$ -	\$ 1,329,452	\$ 329,113	\$ 1,658,565
2026	1,386,462	303,717	1,690,179	-	-	-	-	-	-	1,386,462	303,717	1,690,179
2027	1,408,699	275,358	1,684,057	-	-	-	-	-	-	1,408,699	275,358	1,684,057
2028	1,392,014	244,088	1,636,102	-	-	-	-	-	-	1,392,014	244,088	1,636,102
2029	1,414,034	216,924	1,630,958	-	-	-	-	-	-	1,414,034	216,924	1,630,958
2030 - 2034	7,514,537	666,824	8,181,361	-	-	-	-	-	-	7,514,537	666,824	8,181,361
2035 - 2039	3,209,283	61,192	3,270,475	-	-	-	-	-	-	3,209,283	61,192	3,270,475
2040 - 2044	-	-	-	-	-	-	-	-	-	-	-	-
2045 - 2049	-	-	-	-	-	-	-	-	-	-	-	-
2050 - 2054	-	-	-	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-	-	-	-
Total minimum payments	\$ 17,654,481	\$ 2,097,216	\$ 19,751,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,654,481	\$ 2,097,216	\$ 19,751,697
Less: amounts representing interest												(2,097,216)
Present value of future minimum payments												17,654,481
Total Leases, SBTA, P3 liabilities												17,654,481
Less: current portion												(1,329,452)
Leases, SBTA, P3 liabilities, net of current portion												\$ 16,325,029

6 Future minimum payments schedule - Long-term debt obligations:

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-
2030 - 2034	-	-	-	-	-	-	-	-	-
2035 - 2039	-	-	-	-	-	-	-	-	-
2040 - 2044	-	-	-	-	-	-	-	-	-
2045 - 2049	-	-	-	-	-	-	-	-	-
2050 - 2054	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: amounts representing interest									
Present value of future minimum payments									
Unamortized net premium (discount)									
Total long-term debt obligations									
Less: current portion									
Long-term debt obligations, net of current portion									

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 1,716,473
Payments to University for other than salaries of University personnel	9,881,052
Payments received from University for services, space, and programs	21,813,503
Gifts-in-kind to the University from discretely presented component units	
Gifts (cash or assets) to the University from discretely presented component units	224,273
Accounts payable to University	(1,445,740)
Other amounts payable to University	
Accounts receivable from University	13,093,348
Other amounts receivable from University	

8 Restatements

		Debit/(Credit)
Restatement #1	N/A	
		\$ -
		\$ -
Restatement #2	N/A	
		\$ -
		\$ -

\$ -
\$ -

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9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	\$ 4,731,034	\$ 1,220,328	\$ 131,592	\$ 4,559	\$ -	\$ 4,550,983	\$ -	\$ 10,638,496
Research	4,668,742	797,681	51,789	-	-	6,783,717	-	12,301,929
Public service	13,011	1,004	-	-	-	9,699	-	23,714
Academic support	1,531,312	371,603	48,009	39,966	-	3,497,199	-	5,488,089
Student services	198,969	12,628	-	-	-	367,669	-	579,266
Institutional support	157,626	32,603	8,797	7,391	-	405,652	-	612,069
Operation and maintenance of plant	-	-	-	-	-	42,188	-	42,188
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expenses	15,707,046	5,585,814	600,253	501,074	-	37,721,302	-	60,115,489
Depreciation and amortization	-	-	-	-	-	-	3,858,400	3,858,400
Total operating expenses	\$ 27,007,740	\$ 8,021,661	\$ 840,440	\$ 552,990	\$ -	\$ 53,378,409	\$ 3,858,400	\$ 93,659,640

Select type of pension plan >>

Defined Benefit Plan

10 Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources

Deferred outflows - unamortized loss on refunding(s)	\$ -
Deferred outflows - net pension liability	6,616,841
Deferred outflows - net OPEB liability	842,602
Deferred outflows - leases	-
Deferred outflows - P3	-
Deferred outflows - others:	
Sales/intra-entity transfers of future revenues	-
Gain/loss on sale leaseback	-
Loan origination fees and costs	-
Change in fair value of hedging derivative instrument	-
Irrevocable split-interest agreements	-
-	-
-	-
-	-

Total deferred outflows - others

Total deferred outflows of resources

\$ 7,459,443

2. Deferred Inflows of Resources

Deferred inflows - P3 service concession arrangements	\$ -
Deferred inflows - net pension liability	4,324,348
Deferred inflows - net OPEB liability	2,479,664
Deferred inflows - unamortized gain on debt refunding(s)	-
Deferred inflows - nonexchange transactions	-
Deferred inflows - leases	89,126,861
Deferred inflows - P3	-
Deferred inflows - others:	
Sales/intra-entity transfers of future revenues	-
Gain/loss on sale leaseback	-
Loan origination fees and costs	-
Change in fair value of hedging derivative instrument	-
Irrevocable split-interest agreements	899,309
-	-
-	-
-	-

Total deferred inflows - others

Total deferred inflows of resources

899,309

\$ 96,830,182

11 Other nonoperating revenues (expenses)

Other nonoperating revenues	\$ -
Other nonoperating (expenses)	(100,433)
Total other nonoperating revenues (expenses)	\$ (100,433)

Cal Poly Pomona Foundation, Inc.

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Description	DPCU - Fiduciary Funds Net Position						Total
	Pension trust funds	Other employee benefit trust funds	Investment trust funds	Private-purpose trust funds	Custodial funds		
	Net Position 992	Net Position 993	Net Position 994	Net Position 995	Net Position 996		
Assets							
Current assets:							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 449,840	\$	449,840
Short-term investments	-	-	-	-	-		-
Accounts receivable, net	-	-	-	-	-		-
Lease receivable, current portion	-	-	-	-	-		-
P3 receivable, current portion	-	-	-	-	-		-
Notes receivable, current portion	-	-	-	-	-		-
Pledges receivable, net	-	-	-	-	-		-
Prepaid expenses and other current assets	-	-	-	-	-		-
Total current assets	-	-	-	-	449,840		449,840
Noncurrent assets:							
Restricted cash and cash equivalents	-	-	-	-	-		-
Accounts receivable, net	-	-	-	-	-		-
Lease receivable, net of current portion	-	-	-	-	-		-
P3 receivable, net of current portion	-	-	-	-	-		-
Notes receivable, net of current portion	-	-	-	-	-		-
Student loans receivable, net	-	-	-	-	-		-
Pledges receivable, net	-	-	-	-	-		-
Endowment investments	-	-	-	-	-		-
Other long-term investments	-	-	-	-	-		-
Capital assets, net	-	-	-	-	-		-
Capital assets, net - lease ROU	-	-	-	-	-		-
Capital assets, net - SBITA ROU	-	-	-	-	-		-
Capital assets, net - P3 ROU	-	-	-	-	-		-
Other assets	-	-	-	-	-		-
Total noncurrent assets	-	-	-	-	-		-
Total assets	-	-	-	-	449,840		449,840
Deferred outflows of resources:							
Unamortized loss on debt refunding	-	-	-	-	-		-
Net pension liability	-	-	-	-	-		-
Net OPEB liability	-	-	-	-	-		-
Leases	-	-	-	-	-		-
P3	-	-	-	-	-		-
Others	-	-	-	-	-		-
Total deferred outflows of resources	-	-	-	-	-		-

Cal Poly Pomona Foundation, Inc.
Other Information
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	Liabilities					
Current liabilities:						
Accounts payable	-	-	-	-	-	-
Accrued salaries and benefits	-	-	-	-	-	-
Accrued compensated absences, current portion	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-
Lease liabilities, current portion	-	-	-	-	-	-
SBITA liabilities - current portion	-	-	-	-	-	-
P3 liabilities - current portion	-	-	-	-	-	-
Long-term debt obligations, current portion	-	-	-	-	-	-
Claims liability for losses and loss adjustment expenses, current portion	-	-	-	-	-	-
Depository accounts	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-
Noncurrent liabilities:						
Accrued compensated absences, net of current portion	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-
Grants refundable	-	-	-	-	-	-
Lease liabilities, net of current portion	-	-	-	-	-	-
SBITA liabilities, net of current portion	-	-	-	-	-	-
P3 liabilities, net of current portion	-	-	-	-	-	-
Long-term debt obligations, net of current portion	-	-	-	-	-	-
Claims liability for losses and loss adjustment expenses, net of current portion	-	-	-	-	-	-
Depository accounts	-	-	-	-	-	-
Net other postemployment benefits liability	-	-	-	-	-	-
Net pension liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Deferred inflows of resources:						
P3 service concession arrangements	-	-	-	-	-	-
Net pension liability	-	-	-	-	-	-
Net OPEB liability	-	-	-	-	-	-
Unamortized gain on debt refunding	-	-	-	-	-	-
Nonexchange transactions	-	-	-	-	-	-
Lease	-	-	-	-	-	-
P3	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Net position						
Total ending net position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 449,840
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 449,840

Cal Poly Pomona Foundation, Inc.

Other Information
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		DPCU - Fiduciary Funds Net Position					
GAAP Account	Description	Pension trust funds Net Position 992	Other employee benefit trust funds Net Position 993	Investment trust funds Net Position 994	Private-purpose trust funds Net Position 995	Custodial funds Net Position 996	Total
Additions	Contributions from employers	\$ -	\$ -	\$ -	\$ -	\$ -	-
Additions	Contributions from nonemployer contributing entities	-	-	-	-	-	-
Additions	Contributions from plan members	-	-	-	-	-	-
Additions	Contributions from all sources	-	-	-	-	-	-
Additions	Investment earnings	-	-	-	-	-	-
Additions	Investment costs	-	-	-	-	-	-
Additions	Program Income	-	-	-	-	449,840	449,840
Additions		-	-	-	-	-	-
Additions		-	-	-	-	-	-
Additions		-	-	-	-	-	-
Additions		-	-	-	-	-	-
Additions		-	-	-	-	-	-
Additions		-	-	-	-	-	-
Additions		-	-	-	-	-	-
Additions		-	-	-	-	-	-
Additions		-	-	-	-	-	-
Total Additions		-	-	-	-	449,840	449,840
Deductions	Benefit payments to plan members	-	-	-	-	-	-
Deductions	Total administrative expenses	-	-	-	-	-	-
Deductions	Benefit payments	-	-	-	-	-	-
Deductions	Redemptions	-	-	-	-	-	-
Deductions	Distributions	-	-	-	-	429,553	429,553
Deductions		-	-	-	-	-	-
Deductions		-	-	-	-	-	-
Deductions		-	-	-	-	-	-
Deductions		-	-	-	-	-	-
Deductions		-	-	-	-	-	-
Deductions		-	-	-	-	-	-
Deductions		-	-	-	-	-	-
Deductions		-	-	-	-	-	-
Total Deductions		-	-	-	-	429,553	429,553
Increase (decrease) in net position		-	-	-	-	20,287	20,287
Net position at beginning of year, as previously reported		-	-	-	-	429,553	429,553
Restatements		-	-	-	-	-	-
Net position at beginning of year, as restated		-	-	-	-	429,553	429,553
Net position at end of year		\$ -	\$ -	\$ -	\$ -	\$ 449,840	\$ 449,840

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
Cal Poly Pomona Foundation, Inc.
(A California State University Auxiliary Organization)

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the business-type activities and the aggregate remaining fund information of the Cal Poly Pomona Foundation, Inc. (the "Foundation"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon dated September 20, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Los Angeles, California
September 20, 2024



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