CAL POLY POMONA ENTERPRISES
FINANCE & INVESTMENT COMMITTEE
Tuesday, February 3, 2026
1:00 p.m.-2:30 p.m.
Zoom Meeting
https://cpp.zoom.us/j/89372794357?from=addon
Meeting ID: 893 7279 4357
AGENDA

Committee Chair: Michelle Cardona

Members: Dr. Alison Baski, Carol Lee, Cynthia Nelson, Ruby Suchecki, Frances Teves, Kris Zoleta

Staff: Claudia Burciaga-Ramos, Shari Benson, Lisa Coats, Juan Hernandez, Tariq Marji, Thomas Sekayan

Guests: Matt Moses – Graystone, Andrew Price – Graystone

I. ACKNOWLEDGEMENT OF MEMBERS OF THE PUBLIC

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

II. CONSENT ACTION ITEMS

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

Item	Presenter	Page
A. Approval of Minutes Finance & Investment Committee Meeting – December 2, 2025 (1:00pm -1:05pm)	Michelle Cardona, Chair	2 - 4

III. ACTION ITEMS

Item	Presenter	Page
B. Investment Portfolio Report Q2 2025-2026 (time certain 1:05pm-1:20pm) (Attachment) **A**	Juan Hernandez, CFO; Andrew Price & Matt Moses – Graystone	5 – 23
C. KW Hotel Brand Franchise Update (1:20pm -1:45pm) (Attachment) **A**	Thomas Sekayan, Acting CEO Juan Hernandez	24 – 65
D. Capital Budget FY26/27 (1:45pm – 1:55pm) (Attachment) **A**	Juan Hernandez Thomas Sekayan	66 – 68

IV. INFORMATION & DISCUSSION ITEMS

Item	Presenter	Page
E. Financial Highlights - Q2 2025-2026 (1:55pm -2:05pm) (Attachment) **I**	Juan Hernandez	69
F. Budget Assumptions FY26/27 (2:05pm-2:15pm) (Attachment) **I**	Juan Hernandez	70– 71

V. GENERAL UPDATES

G. CFO's Report (2:15pm – 2:25pm) — Juan Hernandez

VI. OPEN FORUM (2:25pm – 2:30pm) — Michelle Cardona

VII. ADJOURNMENT — Michelle Cardona

CAL POLY POMONA ENTERPRISES
FINANCE & INVESTMENT COMMITTEE
Tuesday, December 2, 2025
10:00 a.m.-11:30 a.m.
Join Zoom Meeting
https://cpp.zoom.us/j/83321593984?from=addon
Meeting ID: 833 2159 3984
MINUTES

Notice is hereby given that a regular meeting of the Finance/Investment Committee was held by video conference/teleconference on Tuesday, December 2, 2025, at 10:00 a.m. to discuss matters on the posted agenda. The meeting notice in its entirety was posted on the internet at https://cppenterprises.org/wp-content/uploads/FI-Packet-12-2-25.pdf

Present Members: Dr. Alison Baski, Carol Lee, Frances Teves, Kris Zoleta
Present Staff: Shari Benson, Claudia Burciaga-Ramos, Lisa Coats, Juan Hernandez, Tariq Marji, Thomas Sekayan
Guests: Karin Longhurst – Graystone, Andrew Price – Graystone
Absent: Cynthia Nelson, Ruby Suchecki

I. CALL TO ORDER

Committee Chair Michelle Cardona called the meeting to order at 10:02 AM.

II. CONSENT ACTION ITEMS

A. Approval of Minutes

The Committee reviewed the minutes from the Finance & Investment Committee meeting held on September 3, 2025. Dr. Alison Baski noted two minor corrections:

1. Addition of the full meeting date on page one; and
2. Correction of initials from "AIC" to "IAC."

A motion was made by Dr. Alison Baski and seconded by Frances Teves to approve the minutes as amended. The motion carried unanimously.

III. GENERAL UPDATES

B. CFO Report

Juan Hernandez, Chief Financial Officer, presented the CFO's Report and provided an overview of the organization's current financial position. He reported that the current ratio was approximately 3.23, exceeding the benchmark range of 1.5–3.0, reflecting strong liquidity. Total cash and investments totaled approximately $54 million, including $10.5 million in unrestricted cash. As of the end of October, the cash balance was approximately $12.08 million. Designated balances were discussed, including approximately $17.4 million in reserves, $21.7 million for campus programs, $3.4 million related to CPGE and agriculture, and $1.0 million in other designated funds. Operational cash flow was reviewed, including Instant Access Complete (IAC) revenues of approximately $4.8 million in October, with an additional $3.2 million projected for March. The associated vendor payment to VitalSource was noted to be approximately $4.4 million. Meal plan revenues were also highlighted, with approximately $2.7 million in October and $5.1 million projected for December.

Upcoming cash obligations were reviewed, including a $2.5 million bond payment due in December**.** Planned transfers to savings of $5 million in December and $3 million in March were also discussed.

Committee members asked clarifying questions regarding liquidity, timing of revenues and expenses, and cash management strategy. Responses were provided. No formal action was required.

IV. ACTION ITEMS

C. Investment Portfolio Report

Juan Hernandez introduced representatives from Graystone Consulting, Andrew Price and Karin Longhurst, to present the Investment Portfolio Report. The General Investment Portfolio had a market value of approximately $50.8 million as of September 30, 2025. Asset allocation was reviewed and noted to be approximately 64% equities, 19.9% fixed income, 15.8% alternatives, and 0.3% cash, all within policy ranges. Investment performance for the quarter and fiscal year-to-date reflected a 5.22% gross return, driven primarily by strong equity market performance amid positive economic conditions and easing inflation.

Additionally, Juan Hernandez reviewed the private equity and capital portfolio at Commonfund, which included contributions of $236,250 toward a $250,000 commitment to Capital Partners IV and $707,625 toward a $750,000 commitment to Capital Private Equity Partners VII. The legacy capital balance held through Commonfund was noted to be valued at approximately $125,746.

Committee members discussed market conditions, asset allocation, and compliance with Investment Policy 131. Management and Graystone confirmed the portfolio remains in compliance with policy requirements and recommended forwarding the report to the Board of Directors.

A motion was made by Dr. Alison Baski and seconded by Carol Lee that the members of the Finance & Committee have reviewed the Investment Portfolio Report and that it be presented to the Board of Directors at their next regularly scheduled meeting. There was no opposition, the motion was approved unanimously.

D. Mid-Year Additional Capital Budget Requests

Juan Hernandez and Thomas Sekayan, Interim Chief Executive Officer, presented the Mid-Year Additional Capital Budget Requests, as outlined in the memorandum dated December 2, 2025.

Management explained that mid-year capital needs were identified after adoption of the FY 2025–2026 budget and are necessary to maintain operational efficiency, compliance, and safety. The proposed capital items included:

- $60,000 for replacement of two failing boilers above the Kellogg West Conference Center due to repeated maintenance issues; and
- Up to $1,000,000 for installation of fire sprinklers throughout Kellogg West hotel rooms, with potential costs as low as $600,000, pending final requirements from Campus Facilities.

Committee members discussed urgency, scope, funding sources, and impacts on reserves and cash flow. Management confirmed the requests were not anticipated during the original budget process.

A motion was made by Carol Lee and seconded by Dr. Alison Baski to approve the FY 2025–2026 Mid-Year Additional Capital Budget Requests as presented and to forward the recommendation to the Board of Directors for consideration. The motion carried unanimously.

V. INFORMATION & DISCUSSION ITEMS

E. Financial Highlights – Q1 2025-2026

Juan Hernandez provided a detailed overview of the first quarter financial results for FY 2025–2026, noting that while several operational areas underperformed budget, overall companywide results exceeded expectations due primarily to strong investment performance.

Commercial Services results were reviewed, including:

- Bookstore performance approximately $500,000 below budget, driven by increased publisher costs, reduced soft goods and gift sales, and a decline in IAC gross margin from approximately 20% to 10% year-over-year;
- Kellogg West approximately $317,000 below budget, with Crestview room closures resulting in estimated lost revenue of approximately $100,000 per month; and
- Housing approximately $450,000 below budget, attributed primarily to non-cash GASB interest accruals and approximately 20 vacant units during the quarter.

Net Commercial Services' performance reflected an approximate $393,000 loss, compared to a $678,000 budgeted profit, resulting in an unfavorable variance of approximately $1 million.

Support Programs were reviewed, reflecting a net loss of approximately $428,000, with research and CPGE programs performing favorably, partially offset by timing-related revenue delays and increased campus utilization of support funds.

Companywide results were discussed, including a combined Commercial, Investment, and administrative profit of approximately $1.9 million**,** exceeding budget by approximately $1.2 million. Total companywide net profit was approximately $2.1 million, or approximately $1.5 million above budget**,** driven largely by investment performance that exceeded budget by approximately $2 million**.**

Committee members discussed enrollment sensitivity, timing differences, and forward-looking considerations. No formal action was required.

VI. OPEN FORUM

Chair Michelle Cardona opened the floor for questions or comments. There were no items raised during the Open Forum.

VII. ADJOURNMENT

A motion to adjourn the meeting was made by Dr. Alison Baski and seconded by Carol Lee. Meeting was adjourned at 11:17 a.m.

Respectfully submitted,

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Michelle Cardona
Finance & Investment Committee, Chair

Memorandum

Date: February 3, 2026

To: Finance & Investment Committee

From: Juan Hernandez, Chief Financial Officer
Karin Longhurst and Andrew B. Price, Graystone

Subject: INVESTMENT PORTFOLIO REPORT – 2nd Quarter 2025-2026

The Foundation's General Investment Policy 131 requires a comprehensive quarterly report of the investment portfolio's performance be provided to the members of the Finance & Investment Committee and Board of Directors at each regularly scheduled meeting. This quarter's results were impacted by the strong performance in equities driven by positive economic conditions and easing inflation without significantly impacting employment.

GENERAL INVESTMENT PORTFOLIO

The General Investment Portfolio ("Portfolio") has a current market value of $57.3 million as of December 31, 2025. The majority portion managed by Graystone Consulting has a current market value of $51.6 million with 19.8% Fixed Income, 64% Equities, 15.8% Alternatives, and 0.4% Cash. All allocations are within current policy ranges. The return over the last quarter was 2.03% (gross) and 15.16% over the last twelve months (12/31/24-12/31/25). As of quarter end, the preferred savings account at Morgan Stanley had a balance of $5.5 million yielding 3.78% as of 12/31/25. Additional information is included in the report provided by Graystone.

Management received capital call notices and has contributed $236,250 against its commitment of $250,000 to Capital Partners IV and $707,625 against its commitment of $750,000 to Capital Private Equity Partners VII. The Capital Balance is valued at $95,271. The Common Fund Summary Investment and Performance Reports are available for further details.

BE IT RESOLVED, that the members of the Finance & Investment Committee have reviewed the comprehensive quarterly investment reports and believe the reports are in compliance with the investment policy and recommends the quarterly investment report be presented to the Board of Directors at their next regularly scheduled meeting.

PASSED AND ADOPTED THIS 3rd DAY OF February 2026.

By: ______________________________
Michelle Cardona, Chair
Finance & Investment Committee

Graystone Consulting℠

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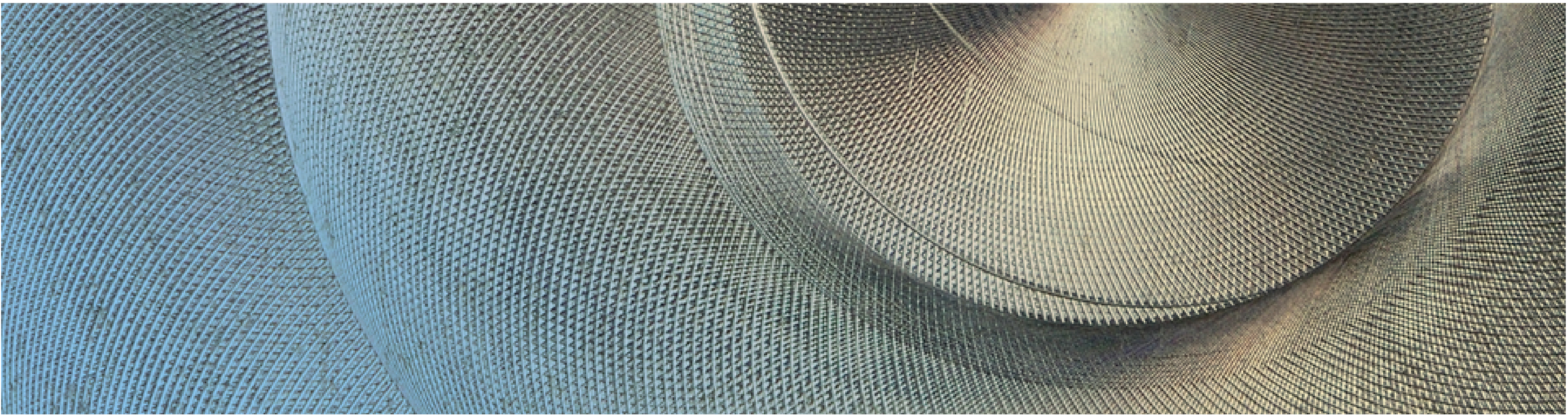

Q4 2025

Andrew B. Price, CIMA® (310) 788-2043
Managing Director, Wealth Management
Institutional Consulting Director
andrew.price@msgraystone.com

Karin Longhurst, CTFA (310) 788-2156
Senior Vice President, Wealth Management
Senior Institutional Consultant
karin.longhurst@msgraystone.com

1999 Avenue of the Stars, Suite 2400
Los Angeles, CA 90067

Where We Are: A Narrow Path for Upside Suprise

January 2026

2025 ended as a solid year for both stocks and bonds. US equities proxied by the S&P 500 were up 18% while US bonds were up almost 7%. While the market narrative was again dominated by the pace of generative AI capex spending and the timing and magnitude of Fed easing, market action was characterized by material surprises:

- The immateriality of Liberation Day tariffs and one of the strongest six-month rallies in the last 80 years from April through October.
- The 10% depreciation of the US dollar, which helped ROW markets outperform US by more than 1000 bp.
- The acceleration in gen AI capex spending and the resilience of the US consumer, despite awful sentiment and rising unemployment.
- Leadership by the Mag 7, but large dispersion within the cohort, with only 2-3 mega-caps outperforming the index; CAT substantially outperformed NVDA in 2025.
- While more stocks seemed to “participate” in the rally, total index concentration ended the year no better than where it started.
- Gold and silver were the best performing global assets by far, while bitcoin ended down for the year despite positive regulatory developments.
- Momentum factors faded into year end without a Santa Claus rally, and the value style began to outpace growth; we ended 2025 ~1% off all-time highs of 6,932.

2026 should deliver roughly 10% upside for the S&P 500 based on the embedded strength of earnings, but the GIC is NOT as bullish as MS & Co.

- Earnings expectations are already robust, up 14-15%, and embed significant productivity gains, operating margin expansion and taking operating leverage to new all-time highs. Most of the gains come from the beleaguered “493.”
- We think stimulus impact of OBBBA on consumer is overestimated versus overall sentiment; secular headwinds of credit build-up and residual “affordability.”
- We see enterprise-wide adoption of gen AI proceeding more slowly than many forecast.
- We think “fiscal dominance” will characterize the backdrop and that a weaker dollar, higher inflation, and a steeper yield curve, including a rise in long rates, are risks; interest rate sensitivity of the economy has changed; Stealth QE and Fed balance sheet expansion is a form of easing.
- The implication is the need for diversification from the 60/40; equity valuation multiples stall out, and long rates face rising inflation and term premiums.
- The new Monroe Doctrine, other geo-politics (World Cup, Olympics, 250th anniversary of America, and mid-term elections) sustain market volatility.

We don’t think that we are emerging from recession; 2026 will not mark a broad-based economic re-acceleration. Consequently, we are cautious about the pure passive index trade and small-cap beta. Instead, we think selectivity will matter. Within the context of being 300bps overweight US equities, we position GIC portfolios to be up in quality/larger capitalization.

- Within US equities, we balance active/passive at 50/50; focused on quality and new leadership in financials, health care, and energy.
- Within Global equities, we are overweight US, Japan, and EM.
- Fixed income is a source of funds and moving toward underweight by mid-year with a focus on owning the belly of the curve; warming to high yield vs. private credit.

Bull markets are meant to be ridden NOT timed, but exuberance should be tempered; GIC continues to recommend maximum portfolio diversification and risk management; focus on real assets including real estate and commodities, and infrastructure; like hedge funds and warming to 2026 new vintages in VC and growth Private Equity alongside select secondaries. In credit, focus on distressed and asset-backed. It’s a risk manager’s market, not a passive investor market.

Source: Morgan Stanley Wealth Management Global Investment Office (GIO). Term premium is the excess yield that investors require to commit to holding a long-term bond instead of a series of shorter-term bonds. Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material.

What We Forecast: A Mid-Cycle Expansion

January 2026

2026E US GDP Growth

Real	1.8%
Nominal	4.5%

2026E US Inflation

2.8-3.0%

Federal Funds Rate

3.0-3.25%
July vs. October Consensus

Two-Year/10-Year US Treasury Yield

2.60%/4.05%
2s10s slope to 145 bp

2026E Rest of World

GDP	3.2%
Inflation	2.0%

2026E US Dollar

1H	-6%
2H	+6%

US Dollar Index (DXY) @ 100

2026E/2027E S&P 500 Earnings

MS & Co.	$317/$356
Consensus	$311/$358

MS & Co. Growth: 17%
Consensus: 15%

Price/Earnings Multiples

Current	22.2x
Forecast	22x
Fair Value	17.8x

S&P 500 trades toward 7,500-7,800 MS & Co. base case annual target price.

Source: Morgan Stanley Wealth Management GIO. Estimates are Morgan Stanley Wealth Management Global Investment Committee unless noted otherwise.

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2026 Key Controversies

1. Market Valuations: It's "Show Me" Time on Earnings

- Overall index metrics are near historic extremes; S&P 500 index at ~22-23x forward earnings; Buffett indicator at historic high.
- But valuation extremes are concentrated among the top 10 names, which are historically more profitable and cash flow generative.
- The equal-weighted S&P 500 is relatively cheap in historic terms and could revalue if cyclical re-acceleration occurs.

2. Disinflationary Boom?

- Reacceleration, not recession risk is what is priced; market assumes another 50-75 bp of Fed cuts.
- Key is broadening of capex spending and recovery/stabilization of labor market (cyclical versus secular?); Six-month forward plans not encouraging.
- GIC sees GDP slowing in 1H2026, not re-accelerating; consumer still matters; manufacturing and housing lackluster.

3. Inflation Tamed?

- Readings are sticky and tariff risks remain as middle market corporate margins have absorbed price changes.
- 2026 brings renegotiation of USMCA: end of China Truce; India?
- Weaker US dollar is a headwind; monetary and fiscal stimulus could cause prices to run hot; Fed independence remains issue.
- Tug of war between lower oil prices, but higher electricity prices.

4. The K-Shaped Economy?

- Wealth effects may be swamping income effects, obscuring the true read of breadth of economic health.
- Monetary policy accommodation may exacerbate "bubbles."

5. Fed Independence and Fiscal Dominance

- New Fed Chair in May may mean new policy framework
- Fed focus shifts from cutting rates to accommodating balance sheet growth, front-end Treasury bill issuance and duration shortening

6. AI Productivity Gains and Corporate Margins A Productivity Renaissance?

- Promises are big, but adoption is only 15-20%.
- Productivity gains not yet in evidence, concentrated among tech companies themselves.
- Scale and size are overwhelming drivers, leaving the "493" and small-mid behind.

7. Credit Cockroaches?

- Private credit is the epicenter of stress, defaults plus "liquidity management exercises" are over 4%.
- Fed easing may not be enough as floating rate borrowing costs are well above large cap competitors.

8. AI Bubble?

- Spending is accelerating and FCF growth of Mag-7 has gone negative; GIC believes we are in the sixth inning for pricing potential.
- Ecosystem is increasingly using debt and interconnected vendor financing
- GPUs versus TPUs
- LLMs business models
- Quality of earnings and depreciation schedules

9. American Exceptionalism Everlasting?

- Valuation differentials extreme; growth advantages closing; debts/deficits become long run constraint.
- Rest of world outperforming by 1,000 bp in 2025.

Source: Morgan Stanley Wealth Management GIO

January 2026: Key Policy Developments

1. Venezuela

- **Market impact should be low.** The country's sovereign and PDVSA bonds are in default and there is no Venezuelan company fully listed in the US equity markets. The main market impact will likely be felt in the oil market. In the short-term, oil prices may be more volatile, but over time, they may move lower once more Venezuelan oil becomes available.
- **Civil war odds for now are low.** President Trump has said that the US will "run Venezuela" and its oil infrastructure until a transitional government can safely be put in place. This could lead to boots on the ground. Unlike Iraq, a civil war is unlikely because most of the country favors the end of the Maduro regime, which has been unrecognized since the 2018 elections. In the 2024 presidential election, around 69% of the vote was against Maduro.
- **Venezuela has the largest proven oil reserves in the world at 300 bn barrels, 222 trillion cubic feet of natural gas reserves, 8.6 billion metric tons of coal, and an estimated 10-15 million troy ounces of gold reserves**. Much of these reserves are untapped due to lack of investment, expropriations, and sanctions. Additionally, Venezuela's proximity to the US makes it militarily strategic, especially if foreign countries that are contrary to US interests use it as a military base. A ballistic missile would take between 5 and 6 minutes from Caracas to Miami.
- **This is about China and Energy.** The US actions in Venezuela highlight the new US National Security Strategy and revival of the Monroe Doctrine, focused on positioning the US as the dominant external power in the Americas and reducing non-hemispheric (China, Russia, Iran) influence in the region. **US Energy Dominance** is part of this strategy, and increased control of Venezuela's oil reserves benefits US interests.
- Expect increased US involvement in the region with implications to economic policy, security (terrorist drug cartels), and investments. These actions could influence presidential elections in 2026 in: Costa Rica (February), Peru (April), Colombia (May) and Brazil (October).

2. Stealth QE and $200 Billion of MBS Purchases

- The White House ordered that Fannie and Freddie (both under the direction of Bill Pulte) engage in $200 billion of purchases of MBS. The MS & Co. team equates this action with a flavor of QE (price insensitive buying with the hope of reducing mortgage spreads) and represents yet another attempt to shoot liquidity into the system and hold rates down. Most investors and home buyers are well aware that while the Fed has cut rates 175 bp since 2024, the 30-year **mortgage rate has fallen only 36 bp to 6.23%** while **the 30-year Treasury yield has risen 93 bp to 4.86% and the 2s/30s Treasury yield curve has steepened by more than 130 bp**—providing little relief to the housing affordability challenge.
- **MS & Co. analysts are forecasting that the QE actions may reduce 30-year mortgage rates by 15-25 bp**—something the President can point to going into the mid-term elections.
- That said, as we have reviewed many times, the structural mortgage lock-ins are profound. **40% of the US existing housing stock is now owned without any mortgage, and of those with mortgages, a full 65% still carry mortgages at 5% or less**.
- The GIC continues remains cautious about holding long duration rates as we see the pressures on higher for longer inflation and rising risks around fiscal debts and deficits continuing to pressure term premiums higher. 10-year Treasury term premiums have risen in the last 2 years to 75 bp, but remain well below the 80-year average of ~150 bp when policy predictability and risks are clearly rising. **Our preference for most clients in fixed income allocations is to stick with Munis and complement with distressed credit/select corporate credit for yield (4-6 years of duration).**
- **We believe these actions give further weight to the idea that going into the mid-terms the administration is going to pursue "RUN IT HOT" policies that are supportive to the bull case in the short term, but will create volatility for the bond market and produce challenges for the Fed and the new incoming chair.**

3. Industrial Policy & State Run Capitalism

- WH executive orders for the defense industry to focus on investment and efficiency versus CEO comp and share repurchases is a new strategy that markets need to watch.
- Residential housing reform versus institutional investors.
- Credit card interest limits at 10%.

Source: Morgan Stanley Wealth Management GIO

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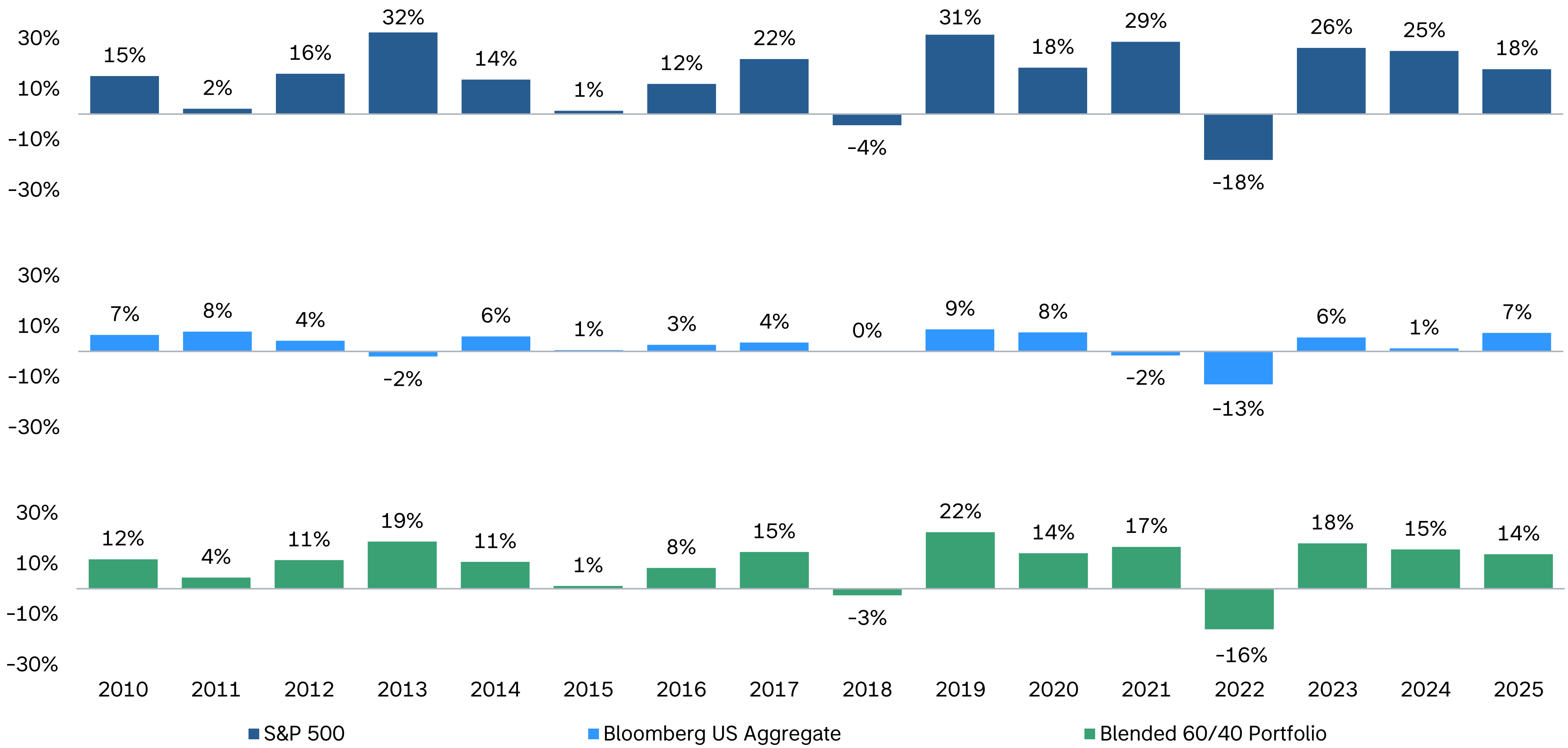
2025: Another Really Solid Year

ASSET CLASS TOTAL RETURN BY YEAR

AS OF DECEMBER 31, 2025



Source: Morgan Stanley Wealth Management GIO, Bloomberg

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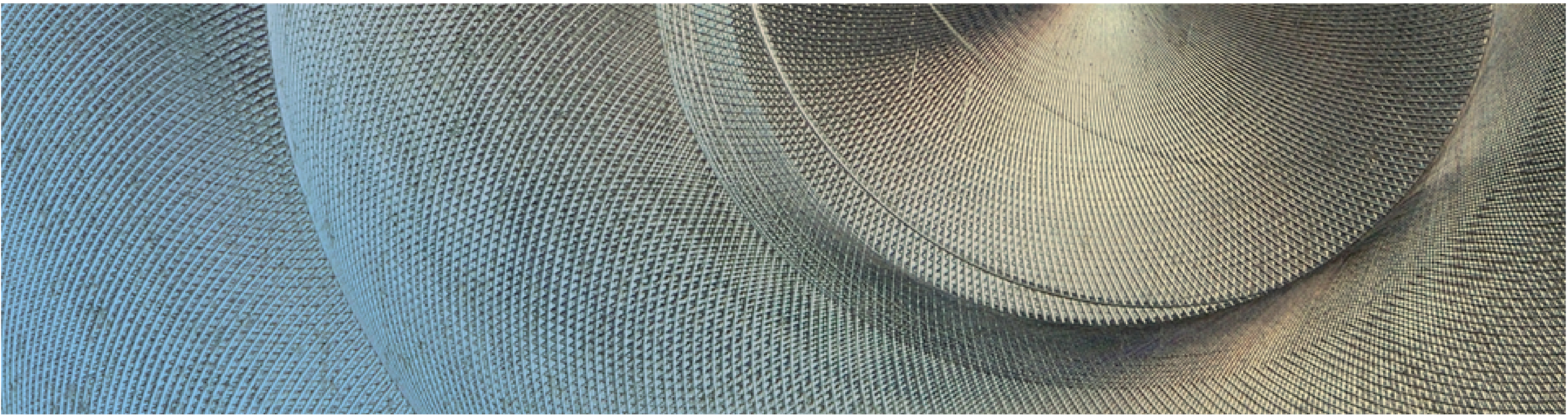


Portfolio Review
As of December 31, 2025

Andrew B. Price, CIMA® (310) 788-2043
Managing Director, Wealth Management
Institutional Consulting Director
andrew.price@msgraystone.com

Karin Longhurst, CTFA (310) 788-2156
Senior Vice President, Wealth Management
Senior Institutional Consultant
karin.longhurst@msgraystone.com

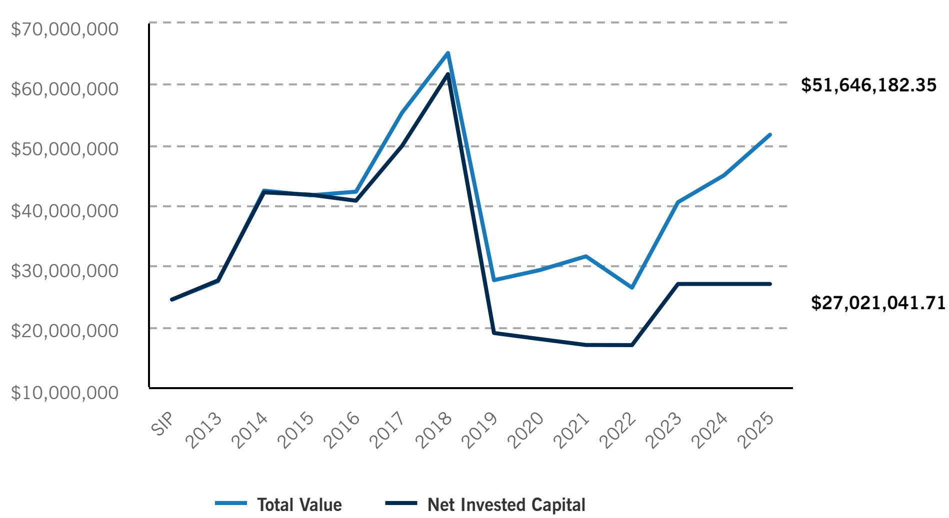
1999 Avenue of the Stars, Suite 2400
Los Angeles, CA 90067

Investment Summary Dollar Weighted Returns

OCIO - Cal Poly Pomona Foundation

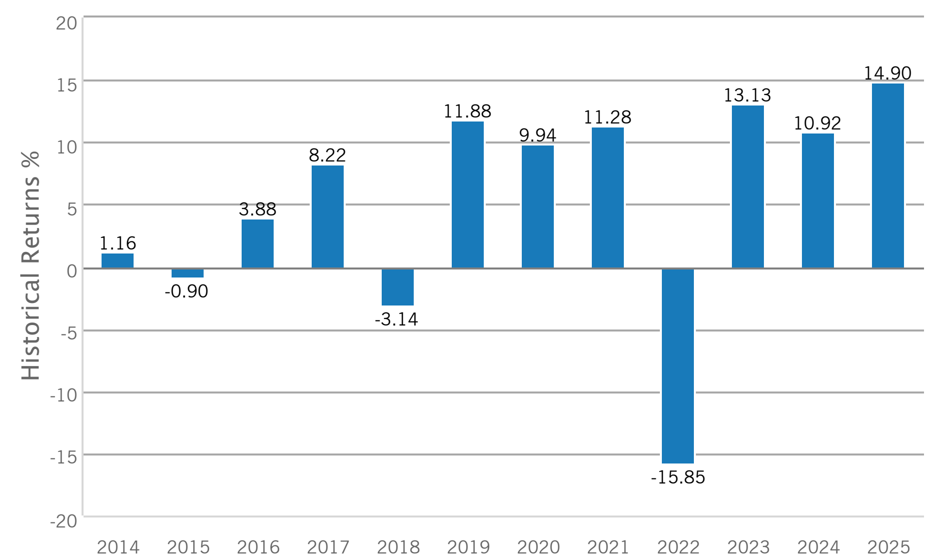
Data as of December 31, 2025

TOTAL VALUE VS. NET INVESTED CAPITAL



Does not include Performance Ineligible Assets.

DOLLAR-WEIGHTED PERIOD RETURN % (NET OF FEES)

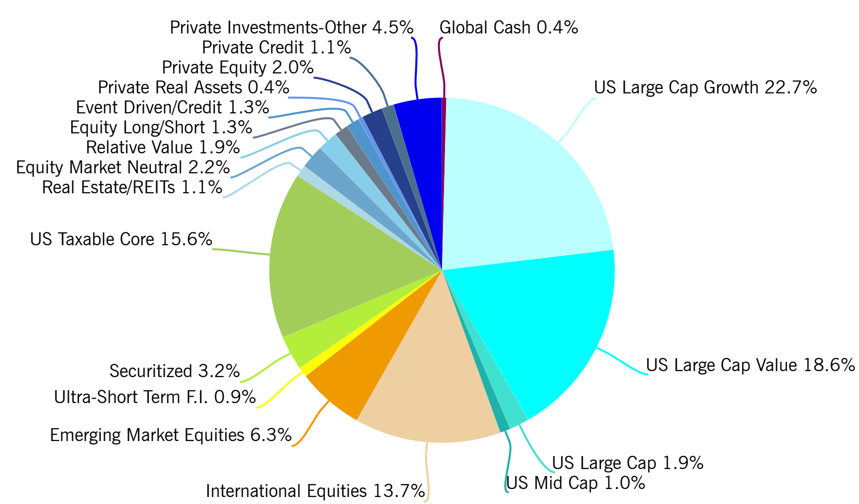


Does not include Performance Ineligible Assets.

DOLLAR-WEIGHTED RETURN % (NET OF FEES)

	Quarter to Date ($) 09/30/25-12/31/25	Year to Date ($) 12/31/24-12/31/25	Performance Inception Month End ($) 03/31/13-12/31/25
Beginning Total Value	**50,644,885**	**44,947,193**	**24,506,769**
Net Contributions/Withdrawals	0	7	2,569,172
Investment Earnings	1,001,298	6,698,982	24,570,242
Ending Total Value	**51,646,182**	**51,646,182**	**51,646,182**
DOLLAR WEIGHTED RATE OF RETURN (%) (Annualized for periods over 12 months)			
Return % (Net of Fees)	1.98	14.90	4.38

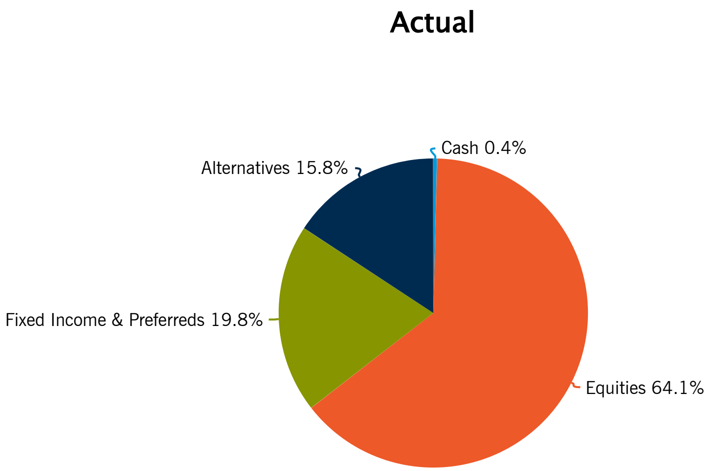
ASSET ALLOCATION

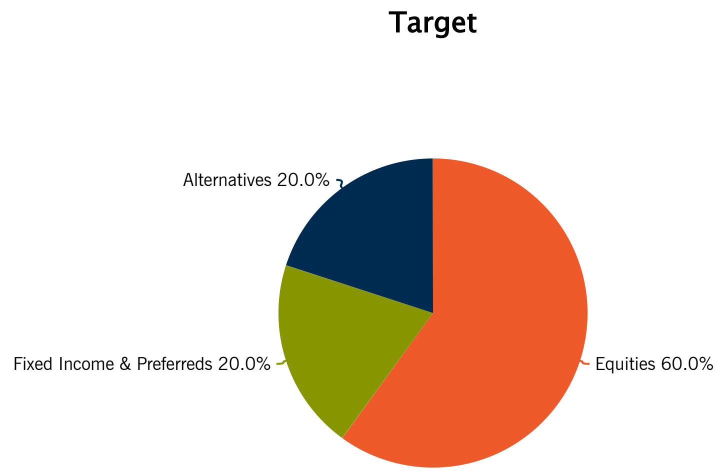


Asset Allocation: Actual vs. Target

OCIO - Cal Poly Pomona Foundation | Data as of December 31, 2025

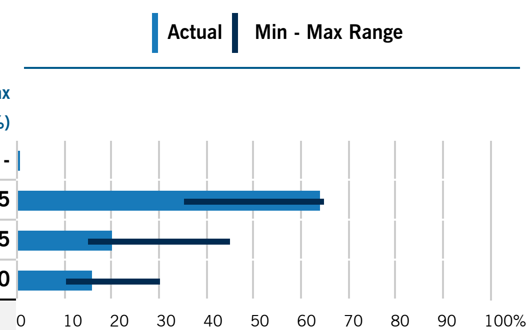
ACTUAL VS. TARGET





ASSET ALLOCATION: ACTUAL VS. TARGET WITH MIN-MAX RANGE

Asset Class	Actual 12/31/2025 ($)	Actual 12/31/2025 (%)	Target ($)	Target (%)	Difference ($)	Difference (%)	Min-Max Range (%)
Cash	**207,902.28**	**0.40**	**0.00**	**0.00**	**207,902.28**	**0.40**	**-**
Equities	**33,066,244.10**	**64.08**	**30,960,576.11**	**60.00**	**2,105,667.98**	**4.08**	**35 - 65**
Fixed Income & Preferreds	**10,197,812.82**	**19.76**	**10,320,192.04**	**20.00**	**-122,379.22**	**-0.24**	**15 - 45**
Alternatives	**8,129,000.99**	**15.75**	**10,320,192.04**	**20.00**	**-2,191,191.05**	**-4.25**	**10 - 30**
Total Assets	51,600,960.19	100.00	51,600,960.19	100.00			

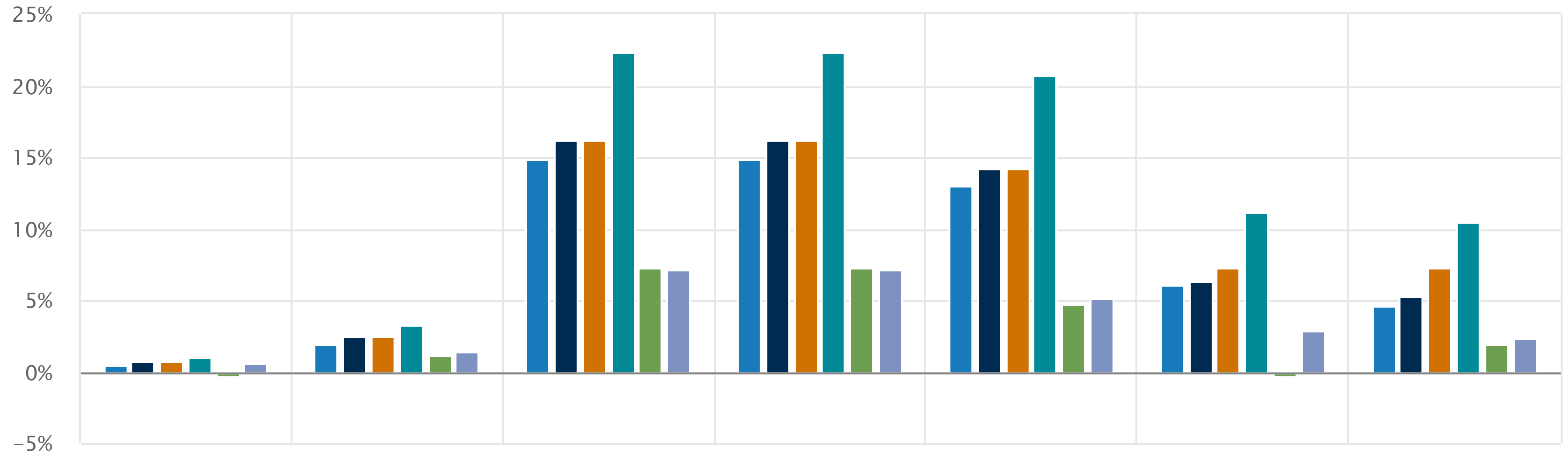


Target Allocation as determined by you and your Financial Advisor for this account only.
Total Value and % of Portfolio are based on US Dollar values.

Time Weighted Performance Summary

OCIO - Cal Poly Pomona Foundation | Data as of December 31, 2025

RETURN % (GROSS AND NET OF FEES) VS. BENCHMARKS (ANNUALIZED)



	Month to Date 11/30/25 - 12/31/25	Quarter to Date 09/30/25 - 12/31/25	Year to Date 12/31/24 - 12/31/25	Last 12 Months 12/31/24 - 12/31/25	Last 3 Years 12/31/22 - 12/31/25	Last 5 Years 12/31/20 - 12/31/25	Performance Inception Month End 03/31/13 - 12/31/25
Beginning Total Value ($)	51,384,433.04	50,644,884.59	44,947,193.46	44,947,193.46	26,407,873.78	29,320,565.82	24,506,768.54
Net Contributions/Withdrawals ($)	0.00	0.00	6.92	6.92	10,090,934.79	9,090,550.79	2,569,172.05
Investment Earnings ($)	261,749.30	1,001,297.76	6,698,981.97	6,698,981.97	15,147,373.77	13,235,065.74	24,570,241.76
Ending Total Value ($)	51,646,182.35	51,646,182.35	51,646,182.35	51,646,182.35	51,646,182.35	51,646,182.35	51,646,182.35
Return % (Gross of Fees)	0.51	2.03	15.16	15.16	13.29	6.37	4.89
Return % (Net of Fees)	0.51	1.98	14.91	14.91	13.02	6.10	4.64
Cal Poly Pomona - Blended Benchmark (%)	0.71	2.48	16.16	16.16	14.24	6.29	5.25
Cal Poly Pomona Policy BM (%)	0.71	2.48	16.16	16.16	14.24	7.28	7.24
MSCI AC World Net (%)	1.04	3.29	22.34	22.34	20.68	11.19	10.45
Bloomberg US Aggregate (%)	-0.15	1.10	7.30	7.30	4.67	-0.36	1.92
HFRX Global Hedge Fund (%)	0.58	1.41	7.14	7.14	5.16	2.87	2.34

The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

Private Programs Investment Report

Cal Poly Pomona Foundation

All Accounts

October 1, 2025 - December 31, 2025

commonfund

All Accounts

October 1, 2025 - December 31, 2025

ACCOUNT SUMMARY AS OF 12/31/2025

	Vintage Year	Capital Committed	Capital Called	Remaining Capital to be Called	Capital Distributions	Capital Balance	Multiple	IRR	Value Date
General Fund - 06									
US Private Equity									
Private Equity Partners VII	2007	$750,000	$707,625	$42,375	($1,515,222)	$70,548	2.2	13.6%	9/30/2025
Total US Private Equity		**$750,000**	**$707,625**	**$42,375**	**($1,515,222)**	**$70,548**	**2.2**	**13.6%**	**9/30/2025**
Commonfund Real Estate									
Realty Investors 2004-12 (Tranche)	2005	$1,500,000	$1,500,000	$0	($283,096)		0.2	-26.2%	
Total Commonfund Real Estate		**$1,500,000**	**$1,500,000**	**$0**	**($283,096)**		**0.2**	**-26.2%**	
Multi-Asset									
Capital Partners IV	2007	$250,000	$236,250	$13,750	($418,340)	$24,723	1.9	9.6%	9/30/2025
Total Multi-Asset		**$250,000**	**$236,250**	**$13,750**	**($418,340)**	**$24,723**	**1.9**	**9.6%**	**9/30/2025**
Total General Fund - 06		**$2,500,000**	**$2,443,875**	**$56,125**	**($2,216,658)**	**$95,271**	**0.9**	**-0.7%**	**9/30/2025**
Grand Total		**$2,500,000**	**$2,443,875**	**$56,125**	**($2,216,658)**	**$95,271**	**0.9**	**-0.7%**	**9/30/2025**

Explanatory Notes:

- Performance data is net of all fees and carried interest. Transaction flows and capital for these funds are included in the appropriate totals.

Fund performance is depicted net of fees. Manager and strategy performance is net of sub-advisor management fees and gross of other Commonfund Fund expenses. Past performance is not indicative of future performance.

All Accounts

October 1, 2025 - December 31, 2025

- Multiple, also referred to as TVPI, total value to invested capital net of the general partners and special limited partners (Capital Distributions + Capital Balance/Capital Distributions).
- Each partnership's net IRR (Internal Rate of Return) should be evaluated in light of information on such partnership's investment program, the risks associated therewith, and partnership performance as disclosed in the respective Offering Memorandum and Annual and Quarterly Reports. Return information calculated on a dollar-weighted (e.g., internal rate of return), since inception basis, which is standard for the private capital industry, rather than the time-weighted (e.g., annual or other period rate of return) basis. Comparison of returns calculated on a net IRR basis with returns on a time-weighted basis is not appropriate. There can be no assurance that unrealized investments ultimately will be realized at the valuations used in calculating net IRRs or Net Multiples or that the calculated net IRRs will be obtained. Actual realized returns will depend on, among other factors, future operating results, the value of assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale.
- Capital Called and Capital Distributions are since inception through the report End Date.

NON-MARKETABLE INVESTMENTS ROLL FORWARD FROM VALUE DATE TO 12/31/2025

Non-Marketable Fund	Incep. Date	Commitment	Valuation Date	Most Recent Valuation	Capital Calls since Valuation Date	Distributions since Valuation Date	Adjusted Market Value
Private Equity Partners VII	9/30/2007	$750,000.00	9/30/2025	$70,548.00	$0.00	($31,654.00)	$38,894.00
Total Private Equity (buyouts & growth equity)		**$750,000.00**	**9/30/2025**	**$70,548.00**	**$0.00**	**($31,654.00)**	**$38,894.00**
Capital Partners IV	9/30/2007	$250,000.00	9/30/2025	$24,723.00	$0.00	$0.00	$24,723.00
Total Multi-Strategy		**$250,000.00**	**9/30/2025**	**$24,723.00**	**$0.00**	**$0.00**	**$24,723.00**
Non-Marketable Total		**$1,000,000.00**	**9/30/2025**	**$95,271.00**	**$0.00**	**($31,654.00)**	**$63,617.00**

Adjusted Balances for non-marketable securities reflect the impact of all cash transactions (capital calls/distributions) that have posted since the last valuation date.

Fund performance is depicted net of fees. Manager and strategy performance is net of sub-advisor management fees and gross of other Commonfund Fund expenses. Past performance is not indicative of future performance.

All Accounts

October 1, 2025 - December 31, 2025

TRANSACTIONS (10/1/2025 - 12/31/2025)

Fund Name	Transaction Date	Trade Shares	Trade Amount (USD)	Transaction Type
Private Equity Partners VII	10/21/2025	0.000	($31,654.00)	Distribution

Fund performance is depicted net of fees. Manager and strategy performance is net of sub-advisor management fees and gross of other Commonfund Fund expenses. Past performance is not indicative of future performance.

All Accounts

October 1, 2025 - December 31, 2025

PERFORMANCE AS OF 12/31/2025

Performance Item	QTD	1 Year	3 Years	5 Years	10 Years	Account Inception	Account Inception Date
Private Equity Partners VII	0.00	-2.74	-2.01	5.04	10.54	7.44	12/31/2007
US Private Equity	0.00	-2.74	-2.01	5.04	10.54	7.44	12/31/2007
Capital Partners IV	0.00	-2.56	-2.67	2.38	6.29	4.16	12/31/2007
Multi-Asset	0.00	-2.56	-2.67	2.38	6.29	4.16	12/31/2007
Total Non-Marketable	0.00	-2.64	-2.10	4.47	9.56	2.45	9/30/2005
Total Portfolio	0.00	-2.64	-2.10	4.47	9.56	5.75	9/30/2003

Investments in Programs for closed-end investment products are carried as of the most recent valuation date, which may not correspond to the marketable securities valuation dates. Distressed Debt programs are reported with a one quarter lag. For example, if the report 'As of' date is 9/30/YY then Distressed Debt programs are represented using 6/30/YY, or previous quarter values. Private Capital programs are reported with a one quarter lag. For example, if the report 'As of' date is 9/30/YY then Private Capital and Real Estate programs are represented using 6/30/YY, or previous quarter values. Private Investment returns are normally reported as an Internal Rate of Return (IRR). All other Commonfund investment returns are reported as Time Weighted Rates of Return (TWR). For Consolidated Performance reporting purposes, TWRs are used for all individual and composite returns.

Fund performance is depicted net of fees. Manager and strategy performance is net of sub-advisor management fees and gross of other Commonfund Fund expenses. Past performance is not indicative of future performance.

Commonfund Important Notes

PERFORMANCE | OPEN-END INVESTMENT PRODUCTS

Unless otherwise indicated, performance of open-end Investment Products shown is unaudited, net of applicable management, performance and other fees and expenses, presumes reinvestment of earnings and excludes investor specific sales and other charges. Fees may be modified or waived for certain investors. Please refer to an Investment Product's Prospectus or the Investment Manager's Form ADV Part 2A for more information regarding the Investment Product's fees, charges and expenses. An investor's actual performance and actual fees may differ from the performance information shown due to, among other factors, capital contributions and withdrawals or redemptions, different share classes and eligibility to participate in "new issues." Where applicable, returns take into consideration the reinvestment or "recycling" of investment proceeds.

PERFORMANCE | CLOSED-END INVESTMENT PRODUCTS

Unless otherwise indicated, performance of closed-end Investment Products shown is net of all fees and any carried interest and excludes commitments by the applicable general partner and any limited partners that do not pay a management fee. Each Investment Product's Internal Rate of Return ("IRR") should be evaluated in light of the information and risks disclosed in the respective Prospectus. Certain investors in an Investment Product may receive a management fee and management fee discount; performance data herein reflects the weighted average blended management fee applicable to actual limited partners of such vehicles. Return information is calculated on a dollar-weighted (e.g., internal rate of return), since inception basis. There can be no assurance that unrealized investments ultimately will be realized at the valuations used in calculating IRRs or Net Multiples or that the calculated IRRs will be obtained. Actual realized returns will depend on, among other factors, future operating results, the value of assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale. Certain Investment Products use leverage to finance investments, which may involve a high degree of financial risk. Such Borrowings has the potential to enhance overall returns that exceed the Investment Product's cost of borrowed funds; however, borrowings will further diminish returns (or increase losses on capital) to the extent overall returns are less than the Investment Product's cost of borrowed funds. Where applicable, returns take into consideration the reinvestment or "recycling" of investment proceeds.

ADVISORY SERVICES

Advisory services, including those described under the trade name "Commonfund Strategic Solutions" and "OCIO" are generally provided by Commonfund OCIO or, on occasion, by CF Private Equity and subject to investment advisory agreement. Commonfund OCIO's and CF Private Equity's Form ADV Part 2A will be provided upon request.

There is no legal or regulatory term defining "OCIO" or "outsourced chief investment officer" services, and the meaning of such term varies from one individual to another. Accordingly, such services have been defined for purposes hereof to mean the management of (i) an institution's long-term or operating reserves ("Reserves") pursuant to an investment management agreement executed between a registered investment advisor and such institution (or, in certain limited circumstances, through a fund or separate account structure intended to achieve comparable objectives) and (ii) all or substantially all of an institution's Reserves, with advice related thereto being provided to such institution by a registered broker-dealer and which advice is solely incidental to the conduct of such broker-dealer's business or to its brokerage services.

BENCHMARKS AND FINANCIAL INDICES

Benchmarks and financial indices are shown for illustrative purposes only. They provide general market data that serves as point of reference to compare the performance of Investment Product's with the performance of other securities that make up a particular market. Such benchmark and indices are not available for direct investment and their performance does not reflect the expenses associated with the management of an actual portfolio, the actual cost of investing in the instruments that comprise it or other fees. An Investment Product's investment objective is not restricted to the securities and instruments comprising any one index. No representation is made that any benchmark or index is an appropriate measure for comparison. For a list of commonly used indices, please visit www.commonfund.org/important-disclosures. This list may not represent all available indices or those indices used in this material.

Percentages may not equal 100% due to rounding.

Past performance is not indicative of future performance. An investor may lose all or a substantial portion of their investment through the Advisory Services or in an Investment Product.
Interests in Commonfund funds and those offered by Commonfund affiliates are placed by Commonfund Securities, Inc., a FINRA member firm and member of SIPC.

www.commonfund.org/important-disclosures

Benchmark Descriptions

3-Month Treasury Bill Index is the average coupon - equivalent yield of the weekly 3-Month U.S. Treasury bill auctions during the month.

Barclays Capital U.S. Treasury Inflation Protected Securities ("TIPS") includes all publicly issued, U.S. Treasury inflation-protected securities that have at least one year remaining to maturity, are rated investment grade and have $250 million or more of outstanding face value.

Bloomberg Barclays US Aggregate Bond Index measures the performance of the U.S. investment grade bond market. The index invests in a wide spectrum of public, investment-grade, taxable, fixed income securities in the U.S. – including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities, all with maturities of more than 1 year.

Bloomberg Commodity Index ("BCOM") is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification. Roll period typically occurs from 6th-10th business day based on the roll schedule.

Citigroup World Government Bond Index ("WGBI") measures the performance of fixed-rate, local currency, investment grade sovereign bonds. The WGBI is a widely used benchmark that currently comprises sovereign debt from over twenty countries, denominated in a variety of currencies, and has more than twenty-five years of history available. The WGBI provides a broad benchmark for the global sovereign fixed income market. Sub-indices are available in any combination of currency, maturity, or rating.

CS Leveraged Loan Index is an index designed to mirror the investable universe of the U.S. dollar denominated leveraged loan market. The index inception is January 1992. The index frequency is monthly. New loans are added to the index on their effective date if they qualify according to the following criteria: loans must be rated "5B" or lower; only fully-funded term loans are included; the tenor must be at least one year; and the Issuers must be domiciled in developed countries (i.e., issuers from developing countries are excluded). Fallen angels are added to the index subject to the new loan criteria. Loans are removed from the index when they are upgraded to investment grade, or when they exit the market (for example, at maturity, refinancing or bankruptcy workout). Note that issuers remain in the index following default. Total return of the index is the sum of three components: principal, interest, and reinvestment return. The cumulative return assumes that coupon payments are reinvested into the index at the beginning of each period.

Dow Jones US Select Real Estate Securities Index ("RESI") represents equity real estate investment trusts ("REITs") and real estate operating companies traded in the U.S. The Dow Jones U.S. Select REIT Index is a subset of the Dow Jones Americas Select RESISM and includes only REITs and REIT-like securities.

GMAP Composite Benchmark consists of the following components: MSCI ACWI Total Return Net Index (60%); Bloomberg Barclays U.S. Aggregate Bond Index (30%), FTSE NAREIT All Equity REITS Index (6%) and MSCI ACWI Commodity Producers Index (4%). Prior to October 1, 2024 it consisted of: MSCI ACWI Total Return Net Index (70%); Bloomberg Barclays U.S. Aggregate Bond Index (30%).

HFRI Distressed/Restructuring Index captures Distressed/Restructuring strategies which employ an investment process focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near term proceedings. Managers are typically actively involved with the management of these companies, frequently involved on creditors' committees in negotiating the exchange of securities for alternative obligations, either swaps of debt, equity or hybrid securities. Managers employ fundamental credit processes focused on valuation and asset coverage of securities of distressed firms; in most cases portfolio exposures are concentrated in instruments which are publicly traded, in some cases actively and in others under reduced liquidity but in general for which a reasonable public market exists. In contrast to Special Situations, Distressed Strategies employ primarily debt (greater than 60%) but also may maintain related equity exposure.

HFRI FOF:Conservative Index seeks consistent returns by primarily investing in funds that generally engage in more 'conservative' strategies such as Equity Market Neutral, Fixed Income Arbitrage, and Convertible Arbitrage; exhibits a lower historical annual standard deviation than the HFRI Fund of Funds Composite Index. A fund in the HFRI FOF Conservative Index shows generally consistent performance regardless of market conditions.

HFRI Monthly Indices ("HFRI") Most HFRI are equally weighted performance indices, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. The HFRI are broken down into four main strategies, each with multiple sub-strategies. All single-manager HFRI Index constituents are included in the HFRI Fund Weighted Composite, which accounts for over 2000 funds listed on the internal HFR Database. Funds included in the HFRI Monthly Indices must: report monthly returns; report net of all fees returns; report assets in U.S. dollars; and, have at least $50 million under management or have been actively trading for at least twelve months. Funds are eligible for inclusion in the HFRI the month after their addition to HFR Database. If a fund in an index liquidates or closes, that fund's performance will be included in the HFRI up to the fund's last reported performance update. Fund of Funds are not included in the HFRI Fund Weighted Composite Index. Both domestic and offshore funds are included in the HFRI. In cases where a manager lists mirrored-performance funds, only the fund with the larger asset size is included in the HFRI. FX-hedged versions of HFRI Indices are calculated by applying to the USD index value the cost of a rolling monthly foreign exchange contract on the relevant currency. The HFRI are updated three times a month. The current month and the prior three months are left as estimates and are subject to change. All performance prior to that is locked and is no longer subject to change. Due to contractual obligations, Comanco does not disclose the particular funds behind any index. See https://www.hedgefundresearch.com/hfri-index-methodology

ICE BofA ML 1-3 Year US Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years. It is not possible to invest directly in an unmanaged index. BOFA Merrill Lynch is licensing the BOFA Merrill Lynch Indices "As Is," makes no warranties regarding same, does not guarantee the suitability, quality, accuracy, timeliness, and/or completeness of the BOFA Merrill Lynch Indices or any data included in, related to, or derived therefrom, assumes no liability in connection with their use, and does not sponsor, endorse, or recommend Commonfund, or any of its products or services.

ICE BofA ML 3-Month US Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date.

ICE BofA ML US High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market.

Benchmark Descriptions

Morningstar LSTA Leveraged Loan Index is a market value-weighted index designed to measure the performance of the U.S. leveraged loan market based upon market weightings, spreads and interest payments. Eligible for inclusion in the LLI loans are U.S. dollar denominated senior secured loans with a minimum initial term of one year, minimum initial spread of LIBOR + 125 basis points and initial funding of $50M. The index covers all issuers regardless of origin, however all facilities must be denominated in U.S. dollar.

MSCI ACWI ex USA Net Index captures large and mid cap representation across 22 of 23 developed markets countries (excluding the US) and 26 emerging markets countries. With 2,215 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

MSCI ACWI Total Return Net Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 46 country indexes comprising 23 developed and 23 emerging market country indexes. The developed market countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US. EM countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

MSCI EAFE Net Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. & Canada. The MSCI EAFE Index consists of the following 21 developed market country indexes: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. (List as of January 2016.)

MSCI Emerging Markets Free (EMF) Net Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 26 emerging market country indexes: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and the United Arab Emirates. (List as of August 2019).

MSCI Europe Net Index captures large and mid cap representation across 15 Developed Markets (DM) countries in Europe. With 446 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across the European Developed Markets equity universe.

MSCI Japan Net Index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 321 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

MSCI US REIT Index is a free float-adjusted market capitalization weighted index that is comprised of Equity REIT securities. The MSCI US REIT Index includes securities with exposure to core real estate (e.g., residential and retail properties) as well as securities with exposure to other types of real estate (e.g., casinos, theaters).

MSCI World Energy Index is designed to capture the large and mid-cap segments across 23 Developed Markets (DM) countries. All securities in the index are classified in the Energy sector as per the Global Industry Classification Standard (GICS®).

MSCI World ex US Index captures large and mid cap representation across 22 of 23 developed markets countries - excluding the United States. With 1,013 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

MSCI World Index Net captures large and mid cap representation across 23 Developed Markets (DM) countries. With 1,603 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

MSE Funds Composite Benchmark is calculated using the following components' weights: for time periods after April 1, 2017, S&P 500 (85%) and MSCI All Country World Index excluding the U.S. Net (15%); and for time periods prior to April 1, 2017, S&P 500 (75%), MSCI All Country World Index excluding the U.S. Net (15%), and HFRI Fund of Funds Composite Index (10%).

Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set.

Russell 3000 Index measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. The Russell 3000 Index is constructed to provide a comprehensive, unbiased and stable barometer of the broad market and is completely reconstituted annually to ensure new and growing equities are reflected.

S&P 500 Index is a widely recognized gauge of the U.S. equities market. This index is an unmanaged capitalization-weighted index consisting of 500 of the largest capitalization U.S. common stocks. The returns of the S&P 500 include the reinvestment of dividends.

S&P Global Natural Resources Index includes 90 of the largest publicly-traded companies in natural resources and commodities businesses that meet specific investability requirements, offering investors diversified and investable equity exposure across three primary commodity-related sectors: agribusiness, energy, and metals & mining.

Memorandum

Cal Poly Pomona ENTERPRISES

Date: February 03, 2026

To: Finance and Investment Committee

From: Thomas Sekayan, Interim Chief Executive Officer
Juan Hernandez, Chief Financial Officer

Attached: Executive Summary, CBRE Analysis, & CoStar Analysis

Subject: Kellogg West – Series by Marriott Branding Investment

Management has evaluated affiliating the Kellogg West Hotel & Conference Center with **Series by Marriott**, a soft brand for high-quality independent hotels. Third-party market data and historical performance show Kellogg West has materially underperformed branded competitors in occupancy, Average Daily Rate (ADR), and Revenue Per Available Room (RevPAR). A Marriott affiliation is expected to materially improve demand and room revenue while maintaining operational flexibility.

Beyond financial performance, the affiliation supports the University's academic and workforce development objectives and further supports CPPE's mission to enhance University experience. A branded Kellogg West would provide Collins College of Hospitality Management students with hands-on exposure to national brand standards, operating systems, and potential certification pathways, strengthening graduate employability and the College's competitive positioning. The Collins College of Hospitality Dean, Margie Jones, has provided significant support behind this opportunity and continues to work closely with Management.

To meet Series by Marriott standards, Kellogg West must renovate the remaining 36 guest rooms and complete required life-safety, ADA, and infrastructure upgrades. The estimated incremental capital requirement is **$2.0 million**, supported by the projected increase in room revenue.
Conservative projections indicate Marriott branding could increase annual room revenue by approximately **$850,000 to $1.1 million**. Using the lower-bound estimate, the investment is projected to be recovered in approximately **2.3 years**, excluding additional upside from food and beverage, group business, or long-term ADR growth.

Additional details and supporting analysis are provided in **Attachment A**.

PROPOSED ACTION: Approve the additional $2.0 million investment and authorize Management to continue the application process to join the Series by Marriott brand.

RESOLVED, that the members of the Finance & Investment Committee have reviewed the proposed $2.0 million capital investment required to support the Series by Marriott brand affiliation for the Kellogg West Hotel & Conference Center, including the projected incremental annual room revenue of approximately $850,000 to $1.1 million.

FURTHER RESOLVED, the Finance & Investment Committee recommends approval of the additional $2.0 million investment and authorization to continue the Series by Marriott application process to the Program Committee, and subsequently to the Board of Directors, for consideration and approval at their next regularly scheduled meetings.

By: ______________________________________
Michelle Cardona, Chair Finance & Investment

To: Presidential Cabinet

From:

TS Thomas Sekayan, Acting Chief Executive Officer, Cal Poly Pomona Enterprises

WN Bill Nazur, General Manager, Kellogg West Hotel & Conference Center

MFJ Margie Jones, Dean of Collins College of Hospitality Management

Date: January 15, 2026

Subject: Strategic Affiliation Opportunity – Series by Marriott at Kellogg West

Executive Summary

This briefing outlines the strategic and financial opportunity associated with affiliating the Kellogg West Hotel & Conference Center with **Series by Marriott**, a soft-brand offering designed for high-quality independent hotels. Based on historical performance metrics and third-party market benchmarks, Kellogg West has materially underperformed branded competitors in occupancy, average rate, and total room revenue (RevPAR – Revenue Per Available Room). A Series by Marriott affiliation provides a practical, data-supported pathway to improve hotel performance through enhanced distribution, demand generation, and brand recognition, while preserving the operational flexibility required of a university-affiliated property.

From a financial perspective, conservative, mid-target projections indicate that a branded operating model could increase annual room revenue by approximately $850,000 and support recovery of an approximately $5.0 million property improvement investment within six years. Importantly, the Series fee structure applies only to room revenue and excludes food and beverage operations, allowing the University to retain the full financial benefit of conference, catering, and mission-aligned events. This structure, combined with limited brand-mandated capital requirements, aligns well with the University's operating environment and fiscal constraints.

Beyond financial performance, a Series by Marriott affiliation advances the University's academic and workforce development objectives. A branded Kellogg West would serve as a differentiated, on-campus training platform for Collins College of Hospitality Management students, providing hands-on exposure to national brand standards, operating systems, and potential certification pathways. This experiential learning environment, which remains uncommon among West Coast hospitality programs, strengthens graduate employability, enhances the College's competitive positioning, and supports student recruitment and enrollment growth.

In summary, affiliating Kellogg West with Series by Marriott offers a balanced and institutionally aligned solution that strengthens financial performance, enhances educational outcomes, and elevates the University's visibility within both the hospitality industry and higher education. The proposed partnership leverages the scale and reach of Marriott, the nation's largest hotel network, while preserving the identity, mission, and flexibility essential to Kellogg West and the University as a whole.

Timeline of Events

- **November 2024**: Bill Nazur appointed as General Manager and directed to evaluate hotel branding opportunities for Kellogg West, in partnership with Collins College of Hospitality, amidst ongoing renovations due to water intrusion and mold damage from late spring 2024.

- **December 2024 - February 2025**: Outreach to industry contacts (Wyndham, Best Western, Marriott, Hilton) and discussions with Dean Margie Jones on operational improvements and branding goals.

- **Early 2025**: Crestview (51 room building) roof repairs and comprehensive reconstruction plan initiated; building stripped to studs for remediation.

- **Guest Room Furnishing**: Bids reviewed, modern brand-neutral boutique design selected. Final contract awarded at under $11,000 per room, including new amenities.

- **Mid-2025**: Dean Jones and GM Nazur explore strategic synergies; Marriott and Hilton announce new soft brands with greater flexibility.

- **July 2025**: Preliminary discussions with Marriott's VP of Development confirm Kellogg West's potential addition to their portfolio, aligning with Marriott's vision for independent properties.

- **September 2025**: Marriott's Property Assessment Team tour Kellogg West to review existing rooms, amenities, and surrounding land. Findings will be aggregated into a "Property Improvement Plan" made available late October/early November.

- **November 2025**: Property Improvement Plan (PIP) received at the end of month and reviewed. GM Nazur reviewed and made recommendations, while also sharing with Dean Jones, who provided to members of her board for additional feedback.

- **December 2025**: GM Nazur spoke with Marriott development regarding design consultant, which is outlined in the PIP. While this will not be necessary, we will engage with a digital marketing agency, Tambourine, as previously anticipated to ensure brand voice is consistent with the Kellogg story and the greater history of the hotel and campus.

  GM Nazur and Dean Jones collaborate with Collins board members to develop a working document to outline the history of KW, along with its challenges and opportunities from a hospitality perspective. Feedback available for committees and board review.

- **Current Status**: No more bidding or procurement is needed, but 36 unrenovated guest rooms still require upgrades to meet hotel industry standards. Extra capital will be necessary and is not yet budgeted. The rebuild of 51 rooms will be completed by late March 2026 due to an unanticipated requirement to install Fire Sprinklers.

- **February 2026**: Request formal submission of franchise application subject to CPPE Board approval of capital, budget and programmatic benefits to CPP.

The Brand

Marriott's newest brand, Series, offers a flexible soft-brand franchise model tailored for independent hotels. The bundled fee structure tops out at 11% of room revenue, broken down as follows:

- 5% franchise fee (at standard rate)
- 6% for systems, marketing, and support
- No fees on food & beverage revenue

Strategic Advantages

1. Brand Recognition: Marriott's name boosts visibility and trust
2. Loyalty Program Access: Marriott Bonvoy drives new and repeat business
3. Operational Support: Includes training, systems, standards, marketing, and templates
4. F&B Fee Exemption: Preserves margins on food and beverage operations
5. Soft Branding: Series allows more flexibility and lower costs than most traditional hotel brands that require substantial capital investment
6. Academic Integration: Supports Collins College students learning the systems and structure of the nation's largest hotel brand family, increasing employability upon graduation

Risks & Considerations

1. Capital Investment: Estimated $2,000,000 renovation cost for remaining 36 guest rooms, which is inclusive of programmatic costs and required infrastructure (mostly fire, life and safety) upgrades required by the brand. Assuming CPPE Board approval for estimated costs (Feb 2026), design and renovation timeline approximation is 6-9 months. The extent of the timeline accounts for unanticipated facility remediation needs.
2. Loss of Easy Availability: Brand standards may create increased demand that may inhibit internal partner engagement and participation at the hotel, and would require close coordination and collaboration with University departments that rely on the Kellogg West Hotel for University business.
3. Long-Term Commitment: Franchise agreements are typically 10–20 years. While there is the ability to exist earlier, these come with costs.

4. Onboarding & Exit Strategy: Extensive review of franchise terms needed; GM Nazur is certified through Marriott and served as Certified Trainer for Western Region Pre-Opening of hotels. Exit terms depend on the reason for cancellation.

Advantage to Marriott – Skilled Workforce Access

One of the key components of this partnership is the potential for preferred access to the future hospitality workforce through Collins College. Marriott would benefit from additional highly trained graduates with specialized knowledge of Marriott business operations specific to their brand requirements. This would include proprietary systems, sales strategy, standard operating procedures, mandatory and discretionary training, structural norms, and more. This will deliver substantial cost savings to recruit and train entry-level management candidates.

Advantage to CPP/CPPE – Access

Access to CPP Enterprises and its affiliated properties would deliver meaningful benefits across the broader Kellogg West ecosystem, including the Kellogg West Hotel & Conference Center, the Kellogg House, the Lyle Center, and other ancillary locations. Affiliation with the nation's largest hotel network provides enhanced visibility, demand generation, and access to shared leads through Marriott's regional and national sales channels. In addition, proximity to neighboring Marriott-branded properties—such as the Sheraton Fairplex and the planned TownePlace Suites by Marriott—creates opportunities for coordinated demand management, including overflow accommodations during peak periods, thereby increasing the attractiveness and scalability of the Kellogg West Conference Center for larger group business.

For the Collins College of Hospitality Management, the primary value lies in the on-campus, hands-on training environment provided through student employment and experiential learning at a branded Kellogg West operation. This setting allows students to develop practical skills aligned with national brand standards while supporting academic outcomes. An additional potential benefit includes expanded access to philanthropic and industry support from Marriott, further strengthening the College's educational mission and industry engagement.

Potential Added Partner Benefits

CPP Enterprises and the Collins College of Hospitality Management seek to build upon the University's longstanding academic and business relationship with Marriott through a potential affiliation with the Series by Marriott brand. In addition to the operational and financial benefits to Kellogg West, this partnership presents a strategic opportunity to enhance student training, professional certification pathways, and workforce readiness. Industry research and higher education analyses, including those published by *U.S. News & World Report*, emphasize the increasing value placed on experiential learning and brand-aligned education within hospitality programs.

Affiliating Kellogg West with a nationally recognized hotel brand would create a differentiated, on-campus training environment where students gain hands-on exposure to branded operating standards, technology platforms, and service cultures. This type of integrated academic and operational experience is available at only a limited number of hospitality programs nationwide and remains uncommon on the West Coast. As a result, the partnership would elevate Collins College's competitive positioning by aligning the program with industry expectations and establishing parity with peer institutions that operate branded teaching hotels.

This differentiation has the potential to drive increased student interest and enrollment by offering a clear, tangible value proposition: access to real-world brand training and certification opportunities prior to graduation. By combining a branded hotel operation with a nationally ranked hospitality program, the University strengthens its appeal to prospective students, improves graduate employability, and reinforces its standing as a leader in applied hospitality education. Collins College would lead the academic integration of this partnership, supported by CPP Enterprises leadership, ensuring alignment with both educational objectives and operational excellence.

Why Series by Marriott?

In evaluating potential brand partnerships for the Kellogg West Hotel & Conference Center, the primary considerations were financial impact, operational flexibility, alignment with the University's mission, and the ability to improve hotel performance without imposing disproportionate capital or compliance requirements. Emphasis was placed on brand fee structures, revenue treatment, and accommodation of operational constraints unique to a university-affiliated property.

Series by Marriott is specifically designed for independent hotels that seek the benefits of national brand affiliation while retaining operational flexibility. The Series model applies a bundled fee of approximately 11% of room revenue, consisting of a base franchise fee (approximately 5%, prior to any Collins College partnership considerations where Marriott could provide a minor discount, though unlikely) and ancillary support fees (approximately 6%). Importantly, these fees apply only to room revenue and exclude food and beverage sales.

This exclusion is a critical advantage for Kellogg West, where food and beverage operations represent a meaningful and mission-aligned revenue stream driven by University-sponsored activity, external nonprofit and philanthropic organizations, and social catering events, including weddings and memorial services. Under the Series structure, KW would retain full financial benefit from its catering and conference operations, preserving a key economic and institutional function of the facility.

Additionally, the soft-brand nature of Series by Marriott allows flexibility around constraints that are difficult to reconcile under traditional branded models. These include the hotel's dual ownership and management structure (state-owned facility operated by an auxiliary organization), limited access to capital for extensive façade or structural modifications, and the need to maintain the existing identity of the Kellogg West Hotel. Under the Series model, the Kellogg West name would be retained, with a co-branding designation such as "Kellogg West Hotel, a Series

Collection by Marriott," as confirmed during review of Marriott's Property Improvement Plan (PIP) documentation.

By comparison, more traditional Marriott brands such as Fairfield Inn & Suites are significantly more prescriptive. While base franchise fees are comparable (generally 5–5.5%), these brands impose stricter requirements related to room layouts, signage, amenities, and design standards. Additional ancillary fees can drive total brand-related costs closer to 15% of revenue, with no carve-out for food and beverage operations, which are not a core focus of that brand. These requirements would likely result in higher renovation costs, reduced operational flexibility, and limited relevance to the group-focused and conference-oriented demand that is central to KW's business model.

Alternative brand families were also evaluated. Hilton's soft-brand category, Outset by Hilton, was formally launched in December 2025 and targets properties with an independent, boutique orientation. However, preliminary information indicates that Hilton's fee structure is likely to be based on total hotel revenue, including food and beverage, which would materially increase operating costs given Kellogg West's conference and catering mix. Other Hilton brands, such as Canopy, would require substantial upfront capital investment, initial franchise fees exceeding $75,000, ongoing food and beverage fees of approximately 5%, and total recurring fees approaching or exceeding 13% of revenue.

Based on available data, alternative brands would result in higher ongoing operating costs and greater capital requirements, without a commensurate increase in financial or operational benefit. Additionally, Marriott's scale, market penetration, and brand strength exceed that of its closest competitors, while avoiding reputational risks associated with recent public controversies affecting other hotel companies.

Beyond financial considerations, Marriott maintains a longstanding and positive relationship with the Collins College of Hospitality Management, including alumni employment pathways, institutional collaboration, and financial support of the Marriott Learning Center at the college. This alignment reinforces the educational and professional mission of Kellogg West as a living laboratory for hospitality education.

In summary, Series by Marriott offers the optimal balance of brand strength, cost efficiency, operational flexibility, and institutional alignment, making it the most suitable national brand affiliation for the Kellogg West Hotel & Conference Center.

Renovation Requirement for Series by Marriott

Remodeled room example at Crestview

Kellogg West is currently remodeling 51 rooms that meet Series brand standards. Marriott will require us to remodel the remaining 36 rooms to qualify as a brand partner. The estimated FF&E cost per room is $15,000, totaling $540,000, with additional monies required for ADA compliance, deferred maintenance and infrastructure upgrades at an estimated amount of $1.5M.

Performance Metrics for Last Full Year

The most recent fiscal year in which the Kellogg West Hotel (KW) operated continuously with its full 87-room inventory was FY 2019/2020. This period therefore serves as the most appropriate baseline for evaluating the hotel's historical performance at full capacity.

Agency/Individual Responsible	Occupancy	ADR	RevPAR	Revenue Actual/Fair Share
Last full year performance 2019/2020 as 87 rooms	23.60%	$ 111.22	$ 26.24	$ 833,502.70
KW YTD Jan 1 to Oct 8 2025 on 36 rms (280 days)	40.32%	$ 128.30	$ 51.74	$ 521,541.15
KW YTD Oct 9 to Dec 15 2025 on 36 rooms	17.50%	$ 117.20	$ 29.78	$ 72,896.09
Dec 16 2025 to Dec 31 2025	25.60%	$ 120.48	$ 30.96	$ 17,831.04
KW Full Year 365 days 2025	36.79%	$ 126.63	$ 48.87	$ 612,268.28
Co-Star last hotel average	67.50%	$ 127.67	$ 86.21	$ 2,736,558.67
CBRE - EVP and Hotel Alumni	69.90%	$ 143.07	$ 100.05	$ 3,175,688.31
KW Independent Projections Year 1 Budget 2025/2026				
KW Independent Proforma 87 rooms annualized scenarios	40.00%	$ 135.00	$ 54.00	$ 1,714,770.00
higher occupancy and higher rate	55.00%	$ 140.00	$ 77.00	$ 2,445,135.00
Higher occupancy and lower rate	60.00%	$ 130.00	$ 78.00	$ 2,476,890.00

The table above compares KW's full-year operating results to benchmark data from the "Los Angeles East" hotel market. Market data is sourced from branded hotels and has been normalized to an 87-room operation to ensure an accurate, like-for-like comparison with KW's scale. This adjustment allows for a meaningful assessment of relative performance across occupancy, average daily rate (ADR), revenue per available room (RevPAR), and total annual revenue.

The data indicates that KW achieved an average occupancy rate of 23.6% during FY 2019/2020. In practical terms, this means that guest rooms were unoccupied for approximately three-quarters of the year. This level of occupancy is significantly below market benchmarks and highlights a substantial underutilization of available inventory during that period. As a result, overall room revenue materially underperformed relative to comparable hotels in the Los Angeles East market.

Notably, branded hotels within the same market achieved substantially higher occupancy levels, stronger average daily rates, and materially higher RevPAR and total room revenue. This performance gap underscores that the observed underperformance is not driven by market conditions alone, but rather by operational and positioning factors specific to KW. Accordingly, the comparison highlights a clear opportunity for the Kellogg West Hotel to capture incremental demand and revenue by narrowing the gap toward prevailing market performance levels.

Financial Projections Associated with Marriott's Series Brand

Based on current operating conditions, and assuming no additional room outages or material disruptions, projected total room revenue for the Kellogg West Hotel (KW) is estimated to range between \$1.0 million and \$1.2 million over a twelve-month period under its current, unbranded operating model. This projection reflects continued operations at a reduced inventory of 36 rooms through calendar year 2025 (annualized), followed by the planned restoration to the full 87-room inventory effective March 2026. As a result, the full revenue-generating potential of higher-demand periods following the return to full inventory is not yet fully reflected in these baseline projections.

When benchmarked against comparable midscale and upscale branded hotels in the Los Angeles East market—including properties such as La Quinta, DoubleTree, and Sheraton—the revenue potential for KW under a Marriott Series (soft brand) affiliation is materially higher. Market performance data from CoStar and CBRE, normalized to an 87-room operation, indicates that branded hotels in this submarket consistently achieve occupancy, ADR, and RevPAR levels well above KW's historical and current performance. Under a national brand affiliation, KW's estimated fair share of annual room revenue is projected to range between approximately \$2.0 million and \$3.3 million, depending on the degree to which branded demand and pricing power are realized.

Using KW's recent unbranded performance as a baseline and applying a conservative, data-supported merging toward branded market benchmarks, projected operating metrics under a Marriott Series affiliation are as follows:

Scenario	Occupancy	ADR	RevPAR	Annual Room Revenue (87 rooms)
Current KW (Unbranded Baseline)	36.8%	\$126.63	\$48.87	~\$1.55M
Conservative Marriott Case	48.0%	\$132.00	\$63.36	~\$2.01M
Target Marriott Case	55.0%	\$138.00	\$75.90	~\$2.41M
Upper Marriott Case (Below Market Avg.)	60.0%	\$140.00	\$84.00	~\$2.67M
CoStar Market Benchmark	67.5%	\$127.67	\$86.21	~\$2.74M
CBRE Market Benchmark	69.9%	\$143.07	\$100.05	~\$3.18M

These projections do not assume full parity with branded market performance; rather, they reflect partial gap-closure driven primarily by improved occupancy. Notably, even the Target Marriott Case remains below CoStar and CBRE benchmark occupancy levels, yet results in an increase of approximately $850,000 to $1.1 million in incremental annual room revenue compared to current unbranded projections. The higher occupancy will also drive higher food and beverage revenues.

The disparity between KW's current revenue outlook and branded market benchmarks mirrors the historical underperformance observed in occupancy, ADR, and RevPAR metrics. While external factors—such as state-related travel budget constraints and KW's smaller room count relative to other hotels in the market—present ongoing challenges, these factors alone do not explain the magnitude of the performance gap. Closing this gap will require a sustained increase in transient demand, which a national brand affiliation is uniquely positioned to support.

Affiliation with Marriott's Series Brand provides access to the largest global hotel booking and loyalty ecosystem, as well as sophisticated revenue management and distribution infrastructure. These capabilities directly address KW's historical demand constraints and represent a practical, data-supported pathway to improving utilization, strengthening rate integrity, and moving the Kellogg West Hotel materially closer to its fair share of market performance.

Capital Investment Payback Analysis
Marriott Series Brand – Mid-Target Performance Scenario

This analysis evaluates the expected payback period associated with an approximately $5.0 million (~$3 million expensed for the initial 51 rooms, plus an estimated $2 million for the remaining 36 rooms) property improvement investment required to affiliate the Kellogg West Hotel & Conference Center with Series by Marriott. The analysis is based on a mid-target branded performance scenario that assumes partial convergence toward branded market benchmarks while remaining conservatively below CoStar and CBRE averages.

Assumptions

- **Brand Scenario:** Marriott Series (Mid-Target Case)
- **Occupancy:** 55%
- **Average Daily Rate (ADR):** $138
- **RevPAR:** $75.90
- **Available Rooms:** 87
- **Operating Days:** 365
- **Capital Investment:** Approximately $5,000,000 (one-time)

Room Revenue Impact

Under the current unbranded operating model, KW generates an estimated $1.55 million in annual room revenue, based on a RevPAR of approximately $48.87. Under the mid-target Marriott Series scenario, projected annual room revenue increases to approximately $2.41 million. This represents an incremental annual net gross room revenue improvement of approximately $860,000, driven primarily by improved occupancy and modest rate growth attributable to national brand affiliation.

Payback Period

Using a simple payback methodology based on incremental room revenue:

$$\text{Payback Period} = \frac{\$5{,}000{,}000}{\$860{,}000} \approx 5.8 \text{ years}$$

Accordingly, the approximately $5.0 million capital investment is projected to be recovered in approximately **5.5 to 6.0 years** under the mid-target branded performance scenario.

This payback estimate remains conservative and does not incorporate:

- Incremental food and beverage revenue, which remains fully retained under the Series by Marriott fee structure
- Long-term ADR growth from inflation or improved market conditions
- Ancillary revenue benefits associated with increased group and transient demand

Additionally, the mid-target scenario does not assume full parity with branded market performance, further reinforcing the credibility of the projected recovery timeframe.

Even under conservative, mid-range performance assumptions, affiliating the Kellogg West Hotel with Series by Marriott provides a viable pathway to recovering an approximately $5.0 million capital investment within six years. This payback period aligns with hospitality industry reinvestment norms and supports the financial rationale for pursuing a national soft-brand affiliation.

Conclusion

Affiliation with the Series by Marriott brand represents a strategically sound opportunity aligned with the shared objectives of the University and Cal Poly Pomona Enterprises to enhance the university and community experience through optimized solutions and responsible resource generation that empower student success. For CPPE, the proposed affiliation strengthens the performance and long-term viability of a key auxiliary asset while ensuring operations directly support the educational mission of Cal Poly Pomona.

The Series by Marriott model is particularly well suited to a higher education environment, offering a competitive overall fee structure while preserving operational flexibility. The exclusion of food and beverage revenue from brand fees provides meaningful financial value given Kellogg West's conference and catering focus, enabling continued support for University-sponsored programs, community engagement, and mission-aligned events. Alignment with industry-leading operational standards also enhances service quality, consistency, and asset stewardship.

Beyond financial performance, the proposed partnership directly advances CPPE's mission by expanding experiential learning and workforce development opportunities for students. A branded Kellogg West would function as an on-campus training platform for Collins College of Hospitality

Management students, providing hands-on exposure to nationally recognized hotel standards, operating systems, and service cultures. This integrated learning environment strengthens graduate employability, supports enrollment competitiveness, and reinforces the University's standing in applied hospitality education, supported by Marriott's longstanding engagement with the campus.

The approximately $5.0 million capital investment required to meet brand standards including, but not limited to, FF&E and ADA-related improvements, must be evaluated against projected revenue gains and long-term institutional benefits. Based on conservative, mid-target performance assumptions, the anticipated lift in room revenue supports recovery of this investment within an acceptable timeframe while materially improving Kellogg West's competitive position within the Los Angeles East market. While the property will remain smaller in scale than the largest conference hotels in the submarket, a Series by Marriott affiliation positions Kellogg West to perform closer to its fair share of demand and to more effectively deliver on CPPE's mission of empowering student success through optimized operations and sustainable resource generation.

Attachments:

1. CBRE Letter from Brand Feighner, Executive Vice President – CBRE Hotels Advisory, Collins College Alumni.
2. CoStar "Hospitality Submarket Report – Los Angeles East" prepared by CPP Professor Linchi Kwok.

COMMERCIAL REAL ESTATE SERVICES

CBRE

Brandon Feighner

Executive Vice President
CBRE Hotels Advisory

CBRE, Inc.
CBRE Hotels Advisory
400 S. Hope Street, Suite 2500
Los Angeles, CA 90071
+1 213-613-3373 Office
Brandon.Feighner@cbre.com
www.cbrehotels.com

November 24, 2025

Dr. Margie Ferree Jones
Dean and James A. Collins Distinguished Chair
Collins College of Hospitality Management
79B-2236B
Cal Poly Pomona
3801 West Temple Avenue
Pomona, California 91768

Dear Dr. Jones:

Pursuant to our recent conversations, we have drafted this letter relative to the Kellogg West Conference Center and Hotel ("KWCCH" or the "Subject") and its in progress renovation. As a proud graduate of Cal Poly, a member of the CCHM Board of Advisors and twenty-year hotel consultant now leading CBRE's hospitality practice, I cannot recommend strongly enough that the renovation and rebranding progress be completed in a full and timely matter to enable KWCC to achieve its greatest potential by offering competitive market accommodations and better serving the campus community. The supporting rationale for my conclusion is as follows.

Subject Hotel

KWCCH was originally constructed in the 1970's and in the more recent decades has operated as a more affordable, unbranded hotel and has not been substantially renovated for approximately the past 20 years. Before reducing its room count in 2024, the Subject's last full year of historical performance at 87 available rooms on a nightly basis it finished calendar year at an occupancy of 23.6 percent and an average daily rate ("ADR") of $111.22 which equates to a revenue per available room ("RevPAR") of $26.24. While the hotel industry was in the mid to latter stages of its COVID-19 recovery at this point, these performance figures are significantly below that of the aggregate performance of the local comparables, as will be shown on the following page.

As we understand it, the Subject is in the process of completing a renovation to modernize the facilities and align itself with Series by Marriott, the world's largest hotel company. Without stating the obvious, both aspects of the plan underway are anticipated to be highly beneficial to the future profitability of KWCCH. In offering more modernized accommodations the Subject will be able to better compete for business among its local competitors and also it will attractively benefit from Marriott's global reach, booking platforms, and the Marriott Bonvoy loyalty program which currently has nearly 260 million global members.

Local Competitive Market

In order to develop conclusions relative to the competitive environment in which the renovated and Marriott affiliated Subject will compete, we have analyzed the local lodging market and have identified six hotels located proximate to the interchange of the 10 and 57 Freeways which we believe represent primarily competition to the Subject. Of note, all of the competitive hotels are affiliated with a major brand and both the La Quinta and DoubleTree located in proximity to the Subject were renovated and rebranded to offer more appealing guest facilities.

The competitive properties have been selected based on their facilities, location, market performance and orientation, property rating, and rate structure. Though there are a number of additional properties in the area we have not included these for a number of reasons, including positioning, condition, location, and rate structure.

Summary of The Competitive Lodging Market

Property Name	Property Address	City	Year Built	Rooms	Affiliation
Holiday Inn Express & Suites	485 W Arrow Hwy	San Dimas	2007	68	IHG
Fairfield Inn & Suites	3211 Garvey Ave	West Covina	2010	110	Marriott
Hampton by Hilton Inn	3145 E Garvey Ave N	West Covina	1988	127	Hilton
Sheraton Hotel Fairplex & Conference Center	601 W McKinley Ave	Pomona	1992	244	Marriott
DoubleTree by Hilton Pomona	3101 W Temple Ave	Pomona	1989	132	Hilton
La Quinta Inn & Suites	3200 W Temple Ave	Pomona	1985	161	Wydham

The aggregate average annual available and occupied rooms, resulting occupancy levels, average daily rate, and revenue per available room (RevPAR) for the competitive set between 2016 and 2024, as well as year-to-date through October 2024 and 2025, are presented in the table on the following page.

Historical Market Performance of the Competitive Supply									
Year	Annual Supply	Percent Change	Occupied Rooms	Percent Change	Market Occupancy	Average Daily Rate	Percent Change	REVPAR	Percent Change
2016	296,866		215,956		72.7%	$124.67		$90.69	
2017	272,104	-8.3%	203,148	-5.9%	74.7%	$128.18	2.8%	$95.70	5.5%
2018	314,518	15.6%	230,518	13.5%	73.3%	$128.92	0.6%	$94.49	-1.3%
2019	322,695	2.6%	244,625	6.1%	75.8%	$127.84	-0.8%	$96.91	2.6%
2020	219,552	-32.0%	117,914	-51.8%	53.7%	$112.12	-12.3%	$60.22	-37.9%
2021	279,941	27.5%	176,811	49.9%	63.2%	$133.20	18.8%	$84.13	39.7%
2022	322,702	15.3%	194,946	10.3%	60.4%	$146.79	10.2%	$88.68	5.4%
2023	322,688	0.0%	208,613	7.0%	64.6%	$148.10	0.9%	$95.74	8.0%
2024	322,737	0.0%	225,702	8.2%	69.9%	$143.07	-3.4%	$100.05	4.5%
CAGR/Avg.	1.0%		0.6%		0.0%	1.7%		1.2%	
Oct 2024 YTD	268,807	N/A	188,786	N/A	70.2%	$143.35	N/A	$100.68	N/A
Oct 2025 YTD	268,765	0.0%	197,954	4.9%	73.7%	$142.14	-0.8%	$104.69	4.0%

As shown in the preceding table, prior to the pandemic the local competitive set achieved an occupancy of approximately 75 percent at an ADR of approximately $128.00. At the onset of the pandemic in 2020, the performance of the local competitive market, similar to the nation as a whole, declined precipitously with the number of occupied rooms declining by more than 22 points and the average ADR dropping by more than one-third. However, as vaccines became more readily available and travel restrictions were lifted, the competitive market saw growth in the number of occupied rooms each year between 2021 and 2024, while posting ADR gains in all but one of these years. In comparison to the Subject, the competitive set's 2023 RevPAR performance was more than 250 percent greater. As evidenced by year-to-date performance through October 2025 as compared to the prior period last year, it appears that occupancy levels have or will soon return to their pre-pandemic stabilized level.

It should be noted that we have not completed a formal market study relative to the proposed Kellogg West Conference Center Hotel Series by Marriott and that our conclusions are based on general market information and a high-level understanding to the proposed plan.

I appreciate your cooperation extended to us during the course of the engagement and would be pleased to hear from you if I could be of further assistance in the interpretation of our findings and recommendations.

Sincerely,

Brandon Feighner
Executive Vice President
CBRE Hotels Advisory

Hospitality Submarket Report

Los Angeles East

Los Angeles - CA USA

PREPARED BY

CalPoly Pomona

Linchi Kwok

Professor

CoStar™

HOSPITALITY SUBMARKET REPORT

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Overview

Los Angeles East Hospitality

12 Mo Occupancy	12 Mo ADR	12 Mo RevPAR	12 Mo Supply	12 Mo Demand
67.5%	**$127.67**	**$86.21**	**4.4M**	**3M**

Los Angeles East comprises 160 hotel properties, which contain around 12,000 rooms. Among the subtypes, there are 1,300 Luxury & Upper Upscale rooms, 4,600 Upscale & Upper Midscale rooms, and 6,200 Midscale & Economy rooms in Los Angeles East.

As of December, Los Angeles East 12-month occupancy is 67.6%, 12-month ADR is $128, and 12-month RevPAR is $86. Year over year, 12-month occupancy in Los Angeles East has changed by 0.9%, 12-month ADR has changed -2.0%, and 12-month RevPAR has changed by -1.1%.

For Luxury & Upper Upscale properties, 12-month occupancy is 75.9% and ADR is $177, resulting in a 12-month RevPAR of $134. On a year over year basis, 12-month occupancy changed by -0.7%, 12-month ADR changed by -2.2%, and 12-month RevPAR changed by -2.9%.

Among Upscale & Upper Midscale assets, 12-month occupancy is 71.2% and ADR is $147, resulting in a 12-month RevPAR of $104. On a year over year basis, 12-month occupancy changed by 2.1%, 12-month ADR changed by -3.3%, and 12-month RevPAR changed by -1.3%.

For Midscale & Economy class hotels in Los Angeles East, 12-month occupancy is 63.7% and ADR is $101, resulting in a 12-month RevPAR of $64. On a year over year basis, 12-month occupancy changed by 0.2%, 12-month ADR changed by -1.5%, and 12-month RevPAR changed by -1.3%.

Approximately 510 rooms are under construction in Los Angeles East, accounting for 4.3% of its existing inventory. Over the past 12 months, roughly 240 rooms have opened across 2 buildings.

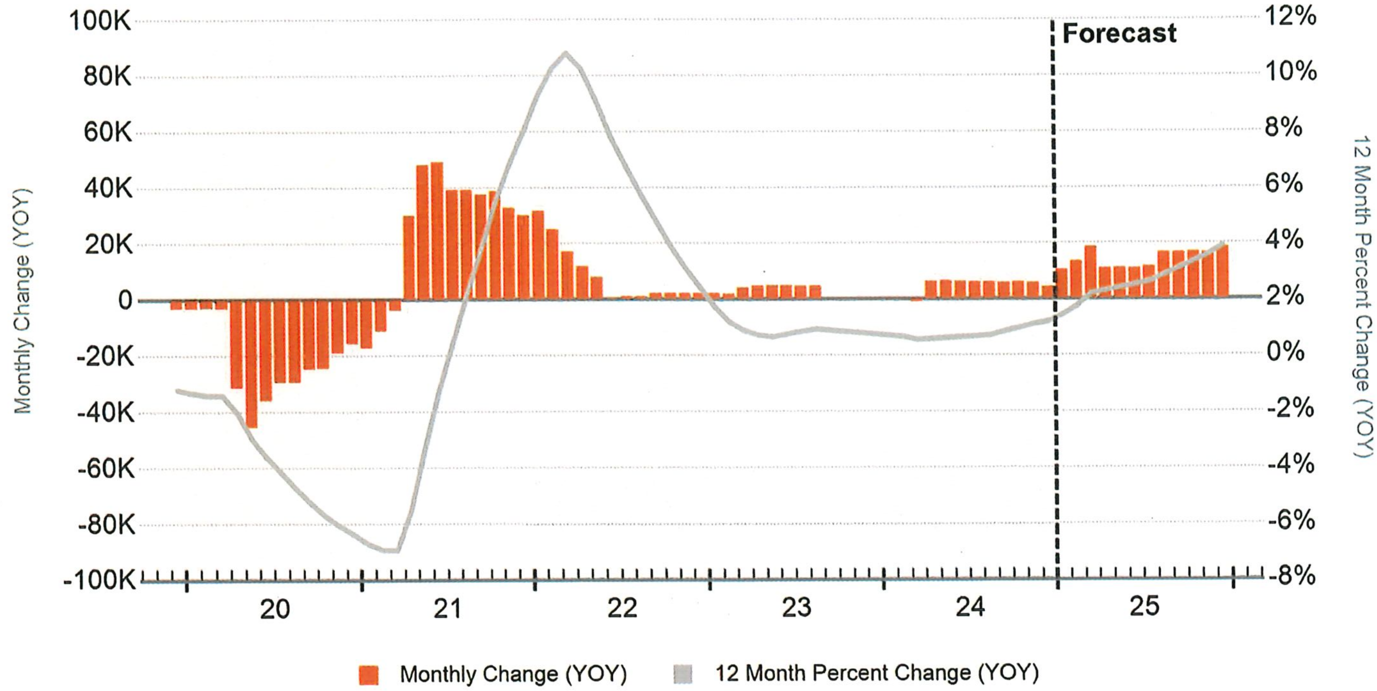
KEY INDICATORS

Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	1,251	75.9%	$176.77	$134.09	0	392
Upscale & Upper Midscale	4,576	71.2%	$146.57	$104.29	245	120
Midscale & Economy	6,214	63.3%	$100.65	$63.68	0	0
Total	**12,041**	**67.5%**	**$127.67**	**$86.21**	**245**	**512**

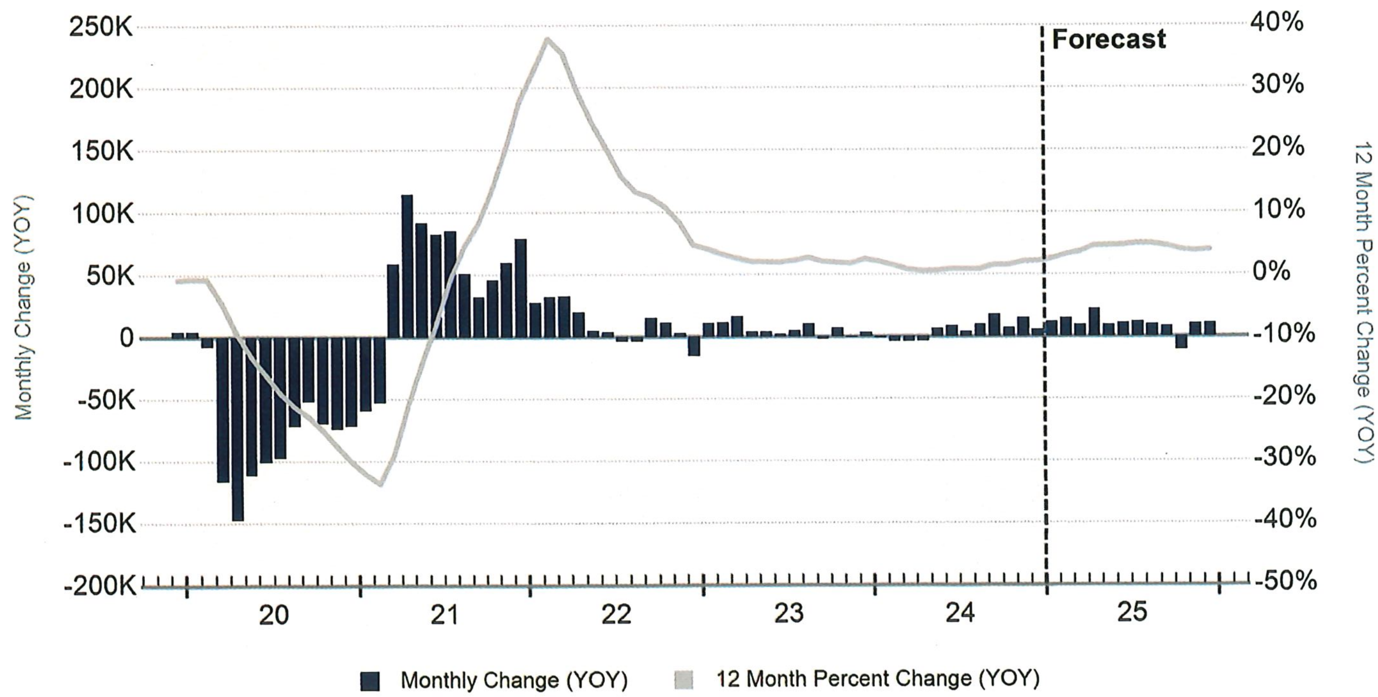
Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	62.0%	66.4%	67.5%	67.5%	64.0%	70.5%
Occupancy Change	0.5%	2.1%	0.9%	0.9%	-1.5%	1.5%
ADR	$122.78	$127.16	$127.67	$127.67	$119.42	$148.03
ADR Change	-2.7%	-3.0%	-2.0%	-2.0%	2.9%	4.3%
RevPAR	$76.09	$84.45	$86.21	$86.21	$76.47	$104.28
RevPAR Change	-2.2%	-0.9%	-1.2%	-1.2%	1.3%	5.9%

Performance

SUPPLY CHANGE

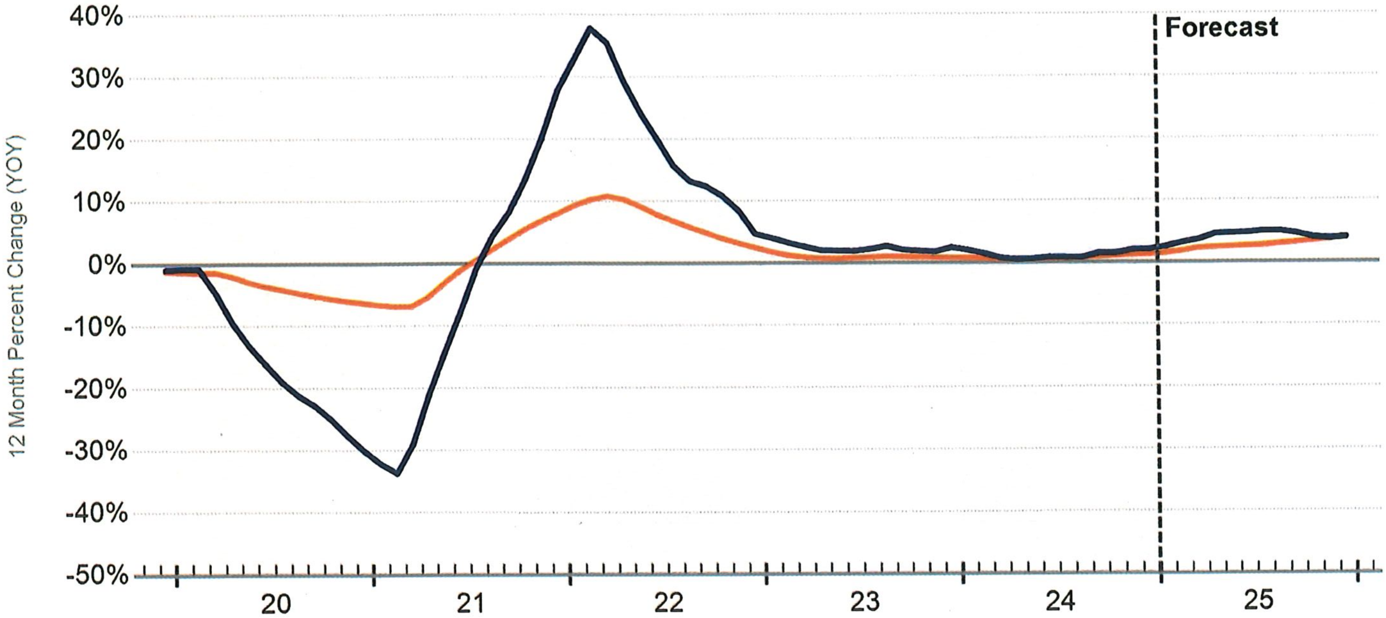


DEMAND CHANGE

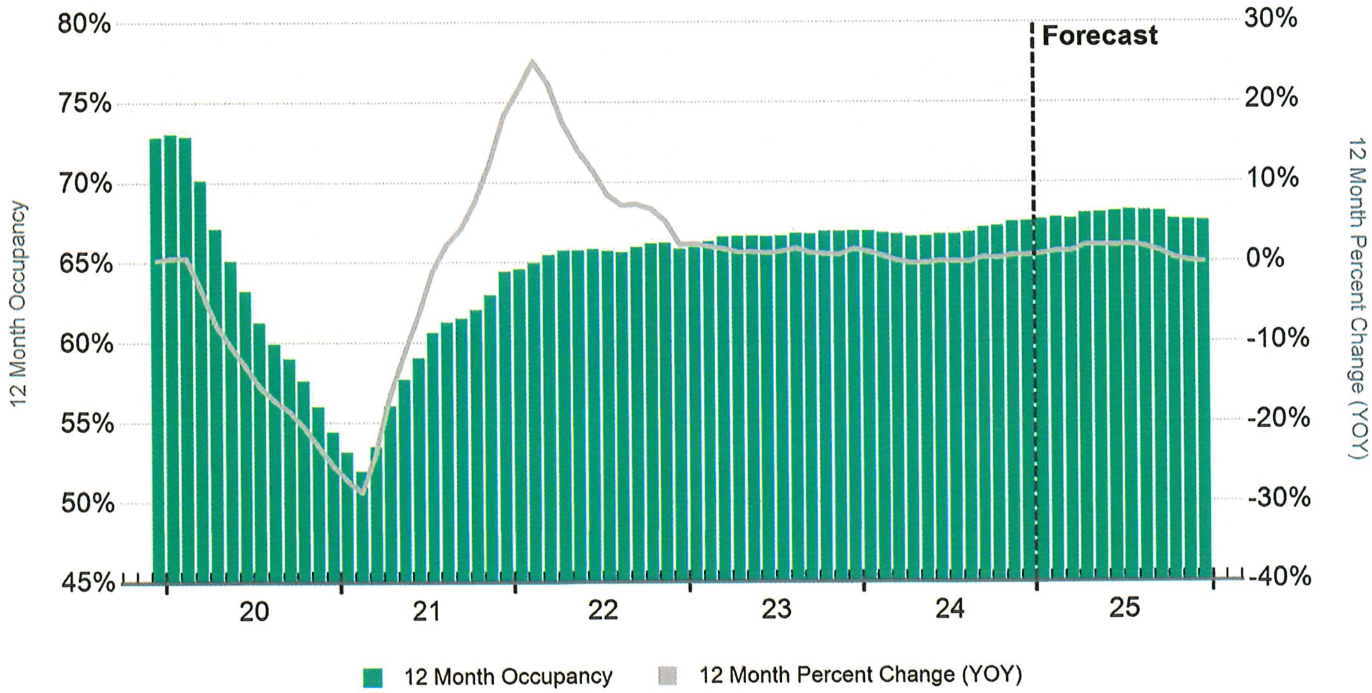


Performance

SUPPLY & DEMAND CHANGE

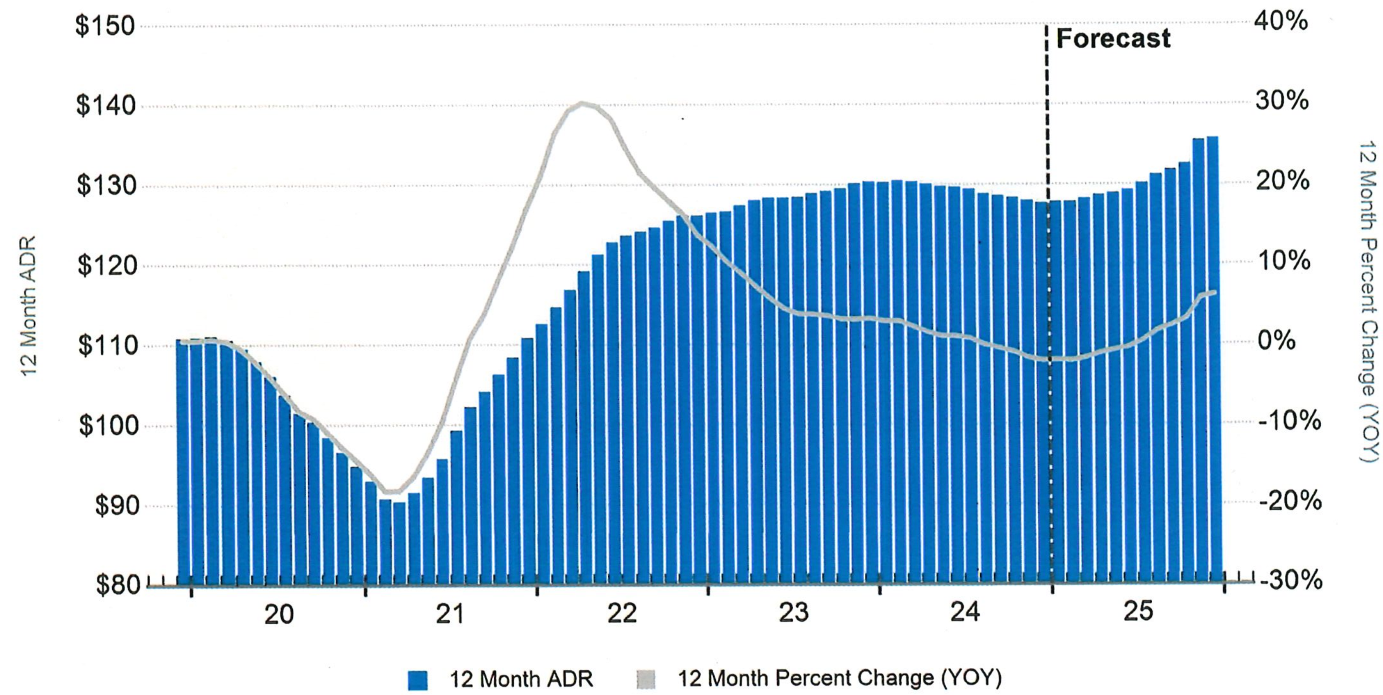


OCCUPANCY

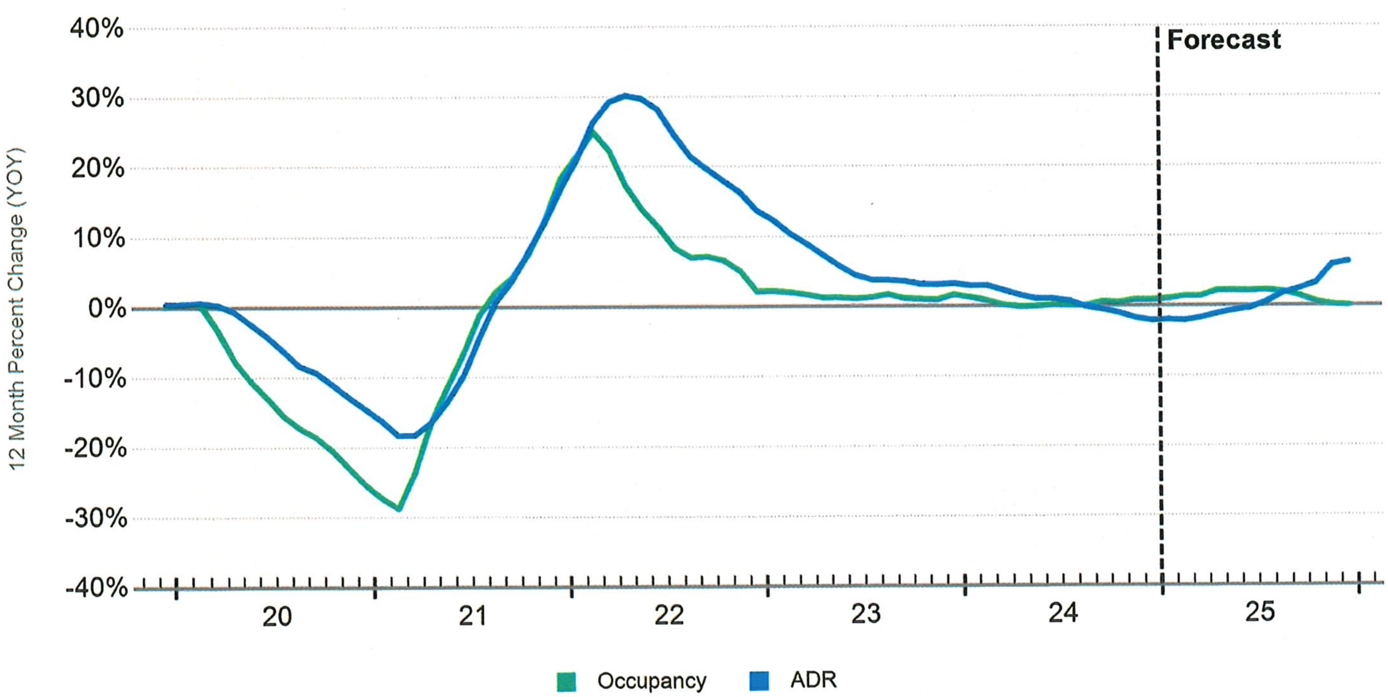


Performance

ADR



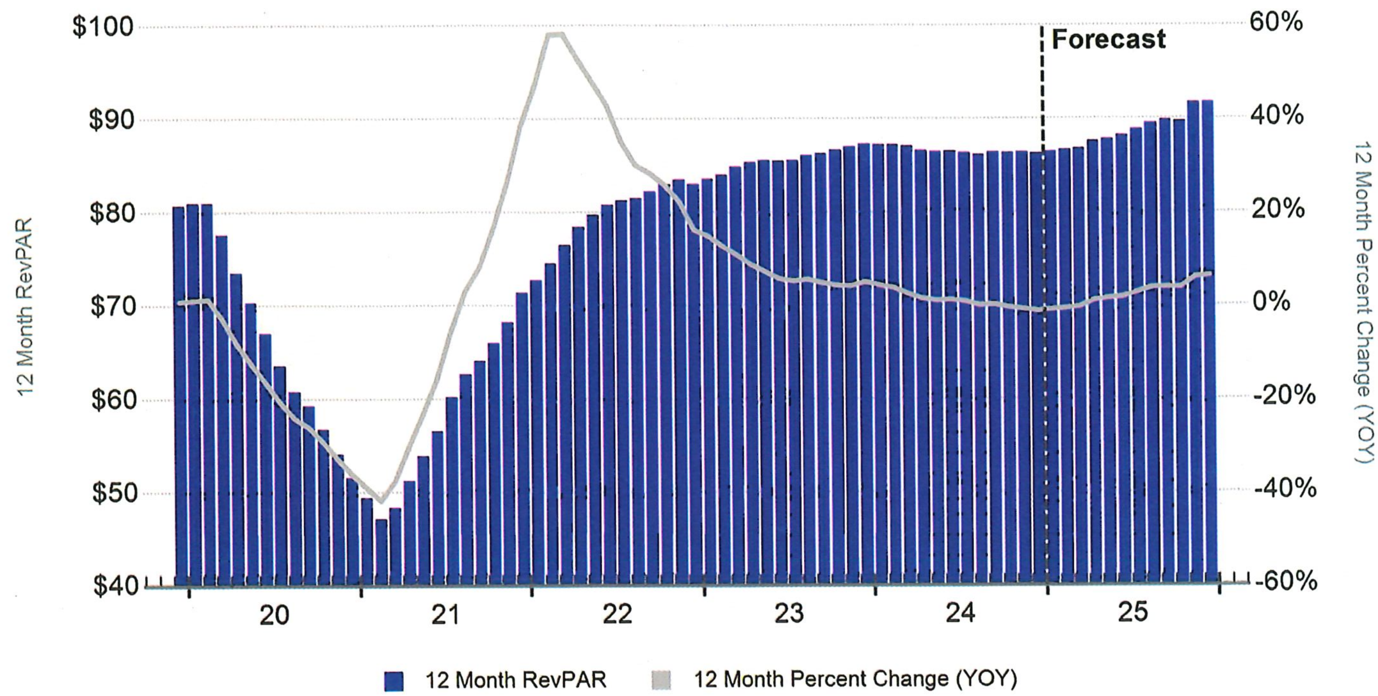
OCCUPANCY & ADR CHANGE



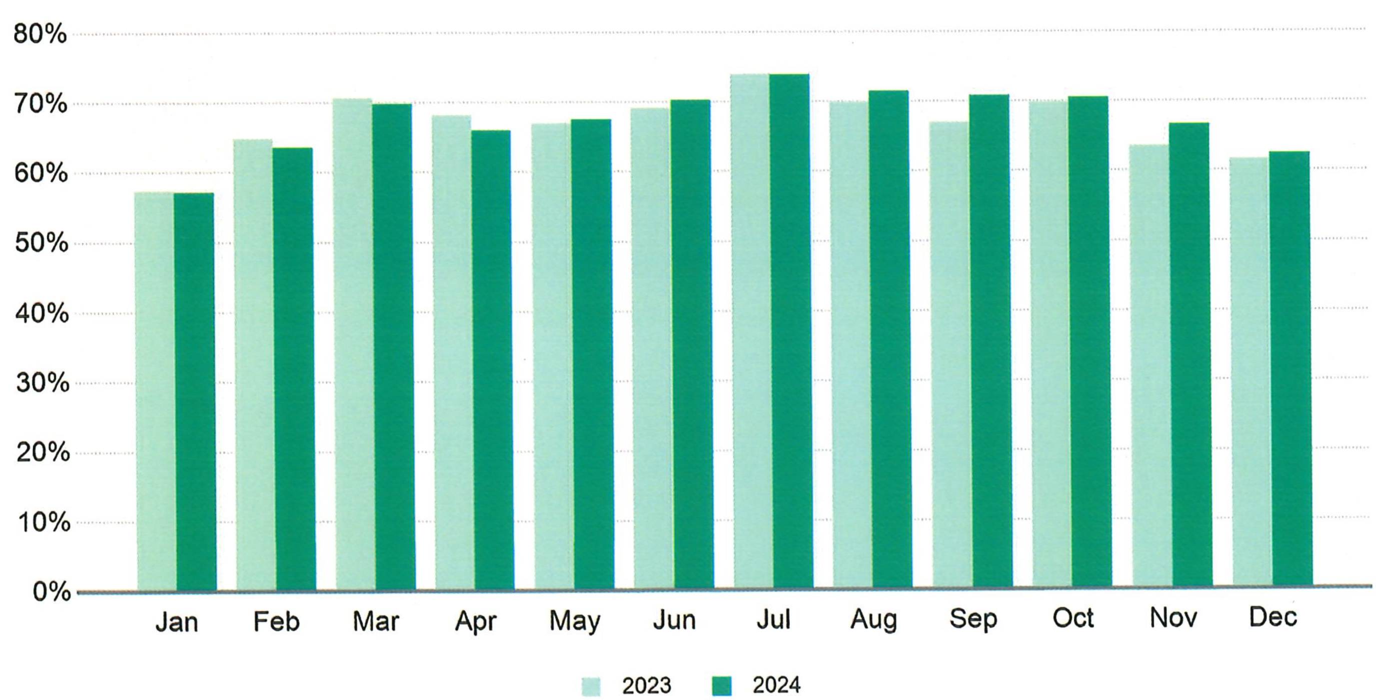
Performance

Los Angeles East Hospitality

REVPAR

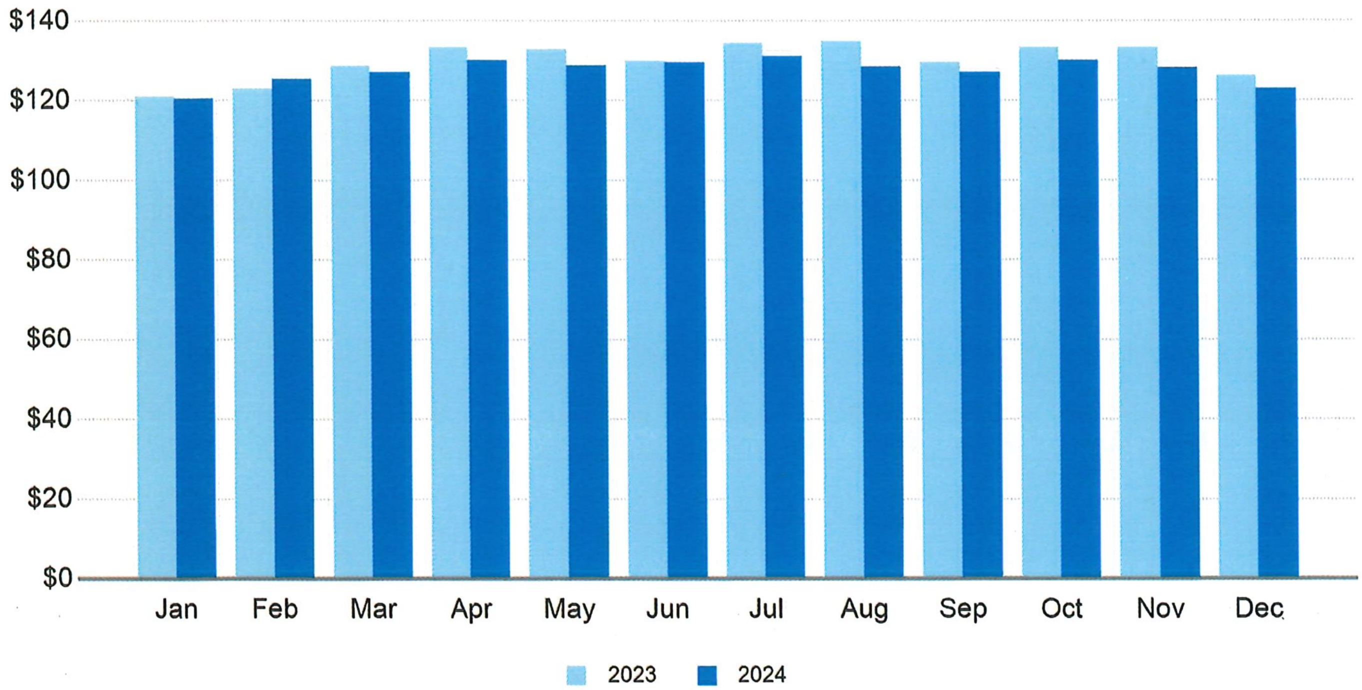


OCCUPANCY MONTHLY

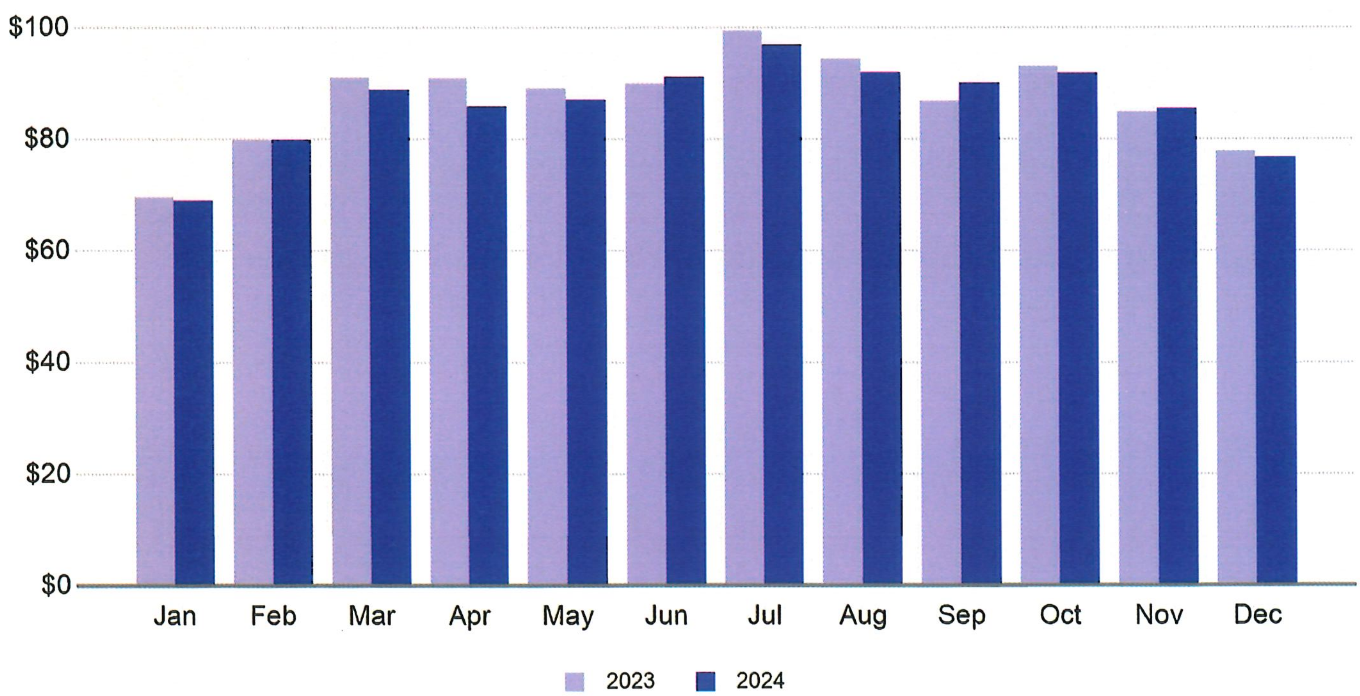


Performance

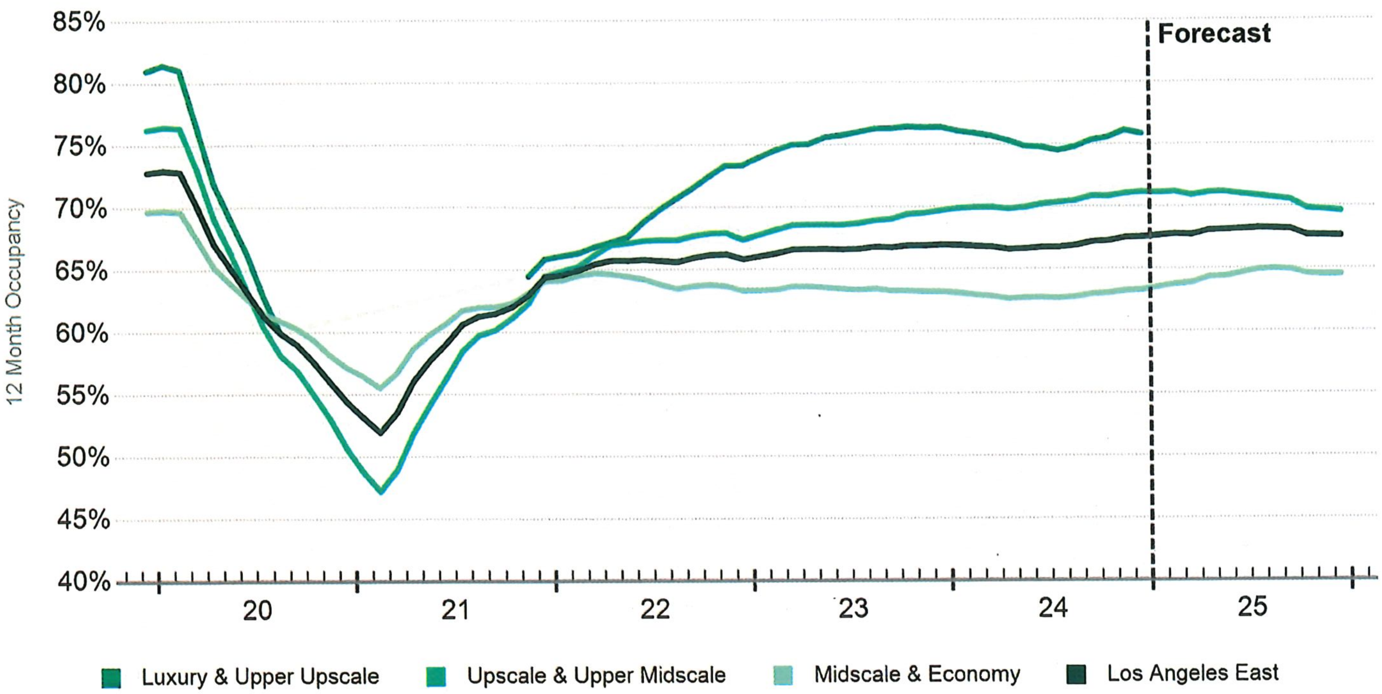
ADR MONTHLY



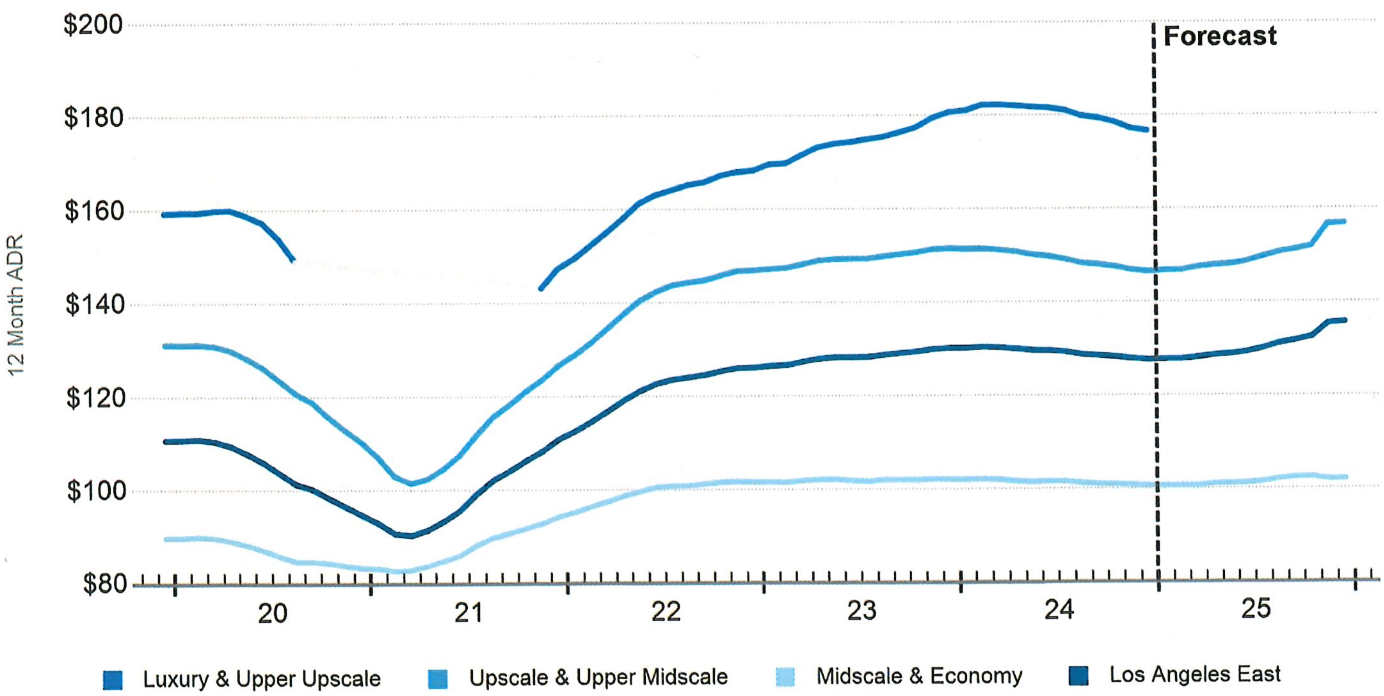
REVPAR MONTHLY



OCCUPANCY BY CLASS

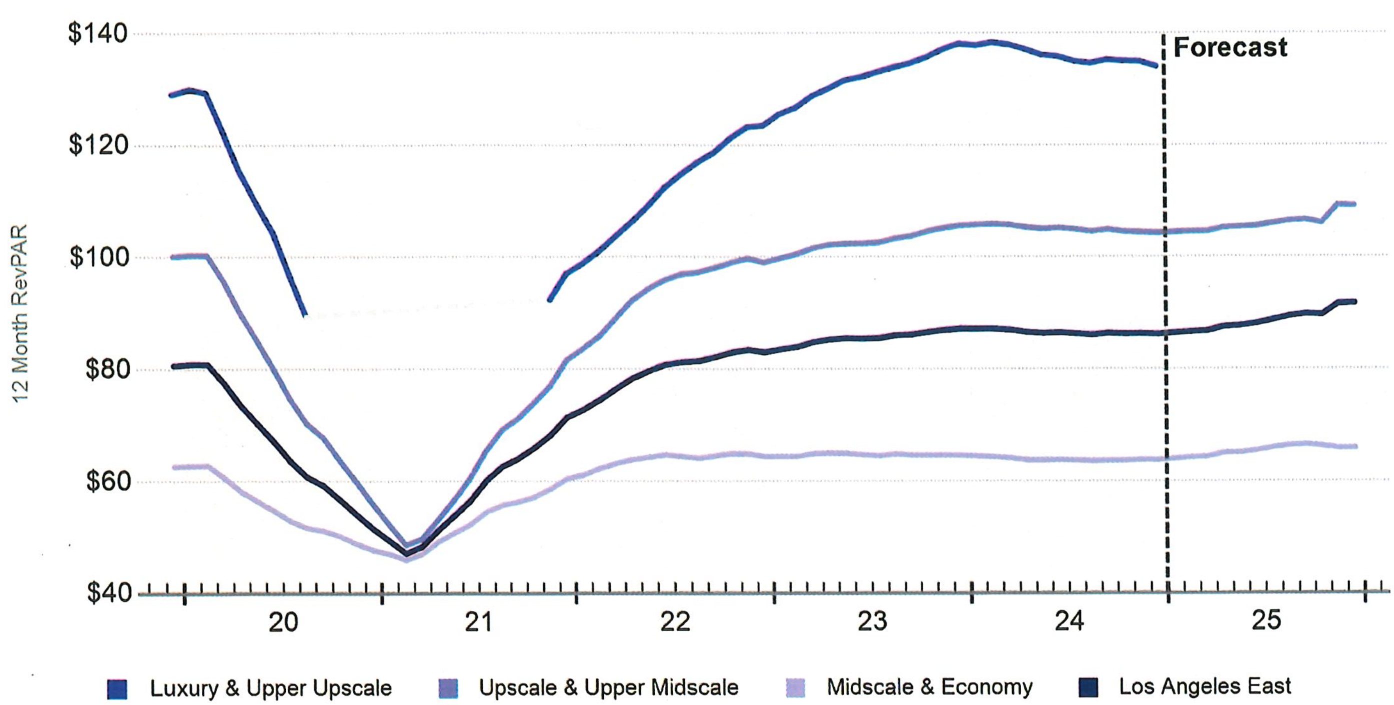


ADR BY CLASS

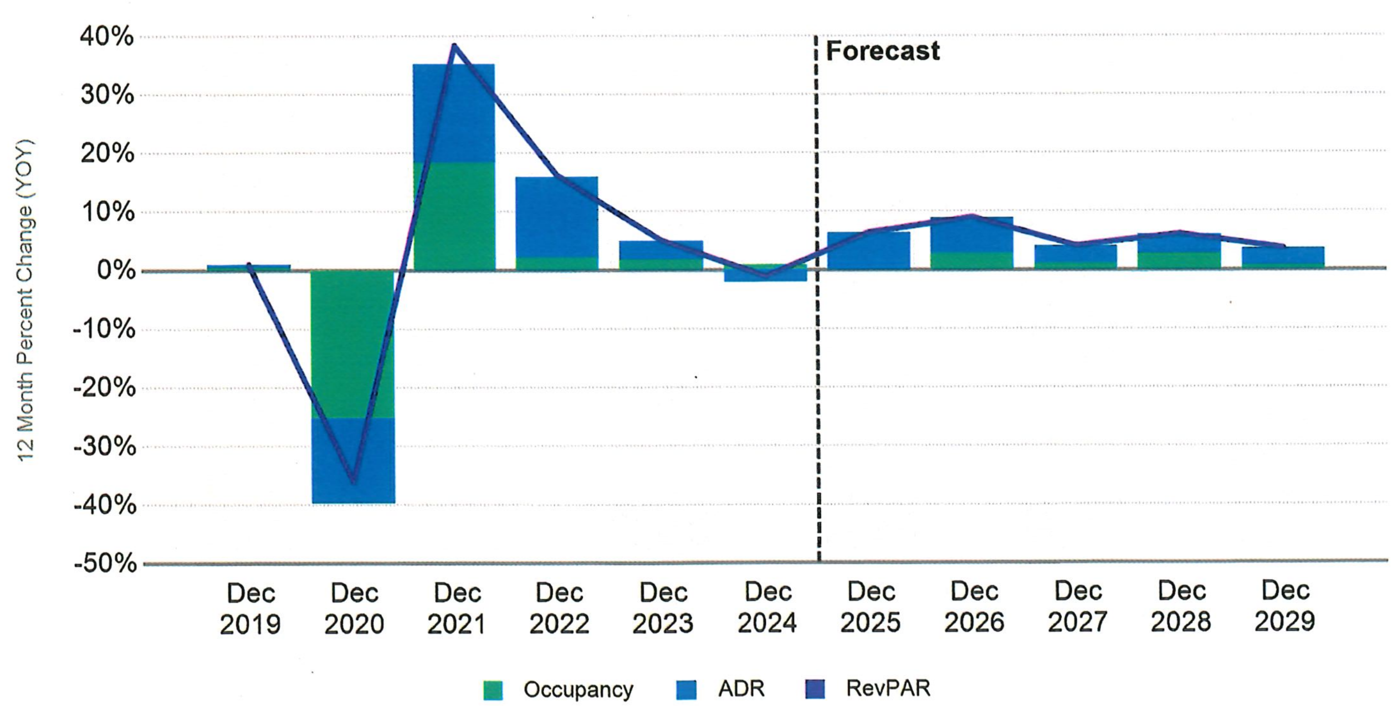


Performance

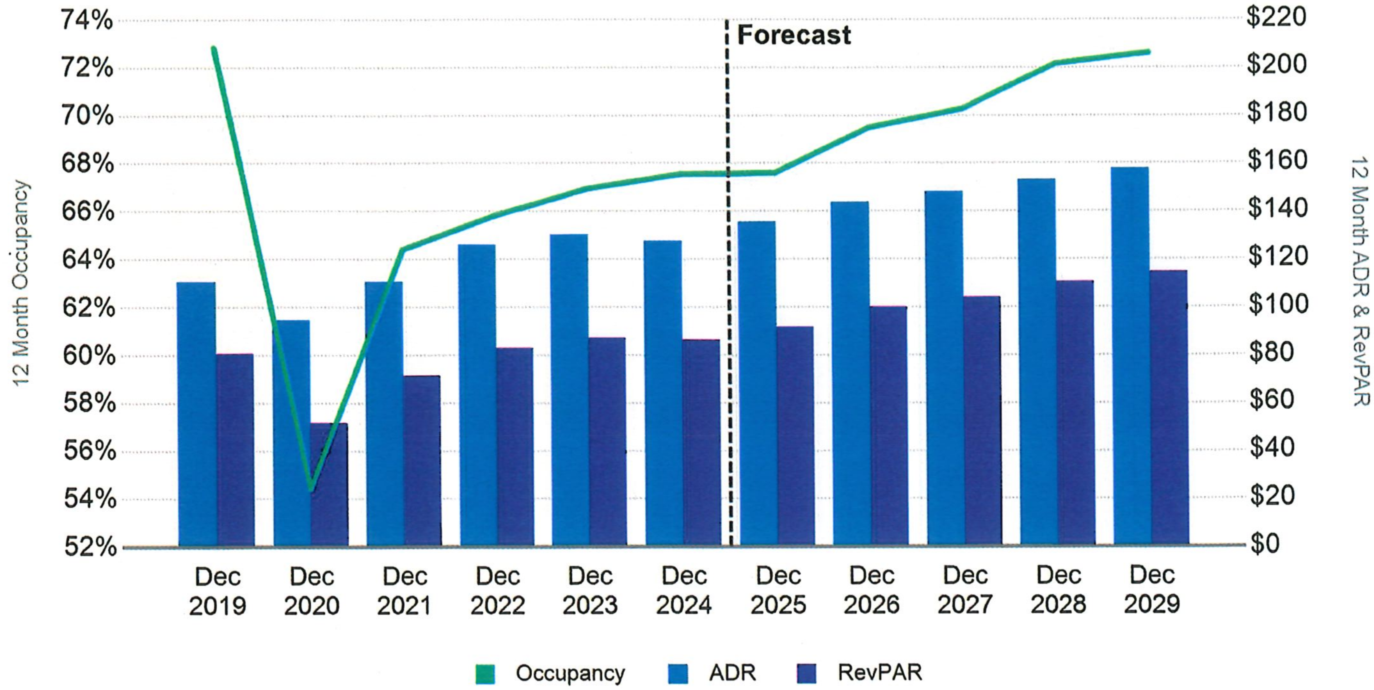
REVPAR BY CLASS



REVPAR GROWTH COMPOSITION



OCCUPANCY, ADR & REVPAR



FULL-SERVICE HOTELS PROFITABILITY (ANNUAL)

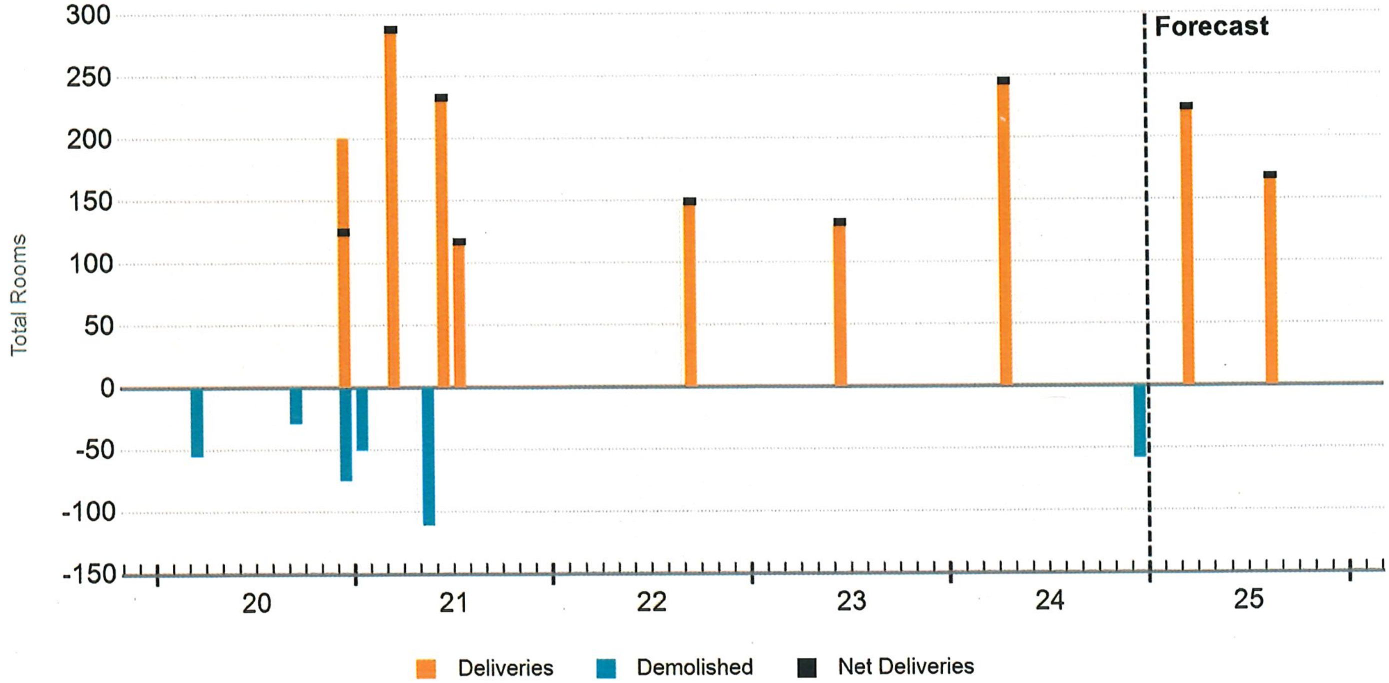
	2023			2022-2023 % Change	
Market	**% of Revenues**	**PAR**	**POR**	**PAR**	**POR**
Revenue					
Rooms	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Food	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Beverage	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other F&B	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other Departments	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Miscellaneous Income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total Revenue	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Operating Expenses					
Rooms	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Food & Beverage	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other Departments	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Administrative & General	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Information & Telecommunication Systems	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sales & Marketing	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Property Operations & Maintenance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Utilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Gross Operating Profit	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Management Fees	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rent	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Property Taxes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Insurance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
EBITDA	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total Labor Costs	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(1) For Annual P&L, the current year exchange rate is used for each year going back in time. This current year exchange rate is the average of all 12 monthly rates for that year.

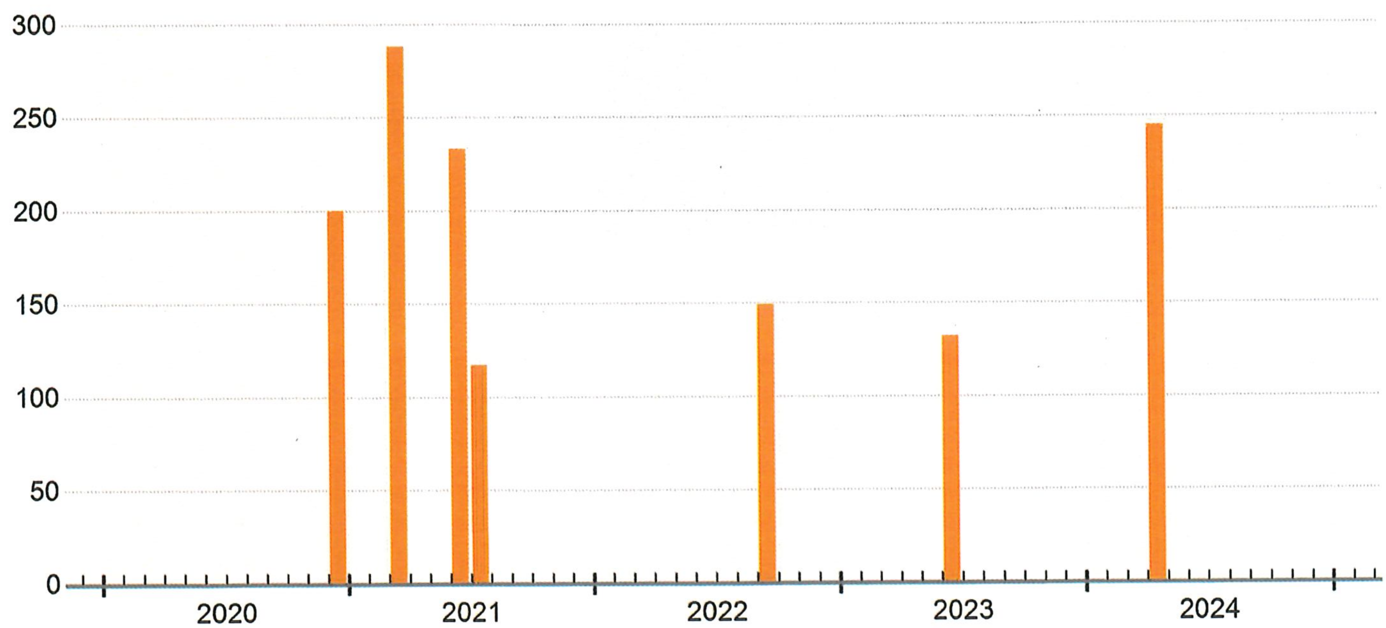
(2) Percentage of Revenues for departmental expenses (Rooms, Food & Beverage, and Other Departments) are based on their respective departmental revenues. All other expense percentages are based on Total Revenue.

(3) Labor costs are already included in the operating expenses above. Amounts shown in Total Labor Costs are for additional detail only.

DELIVERIES & DEMOLITIONS

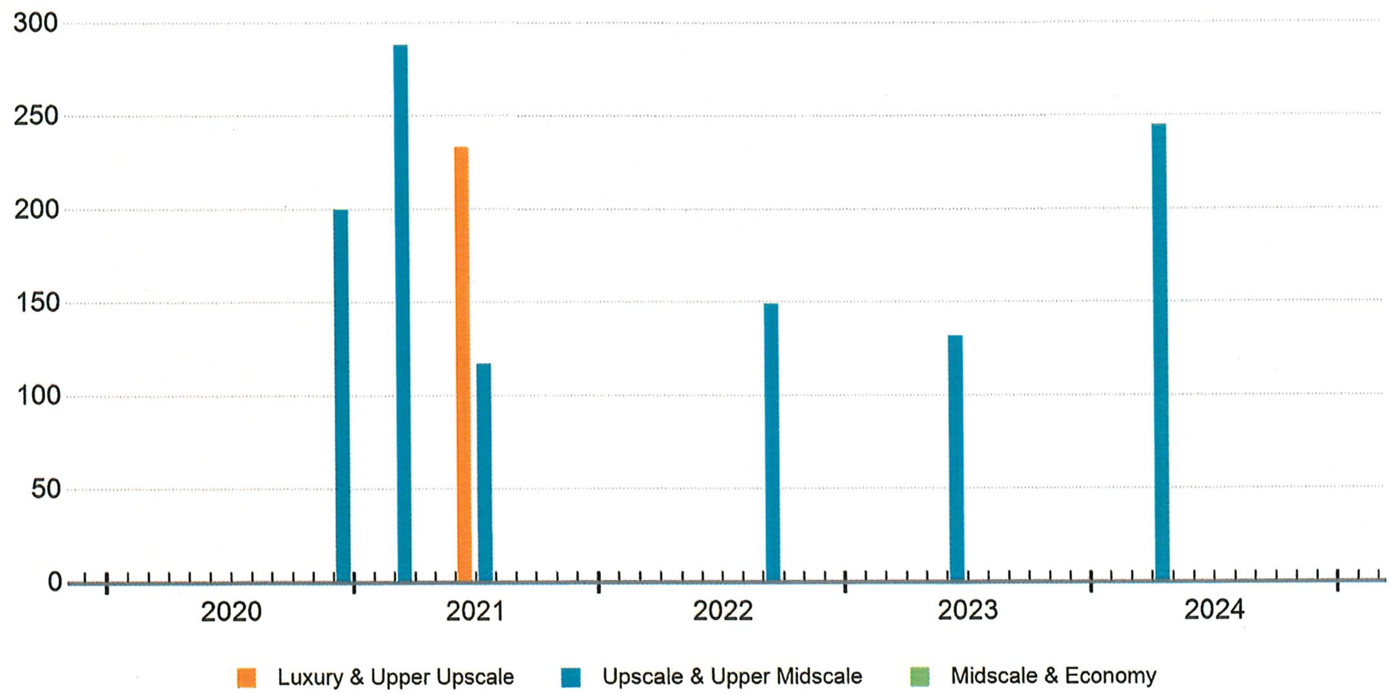


ROOMS DELIVERED

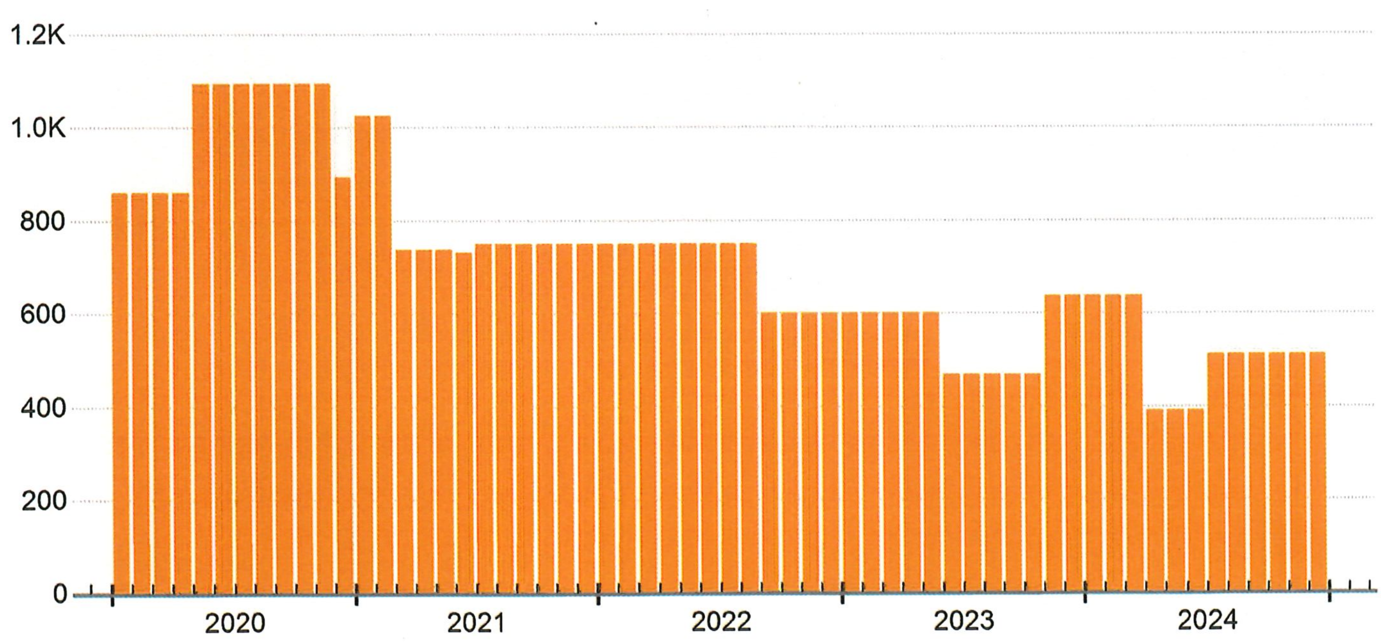


Construction

ROOMS DELIVERED BY CLASS

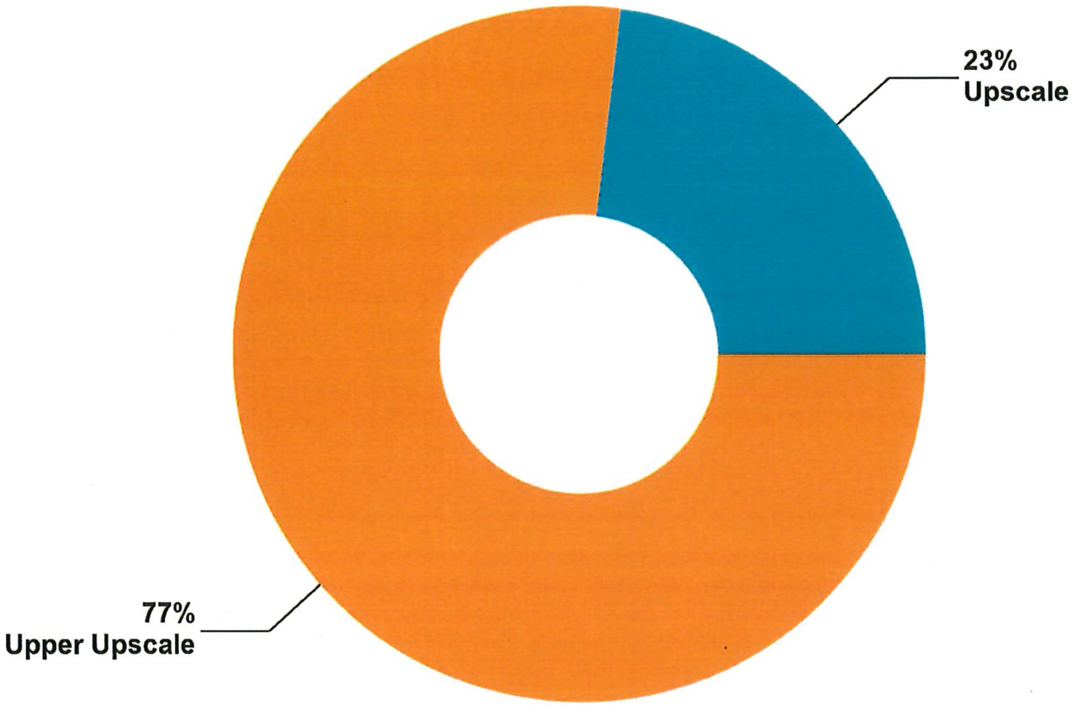


ROOMS UNDER CONSTRUCTION

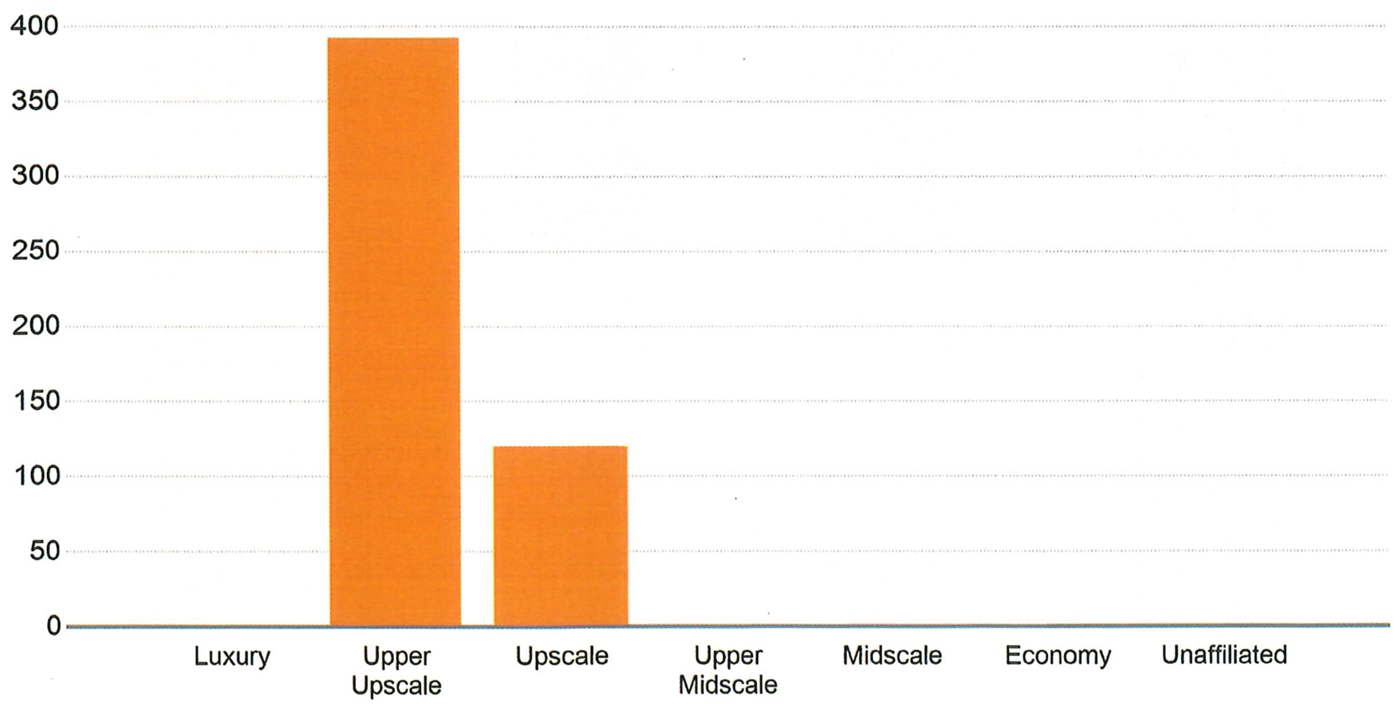


Construction

TOTAL ROOMS UNDER CONSTRUCTION BY SCALE



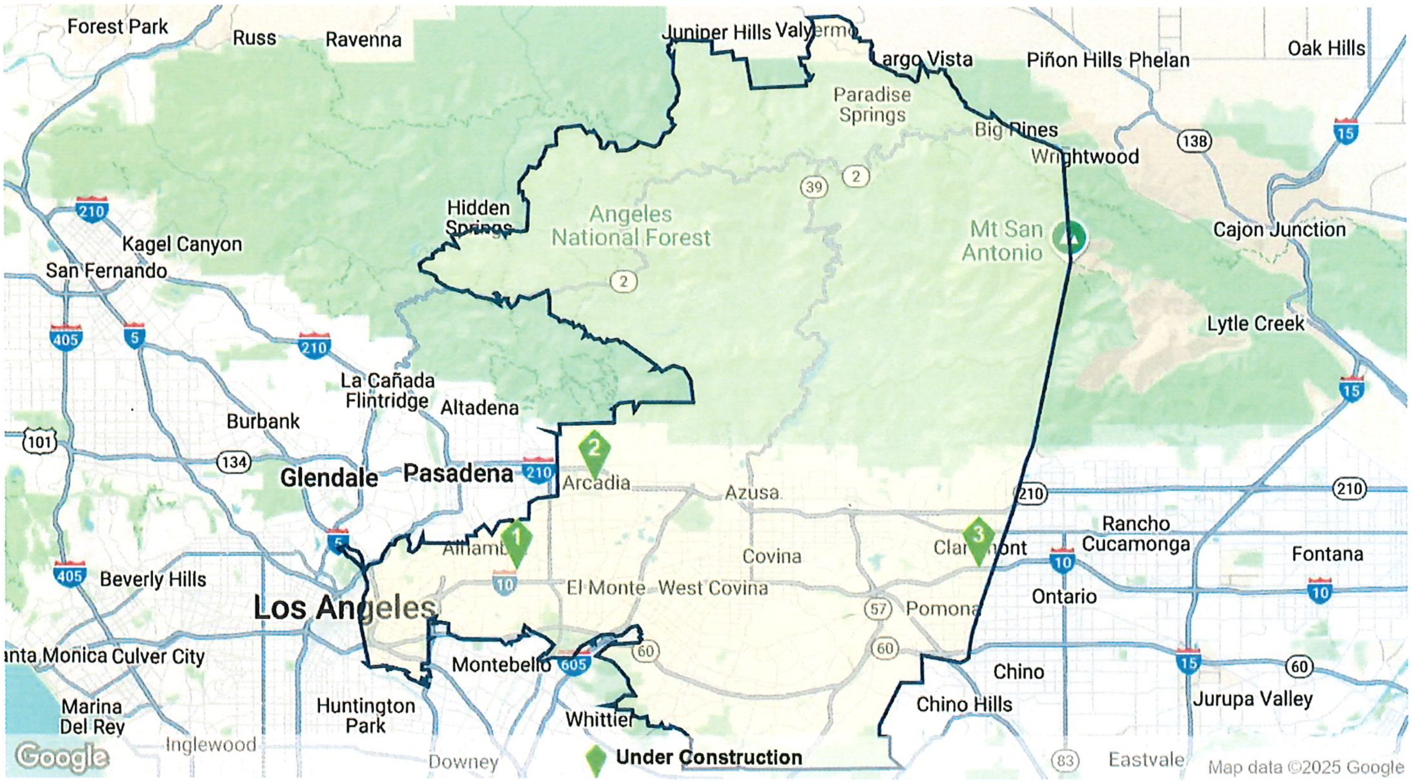
ROOMS UNDER CONSTRUCTION BY SCALE



Under Construction Properties

Properties	Rooms	Percent of Inventory	Average Rooms
3	512	4.3%	171

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

	Property Name/Address	Class	Rooms	Stories	Start	Complete	Brand/Developer
1	The Jordan San Gabriel, Curio Co... 111 W Valley Blvd	Upper Upscale	224	6	May 2019	Mar 2025	Curio Collection by Hilton Landwin Management
2	Hilton Arcadia Los Angeles 123 W Huntington Dr	Upper Upscale	168	5	Nov 2023	Aug 2025	Hilton R.D. Olson Construction
3	Residence Inn by Marriott Claremont 542 W San Jose Ave	Upscale	120	5	Jul 2024	Jan 2026	Residence Inn -

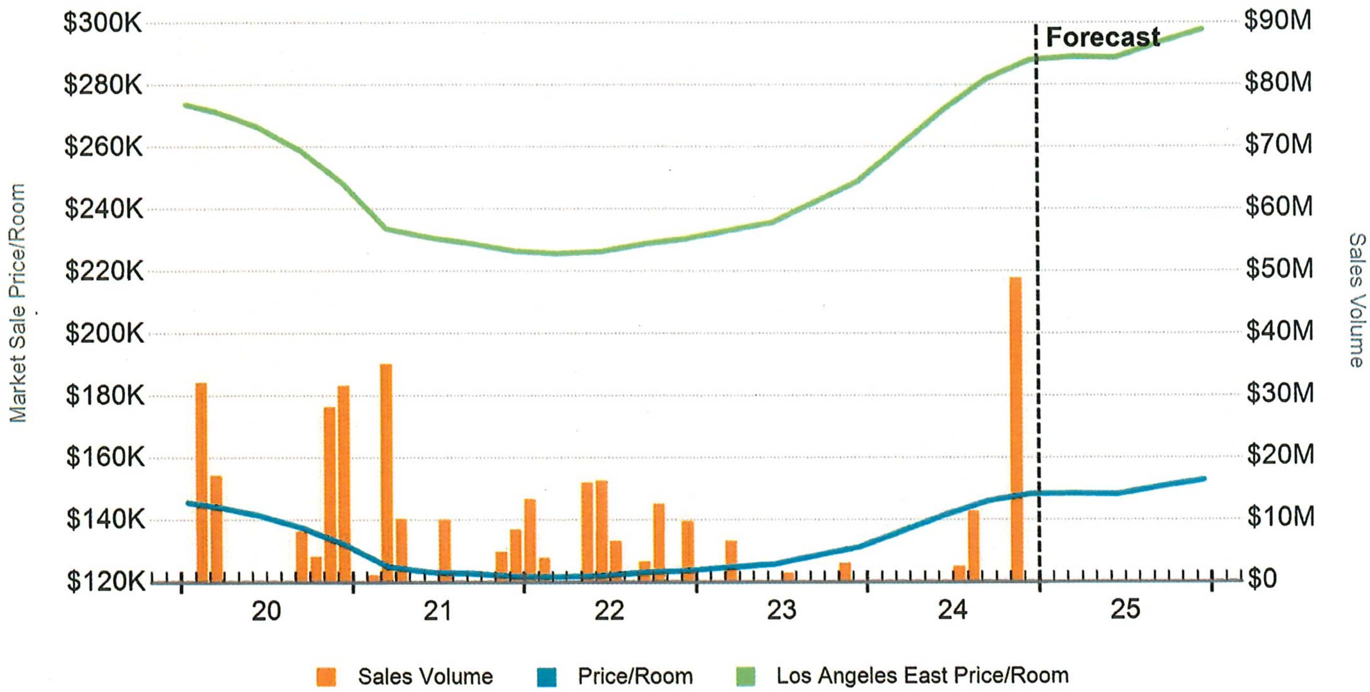
Sales

In the past 12 months, 4 hotels traded in Los Angeles East, for a transaction volume of $62.6 million. This compares to the three-year annual sales volume average of $42.0 million.

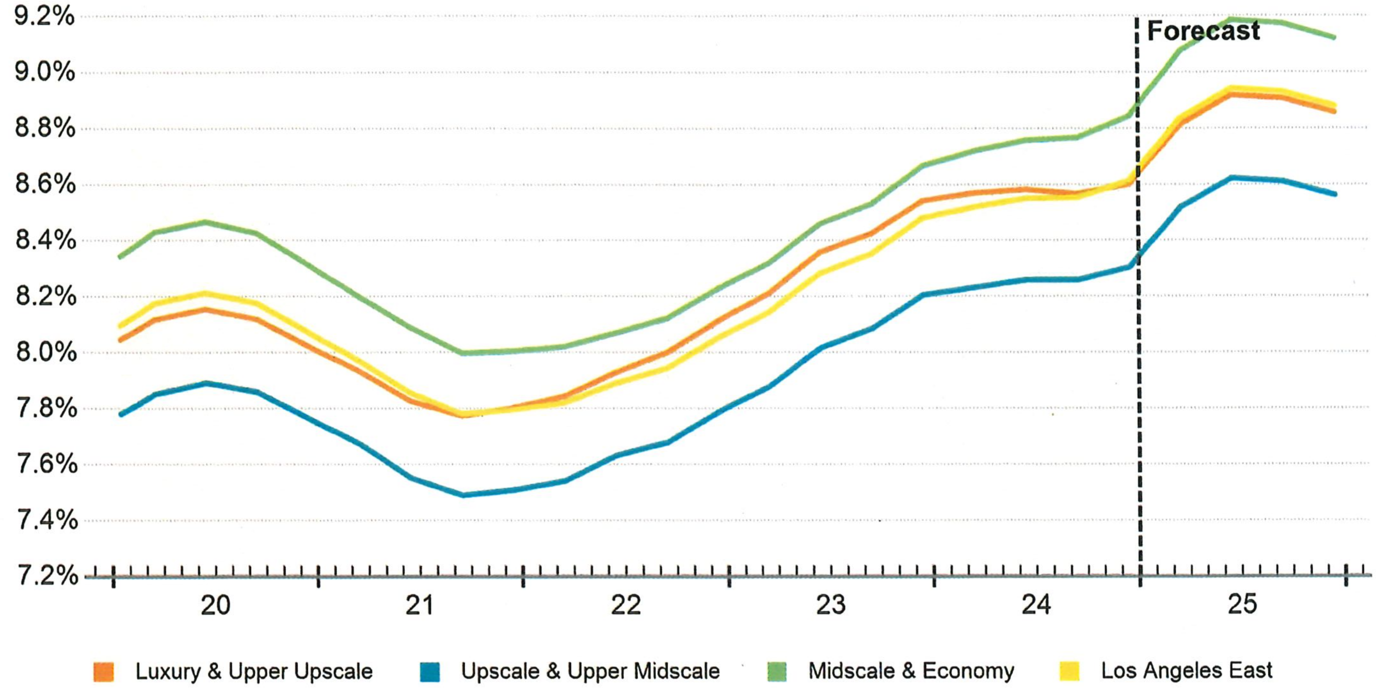
Sales involving Upscale & Upper Midscale accounted for $38.0 million in sales volume over the past 12 months and trades involving Midscale & Economy assets accounted for $24.6 million over the same period.

The market cap rate, or the estimated cap rate for the market, stands at 8.6% compared to the Los Angeles average of 8.0%.

SALES VOLUME & MARKET SALE PRICE PER ROOM



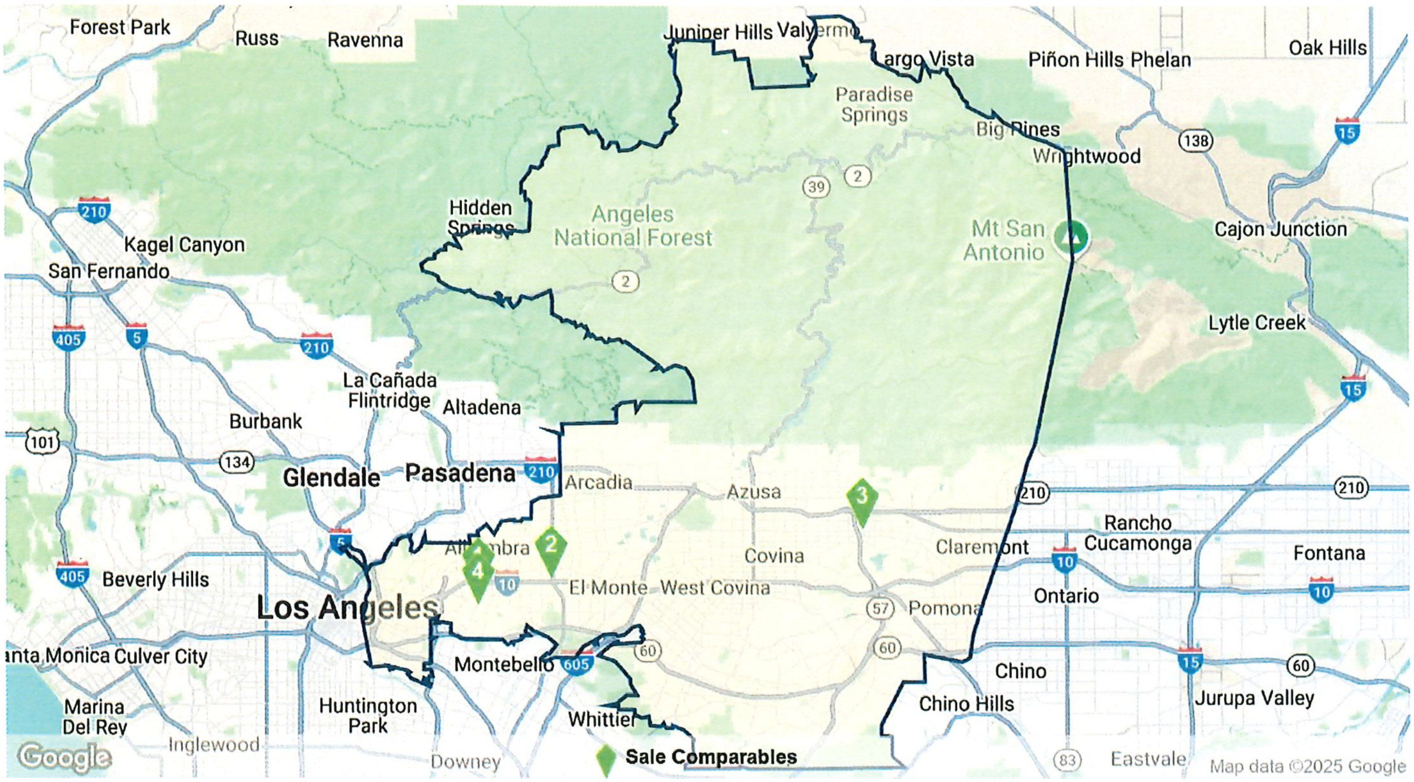
MARKET CAP RATE



Sales Past 12 Months

Sale Comparables	Average Price/Room	Average Price	Average Cap Rate
4	$177K	$15.6M	5.0%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sale Attributes	Low	Average	Median	High
Sale Price	$2,500,000	$15,637,500	$10,750,000	$38,000,000
Price/Room	$103,365	$177,195	$113,000	$279,412
Cap Rate	5.0%	5.0%	5.0%	5.0%
Time Since Sale in Months	2.0	4.1	2.2	6.5
Property Attributes	**Low**	**Average**	**Median**	**High**
Property Size in Rooms	13	88	100	136
Number of Floors	1	3	3	6
Total Meeting Space	450	1,317	1,317	2,900
Year Built	1948	1986	1974	2024
Class	Economy	Midscale	Economy	Upper Midscale

Sales Past 12 Months

RECENT SIGNIFICANT SALES

		Property Information				Sale Information		
	Property Name/Address	Class	Yr Built	Rooms	Brand	Sale Date	Price	Price/Room
1	Holiday Inn Monterey Park – Los... 400 N Atlantic Blvd	Upper Midscale	2024	136	Holiday Inn	11/22/2024	$38,000,000	$279,412
2	Bokai Garden Hotel 3633 Rosemead Blvd	Economy	1974	100	-	8/1/2024	$11,300,000	$113,000
3	Extended Hotel Studio San Dimas 601 W Bonita Ave	Midscale	1998	104	-	11/18/2024	$10,750,000	$103,365
4	Milla Motel 438 El Mercado Ave	Economy	1948	13	-	7/8/2024	$2,500,000	$192,308

Appendix

OVERALL SUPPLY & DEMAND

	Supply			Demand		
Year	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	4,664,310	0	0%	3,365,931	87,509	2.7%
2027	4,664,310	0	0%	3,278,422	36,374	1.1%
2026	4,664,310	95,011	2.1%	3,242,048	152,605	4.9%
2025	4,569,299	172,085	3.9%	3,089,443	118,478	4.0%
2024	4,397,214	51,792	1.2%	2,970,965	61,261	2.1%
YTD	4,397,214	51,792	1.2%	2,970,965	61,261	2.1%
2023	4,345,422	32,335	0.7%	2,909,704	70,022	2.5%
2022	4,313,087	103,450	2.5%	2,839,682	127,811	4.7%
2021	4,209,637	311,399	8.0%	2,711,871	590,406	27.8%
2020	3,898,238	(265,391)	-6.4%	2,121,465	(911,578)	-30.1%
2019	4,163,629	(50,941)	-1.2%	3,033,043	(25,027)	-0.8%
2018	4,214,570	202,677	5.1%	3,058,070	41,099	1.4%
2017	4,011,893	(9,015)	-0.2%	3,016,971	(77,317)	-2.5%
2016	4,020,908	(52,938)	-1.3%	3,094,288	60,199	2.0%
2015	4,073,846	44,536	1.1%	3,034,089	82,967	2.8%
2014	4,029,310	(36,590)	-0.9%	2,951,122	98,591	3.5%

LUXURY & UPPER UPSCALE SUPPLY & DEMAND

	Supply			Demand		
Year	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	602,875	0	0%	[illegible]	[illegible]	[illegible]
2027	602,875	0	0%	[illegible]	[illegible]	[illegible]
2026	602,875	50,365	9.1%	[illegible]	[illegible]	[illegible]
2025	552,510	95,895	21.0%	[illegible]	[illegible]	[illegible]
2024	456,615	0	0%	346,368	(2,516)	-0.7%
YTD	456,615	0	0%	346,368	(2,516)	-0.7%
2023	456,615	0	0%	348,884	13,875	4.1%
2022	456,615	64,280	16.4%	335,009	76,541	29.6%
2021	392,335	105,433	36.7%	258,468	[illegible]	[illegible]
2020	286,902	(84,668)	-22.8%	[illegible]	[illegible]	[illegible]
2019	371,570	0	0%	301,064	13,980	4.9%
2018	371,570	105,120	39.5%	287,084	82,820	40.5%
2017	266,450	120	0%	204,264	(11,416)	-5.3%
2016	266,330	426	0.2%	215,680	[illegible]	[illegible]
2015	265,904	184	0.1%	[illegible]	[illegible]	[illegible]
2014	265,720	0	0%	[illegible]	[illegible]	[illegible]

UPSCALE & UPPER MIDSCALE SUPPLY & DEMAND

	Supply			Demand		
Year	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	1,716,401	0	0%	1,250,585	30,124	2.5%
2027	1,716,401	0	0%	1,220,461	10,643	0.9%
2026	1,716,401	44,646	2.7%	1,209,818	46,412	4.0%
2025	1,671,755	23,292	1.4%	1,163,406	(9,771)	-0.8%
2024	1,648,463	67,556	4.3%	1,173,177	70,985	6.4%
YTD	1,648,463	67,556	4.3%	1,173,177	70,985	6.4%
2023	1,580,907	36,299	2.4%	1,102,192	61,101	5.9%
2022	1,544,608	46,751	3.1%	1,041,091	74,809	7.7%
2021	1,497,857	192,790	14.8%	966,282	305,105	46.1%
2020	1,305,067	(42,513)	-3.2%	661,177	(367,111)	-35.7%
2019	1,347,580	9,490	0.7%	1,028,288	14,169	1.4%
2018	1,338,090	104,512	8.5%	1,014,119	53,716	5.6%
2017	1,233,578	21,999	1.8%	960,403	(24,914)	-2.5%
2016	1,211,579	(13,988)	-1.1%	985,317	28,154	2.9%
2015	1,225,567	44,686	3.8%	957,163	32,443	3.5%
2014	1,180,881	(23,839)	-2.0%	924,720	20,841	2.3%

MIDSCALE & ECONOMY SUPPLY & DEMAND

	Supply			Demand		
Year	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	2,345,034	0	0%	1,644,592	45,739	2.9%
2027	2,345,034	0	0%	1,598,853	26,961	1.7%
2026	2,345,034	0	0%	1,571,892	59,176	3.9%
2025	2,345,034	52,898	2.3%	1,512,716	61,296	4.2%
2024	2,292,136	(15,764)	-0.7%	1,451,420	(7,208)	-0.5%
YTD	2,292,136	(15,764)	-0.7%	1,451,420	(7,208)	-0.5%
2023	2,307,900	(3,964)	-0.2%	1,458,628	(4,954)	-0.3%
2022	2,311,864	(7,581)	-0.3%	1,463,582	(23,539)	-1.6%
2021	2,319,445	13,176	0.6%	1,487,121	168,333	12.8%
2020	2,306,269	(138,210)	-5.7%	1,318,788	(384,903)	-22.6%
2019	2,444,479	(60,431)	-2.4%	1,703,691	(53,176)	-3.0%
2018	2,504,910	(6,955)	-0.3%	1,756,867	(95,437)	-5.2%
2017	2,511,865	(31,134)	-1.2%	1,852,304	(40,987)	-2.2%
2016	2,542,999	(39,376)	-1.5%	1,893,291	32,912	1.8%
2015	2,582,375	(334)	0%	1,860,379	52,582	2.9%
2014	2,582,709	(12,751)	-0.5%	1,807,797	76,539	4.4%

Appendix

OVERALL PERFORMANCE

	Occupancy		ADR		RevPAR	
Year	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	72.2%	2.7%	$153.22	3.4%	$110.57	6.2%
2027	70.3%	1.1%	$148.20	3.0%	$104.17	4.1%
2026	69.5%	2.8%	$143.95	6.0%	$100.05	9.0%
2025	67.6%	0.1%	$135.73	6.3%	$91.77	6.4%
2024	67.6%	0.9%	$127.68	-2.0%	$86.27	-1.1%
YTD	67.6%	0.9%	$127.68	-2.0%	$86.27	-1.1%
2023	67.0%	1.7%	$130.32	3.3%	$87.26	5.1%
2022	65.8%	2.2%	$126.13	13.8%	$83.04	16.3%
2021	64.4%	18.4%	$110.89	16.9%	$71.43	38.4%
2020	54.4%	-25.3%	$94.85	-14.4%	$51.62	-36.1%
2019	72.8%	0.4%	$110.85	0.6%	$80.75	1.0%
2018	72.6%	-3.5%	$110.20	1.9%	$79.96	-1.7%
2017	75.2%	-2.3%	$108.20	3.3%	$81.36	1.0%
2016	77.0%	3.3%	$104.73	7.4%	$80.59	11.0%
2015	74.5%	1.7%	$97.53	6.3%	$72.64	8.1%
2014	73.2%	4.4%	$91.72	6.4%	$67.18	11.1%

LUXURY & UPPER UPSCALE PERFORMANCE

	Occupancy		ADR		RevPAR	
Year	Percent	% Change	Per Room	% Change	Per Room	% Change
2028						
2027						
2026						
2025						
2024	75.9%	-0.7%	$176.77	-2.2%	$134.09	-2.9%
YTD	75.9%	-0.7%	$176.77	-2.2%	$134.09	-2.9%
2023	76.4%	4.1%	$180.81	7.4%	$138.15	11.8%
2022	73.4%	11.4%	$168.35	14.2%	$123.52	27.2%
2021	65.9%		$147.38		$97.09	
2020						
2019	81.0%	4.9%	$159.39	-0.2%	$129.14	4.7%
2018	77.3%	0.8%	$159.72	0.3%	$123.40	1.0%
2017	76.7%	-5.3%	$159.31	0.9%	$122.13	-4.5%
2016	81.0%		$157.91		$127.88	
2015						
2014						

UPSCALE & UPPER MIDSCALE PERFORMANCE

	Occupancy		ADR		RevPAR	
Year	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	72.9%	2.5%	$176.89	3.5%	$128.88	6.0%
2027	71.1%	0.9%	$170.96	3.5%	$121.57	4.4%
2026	70.5%	1.3%	$165.19	5.3%	$116.43	6.7%
2025	69.6%	-2.2%	$156.83	7.0%	$109.14	4.6%
2024	71.2%	2.1%	$146.57	-3.3%	$104.31	-1.3%
YTD	71.2%	2.1%	$146.57	-3.3%	$104.31	-1.3%
2023	69.7%	3.4%	$151.56	3.1%	$105.66	6.7%
2022	67.4%	4.5%	$146.96	16.1%	$99.05	21.3%
2021	64.5%	27.3%	$126.62	14.6%	$81.68	46.0%
2020	50.7%	-33.6%	$110.46	-15.9%	$55.96	-44.2%
2019	76.3%	0.7%	$131.33	-0.8%	$100.22	-0.2%
2018	75.8%	-2.7%	$132.44	-2.4%	$100.38	-4.9%
2017	77.9%	-4.3%	$135.63	2.4%	$105.60	-1.9%
2016	81.3%	4.1%	$132.40	5.8%	$107.67	10.2%
2015	78.1%	-0.3%	$125.09	5.8%	$97.69	5.5%
2014	78.3%	4.4%	$118.20	7.7%	$92.56	12.4%

MIDSCALE & ECONOMY PERFORMANCE

	Occupancy		ADR		RevPAR	
Year	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	70.1%	2.9%	$113.93	3.4%	$79.90	6.4%
2027	68.2%	1.7%	$110.17	2.5%	$75.12	4.2%
2026	67.0%	3.9%	$107.53	5.3%	$72.08	9.5%
2025	64.5%	1.9%	$102.07	1.4%	$65.85	3.3%
2024	63.3%	0.2%	$100.69	-1.5%	$63.76	-1.3%
YTD	63.3%	0.2%	$100.69	-1.5%	$63.76	-1.3%
2023	63.2%	-0.2%	$102.19	0.5%	$64.58	0.4%
2022	63.3%	-1.3%	$101.66	7.8%	$64.36	6.4%
2021	64.1%	12.1%	$94.32	13.0%	$60.47	26.7%
2020	57.2%	-18.0%	$83.48	-7.1%	$47.74	-23.8%
2019	69.7%	-0.6%	$89.90	0.7%	$62.66	0.1%
2018	70.1%	-4.9%	$89.27	1.1%	$62.61	-3.9%
2017	73.7%	-1.0%	$88.34	4.8%	$65.14	3.8%
2016	74.5%	3.3%	$84.27	9.2%	$62.74	12.8%
2015	72.0%	2.9%	$77.21	8.1%	$55.62	11.3%
2014	70.0%	4.9%	$71.42	6.0%	$49.99	11.2%

OVERALL SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2029	-	-	-	-	-	-	$206,152	303	7.8%
2028	-	-	-	-	-	-	$194,663	286	8.0%
2027	-	-	-	-	-	-	$178,642	263	8.3%
2026	-	-	-	-	-	-	$166,751	245	8.6%
2025	-	-	-	-	-	-	$152,960	225	8.9%
YTD	-	-	-	-	-	-	$150,514	221	8.6%
2024	4	$62.6M	2.9%	$15,637,500	$177,195	5.0%	$148,368	218	8.6%
2023	3	$10.9M	0.9%	$3,630,000	$100,833	-	$131,386	193	8.5%
2022	9	$81.2M	5.6%	$9,022,778	$121,747	9.3%	$123,778	182	8.1%
2021	6	$69.5M	3.1%	$11,578,333	$188,266	7.8%	$121,896	179	7.8%
2020	14	$121M	10.0%	$8,639,706	$104,996	6.2%	$132,185	194	8.1%
2019	3	$45.3M	2.2%	$15,083,333	$178,854	9.1%	$146,410	215	8.1%
2018	6	$28.7M	2.4%	$4,777,989	$104,628	-	$153,226	225	7.6%
2017	2	$42.4M	3.2%	$21,175,000	$115,395	8.0%	$147,230	217	7.6%
2016	3	$14.2M	1.7%	$4,748,000	$74,576	-	$132,394	195	7.8%
2015	8	$46.6M	3.7%	$5,826,369	$111,243	6.2%	$119,591	176	7.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.
(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

LUXURY & UPPER UPSCALE SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2029	-	-	-	-	-	-	$250,896	265	7.7%
2028	-	-	-	-	-	-	$236,913	250	8.0%
2027	-	-	-	-	-	-	$217,415	229	8.3%
2026	-	-	-	-	-	-	$202,943	214	8.6%
2025	-	-	-	-	-	-	$186,158	196	8.9%
YTD	-	-	-	-	-	-	$183,182	193	8.6%
2024	-	-	-	-	-	-	$180,465	190	8.6%
2023	-	-	-	-	-	-	$160,223	169	8.5%
2022	-	-	-	-	-	-	$152,638	161	8.1%
2021	-	-	-	-	-	-	$152,625	161	7.8%
2020	-	-	-	-	-	-	$164,647	174	8.0%
2019	-	-	-	-	-	-	$181,485	191	8.0%
2018	-	-	-	-	-	-	$190,419	201	7.7%
2017	-	-	-	-	-	-	$199,088	210	7.4%
2016	-	-	-	-	-	-	$184,621	195	7.5%
2015	1	$10M	9.9%	$10,000,000	$138,889	-	$168,344	178	7.5%

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UPSCALE & UPPER MIDSCALE SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2029	-	-	-	-	-	-	$250,501	317	7.5%
2028	-	-	-	-	-	-	$236,540	300	7.7%
2027	-	-	-	-	-	-	$217,073	275	8.0%
2026	-	-	-	-	-	-	$202,624	257	8.3%
2025	-	-	-	-	-	-	$185,865	235	8.6%
YTD	-	-	-	-	-	-	$182,894	232	8.3%
2024	1	$38M	3.0%	$38,000,000	$279,412	-	$180,147	228	8.3%
2023	-	-	-	-	-	-	$157,557	200	8.2%
2022	1	$12.5M	1.5%	$12,500,000	$189,394	6.5%	$147,956	187	7.8%
2021	1	$35M	3.4%	$35,000,000	$248,227	8.4%	$146,749	186	7.5%
2020	2	$32.1M	5.4%	$16,055,000	$152,905	-	$159,629	202	7.8%
2019	1	$32M	3.3%	$32,000,000	$266,667	9.1%	$177,438	225	7.7%
2018	-	-	-	-	-	-	$184,589	234	7.4%
2017	1	$19.8M	3.0%	$19,750,000	$181,193	8.0%	$175,465	222	7.5%
2016	-	-	-	-	-	-	$157,402	199	7.7%
2015	-	-	-	-	-	-	$142,109	180	7.7%

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MIDSCALE & ECONOMY SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2029	-	-	-	-	-	-	$161,226	306	8.0%
2028	-	-	-	-	-	-	$152,241	289	8.2%
2027	-	-	-	-	-	-	$139,711	265	8.6%
2026	-	-	-	-	-	-	$130,412	247	8.9%
2025	-	-	-	-	-	-	$119,626	227	9.1%
YTD	-	-	-	-	-	-	$117,713	223	8.9%
2024	3	$24.6M	3.5%	$8,183,333	$113,134	5.0%	$116,167	220	8.8%
2023	3	$10.9M	1.7%	$3,630,000	$100,833	-	$104,236	198	8.7%
2022	8	$68.7M	9.5%	$8,588,125	$114,318	12.0%	$98,116	186	8.2%
2021	5	$34.5M	3.6%	$6,894,000	$151,184	7.5%	$95,239	180	8.0%
2020	12	$88.8M	14.3%	$7,403,824	$94,316	6.2%	$103,132	195	8.3%
2019	2	$13.3M	2.0%	$6,625,000	$99,624	-	$113,991	216	8.3%
2018	6	$28.7M	4.0%	$4,777,989	$104,628	-	$120,000	227	7.7%
2017	1	$22.6M	3.7%	$22,600,000	$87,597	-	$112,505	213	7.8%
2016	3	$14.2M	2.7%	$4,748,000	$74,576	-	$99,988	189	8.0%
2015	7	$36.6M	4.8%	$5,230,136	$105,507	6.2%	$89,960	170	8.0%

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DELIVERIES & UNDER CONSTRUCTION

	Inventory			Deliveries		Net Deliveries		Under Construction	
Year	Bldgs	Rooms	% Change	Bldgs	Rooms	Bldgs	Rooms	Bldgs	Rooms
YTD	155	12,041	0%	0	0	0	0	3	512
2024	155	12,041	1.1%	2	245	1	187	3	512
2023	156	11,907	0%	1	132	1	132	4	637
2022	156	11,903	0.6%	1	149	1	149	4	601
2021	157	11,837	3.1%	3	638	0	477	5	750
2020	158	11,476	0.8%	1	200	(2)	41	4	894
2019	159	11,381	-2.0%	-	-	-	-	4	861
2018	162	11,608	1.5%	1	288	(3)	76	2	437
2017	164	11,435	2.3%	2	251	0	194	3	725
2016	162	11,181	-1.6%	-	-	-	-	2	251
2015	163	11,363	0.5%	-	-	-	-	1	142

Signature: William Nazur (Jan 21, 2026 12:30:37 PST)

Email: whnazur@cpp.edu

Signature: Marjorie Ferree Jones

Email: mfjones@cpp.edu

Signature: Thomas Sekayan (Jan 21, 2026 14:00:34 PST)

Email: tgsekayan@cpp.edu

Memorandum

Date: February 3, 2026

To: Finance & Investment Committee

From: Thomas Sekayan, Interim Chief Executive Officer
Juan Hernandez, Chief Financial Officer

Attached: Capital Budget for 2026-2027 – detail by division

Subject: **Capital Budget 2026-2027**

Pursuant to the Enterprise Foundation's Policy #118, Management is presenting to the Committee the Budget of capital expenditures for fiscal year 2026-2027.

Capital expenditures requested cover the divisions of the Bookstore, CPPE Student Housing, Employment Services, Information Technology, Dining Services, Kellogg West, Real Estate, Administration, Information Technology, Agriculture and Center for Professional and Global Education at a total amount of $4.7M, remaining consistent with the requested amount in the previous year. Carry-over budget requests decreased year-over-year from $1.6M to $1.125M, resulting in a favorable $458K decrease in the total Capital Budget ($5.8M). Projects are designated as Scheduled Renewals/Security, Programmatic, Deferred Maintenance, ADA related, Health & Safety, or Contractual/Legal. A significant portion of the requests are a result of Kellogg West facility improvements and room renovations required for the Series by Marriott branding opportunity (Programmatic). Some projects may have components in other designated categories that are not reflected in the report.

RECOMMENDED ACTION:
Management is requesting that the Finance & Investment Committee approve the capital expenditure budget for 2026-2027 as presented to the Program Committee, and subsequently to the Board of Directors, for consideration and approval at their next regularly scheduled meetings

BE IT RESOLVED that the members of the Finance & Investment Committee have reviewed and approved the presented 2026-2027 capital expenditure budget.

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

PASSED AND ADOPTED THIS 3rd DAY OF FEBRUARY 2026

By: __________________________________
Michelle Cardona, Chair
Finance & Investment

Division	Project Name	Carryover to Proposed Budget Year	2026-2027 Requested Budget	Purpose	Category
ADMINISTRATION					
	FOUNDATION ADMINISTRATION	$ -	$ 70,000	~ 10 cubicles, walls, and access doors	Health & Safety
	FOUNDATION ADMINISTRATION	$ -	$ 550,000	Emergency and unanticipated needs	Programmatic
ADMINISTRATION Total		**$ -**	**$ 620,000**		
ARGICULTURE					
	FARM STORE AT KELLOGG RANCH	$ 35,000	$ -	Resurface the Farm Store roof	Deferred Maintenance
	ORNAMENTAL HORTICULTURE	$ -	$ 35,000	Forklift	Deferred Maintenance
	ORNAMENTAL HORTICULTURE	$ -	$ 35,000	Pallet Racks for Greenhouse Storage	Programmatic
ARGICULTURE Total		**35,000**	**70,000**		
BRONCO BOOKSTORE					
	BRONCO BOOKSTORE	$ 25,000	$ -	back office carpet and employee area updates	Deferred Maintenance
BRONCO BOOKSTORE Total		**$ 25,000**	**$ -**		
CPGE					
	CPGE-ADMINISTRATION	$ -	$ 11,000	CTTI (CPGE) Restroom painting, sinks, etc.	Deferred Maintenance
	CPGE-ADMINISTRATION	$ -	$ 23,000	CTTi - parking lot slurry and restriping project (50% of $46K)	Deferred Maintenance
	CPGE-ADMINISTRATION	$ -	$ 29,660	CTTi Bldg. 220A, B, C (CPGE) Refinish walkways with slip resistant deck treatment	Deferred Maintenance
CPGE Total		**$ -**	**$ 63,660**		
CPPE Student Housing					
	THE CURRENT HOUSING	$ 150,000	$ -	Security fencing for acquired property	Scheduled Renewals/Security
	THE CURRENT HOUSING	$ -	$ 100,000	New request: Additional funds for security fencing for acquired property	Health & Safety
	UNIVERSITY VILLAGE	$ 25,000	$ -	Enlarge trash enclosure to fit dumpster and recycling	Health & Safety
	UNIVERSITY VILLAGE	$ 7,270	$ -	Treads: repair stairwells for safety	Health & Safety
	UNIVERSITY VILLAGE	$ 37,000	$ -	Boiler replacement	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	$ 81,930	$ -	HVAC replacement	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	$ 108,000	$ -	Furniture Replacement : apartments & shared spaces	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	$ 126,233	$ -	Lighting: degrading street lights and building lights	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	$ -	$ 20,000	remidiation of elevator wall	Health & Safety
	UNIVERSITY VILLAGE	$ -	$ 15,000	Landscaping: Phase III planters	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	$ -	$ 25,000	Drainage wall	Health & Safety
	UNIVERSITY VILLAGE	$ -	$ 30,000	Rec Center flooring	Health & Safety
	UNIVERSITY VILLAGE	$ -	$ 40,000	New vehicle	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	$ -	$ 40,000	Replace Ducts	Deferred Maintenance
	UNIVERSITY VILLAGE	$ -	$ 125,000	Phase III vanity replacement	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	$ -	$ 135,000	Boiler replacement	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	$ -	$ 220,000	HVAC replacement	Deferred Maintenance
	UNIVERSITY VILLAGE	$ -	$ 300,000	Parking Lot Repair	Deferred Maintenance
CPPE Student Housing Total		**$ 535,433**	**$ 1,050,000**		
DINING SERVICES					

HIBACHI SAN	$ 225,000	$ -	cyclical programmatic refresh of retail locations	Programmatic
CAMPUS CENTER OVERHEAD	$ 25,000	$ -	cyclically replace ice and dishwasher machines in building 97	Deferred Maintenance
CAMPUS CENTER OVERHEAD	$ 30,000	$ -	CCMP (floor) - health and safety enhancements for lease operations	Health & Safety
CARL'S JR	$ -	$ 75,000	cyclical programmatic refresh of retail location	Programmatic
CENTERPOINTE DINING COMMONS	$ -	$ 80,000	Modifications and upgrade of equipment	Deferred Maintenance
INNOVATION BREW WORKS	$ -	$ 80,000	IBW Exhaust modifications	Health & Safety
DINING SERVICES Total	**$ 280,000**	**$ 235,000**		
EMPLOYMENT SERVICES				
EMPLOYMENT SERVICES	$ 45,000	$ -	Kronos Timeclocks+interfaces+equipment	Programmatic
EMPLOYMENT SERVICES Total	**$ 45,000**	**$ -**		
KELLOGG WEST				
K.W. ROOM REVENUE	$ 35,000	$ -	KW Freezer Replacement due to end-of-life	Deferred Maintenance
K.W. ROOM REVENUE	$ 45,000	$ -	Kitchen Hood modifications due to potential fire hazard	Health & Safety
K.W. ROOM REVENUE	$ 90,000	$ -	Upgrade to old Audio Visual systems within the conference center	Deferred Maintenance
K.W. ROOM REVENUE	$ -	$ 230,000	Conference Center Lobby Elevator	Deferred Maintenance
K.W. ROOM REVENUE	$ -	$ 150,000	Buildings 76A and 78 Boiler Replacements	Deferred Maintenance
K.W. ROOM REVENUE	$ -	$ 20,000	New Equipment for Gym	Programmatic
K.W. ROOM REVENUE	$ -	$ 15,000	Laundry Equipment Purchase - 4 washer/dyer combos	Programmatic
K.W. ROOM REVENUE	$ -	$ 2,000,000	KW Marriott Branding Investment	Programmatic
KELLOGG WEST Total	**$ 170,000**	**$ 2,415,000**		
MARKETING Total	**$ -**	**$ -**		
MIS				
FOUNDATION MIS	$ 35,000	$ -	OneSolution system upgrade and improvements	Programmatic
FOUNDATION MIS	$ -	$ 20,000	Clover Hardware Refresh for End of Life equipment.	Scheduled Renewals/Security
FOUNDATION MIS	$ -	$ 20,000	UKG Timeclock refresh. Replacing 4 remaining clocks that will be out of support by end of	Scheduled Renewals/Security
FOUNDATION MIS	$ -	$ 20,000	Disk to Disk backup server for Foundation servers ro replace out dated server.	Scheduled Renewals/Security
FOUNDATION MIS	$ -	$ 35,000	Workstation refresh for outdated hardware that no longer meets our updated hardware ba	Scheduled Renewals/Security
MIS Total	**$ 35,000**	**$ 95,000**		
REAL ESTATE & FACILITIES				
CENTER FOR TRAINING TECH INCUB	$ -	$ 15,000	CTTi Restroom painting, sinks, etc.	Deferred Maintenance
CENTER FOR TRAINING TECH INCUB	$ -	$ 30,000	CTTi parking lot slurry and restriping	Deferred Maintenance
CENTER FOR TRAINING TECH INCUB	$ -	$ 76,000	CTTi 220A, B, C Refinish walkways with slip resistant deck treatment	Deferred Maintenance
BUILDING 97 OPERATIONS	$ -	$ 17,000	Bldg. 97 Water Source Heat Pump Replacement	Deferred Maintenance
FOUNDATION MAINTENANCE	$ -	$ 30,000	Used Service Truck	Scheduled Renewals/Security
REAL ESTATE & FACILITIES Total	**$ -**	**$ 168,000**		
Grand Total	**$ 1,125,433**	**$ 4,716,660**		
Total including prior year carryovers		$ 5,842,093		

Cal Poly Pomona Enterprises
Statement of Activities (P&L Report)
For Period Ending 12/31/2025

	REVENUES		EXPENSES - Payroll		EXPENSES - Other				EXPENSES - Total		SURPLUS/(DEFICIT)		
	FY 25-26 YTD		FY 25-26 YTD		FY 25-26 YTD				FY 25-26 YTD		FY 25-26 YTD		
	Actual	Budget	Actual	Budget	Admin Fees	Other Expenses	Total Other Expenses	Budget	Actual	Budget	Actual	Budget	$ Variance
Commercial Services													
Dining Services	$10,853,927	$10,919,835	$4,077,595	$4,062,818	$704,936	$5,955,505	$6,660,441	$6,700,574	$10,738,036	$10,763,392	$115,891	$156,443	($40,552)
Bookstore	$7,777,100	$7,443,021	$749,605	$843,948	$471,098	$7,036,067	$7,507,164	$6,616,409	$8,256,769	$7,460,357	($479,670)	($17,336)	($462,334)
Kellogg West	$1,357,825	$1,913,802	$1,076,990	$1,082,596	$88,259	$1,045,336	$1,133,594	$1,093,280	$2,210,584	$2,175,876	($852,759)	($262,074)	($590,685)
CPPE Student Housing	$11,557,615	$10,950,999	$1,658,527	$1,950,557	$751,245	$7,952,996	$8,704,241	$7,107,358	$10,362,768	$9,057,915	$1,194,848	$1,893,084	($698,236)
Real Estate/Rentals	$3,601,055	$4,326,719	$307,420	$349,514	$157,623	$2,018,601	$2,176,224	$3,152,340	$2,483,644	$3,501,854	$1,117,411	$824,865	$292,546
Total Commercial Services	**$35,147,522**	**$35,554,376**	**$7,870,136**	**$8,289,433**	**$2,173,160**	**$24,008,505**	**$26,181,665**	**$24,669,961**	**$34,051,801**	**$32,959,394**	**$1,095,720**	**$2,594,982**	**($1,499,262)**
Other Activities													
Investments	$3,701,079	$1,231,500	$0	$0	$0	$67,356	$67,356	$53,352	$67,356	$53,352	$3,633,723	$1,178,148	$2,455,575
Administration	$258,407	$259,117	$3,439,648	$3,728,012	($3,048,399)	$694,202	($2,354,196)	($2,282,040)	$1,085,451	$1,445,972	($827,044)	($1,186,855)	$359,811
Total Other Activities	**$3,959,487**	**$1,490,617**	**$3,439,648**	**$3,728,012**	**($3,048,399)**	**$761,558**	**($2,286,840)**	**($2,228,688)**	**$1,152,807**	**$1,499,324**	**$2,806,679**	**($8,707)**	**$2,815,386**
Total Commercial Services + Other Activities	**$39,107,008**	**$37,044,993**	**$11,309,784**	**$12,017,445**	**($875,239)**	**$24,770,063**	**$23,894,825**	**$22,441,273**	**$35,204,608**	**$34,458,718**	**$3,902,400**	**$2,586,275**	**$1,316,125**
Designated Funds													
Annual Designated	$20,365	$0	$27,449	$0	$0	$736,677	$736,677	$1,088,588	$764,126	$1,088,588	($743,760)	($1,088,588)	$344,828
Total Designated Funds	**$20,365**	**$0**	**$27,449**	**$0**	**$0**	**$736,677**	**$736,677**	**$1,088,588**	**$764,126**	**$1,088,588**	**($743,760)**	**($1,088,588)**	**$344,828**
Support Activities													
Bronco One Card	$227,294	$324,401	$127,128	$150,582	$14,122	$81,598	$95,721	$103,019	$222,849	$253,601	$4,445	$70,800	($66,355)
Research Office	$1,770,309	$1,600,821	$59,081	$160,968	$593,752	$778,301	$1,372,053	$1,262,774	$1,431,134	$1,423,742	$339,176	$177,079	$162,097
Agriculture	$2,529,565	$3,205,821	$980,978	$1,093,773	$101,183	$2,011,257	$2,112,440	$1,730,498	$3,093,418	$2,824,271	($563,853)	$381,550	($945,403)
College of P&GE	$1,701,819	$1,335,221	$932,736	$822,991	$76,449	$526,438	$602,887	$705,225	$1,535,623	$1,528,216	$166,196	($192,995)	$359,191
Support Programs	$2,532,680	$2,145,222	$993,748	$847,506	$89,734	$1,834,412	$1,924,145	$1,297,710	$2,917,894	$2,145,216	($385,213)	$6	($385,219)
Total Support Activities	**$8,761,667**	**$8,611,486**	**$3,093,671**	**$3,075,820**	**$875,239**	**$5,232,007**	**$6,107,246**	**$5,099,226**	**$9,200,916**	**$8,175,046**	**($439,249)**	**$436,440**	**($875,689)**
Grants+Transfers													
Grants and Contracts	$13,697,391	$11,132,802	$0	$0	$0	$13,677,892	$13,677,892	$11,132,802	$13,677,892	$11,132,802	$19,499	$0	$19,499
Vesting Grant Assets	$0	$0	$0	$0	$0	($940,069)	($940,069)	$0	($940,069)	$0	$940,069	$0	$940,069
Transfers	$0	$0	$0	$0	$0	$256,697	$256,697	$0	$256,697	$0	($256,697)	$0	($256,697)
Total Grants+Transfers	**$13,697,391**	**$11,132,802**	**$0**	**$0**	**$0**	**$12,994,520**	**$12,994,520**	**$11,132,802**	**$12,994,520**	**$11,132,802**	**$702,871**	**$0**	**$702,871**
Total Enterprises Net	**$61,586,431**	**$56,789,281**	**$14,430,903**	**$15,093,265**	**$0**	**$43,733,267**	**$43,733,267**	**$39,761,889**	**$58,164,170**	**$54,855,154**	**$3,422,261**	**$1,934,127**	**$1,488,134**

Cal Poly Pomona ENTERPRISES

Budget 2026-2027 Assumptions (Draft)

General Information

Capital Budget process is in progress and is managed separately

Board approval — February 17, 2026

Operating Budget

Board approval — May 05, 2026

Actuals for FY25-26 will be provided to Dec 2025 prelim

Depreciation will be added to operating budget by Financial Services

Insurance will be added to operating budget by Finance Services / Contracts Management

Meeting dates for departments — March 06, 2026 to March 27, 2026 (tentative)

OneSolution reports to use for additional information:

COG GL Budget Comparison Summary (budcomph)

COG 03 - Income Statement by Month - Budgets and Actuals

Profit and Loss Statement

University related assumptions

For programs that base their revenues on in-session classes, use calendar link below:

Academic calendar

Enrollment	FY 25-26	**FY 26-27**	FY 27-28	FY 28-29	FY 29-30	FY 30-31
Academic Year FTE	23,496	**23,496**	23,496	23,496	23,496	23,496
Headcount						
Summer	2,127	**2,127**				
Fall	27,398	**27,398**				
Spring	25,625	**25,625**				
New First-time freshmen~	4,270	**4,270**				
New Fall transfers~	2,500	**2,500**				
New Spring transfers~	550	**550**				

~impact on Bronco One Card budget

Enterprise Activities

General

Staffing and other expenses for each semester to reflect the varying foot traffic and occupancy numbers.

Inflationary increase — 3.0%

University Village

Occupancy	**FY 26-27**	FY 27-28	FY 28-29	FY 29-30	FY 30-31	FY 31-32
Capacity	**1200**	1200	1200	1200	1200	1200
Avg In-Session Monthly Occupancy Rate	***98.0%***	*98%*	*98%*	*98%*	*98%*	*98%*

Small meal plans included as part of rent

The Current

Occupancy	**FY 26-27**	FY 27-28	FY 28-29	FY 29-30	FY 30-31	FY 31-32
Capacity	**636**	636	686	686	890	890
Avg In-Session Monthly Occupancy Rate	***99.0%***	*99%*	*95%*	*99%*	*88%*	*99%*

Facilities (Real Estate)

Maintenance expenses by project based on Facilities budget totals

Budget 2026-2027 Assumptions (Draft)

Events/Celebrations on campus:

Hospitality Uncorked	April
Commencement	May
Hot Dog Caper	October
Winter Wonderland - Bookstore	December
Other events	Include detail in budget

Staffing & Compensation

Vary staffing levels between fall, spring, and summer based on need.

Focus on student employment to the best extent possible (entry level, leads, and first-level supervision).

California minimum wage increase:

Current	$17.58 per hour to accommodate potential increase effective January 1
	Exempt employees must earn at least twice the minimum wage or $35.:
Budget Considerations	For fast-food employees (as defined in AB 1228), budget as $20.70 per h
	any increase will be part of the wage increase assumption (below)

Estimated general wage Increase	2.0%	Financial Services input these rates
Merit Pool Increase	2.0%	
Equity Pool Increase	1.0%	
Vacation accrual	1.5%	
Worker's Compensation Full-Time	Based on HR Classification	
Benefits	37.5%	
Part-Time Benefits	12.0%	
OPEB	4.5%	
Payroll Tax Rate	7.5%	

Other costs

Conference travel^	Case by case basis with senior management approval