CAL POLY POMONA ENTERPRISES
FINANCE & INVESTMENT COMMITTEE
Thursday, September 3, 2026
9:00-10:30AM
Zoom Meeting
https://cpp.zoom.us/j/89905783158?from=addon
Meeting ID: 899 0578 3158
AGENDA

Chair: Michelle Cardona

Members: Dr. Alison Baski, Cynthia Nelson, Dr. Neil Chaturvedi, Dr. Greg Barding, Carol Lee

Staff: Patricia Romo, Shari Benson, Juan Hernandez, Tariq Marji, Thomas Sekayan

Guests: Karin Longhurst - 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.

		Page
A. Approval of Minutes Finance & Investment Committee Meeting - April 21, 2026	Michelle Cardona, Chair	1-2

III. ACTION ITEMS

B. Investment Portfolio Report Q4 2025-2026 (Attachment) **A**	Juan Hernandez, CFO; Andrew Price & Karin Longhurst – Graystone	3-12
C. Policy Update - Risk Policy #190 (Attachment) **A**	Tariq Marji, Senior Director	13-24
D. New Debt Policy #132 (Attachment) **A**	Juan Hernandez, CFO	25-37
E. Investment Manager Selection (Attachment) **A**	Juan Hernandez, CFO	TBD

IV. INFORMATION & DISCUSSION ITEMS

F. Financial Highlights - Q4 2025-2026 (Attachment) **I**	Juan Hernandez, CFO	38
G. CPPE Reserve Analysis (Attachment) **I**	Juan Hernandez, CFO	39
H. Tentative Committee Meeting Schedule (Attachment) **I**	Michelle Cardona, Chair	40

V. GENERAL UPDATES

I. CFO's Report — Thomas Sekayan, CEO

VI. OPEN FORUM

Michelle Cardona

VII. ADJOURNMENT

Michelle Cardona

CAL POLY POMONA ENTERPRISES
Finance & Investment Committee Meeting
Tuesday, April 21, 2026
10:00 - 11:30 a.m.

Minutes

Notice is hereby given that a regular meeting of the Finance & Investment Committee was held by video conference/teleconference on Tuesday, April 21, 2026, to discuss matters on the posted agenda. The meeting notice and agenda were posted on the Cal Poly Pomona Enterprises website.

Members:	Michelle Cardona, 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
Absent:	None
Guest(s):	Andrew Price, Karin Longhurst, and Matt Moses - Morgan Stanley Graystone; Jola Tuck and Diego Yunda - CohnReznick

I. ACKNOWLEDGEMENT OF MEMBERS OF THE PUBLIC

Committee Chair Michelle Cardona acknowledged members of the public and noted that no members of the public were in attendance.

I. CALL TO ORDER

Chair Michelle Cardona called the meeting to order and confirmed that a quorum was present.

II. CONSENT ACTION ITEMS

A. Approval of Finance & Investment Committee Minutes, February 3, 2026

Dr. Alison Baski moved to approve the minutes of the Finance and Investment Committee held on February 3, 2026. The motion was seconded by Carol Lee. There were no abstentions. Motion carried.

III. ACTION ITEMS

B. Investment Portfolio Report Q3 2025-2026

Juan Hernandez, Chief Financial Officer, introduced Andrew Price and Karin Longhurst of Morgan Stanley Graystone, who presented the Q3 Investment Portfolio Report as of March 31, 2026. The total investment portfolio was approximately $55.3 million, including approximately $50.5 million managed by Graystone and $4.5 million in a preferred savings account yielding approximately 3.27%.

Graystone reported that the managed portfolio returned -2.33% net of fees for the quarter and 12.84% for the trailing twelve months, compared with the policy benchmark returns of -2.02% and 13.95%, respectively. The portfolio held approximately 62.3% in equities, 19.8% in fixed income and preferred securities, 16.5% in alternatives, and 1.4% in cash. All allocations remained within the ranges established by the investment policy.

Management also reviewed the Morgan Stanley preferred savings balance and the Foundation's private investment commitments. Contributions totaled $236,250 against a $250,000 commitment to Capital Partners IV and $707,625 against a $750,000 commitment to Capital Private Equity Partners VII; the related capital balance was valued at approximately $95,271.

A motion was made by Kris Zoleta and seconded by Cynthia Nelson that the Finance & Investment Committee had reviewed the comprehensive quarterly investment reports, found them to be in compliance with the investment policy, and recommended presenting the Q3 Investment Portfolio Report to the Board of Directors at its next regularly scheduled meeting. The motion carried with no votes opposed.

C. 990 Tax Return Review

Juan Hernandez introduced Jola Tuck and Diego Yunda of CohnReznick, who presented the Foundation's federal and state tax filings for fiscal year 2025. The filings included Form 990, Form 990-T, California Forms 199 and 109, and the RRF-1 Annual Registration Renewal Fee Report. CohnReznick prepared the returns for management's review.

Juan explained that Policy No. 124 governs the review process and requires the governing body to receive the Form 990 before filing. The Committee reviewed the returns and supporting schedules for recommendation to the Board of Directors.

A motion was made by Dr. Alison Baski and seconded by Frances Teves to recommend the Foundation's Form 990, Form 990-T, and all supporting schedules to the Board of Directors for review and approval at its next regularly scheduled meeting. The motion carried with no votes opposed.

D. Proposed Operating & Capital Budget 2026-2027 & Proforma

Juan Hernandez and Thomas Sekayan, Acting Chief Executive Officer, presented the proposed FY 2026-2027 Operating and Capital Budgets and pro forma. The proposed operating budget included approximately $99.2 million in revenue and $96.3 million in expenses, producing a budgeted surplus of approximately $2.9 million including investments and approximately $0.2 million excluding investments and designated funds.

Management reported that Commercial Services represented approximately $79.0 million of proposed revenue. Major year-over-year revenue drivers included approximately $2.0 million from Student Housing rental increases, $1.4 million from higher Dining Services sales, and $1.3 million from the Bookstore's Instant Access Complete fee increase. Rising expenses were expected to tighten operating margins, and investment income remained an important component of the projected companywide surplus.

The FY 2026-2027 Capital Budget remained unchanged at approximately $4.72 million in new requests, or $5.84 million including prior-year carryover. Major investments included approximately $2.42 million for Kellogg West, including the Marriott branding initiative and facility upgrades; $1.05 million for Student Housing; $620,000 for Administration, including contingency; and $235,000 for Dining Services. Management emphasized deferred maintenance, health and safety, and renewal of existing assets.

A motion was made by Carol Lee and seconded by Dr. Alison Baski to approve the proposed FY 2026-2027 Operating and Capital Budgets for Commercial Services, Supplemental Programs, and Designated Gifts as presented, and to forward the budgets to the Board of Directors for review and consideration at its next regularly scheduled meeting. The motion carried with no votes opposed.

IV. INFORMATION & DISCUSSION ITEMS

E. Financial Highlights - Q3 2025-2026

Juan Hernandez reviewed year-to-date financial results through March 31, 2026. Companywide revenue totaled approximately $95.1 million and expenses totaled approximately $91.2 million, resulting in a net surplus of approximately $3.9 million. The result was approximately $1.0 million below budget, while remaining positive overall.

Commercial Services generated approximately $58.0 million in revenue and a surplus of approximately $3.4 million. Student Housing and Real Estate were the largest contributors, at approximately $2.2 million and $1.6 million, respectively, while Dining Services contributed approximately $0.6 million. Kellogg West recorded an approximately $1.1 million deficit. Investment activity contributed approximately $2.6 million to year-to-date results.

Support Activities were near break-even, with a net deficit of approximately $25,000. Favorable performance in the Research Office and Continuing and Professional Education, at approximately $0.7 million and $0.45 million, respectively, was offset primarily by an approximately $1.1 million deficit in Agriculture and a smaller deficit in Support Programs. No formal action was taken.

V. GENERAL UPDATES

G. CFO's Report

Juan Hernandez reported that the organization remained financially strong, with a positive year-to-date surplus and approximately $55 million in investments. He noted that results remained concentrated in core operations, particularly Student Housing and Real Estate, while investment income continued to be a significant contributor. Management was monitoring margin pressure from rising operating costs and addressing units with revenue and operational challenges.

Future considerations included potential adjustments to CenterPointe at-the-door pricing and meal plan rates, Student Housing rents, and administrative fees charged to commercial units and support programs, together with the continued balancing of designated gifts and annual surplus. Management's focus remained on strengthening consistent, operations-driven performance and reducing reliance on investment income.

VI. OPEN FORUM

Chair Michelle Cardona opened the floor for questions or comments. No additional items were raised.

VII. ADJOURNMENT

There being no further business, the meeting was adjourned.

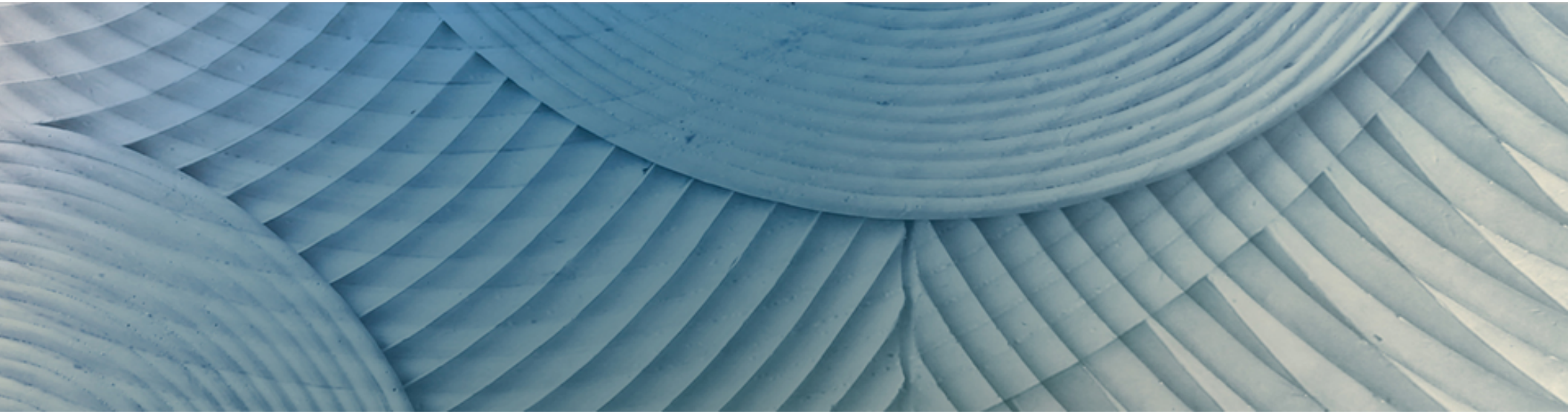
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Michelle Cardona
Finance & Investment Committee, Chair

Graystone Consulting℠

A business of Morgan Stanley

Cal Poly Pomona Foundation



Portfolio Review
As of June 30, 2026

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

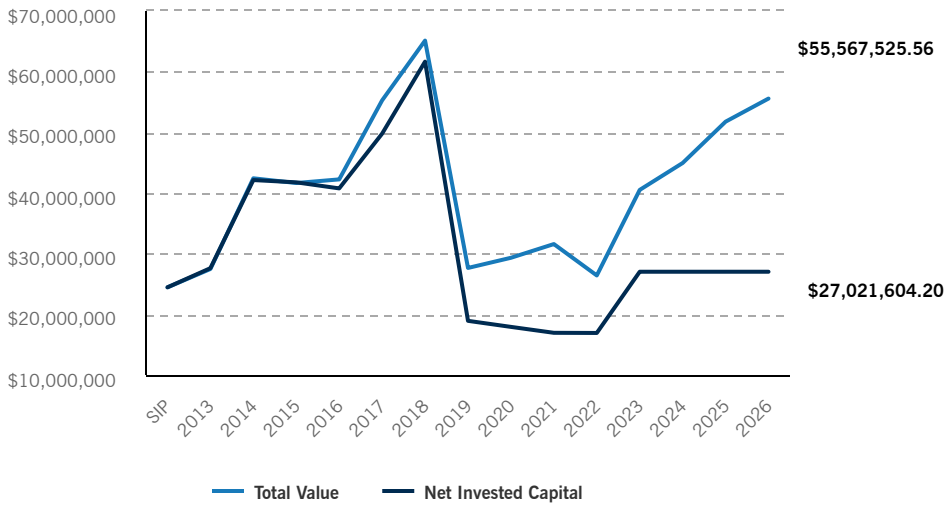
1999 Avenue of the Stars, Suite 2400
Los Angeles, CA 90067

Investment Summary Dollar Weighted Returns

OCIO - Cal Poly Pomona Foundation

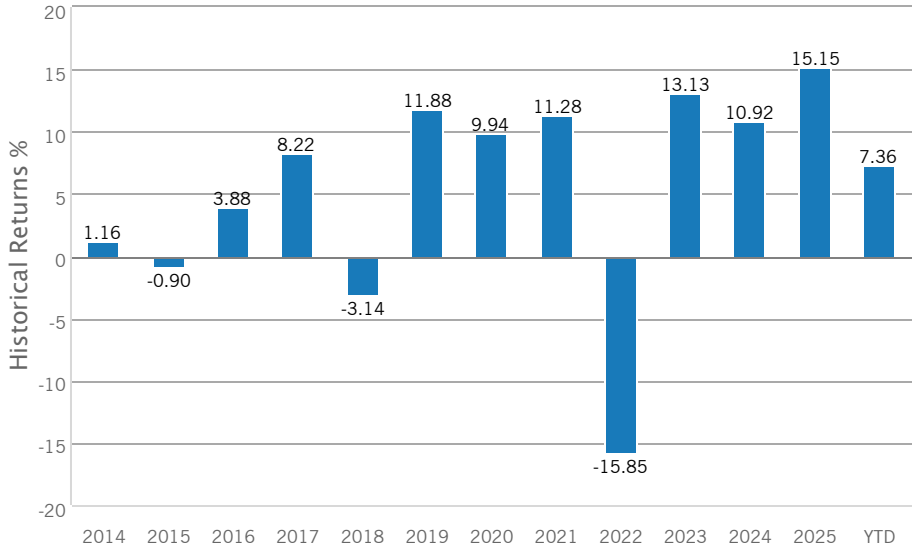
Data as of June 30, 2026

TOTAL VALUE VS. NET INVESTED CAPITAL



Does not include Performance Ineligible Assets.

DOLLAR-WEIGHTED PERIOD RETURN % (NET OF FEES)

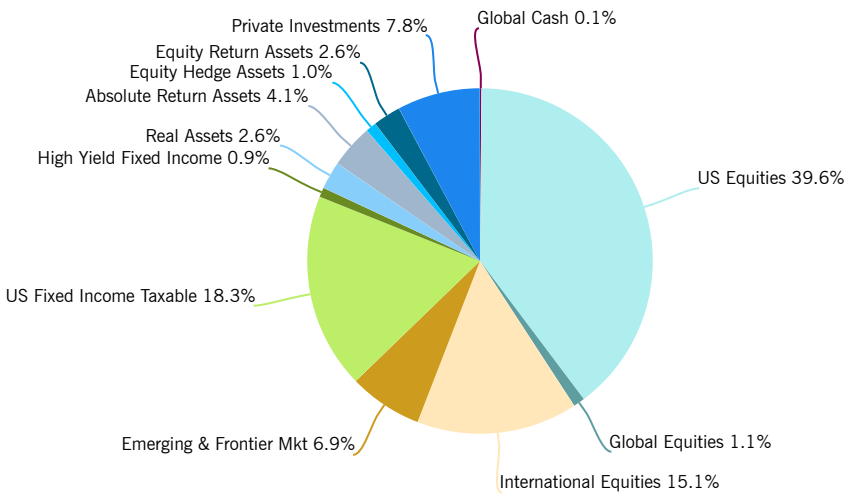


Does not include Performance Ineligible Assets.

DOLLAR-WEIGHTED RETURN % (NET OF FEES)

	Quarter to Date ($) 03/31/26-06/30/26	Year to Date ($) 12/31/25-06/30/26	Performance Inception Month End ($) 03/31/13-06/30/26
Beginning Total Value	**50,531,332**	**51,757,862**	**24,506,769**
Net Contributions/Withdrawals	563	563	2,569,735
Investment Earnings	5,035,632	3,809,101	28,491,022
Ending Total Value	**55,567,526**	**55,567,526**	**55,567,526**
DOLLAR WEIGHTED RATE OF RETURN (%) (Annualized for periods over 12 months)			
Return % (Net of Fees)	9.97	7.36	4.73

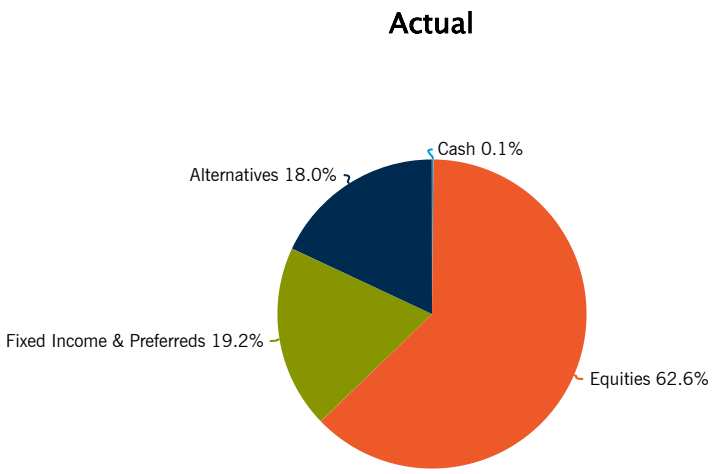
ASSET ALLOCATION

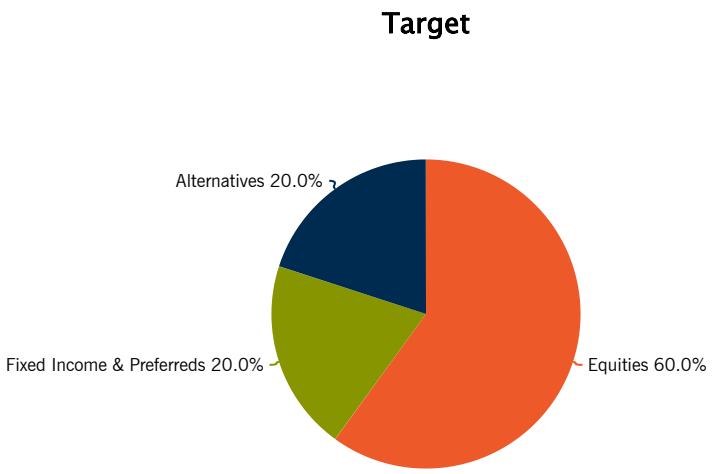


Asset Allocation: Actual vs. Target

OCIO - Cal Poly Pomona Foundation | Data as of June 30, 2026

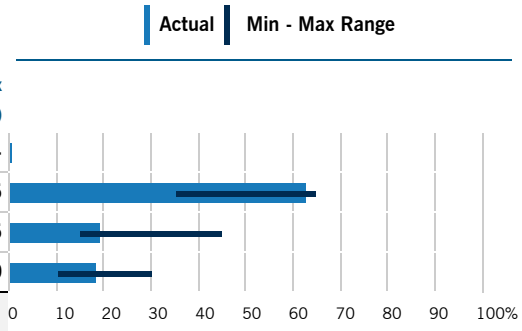
ACTUAL VS. TARGET





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

	Actual 06/30/2026		Target		Difference		
Asset Class	($)	(%)	($)	(%)	($)	(%)	Min-Max Range (%)
Cash	**79,397.10**	**0.14**	**0.00**	**0.00**	**79,397.10**	**0.14**	**-**
Equities	**34,769,211.32**	**62.64**	**33,302,624.42**	**60.00**	**1,466,586.90**	**2.64**	**35 - 65**
Fixed Income & Preferreds	**10,647,784.13**	**19.18**	**11,100,874.81**	**20.00**	**-453,090.68**	**-0.82**	**15 - 45**
Alternatives	**10,007,981.49**	**18.03**	**11,100,874.81**	**20.00**	**-1,092,893.32**	**-1.97**	**10 - 30**
Total Assets	55,504,374.04	100.00	55,504,374.04	100.00			



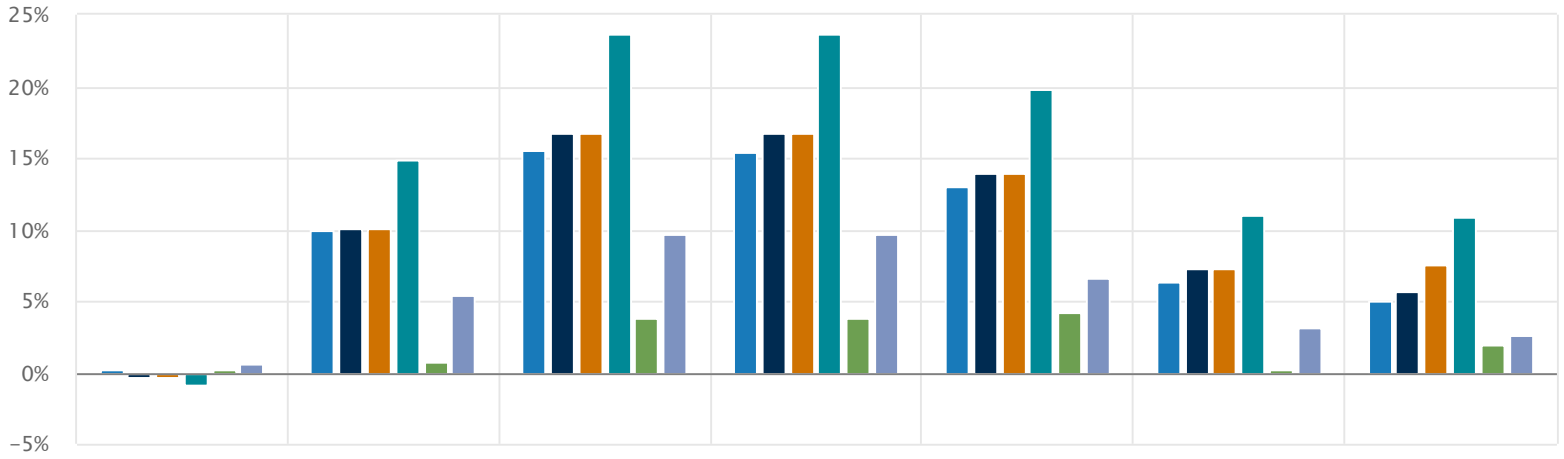
Target Allocation as determined by you and your Financial Advisor for this account only.
Total Value and % of Portfolio are based on US Dollar values.

Time Weighted Performance Summary

OCIO - Cal Poly Pomona Foundation

Data as of June 30, 2026

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



	Month to Date 05/31/26 - 06/30/26	Quarter to Date 03/31/26 - 06/30/26	Custom Period 07/01/25 - 06/30/26	Last 12 Months 06/30/25 - 06/30/26	Last 3 Years 06/30/23 - 06/30/26	Last 5 Years 06/30/21 - 06/30/26	Performance Inception Month End 03/31/13 - 06/30/26
Beginning Total Value ($)	55,470,314.13	50,531,331.52	48,100,778.06	48,141,076.01	31,845,271.37	30,561,867.95	24,506,768.54
Net Contributions/Withdrawals ($)	0.00	562.50	562.50	562.50	6,759,177.60	9,645,113.27	2,569,734.54
Investment Earnings ($)	97,211.43	5,035,631.54	7,466,185.00	7,425,887.05	16,963,076.59	15,360,544.34	28,491,022.48
Ending Total Value ($)	55,567,525.56	55,567,525.56	55,567,525.56	55,567,525.56	55,567,525.56	55,567,525.56	55,567,525.56
Return % (Gross of Fees)	0.18	10.02	15.77	15.67	13.22	6.64	5.29
Return % (Net of Fees)	0.18	9.97	15.52	15.43	12.96	6.38	5.04
Cal Poly Pomona - Blended Benchmark (%)	-0.31	10.12	16.80	16.76	13.93	7.32	5.65
Cal Poly Pomona Policy BM (%)	-0.31	10.12	16.80	16.76	13.93	7.32	7.57
MSCI AC World Net (%)	-0.80	14.93	23.73	23.67	19.74	10.98	10.93
Bloomberg US Aggregate (%)	0.24	0.67	3.83	3.79	4.16	0.08	1.90
HFRX Global Hedge Fund (%)	0.63	5.40	9.64	9.66	6.60	3.08	2.61

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.
The performance shown may have been chosen to highlight certain time periods and/or not reflect others.

Time Weighted Performance Detail

OCIO - Cal Poly Pomona Foundation | Data as of June 30, 2026

RETURN % (GROSS OF FEES) VS. BENCHMARKS

	Account Number	Investment Description/ Benchmark	Performance Inception Date	Total Value ($) 06/30/26	% Of Portfolio 06/30/26	Month to Date (%) 05/31/26 - 06/30/26	Quarter to Date (%) 03/31/26 - 06/30/26	Year to Date (%) 12/31/25 - 06/30/26	Last 12 Months (%) 06/30/25 - 06/30/26	Performance Inception (%) to 06/30/26
US Large Cap Growth				**3,067,957.27**	**5.52**					
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	JP Morgan Large Cap Growth	02/02/23	3,067,957.27	5.52	1.11	18.70	8.20	16.61	23.67
		Russell 1000 Growth				-2.68	16.74	5.33	17.71	25.29
US Large Cap Value				**2,224,001.39**	**4.00**					
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	Columbia Dividend Income SMA	05/28/26	1,131,618.41	2.04	2.88	2.98	2.98	-	2.98
		Russell 1000 Value				2.24	2.28	2.28	-	2.28
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	Boston Partners LC Value	05/21/21	1,092,382.98	1.97	2.93	17.89	16.98	29.90	13.28
		Russell 1000 Value				2.24	13.84	16.23	27.09	10.94
US Large Cap				**15,283,743.56**	**27.50**					
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	BNY Mellon US LrgeCapCore Eqty	05/28/26	15,283,743.56	27.50	-1.16	-0.28	-0.28	-	-0.28
		S&P 500 Total Return				-0.95	-0.16	-0.16	-	-0.16
US Mid Cap				**1,404,350.57**	**2.53**					
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	Earnest Prnts Small/Mid Core	05/21/21	1,404,350.57	2.53	3.04	15.43	23.09	32.11	8.15
		Russell 2500				3.68	20.26	22.71	36.72	8.85
Global Equities				**599,178.31**	**1.08**					
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	Vanguard Total World Stock ETF	05/28/26	599,178.31	1.08	-0.38	0.53	0.53	-	0.53
		FTSE Global All Cap				-0.70	0.05	0.05	-	0.05
International Equities				**8,360,543.62**	**15.05**					
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	MFS International Equity ADR	02/24/25	4,229,066.67	7.61	0.39	9.97	2.50	8.74	13.15
		MSCI EAFE Net				0.07	10.82	9.44	20.23	23.40
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	iShares Core MSCI Intl Dev Mkt	01/12/26	4,131,476.95	7.44	-0.06	8.17	6.02	-	6.02
		MSCI World Ex USA - USD				-0.14	10.47	7.48	-	7.48
Emerging Market Equities				**3,828,783.11**	**6.89**					
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	iShares Core MSCI Emerg Mtks	01/12/26	3,104,304.97	5.59	0.03	19.90	18.18	-	18.18
		MSCI EM IMI Net				-1.60	22.70	18.62	-	18.62

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.
Year to Date(YTD), Quarter to Date(QTD) and Month to Date(MTD): Returns are for the period in which position or account was open.

Time Weighted Performance Detail

OCIO - Cal Poly Pomona Foundation | Data as of June 30, 2026

RETURN % (GROSS OF FEES) VS. BENCHMARKS (Continued)

	Account Number	Investment Description/ Benchmark	Performance Inception Date	Total Value ($) 06/30/26	% Of Portfolio 06/30/26	Month to Date (%) 05/31/26 - 06/30/26	Quarter to Date (%) 03/31/26 - 06/30/26	Year to Date (%) 12/31/25 - 06/30/26	Last 12 Months (%) 06/30/25 - 06/30/26	Performance Inception (%) to 06/30/26
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	ClearBridge Emerging Markets *MSCI EM Net*	05/21/21	724,478.14	1.30	1.84 -1.41	24.26 24.05	25.64 23.85	50.79 43.51	6.38 7.82
US Taxable Core				**10,159,766.95**	**18.28**					
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	Federated Hermes Total Ret Bd *Bloomberg US Aggregate*	07/19/23	3,574,377.62	6.43	0.27 0.24	0.87 0.67	0.48 0.62	3.62 3.79	3.98 4.08
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	Allspring Core Plus Bond Fd *Bloomberg US Aggregate*	08/22/24	3,574,318.75	6.43	0.30 0.24	1.03 0.67	0.90 0.62	4.00 3.79	3.16 2.95
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	iShares BC Aggregate Bond *Bloomberg US Aggregate*	05/28/26	3,011,070.58	5.42	0.26 0.24	0.52 0.55	0.52 0.55	- -	0.52 0.55
High Yield Fixed Income				**501,224.49**	**0.90**					
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	SPDR Portfolio High Yield BD *Bloomberg US High Yield-Corp TR*	05/28/26	501,224.49	0.90	0.20 0.27	0.50 0.47	0.50 0.47	- -	0.50 0.47
Alternatives				**8,650,378.30**	**15.57**					
CAL POLY POMONA FOUNDATION INC (Alternative Investments Advisory) - Alternative Investments	835-XXX416	Alternative Investments Advisory *HFRX Global Hedge Fund*	06/25/21	5,199,036.33	9.36	1.56 0.63	6.92 5.40	6.39 4.80	11.72 9.66	6.44 3.08
CAL POLY POMONA FOUNDATION INC (Alternative Investments Advisory) - Hamilton Lane	835-XXX325	Alternative Investments Advisory *HFRX Global Hedge Fund*	06/05/17	2,214,339.28	3.98	0.00 0.63	0.00 5.40	-1.51 4.80	0.24 9.66	7.58 3.33
CAL POLY POMONA FOUNDATION INC (Alternative Investments Advisory) - Alternative Investments	835-XXX245	Alternative Investments Advisory *HFRX Global Hedge Fund*	05/11/23	1,237,002.69	2.23	0.11 0.63	0.21 5.40	2.54 4.80	13.26 9.66	26.77 6.42
Infrastructure				**848,083.85**	**1.53**					
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	Lazard Glb Listed Infra Portfo *MSCI World Core Infra Hedged NR*	05/28/26	848,083.85	1.53	-0.87 0.39	-1.22 -1.08	-1.22 -1.08	- -	-1.22 -1.08
Multi-Strategy				**558,705.30**	**1.01**					

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Year to Date(YTD), Quarter to Date(QTD) and Month to Date(MTD): Returns are for the period in which position or account was open.

Time Weighted Performance Detail

OCIO - Cal Poly Pomona Foundation | Data as of June 30, 2026

RETURN % (GROSS OF FEES) VS. BENCHMARKS (Continued)

	Account Number	Investment Description/ Benchmark	Performance Inception Date	Total Value ($) 06/30/26	% Of Portfolio 06/30/26	Month to Date (%) 05/31/26 - 06/30/26	Quarter to Date (%) 03/31/26 - 06/30/26	Year to Date (%) 12/31/25 - 06/30/26	Last 12 Months (%) 06/30/25 - 06/30/26	Performance Inception (%) to 06/30/26
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	Blackstone Alt MultiStrat Fd	05/28/26	558,705.30	1.01	1.48	1.57	1.57	-	1.57
		HFRX Global Hedge Fund				0.63	0.73	0.73	-	0.73
Other				**1,085.60**	**0.00**					
N/A			06/30/26	1,085.60	0.00	-	-	-	-	-
CAL POLY POMONA FOUNDATION INC (Select UMA) - Unified Managed Account	835-XXX415	N/A	06/30/26	1,085.60	0.00	-	-	-	-	-
Cash				**79,723.25**	**0.14**					
CAL POLY POMONA FOUNDATION INC (AAA) - Short Term FI	812-XXX546	Cash	03/07/13	77,127.81	0.14	-	-	-	-	-
CAL POLY POMONA FOUNDATION INC (Alternative Investments Advisory) - Alternative Investments	835-XXX245	Alternative Investments Advisory	05/02/23	2,483.33	0.00	-	-	-	-	-
CAL POLY POMONA FOUNDATION INC (Alternative Investments Advisory) - Hamilton Lane	835-XXX325	Alternative Investments Advisory	06/05/17	112.09	0.00	-	-	-	-	-
CAL POLY POMONA FOUNDATION INC (Alternative Investments Advisory) - Alternative Investments	835-XXX416	Alternative Investments Advisory	06/22/21	0.02	0.00	-	-	-	-	-

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.
Year to Date(YTD), Quarter to Date(QTD) and Month to Date(MTD): Returns are for the period in which position or account was open.

Alternative Investments Portfolio Analysis

OCIO - Cal Poly Pomona Foundation | Data as of June 30, 2026

EVERGREEN INVESTMENTS

Asset Class / *Security Description* / Account Number ▲	Inception Date	Valuation Date	Beginning Total Value ($)	Net Contributions / Withdrawals ($)	Investment Earnings ($)	Ending Total Value ($)	Annualized Net TWR			
							Quarter to Date (%)	Year to Date (%)	Last 12 Months (%)	Since Inception (%)
Real Estate/REITs	**06/28/21**		**0**	**400,000**	**190,423**	**590,423**	**3.08**	**5.17**	**10.28**	**8.08**
BREIT CL I-P 835-XXX416 *Symbol/Cusip: BBF37*	07/01/21	06/30/26	0	400,000	190,423	590,423	3.08	5.17	10.28	8.09
Equity Market Neutral	**11/28/22**		**0**	**825,283**	**470,027**	**1,295,310**	**9.44**	**10.77**	**20.71**	**13.55**
SCHONFELD FUNDMNTL EF LTD 835-XXX416 *Symbol/Cusip: BCI57*	11/28/22	06/30/26	0	825,283	470,027	1,295,310	9.44	10.77	20.71	13.54
Relative Value	**12/29/21**		**0**	**800,000**	**207,163**	**1,007,163**	**2.33**	**2.23**	**5.83**	**5.59**
HUDSON BAY LTD TRNCHE II MS 835-XXX416 *Symbol/Cusip: BCT31*	07/27/23	06/30/26	0	857,533	149,631	1,007,163	2.33	2.23	5.83	6.66
Equity Long/Short	**06/25/21**		**0**	**657,075**	**106,881**	**763,955**	**18.21**	**13.47**	**17.78**	**4.71**
COATUE OFFSHORE 835-XXX416 *Symbol/Cusip: BBH04*	06/28/21	06/30/26	0	280,000	186,140	466,140	28.47	25.25	30.71	10.71
SEG PARTNERS OFFSH CLASS I 835-XXX416 *Symbol/Cusip: BBZ77*	06/28/21	06/30/26	0	280,000	17,815	297,815	5.08	-1.10	1.99	1.24
Event Driven/Credit	**06/28/21**		**0**	**560,000**	**152,718**	**712,718**	**12.23**	**9.51**	**13.75**	**4.93**
HP/STARBOARD VALUE LTD 835-XXX416 *Symbol/Cusip: HPC6E*	07/30/21	06/30/26	0	274,082	87,004	361,086	16.97	11.78	14.55	5.76
THIRD POINT 835-XXX416 *Symbol/Cusip: BBN11*	06/28/21	06/30/26	0	280,000	71,632	351,632	7.75	7.27	12.93	4.65

The investment returns shown in the Evergreen Investments are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.
Position level performance detail is only available since 12/31/2014.

Alternative Investments Portfolio Analysis

OCIO - Cal Poly Pomona Foundation | Data as of June 30, 2026

EVERGREEN INVESTMENTS (Continued)

Asset Class / *Security Description* / Account Number ▲	Inception Date	Valuation Date	Beginning Total Value ($)	Net Contributions / Withdrawals ($)	Investment Earnings ($)	Ending Total Value ($)	Annualized Net TWR: Quarter to Date (%)	Annualized Net TWR: Year to Date (%)	Annualized Net TWR: Last 12 Months (%)	Annualized Net TWR: Since Inception (%)
Private Equity	**06/28/21**		**0**	**400,000**	**130,839**	**530,839**	**-2.18**	**-3.31**	**0.05**	**5.81**
PARTNERS GROUP PE - I 835-XXX416 *Symbol/Cusip: BBP03*	07/01/21	06/30/26	0	400,000	130,839	530,839	-2.18	-3.31	0.05	5.82
Private Credit	**11/02/21**		**0**	**206,391**	**92,237**	**298,628**	**0.24**	**0.24**	**3.82**	**8.24**
BLACKSTONE BCRED 835-XXX416 *Symbol/Cusip: BCJ25*	07/01/21	06/30/26	0	200,000	98,628	298,628	0.24	0.24	3.82	8.34

DRAWDOWN INVESTMENTS

Asset Class / *Security Description* / Account Number ▲	Inception Date	Valuation Date	As Of Valuation Date (1): Comm. Amt. ($) / Unfunded ($) (2)	Contr. Inside Comm. To Date ($)	Total Contr. To Date ($) (2)	Non-Recall ($) / Recall Dist To Date ($)	Est. Val. ($) / Est. Profit / (Loss) ($) (5)	Fund Net IRR (%)(6)/ MOIC (x)	Since Last Valuation: Net Cash Flow Since Last Val. ($) (3) (4)	Since Last Valuation: Adjusted Val. ($) (3)	Since Last Valuation: Most Recent Cash Flow (4)
Private Real Assets			**300,000** **102,884**	**197,116**	**197,514**	**16,861** **0**	**217,297** **36,644**		**-3,923**	**217,297**	
BLUE OWL RE FUND VI OFF 835-XXX245 *Symbol/Cusip: BDD03*	05/12/23	03/31/26	300,000 102,884	197,116	197,514	16,861 0	217,297 36,644	17.70 1.19	-3,923	217,297	06/15/26
Private Equity			**1,900,000** **1,362,249**	**571,698**	**572,465**	**7,515** **33,947**	**659,470** **128,466**		**34,169**	**693,639**	
ASP OFFSHR. CO-INVEST VI B 835-XXX245 *Symbol/Cusip: BED84*	02/09/26	03/31/26	600,000 555,000	45,000	45,000	0 0	53,272 8,272	NM 1.18	45,000	98,272	04/28/26
LLR EQUITY INTL. VII (FO) 835-XXX245 *Symbol/Cusip: BED73*	03/03/25	03/31/26	900,000 612,000	288,000	288,000	5,654 0	313,687 31,341	18.21 1.11	0	313,687	-

The investment returns shown in the Evergreen Investments are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.
Position level performance detail is only available since 12/31/2014.

Alternative Investments Portfolio Analysis

OCIO - Cal Poly Pomona Foundation | Data as of June 30, 2026

DRAWDOWN INVESTMENTS (Continued)

Asset Class / *Security Description* / Account Number ▲	Inception Date	Valuation Date	As Of Valuation Date (1) Comm. Amt. ($) / Unfunded ($) (2)	Contr. Inside Comm. To Date ($)	Total Contr. To Date ($) (2)	Non-Recall ($) / Recall Dist To Date ($)	Est. Val. ($) / Est. Profit / (Loss) ($) (5)	Fund Net IRR (%)(6)/ MOIC (x)	Since Last Valuation Net Cash Flow Since Last Val. ($) (3) (4)	Adjusted Val. ($) (3)	Most Recent Cash Flow (4)
Private Equity (Continued)			**1,900,000 1,362,249**	**571,698**	**572,465**	**7,515 33,947**	**659,470 128,466**		**34,169**	**693,639**	
PREMIER LCP X OFFSHORE 835-XXX245 *Symbol/Cusip: BDF27*	06/29/23	03/31/26	400,000 195,249	238,698	239,465	1,861 33,947	292,511 88,853	18.08 1.37	-10,831	281,680	06/03/26
Private Credit			**500,000 211,898**	**303,947**	**303,947**	**21,541 15,845**	**305,928 39,367**		**21,431**	**326,066**	
BOA SOF TE IX 835-XXX245 *Symbol/Cusip: BDX33*	06/14/24	03/31/26	250,000 81,053	168,947	168,947	20,967 0	172,814 24,833	NM 1.15	-1,111	171,703	06/05/26
FORTRESS LENDING IV A (FO) 835-XXX245 *Symbol/Cusip: BDO26*	03/21/24	03/31/26	250,000 130,845	135,000	135,000	575 15,845	133,114 14,534	11.90 1.11	22,542	154,363	06/11/26
Private Investments-Other			**3,000,000 405,203**	**3,510,574**	**3,513,021**	**1,665,836 915,777**	**2,262,489 1,331,081**		**-48,150**	**2,214,339**	
HAMILTONPMO FEEDER FUND LP 835-XXX325 *Symbol/Cusip: BBB92*	06/05/17	03/31/26	3,000,000 405,203	3,510,574	3,513,021	1,665,836 915,777	2,262,489 1,331,081	8.56 1.38	-48,150	2,214,339	06/01/26
Drawdown Investments Total			**5,700,000 2,082,234**	**4,583,335**	**4,586,947**	**1,711,753 965,570**	**3,445,184 1,535,559**		**3,528**	**3,451,342**	

Footnotes

(1) Transactions pending valuation are not included until the valuation inclusive of the activity is posted.
(2) Total Contributions to date may include certain transaction types which do not reduce Unfunded Commitment (e.g. Contribution Outside Commitment, External Fees and Expenses, Sub Close Interest Paid).
(3) Net Cash Flows Since Last Valuation may include transaction types which do not impact Adjusted Valuation (e.g. External Fees and Expenses, Interest/Income).
(4) Period end dates other than prior business day will exclude cash flows subsequent to the period end.
(5) Estimated Profit / (Loss) = Estimated Valuation +Total Distribution to Date - Total Contributions to Date
(6) Fund Net IRR - the value displayed in this field was calculated and provided by the Alternative Investments manager. Alternative Investments managers may have varying definitions of what constitutes a "Net IRR." The amount is generally an overall fund IRR and may not represent any individual client's experience in the fund. The following values may also appear in this field, as applicable: "NM" - represents IRRs that are determined to be not meaningful during the early stages of the fund's life. "-" - represents that a return is not available for the given period.

The investment returns shown in the Evergreen Investments are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.
Position level performance detail is only available since 12/31/2014.

Memorandum

Cal Poly Pomona ENTERPRISES

Date: September 03, 2026

To: Finance and Investment Committee

From: Tariq Marji, Senior Director of Organizational Effectiveness and Strategy

Attached: Policy 190, Risk Management, Tracked Changes

Subject: Risk Management Policy #190 Update

Policy #190 has been revised to better reflect Cal Poly Pomona Enterprises' current risk management practices, operations, and organizational needs. The existing policy focused heavily on property and casualty insurance. The proposed update expands the policy to provide a broader approach to identifying, evaluating, managing, and monitoring organizational risk.

The major proposed changes include:

- Expanding the policy beyond insurance and property risks to include operational, financial, legal and regulatory, strategic, reputational, contractual, and third-party risks.
- Establishes clearer oversight and accountability, including a Risk Register, assigned risk owners, controls, and mitigation actions
- Creates a consistent process to identify, evaluate, prioritize, and manage risks based on likelihood and impact.
- Strengthens contract and third-party risk management, including insurance verification, indemnification, liability review, and vendor oversight.
- Adding ongoing monitoring and reporting requirements and requiring Policy #190 to be reviewed at least every three years, or sooner when operations, regulatory requirements, or risk conditions materially change.
- Updates insurance requirements to align with current CSU risk management requirements and CSURMA coverage.
- Adds stronger incident reporting, claims management, ongoing risk monitoring, and regular reporting to leadership.
- Adds business continuity and disaster recovery requirements and requires the policy to be reviewed at least every three years.

These revisions move Policy #190 from an insurance focused policy to a broader risk management approach that better reflects the current operations and responsibilities of Enterprises.

RECOMMENDED ACTION:

Management recommends that the Finance & Investment Committee approve the updated Risk Management Policy #190, as presented, and recommend approval by the Board of Directors.

BE IT RESOLVED, that the Finance & Investment Committee has reviewed and approves the proposed changes to Risk Management Policy #190 and recommends approval by the Board of Directors.

PASSED AND ADOPTED THIS 3rd DAY OF SEPTEMBER 2026

By: _____

Michelle Cardona, Chair of Finance & Investment Committee

CORPORATE POLICIES

Subject: Risk Management Policy	Policy No.: 190 Last Reviewed: March 8, 2022
Last Revision Date(s): 02/27/01, 03/08/2022	Date: September 1, 2026 Revision: 3

Purpose

This policy establishes a structured and consistent approach to risk management across Enterprises' operations. It defines how risks are identified, evaluated, managed, and monitored to support operational stability, regulatory compliance, and protection of assets. The policy supports the identification of uncertainty, reduction of potential losses, and continuity of operations. It also establishes risk management practices focused on preventing losses and supporting recovery when events occur.

Background

Enterprises maintains a conservative approach to risk management by combining preventive controls, operational practices, and transferring identifiable risks to insurers through the purchase of comprehensive insurance coverage. Enterprises operates in an environment with financial, operational, legal, and strategic risks. These risks can affect people, assets, operations, and reputation. A structured risk management program supports enterprise risk management by addressing risks across all areas of Enterprises rather than in isolated functions. This approach ensures that risks are evaluated consistently and managed in alignment with Enterprises' objectives.

Policy

I. Governance and Oversight

The Risk Management Program shall be overseen by executive leadership and administered by designated management responsible for implementation. Enterprises shall maintain an enterprise Risk Register that documents risks, assigned risk owners, existing controls, and mitigation actions. Management shall assign clear accountability for each identified risk and shall provide periodic reporting on risk exposure, mitigation progress, and emerging risks. All departments shall coordinate to support an enterprise-wide approach to risk management. Risk governance shall ensure clear authority, accountability, and alignment with Enterprises' objectives.

II. Risk Identification

Risks shall be identified on an ongoing basis and whenever significant operational, financial, or strategic changes occur. Risk identification shall include operational, financial, legal and regulatory, strategic, reputational, casualty, and event-related risks. Management shall ensure that all relevant risks are identified in a timely manner and documented appropriately to support evaluation and response.

III. Risk Evaluation and Assessment

Identified risks shall be evaluated using a consistent methodology that considers likelihood and impact. The assessment shall include quantitative analysis to estimate financial exposure and qualitative analysis to assess operational and strategic effects. Risks shall be classified according to defined levels such as high, medium, or low, and key risk drivers shall be identified. Material risks shall be defined using established thresholds and shall require active management. All evaluations shall be documented in the Risk Register.

IV. Risk Treatment Strategies

Enterprises shall determine appropriate risk responses based on evaluation results. Risk may be avoided by discontinuing high-risk activities, mitigated through the implementation of controls and process improvements, transferred through insurance or contractual arrangements, or accepted when exposure remains within approved risk tolerance. Management shall ensure that internal controls such as segregation of duties, system safeguards, and operational procedures are implemented and maintained. Insurance shall be used when risks cannot be reduced to acceptable levels through internal measures.

V. Operational Risk Management

Operational risks arising from inadequate systems, faulty controls, fraud, human error, or external events shall be actively managed. Management shall address risks related to employees, including error, misconduct, and lack of training, as well as process risks such as inadequate procedures and control failures. Management shall also address technology risks, including system failure and cybersecurity threats, and external risks such as vendor failure, fraud, and regulatory exposure. Enterprises shall implement internal controls, oversight mechanisms, and training programs to reduce operational risk.

VI. Contractual and Third- Party Risk

Contracts and agreements shall be managed to control liability and allocate risk appropriately. Enterprises shall use approved contract terms where available, verify insurance coverage from third parties, and evaluate indemnification and liability provisions. Third-party performance and compliance shall be monitored on an ongoing basis. Enterprises shall assess third-party risk prior to entering into agreements to ensure that exposures are understood and controlled.

VII. Insurance Program

Insurance shall be used as a primary method of transferring risk when appropriate. Enterprises shall maintain adequate property and casualty insurance coverage aligned with identified risk exposures and operational needs. At a minimum, Enterprises shall maintain insurance coverage in accordance with requirements established by the California State University Systemwide Office of Risk Management, including those set forth in the California State University Insurance Requirements or its successor. Coverage may include, but is not limited to, general liability, auto liability, directors and officers' liability, fiduciary liability, professional liability, employer's liability, pollution liability, workers' compensation, fidelity, and property insurance, as applicable to operations. Enterprises shall participate in the

California State University Risk Management Authority coverage program, which satisfies these insurance requirements.

VIII. Incident and Claims Management

All incidents shall be reported, documented, and managed in a timely manner. Serious incidents shall be reported immediately, and all relevant evidence and documentation shall be preserved. Enterprises shall coordinate with insurers and legal counsel as required and shall track claims and loss trends. Management shall implement corrective actions based on incident analysis to reduce the likelihood of recurrence.

IX. Monitoring and Reporting

Enterprises shall continuously monitor risks and control effectiveness. The Risk Register shall be reviewed and updated regularly, and mitigation actions shall be tracked against defined timelines. Management shall report significant risks to Leadership, the Executive Committee, or the Board of Directors, as appropriate risk tolerance and exposure levels. Enterprises shall evaluate control effectiveness on an ongoing basis, and all monitoring activities shall align with defined risk tolerance and exposure levels.

X. Review and Continuous Improvement

This policy and the risk management program shall be periodically reviewed to ensure ongoing effectiveness and risk alignment with Enterprises' operations. The review shall include periodic assessments of risks, exposures, activities, and properties, with updates made to the Risk Register and mitigation plans as needed. The policy shall also be reviewed at least every three years, or sooner if operations, regulatory requirements, or risk conditions materially change.

XI. Business Continuity and Disaster Recovery

Enterprises shall maintain business continuity and disaster recovery plans to ensure that critical operations can continue during disruptions. These plans shall include recovery procedures for systems and infrastructure, continuity procedures for essential operations, and communication protocols for emergencies. Plans shall be tested regularly and updated as necessary to ensure effectiveness.

CORPORATE POLICIES

Subject: Risk Management ~~and Property and Casualty Insurance~~ Policy

Last Revision Date(s): 02/27/01, 03/08/~~,~~2022

Policy No.: 190
Last Reviewed: March 8, 2022
Date: September 1, 2026

Revision: 3

~~A. Purpose~~

~~B. Background~~

~~C. Policy~~

~~A.~~ Purpose

This policy ~~defines the steps to be taken for risk management~~establishes a ~~-~~structured and consistent approach to ~~R~~risk ~~M~~management across Enterprises' operations. ~~guidance is designed to identify and evaluate risks to which~~ framework for the Cal Poly Pomona ~~Foundation (Enterprises) may be exposed, reducingto~~It~~-~~ defines how risks are identified, evaluated, managed, and monitored to support operational stability, regulatory compliance, and protection of assets.~~identify, evaluate, and mitigate property and casualty risks.~~ The policy supports the identification of uncertainty, reduction of potential losses, and continuity of operations. It also establishes risk management practices focused on preventing losses and supporting recovery when events occur.~~It addresses threats to physical assets, potential liabilities, contractual exposures, and operational vulnerabilities through a combination of insurance coverage, preventive practices, and coordinated oversight. The program is intended to reduce or eliminating~~eliminate ~~losses from injury to persons, damage to property, business interruption, and costs incurred in the defense of lawsuits through appropriate management action. Risk Management is also concerned with preservation~~or settlement ~~of claims, while preserving~~ Enterprises ~~assets and protection against loss of earning power. The Foundation risk management policy includes identification and evaluation of risk factors: 1) property (i.e., crime, earthquake, fire, and flood) and 2) casualty, (i.e., D&O professional, liability, general and excess liability). Insurance coverage is purchased to establish a framework within which the Foundation's services, programs and activities, can be effectively managed.~~

~~B.~~ Background

Enterprises ~~has long~~ maintains ~~practiced~~ a conservative approach to risk management by combining preventive controls, operational practices, and transferring identifiable risks ~~and has transferred risk of identifiable hazards~~ to insurers through the purchase of comprehensive insurance coverage. Enterprises operates in an environment with financial, operational, legal,

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and strategic risks. These risks can affect people, assets, operations, and reputation. ~~These practices to implement it are integrated into the Foundation'sEnterprises operations and are coordinated, as applicable, with campus partners (including University risk management, safety, and legal functions) for joint programs or activities. Section 8.7, "Risk Management," of the Manual of Policies and Procedures for Auxiliary Organizations of the California State University identifies the need for clarification~~emphasizes clarity of risk management policy and ~~practices on the campus by and~~roles between the ~~university~~University and its auxiliary ~~organizations, especially in the case of joint programs or activities. On October 27, 1999, the Chancellor issued , Executive Order No. 715, which (issued October 27, 1999) recognized risk management as an essential program of the CSU system. This Executive Order defines the subject of Risk Management on a broad policy statement for the CSU system.~~ A structured risk management program supports enterprise risk management by addressing risks across all areas of Enterprises rather than in isolated functions. This approach ensures that risks are evaluated consistently and managed in alignment with Enterprises' objectives.

Policy

~~C.~~

~~Enterprises recognizes its role of stewardship over physical assets, which are used to establish trusts, as well as stewardship of Enterprises resources. This responsibility requires due concern for the safety of members of the public who make use of Enterprises' services, projects, or programs.~~

~~I.~~ ~~Loss Prevention~~ **I. Governance and Oversight**

The Risk Management Program shall be overseen by executive leadership and administered by designated management responsible for implementation. Enterprises shall maintain an enterprise Risk Register that documents risks, assigned risk owners, existing controls, and mitigation actions. Management shall assign clear accountability for each identified risk and shall provide periodic reporting on risk exposure, mitigation progress, and emerging risks. All departments shall coordinate to support an enterprise-wide approach to risk management. Risk governance shall ensure clear authority, accountability, and alignment with Enterprises' objectives.~~Governance and Coordinated Oversight~~

~~The Foundation recognizes its responsibility to ensure appropriate deductibles are determined~~Risk Management Program is overseen ~~by the Executive Director with due consideration of insurance market conditions.~~

~~II. Insurance Acquisition~~

~~The Foundation practice is to bid insurance on an annual basis. The Foundation is not obligated~~and administered ~~by operation of any statute or regulation to award contracts~~the ~~Chief Financial Officer (CFO), who is responsible~~ for insurance to any insurance underwriter, ~~broker, agent,~~coordinating ~~risk retention group or other similar group or~~identification,

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evaluation, mitigation, and insurance placement.

organization. The Foundation will continue to • Maintain an enterprise Risk Register documenting material property and casualty risks, risk owners, controls, and mitigation plans.

• Convene (or designate) an Insurance/Risk Working Group as needed, including representatives from operations, facilities, human resources, and project/program leadership, to review exposures and controls.

• Coordinate, as applicable, with University Risk Management, safety, and legal functions for joint or shared programs, facilities, events, and contracts.

• Provide periodic reporting to Enterprises leadership on significant exposures, claims/loss trends, corrective actions, and insurance program status.

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II. ——Risk Identification

Risks shall be identified on an ongoing basis and whenever significant operational, financial, or strategic changes occur.there are material changes to Enterprises activities, programs, properties, or contractual commitments. Risk iIdentification shall include operational, financial, legal and regulatory, strategic, reputational,activities should consider, at minimum, the following exposure categories:

• Property risks: fire, smoke, earthquake, flood/water intrusion, windstorm, theft/crime, vandalism, equipment breakdown, and other threats to physical assets and business operations.

• casualty, and event-related risks.: bodily injury and property damage to third parties, premises and operations liability, auto liability, workers' compensation, employment practices, professional or fiduciary liability, Directors and Officers (D&O) exposures, and other legal liabilities.

• -Management shall ensure that all relevant risks are identified in a timely manner and documented appropriately to support evaluation and response. Contractual exposures: indemnification obligations, limitation of liability terms, insurance requirements, leases/occupancy arrangements, and joint or shared responsibility with other entities.

• Operational vulnerabilities: safety practices, staffing and training, security controls, vendor/contractor oversight, and continuity of critical operations.

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III. -Risk Evaluation and Assessment~~Prioritization~~

Identified risks shall be evaluated using a consistent methodology that considers likelihood and impact. (financial, safety, operational, legal/regulatory, and reputational). Evaluation outputs shall be documented in the Risk Register and used to prioritize mitigation activities and insurance decisions.The assessment shall include quantitative analysis to estimate financial exposure and qualitative analysis to assess operational and strategic effects. Risks shall be classified according to defined levels such as high, medium, or low, and key risk drivers shall be identified. Material risks shall be defined using established thresholds and shall require active management. All evaluations shall be documented in the Risk Register.

• Assign a risk owner for each material exposure and document existing controls.

• Determine the appropriate risk treatment: avoid, reduce, transfer, or accept.

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~~• Establish target completion dates for mitigation actions and track progress.~~

IV. Risk Treatment Strategies~~IV. Risk Mitigation and Preventive Practices~~

Enterprises shall determine appropriate risk responses based on evaluation results. Risk may be avoided by discontinuing high-risk activities, mitigated through the implementation of controls and process improvements, transferred through insurance or contractual arrangements, or accepted when exposure remains within approved risk tolerance. Management shall ensure that internal controls such as segregation of duties, system safeguards, and operational procedures are implemented and maintained. Insurance shall be used when risks cannot be reduced to acceptable levels through internal measures.~~t~~

~~preventive practices to reduce the frequency and severity of losses. Preventive practices may include written procedures, training, inspections, maintenance, and corrective action tracking.~~

~~• Conduct routine inspections and maintain inventories of physical assets; address deficiencies through documented corrective actions.~~

~~• Implement safety and risk avoidance training for employees, including reinforcement and accountability for compliance.~~

~~• Maintain emergency preparedness and disaster response procedures, including incident communications and recovery planning.~~

~~• Use vendor and contractor controls (qualification, supervision, and safety requirements) appropriate to the services performed.~~

V. Operational Risk Management

Operational risks arising from inadequate systems, faulty controls, fraud, human error, or external events shall be actively managed. Management shall address risks related to employees, including error, misconduct, and lack of training, as well as process risks such as inadequate procedures and control failures. Management shall also address technology risks, including system failure and cybersecurity threats, and external risks such as vendor failure, fraud, and regulatory exposure. Enterprises shall implement internal controls, oversight mechanisms, and training programs to reduce operational risk.

VI~~V~~. Contractual and Third- Party Risk

Contracts and agreements shall be managed to control liability and allocate risk appropriately.

Enterprises shall use approved contract terms where available, verify insurance coverage from third parties, and evaluate indemnification and liability provisions. Third-party performance and compliance shall be monitored on an ongoing basis. Enterprises shall assess third-party risk prior to entering into agreements to ensure that exposures are understood and controlled.~~• Use approved contract templates and clauses when available, including indemnification, insurance, and risk allocation provisions appropriate to the activity.~~

~~• Require and verify Certificates of Insurance (and endorsements when needed) from vendors, contractors, tenants, and event sponsors; monitor expirations and renewals.~~

~~• Identify agreements involving joint/shared responsibility with the University or other~~

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entities and document roles and risk allocations (e.g., MOUs).
• Submit unusual, high-risk, or non-standard contractual terms for review by appropriate Enterprises leadership and counsel.

VIIVI. Insurance Program

Insurance shall be used as a primary method of transferring risk when appropriate. Enterprises shall maintain adequate property and casualty insurance coverage aligned with identified risk exposures and operational needs. At a minimum, Enterprises shall maintain insurance coverage in accordance with requirements established by the California State University Systemwide Office of Risk Management, including those set forth in the California State University Insurance Requirements or its successor.

Coverage may include, but is not limited to, general liability, auto liability, directors and officers' liability, fiduciary liability, professional liability, employer's liability, pollution liability, workers' compensation, fidelity, and property insurance, as applicable to operations. Enterprises shall participate in the California State University Risk Management Authority coverage program, which satisfies these insurance requirements.

principal risk transfer tool when the Enterprises cannot eliminate, reduce, or economically withstand a risk of loss. Coverage limits, deductibles, and terms shall be aligned with Enterprises exposures and contractual requirements.
• Annually review the scope of coverage and limits in relation to activities and liability exposures, including review of broker recommendations and any Insurance Survey or exposure data collection process.
• Solicit competitive proposals as appropriate and purchase insurance from insurers, which are financially sound insurers with superior industrystrong administrative ratings. Premium costs are an essential element in the evaluation of any proposal for insurance coverage and service capability.
• Maintain a current schedule of insurance policies and ensure coverage is updated as assets are acquired or disposed of and as operations change.
• Determine appropriate deductibles through the Executive Director, with due consideration of insurance market conditions and Enterprises risk tolerance.

VIIIVII. Incident and Claims Management

All incidents shall be reported, documented, and managed in a timely manner. Accidents, injuries, near-miss events, property damage, and potential claims shall be reported promptly and managed to support timely investigation, mitigation, and insurer notification. Serious incidents shall be reported immediately, and all relevant evidence and documentation shall be preserved. Enterprises shall coordinate with insurers and legal counsel as required and shall track claims and loss trends. Management shall implement corrective actions based on incident analysis to reduce the likelihood of recurrence.

• Report serious incidents as soon as practicable and no later than one business day after discovery, unless circumstances require faster notification.
• Preserve evidence and maintain documentation (photos, witness statements, and relevant records) consistent with legal and insurer requirements.

~~• Submit lawsuits or potential litigation matters to the appropriate insurer(s) and coordinate investigation, defense, and settlement activities with insurers and counsel.~~
~~• Track claims and loss trends to identify root causes and implement corrective actions.~~

IX. Monitoring and Reporting

Enterprises shall continuously monitor risks and control effectiveness. The Risk Register shall be reviewed and updated regularly, and mitigation actions shall be tracked against defined timelines. Management shall report significant risks to Leadership, the Executive Committee, or the Board of Directors, as appropriate risk tolerance and exposure levels. Enterprises shall evaluate control effectiveness on an ongoing basis, and all monitoring activities shall align with defined risk tolerance and exposure levels.

X~~VIII~~. Review and Continuous Improvement

This policy and the risk management program shall be periodically reviewed to ensure ongoing effectiveness and risk alignment with Enterprises' operations~~alignment with Enterprises operations.~~. The review shall include

• ~~Perform~~ periodic assessments of risks, exposures, activities, and properties, with updates made to the Risk Register and mitigation plans ~~accordingly~~as needed. The policy shall also be reviewed at least every three years, or sooner if operations, regulatory requirements, or risk conditions materially change.

XI. Business Continuity and Disaster Recovery

Enterprises shall maintain business continuity and disaster recovery plans to ensure that critical operations can continue during disruptions. These plans shall include recovery procedures for systems and infrastructure, continuity procedures for essential operations, and communication protocols for emergencies. Plans shall be tested regularly and updated as necessary to ensure effectiveness.

~~**IX.III. Cooperative Programs**~~

~~The Enterprises will remain alert to opportunities for cooperative action with other entities when such cooperation is mutually beneficial in the treatment of risks requiring special consideration, cost and service., Any such cooperative activityarrangement shall be evaluated by the Foundation Chief Financial Officer (CFO) and other Foundation staff as necessary. The final determination for the course of action shall be reviewed and approved by the Executive Director.~~

~~IV. Management of Risks~~

~~The management of risks of loss to the Foundation under the above policy shall be the responsibility of the Chief Financial Officer (CFO). It is the duty of the CFO to identify risks, determine the means of eliminating, abating, transferring, or accepting these risks and advise the Executive Director on these considerations. It is expected that the CFO will evaluate recommendations of the Foundation's insurance broker and present them to the Executive Director as needed.~~

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When the Foundation cannot eliminate or economically withstand a risk of loss, insurance shall be purchased to cover the risk. The form and sufficiency of various policy limits for protection of the Foundation shall be determined by Chief Financial Officer (CFO) in concert with the Executive Director.

V. Management Standards/Guidelines

The Risk Management program is implemented consistent with this policy statement. Written program guidelines include criteria to identify hazards and risks for analysis such as the following:

1. Annual review of scope of coverage and the limits of insurance policies in relation to activities and liability exposure; including annual review of Insurance Survey endorsed by broker and Insurance Committee;

2. Quantification of activities, services, and support activities in which the Foundation is involved;

3. Minimum insurance coverage and limits by types of authorized activities;

4. Activity relationships in which there is or may be joint or shared responsibility and liability with respect to contracts, employment, occupancy of premises, or oversight of facilities, programs or services between the Foundation and or other entity; and

5. The exclusion of risks or activities which the Foundation is clearly unwilling to undertake under any and all conditions, including those which may be prohibited or pose such a high degree of risk as to jeopardize the feasibility of the activity or constitute a threat to the Foundation.

The following program elements for risk management are integrated into the Foundation's operations:

1. Annual review of scope of coverage and the limits of insurance policies in relation to activities and liability exposure;

2. The ability to partially or entirely self-insure risks, as areas of risks are discovered or determined;

3. Monitor and maintain insurance coverage as assets are acquired or disposed of and claims are processed;

4. Conduct of routine inspections and inventory of physical assets;

5. Identification of areas and activities involving joint/shared risk, (i.e. pooling of risk);

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6. Conduct of ongoing safe practice/risk avoidance training and reinforcement effort with employees covering all risks;
7. Observe implementation of safe practices;
8. Institute disciplinary measures to insure implementation of risk management.

VI. Program Practices

1. Foundation management shall establish and maintain documented risk management practices such as:

2. Analysis of new activities (especially assumption of contractual liability) in terms of risks; Periodic review of risks, exposures, activities, and properties;
3. Assessment of risk exposure on and off premises, in operations, through contracts, and with avoidance/prevention efforts;
4. Accident/loss monitoring;
5. Submission of civil law suits or potential ligation issues to insurance company for bodily injury, property damage, personal injury, contractual disputes or advertising injury to investigate and defend for which excess and umbrella liability insurance coverage apply;
6. Systematic claims assessment to insure claims are properly administered;
7. Information dissemination to Foundation projects related to risks;
8. Assessment of risk management as a component of management performance evaluations; and
9. Develop disaster preparedness plan.

~~VII.~~ Program Organization

The Executive Director in concert with the Chief Financial Officer (CFO) may periodically identify how the Risk Management Program is to be organized including:

Appropriate delegation of authority;

1. Performance of program duties and task assignments;
2. Role of risk management counsel; and

How risk management program/staff interacts with the safety, security, legal, and employee relation functions

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Memorandum

Cal Poly Pomona ENTERPRISES

Date: September 03, 2026

To: Finance and Investment Committee

From: Juan Hernandez, Chief Financial Officer

Attached: Policy 140, Debt Policy

Subject: New Debt Policy #140

Policy #140 is a new policy establishing a comprehensive framework for the authorization, issuance, administration, and repayment of debt by Cal Poly Pomona Enterprises (CPPE). It is intended to ensure that debt supports CPPE's mission, preserves long-term financial capacity and liquidity, and complies with CSU, University, legal, tax, and contractual requirements.

The major provisions include:

- Defines the debt instruments covered by the policy, including CSU program obligations, loans, bonds, finance leases, installment agreements, refundings, and material modifications.
- Assigns approval and oversight responsibilities to the Board, Committee, CEO, CFO, University, and CSU, and prohibits binding commitments before required approvals.
- Generally requires the CSU Systemwide Revenue Bond or Commercial Paper Programs for capital financing, with a mission-aligned purpose, and appropriate term.
- Requires a CFO-prepared plan of finance addressing affordability, repayment sources, alternatives, material risks, covenants, approvals, and coverage requirements.
- Incorporates applicable minimum debt-service coverage ratios: 1.10x for CPPE's auxiliary Debt Program, 1.35x for combined-campus Debt Programs, and 1.45x for systemwide SRB coverage.
- Requires quarterly Committee reporting, annual Board reporting, prior Board approval for exceptions, and review of the policy at least every two years.

RECOMMENDED ACTION:
Management recommends that the Finance & Investment Committee approve the new Debt Policy #140, as presented, and recommend approval by the Board of Directors.

BE IT RESOLVED, that the Finance & Investment Committee has reviewed and approves the proposed Debt Policy #140 and recommends approval by the Board of Directors.

PASSED AND ADOPTED THIS 3rd DAY OF SEPTEMBER 2026

By: _____
Michelle Cardona, Chair
Finance & Investment Committee

Cal Poly Pomona ENTERPRISES

CORPORATE POLICY

Subject: Debt Policy	Policy No.: **140**
	Date: 08/05/2026
Last Revision Date: 08/05/2026	Revision: 0

A. Purpose

B. Scope

C. Authority, Governing Requirements, and Precedence

D. Definitions

E. Core Policy Principles

F. Governance and Approval

G. Permitted Financing Structures

H. Plan of Finance and Financial Standards

I. Structuring and Risk Management

J. Financing Compliance

K. Post-Issuance Administration and Monitoring

L. Board and Committee Reporting

M. Exceptions, Implementation, and Review

Appendix A - Approval and Review Matrix

Appendix B - Governing Authorities and CSU Guidance

Executive Policy Statement

Cal Poly Pomona Foundation, Inc., operating as Cal Poly Pomona Enterprises ("CPPE"), will incur debt only when it advances CPPE's authorized mission, preserves long-term financial capacity, and complies with all applicable California State University ("CSU"), University, legal, tax, and contractual requirements. No debt may be committed, issued, incurred, or materially modified without the approvals required by this policy.

CPPE will use the CSU Systemwide Revenue Bond ("SRB") Program or Commercial Paper ("CP") Program for capital financing unless another structure is expressly permitted and approved under CSU

policy. CPPE shall satisfy all applicable CSU, campus, and financing-document debt-service coverage requirements.

A. Purpose

This policy establishes a comprehensive framework to:

1. govern the authorization, structuring, issuance, administration, and repayment of debt;
2. preserve CPPE's financial strength, liquidity, unrestricted revenues, assets, and future borrowing capacity;
3. ensure that debt is used only for mission-aligned purposes and assets with appropriate useful lives;
4. comply with CSU requirements applicable to auxiliary organizations and the SRB and CP Programs;
5. establish controls for compliance with the covenants and post-issuance obligations of each applicable financing agreement; and
6. provide the Board of Directors with consistent information for approving and monitoring debt.

B. Scope

This policy applies to CPPE and all of its divisions, enterprises, programs, funds, and controlled entities. It governs the issuance or incurrence by CPPE of the following debt instruments:

7. SRB and CP obligations;
8. bank and other loans, notes, and bonds, whether publicly offered or privately placed;
9. finance leases, installment purchase or sale agreements, and certificates of participation; and
10. refundings and material amendments, restructurings, or replacements of any covered debt instrument.

California Code of Regulations, title 5, section 42500(c), expressly defines auxiliary debt instruments to include loans, notes, bonds, finance leases, installment purchase or sale agreements, and certificates of participation. Because those categories are required by the regulation, they remain within this policy even though other routine commercial arrangements are excluded.

Ordinary-course trade payables, operating leases that are not finance leases, undrawn credit facilities, and stand-alone letters of credit, liquidity facilities, reimbursement agreements, guarantees, indemnities, or similar commercial arrangements that do not themselves constitute a debt instrument under title 5, CSU policy, or applicable law are outside this policy. The CFO, in consultation with legal counsel, shall determine whether an arrangement falls within this policy when its classification is uncertain.

C. Authority, Governing Requirements, and Precedence

CPPE is a recognized CSU auxiliary organization and shall conduct financing activities in accordance

with applicable law, CSU policy, University policy, CPPE governing documents, and executed financing agreements.

The principal governing requirements include:

1. California Education Code sections 89900 and 89904;
2. California Code of Regulations, title 5, sections 42401 and 42500;
3. the current CSU Financing and Debt Management Policy;
4. the current CSU Auxiliary Organizations policy and related sound business practice requirements;
5. CPPE's operating agreement with the CSU and California State Polytechnic University, Pomona (the "University");
6. each applicable resolution, loan agreement, indenture, tax certificate, payment schedule, continuing disclosure undertaking, and related financing document.

Applicable law, CSU policy, and executed financing documents shall control in the event of a conflict with this policy. Material conflicts shall be referred to the CFO and legal counsel and, when appropriate, to the University or Board. This policy does not amend or waive an executed financing document.

D. Definitions

Annual Debt Service. Scheduled principal, interest, mandatory sinking fund payments, financing lease payments, and similar required payments during a 12-month period, calculated in accordance with the controlling financing documents. For variable-rate debt, the CFO shall apply the rate assumptions required by the financing documents and any other assumptions the CFO determines appropriate for the proposed financing.

CSU Debt Program DSCR. Annual gross revenues of the applicable Debt Program less annual operating expenses, divided by annual debt service, calculated under the current CSU Financing and Debt Management Policy using debt service information and assumptions approved by the CSU Office of the Chancellor.

Debt. Any obligation within the scope described in Section B.

Debt Program. The CPPE operations whose gross revenues provide the source of repayment for one or more self-support projects, as defined under CSU policy and the applicable approved plan of finance.

Project. The acquisition, construction, renovation, improvement, equipping, or refinancing of real or personal property, or another authorized purpose, for which debt is proposed.

E. Core Policy Principles

E.1 Authorized purpose and affordability

Debt shall finance activities authorized by CPPE's governing documents and operating agreement, consistent with the University's educational mission, and within an authorized auxiliary function. Each financing must have a credible and legally available repayment source. Long-term Debt shall not fund recurring operating deficits, and short-term working-capital borrowing must have a defined repayment source. When applicable, the repayment term should be appropriate for the expected useful life of the financed asset.

E.2 Enterprise-wide risk

Each financing shall be evaluated based on its effect on CPPE as a whole, including potential impacts on unrestricted revenues, assets, liquidity, and future borrowing capacity.

E.3 Transparency and independent review

The Board shall receive sufficient information to evaluate each financing, including material assumptions, total costs, repayment sources, security, covenants, conflicts of interest, and risks. CPPE shall use qualified independent advisors when appropriate for the transaction.

F. Governance and Approval

F.1 Board of Directors

The Board retains authority to:

1. adopt and amend this policy;
2. approve each new Debt obligation and any material pledge or security supporting that Debt;
3. approve the maximum principal amount, purpose, final maturity, security, repayment source, and material financing terms;
4. approve refinancings, restructurings, material amendments, covenant waivers, and prepayments that involve a material cost, risk, or change in economics;
5. approve any variable-rate exposure, derivative, swap, or alternative financing structure associated with covered Debt; and
6. authorize officers to execute documents only after all required CSU and University approvals have been obtained or made express conditions to closing.

Board approval may state a not-to-exceed principal amount and authorize designated officers to finalize terms within defined parameters. A material change outside those parameters requires further Board approval.

F.2 Finance and Investment Committee

The Finance and Investment Committee, or any successor committee assigned financial oversight, shall review each financing recommendation before Board action. The Committee shall review affordability, risks, structure, covenants, alternatives, compliance, and the effect on CPPE's financial capacity.

F.3 Chief Executive Officer

The Chief Executive Officer ("CEO") shall confirm mission alignment, recommend financings to the Board, ensure cross-functional accountability, and execute approved documents within delegated authority.

F.4 Chief Financial Officer

The CFO is the policy administrator and shall:

1. lead the plan of finance, due diligence, risk analysis, and advisor selection;
2. coordinate with the University and CSU Office of the Chancellor;
3. maintain the debt register, compliance calendar, and material financing records;
4. calculate and report CPPE-level and contractual coverage and provide information required for University and CSU evaluations;
5. ensure timely payment of debt-service and other required amounts;
6. monitor applicable tax, disclosure, use-of-proceeds, and other post-issuance requirements; and
7. notify the CEO, Committee Chair, Board Chair, University Chief Financial Officer, and CSU officials as required of any actual or potential default, covenant breach, or material adverse development.

F.5 University and CSU approvals

No Debt instrument may be issued or incurred without prior approval of the University President and all other University, Chancellor's Office, or Trustee approvals required by law or CSU policy. All CSU or auxiliary debt issuance must be approved by the Trustees or under authority delegated by the Trustees.

F.6 No premature commitment

Before required approvals, CPPE may conduct due diligence, seek nonbinding indications, and negotiate documents expressly subject to approval. CPPE shall not sign a binding term sheet, pay a nonrefundable financing fee, authorize a lender to rely on CPPE's credit, pledge assets or revenues, or otherwise commit to Debt before all required approvals.

G. Permitted Financing Structures

G.1 Capital financing

Capital projects shall generally be financed through the CSU SRB or CP Programs unless an alternative structure is permitted and approved under CSU policy. The CFO may recommend other loans or financing structures when appropriate to the purpose and when all required CPPE, University, and CSU approvals are obtained.

G.2 Working-capital borrowing

Working-capital borrowing must address a documented need, have an identified repayment source, and be structured for repayment over a period appropriate to that need. A bank line of credit may be established within Board-approved parameters. Individual draws do not require additional Board approval when they remain within the approved amount, purpose, term, and other material parameters.

G.3 Restrictions

CPPE shall not use Debt for speculative or leveraged investment, pledge restricted resources contrary to law or restriction, grant security prohibited by an existing agreement, or enter into a financing structure prohibited by CSU policy. Derivatives or hedging associated with Debt require specific Board and all required University and CSU approvals.

H. Plan of Finance and Financial Standards

H.1 Financial analysis

Before recommending Debt, the CFO shall prepare a financial analysis appropriate to the nature and materiality of the proposed financing. The analysis shall address the purpose, amount, repayment source, material terms, projected affordability, applicable DSCR requirements, principal risks, alternatives considered, and required approvals. For SRB and CP self-support projects, the analysis shall also include all plan-of-finance elements required by CSU policy.

H.2 Coverage standards

The following standards apply at different organizational levels. CPPE is responsible for calculating and monitoring its auxiliary Debt Program DSCR and any contractual coverage tests. The University and the CSU Office of the Chancellor shall perform their respective oversight and calculation roles for the combined-campus and systemwide standards as described below. CPPE shall provide complete and timely information needed for those evaluations. Compliance with one measure does not substitute for compliance with another.

Measure	Minimum or target	Application
CSU auxiliary Debt Program DSCR	1.10x minimum	Calculated by CPPE using CSU-approved assumptions and debt-service information; subject to University and CSU review
CSU combined-campus Debt Programs DSCR	1.35x minimum	Determined by the University in coordination with CPPE and the CSU Office of the Chancellor; CPPE shall provide the information required for review and approval
CSU systemwide SRB DSCR	1.45x minimum	Calculated and managed by the CSU Office of the Chancellor; CPPE shall provide requested information through the University or directly to CSU, as applicable
Contractual coverage tests	As required	Calculated and certified exactly as required by each applicable financing agreement

No new Debt may be recommended if CPPE's applicable base-case forecast falls below a required

auxiliary Debt Program or contractual minimum, or if the University or CSU Office of the Chancellor determines that a combined-campus or systemwide standard would not be satisfied. An actual or projected breach identified by CPPE, or notice from the University or CSU that a broader standard is not satisfied, requires prompt escalation under Section K.4 and an appropriate corrective action plan.

H.3 Cash contribution

For a CSU self-support project financed through the SRB or CP Program, the plan of finance shall include a cash contribution determined by the CSU based on total Project cost. The contribution must be held in accounts controlled by CPPE or the University, as applicable, and readily available before Debt issuance.

H.4 Liquidity and reserves

CPPE shall maintain sufficient liquidity to meet scheduled debt-service requirements and all legally or contractually required reserves. Restricted funds shall not be treated as available for debt service unless their use is legally permitted.

H.5 Evaluation method

The CFO shall select the financial methods, forecast periods, assumptions, and analytical techniques appropriate to the financing and shall document the material assumptions, conclusions, and principal risks. Any analysis required by CSU, the University, applicable law, or the controlling financing documents shall also be completed.

H.6 Financing assumptions and term

For SRB and CP financings, maturity, amortization, and interest-rate assumptions shall comply with the applicable CSU Financing and Debt Management Policy. Other Debt shall be structured based on its purpose, repayment source, useful life, cost, and risk. Any balloon, bullet, or deferred-amortization structure requires specific Board approval and a credible repayment or refinancing plan.

I. Structuring and Risk Management

I.1 Fixed- and variable-rate debt

CPPE generally prefers fixed-rate, fully amortizing long-term Debt for permanent financing. Variable-rate Debt may be used only when its benefits, liquidity needs, rate-reset exposure, and termination or refinancing risks are documented and approved.

The CSU Office of the Chancellor manages the systemwide requirement that no more than 25% of CSU Debt be unhedged variable-rate Debt, including commercial paper. CPPE shall provide information and comply with any allocation or limitation established by CSU.

I.2 Capitalized interest

Capitalized interest may be used only during an authorized acquisition, construction, renovation, or interim financing period and must be included in total Project cost and debt-capacity analysis. The permanent operating plan must demonstrate payment of debt service from recurring, legally available revenues.

I.3 Derivatives and hedging

CPPE shall not enter into an interest-rate swap or other derivative unless:

1. the Board specifically approves the transaction;
2. all required CSU and University approvals are obtained;
3. independent financial and legal advisors evaluate pricing, counterparty credit, collateral, basis, tax, termination, and accounting risks; and
4. the Board-approved plan identifies ongoing monitoring and exit procedures.

I.4 Security and revenue commitments

Any pledge, lien, collateral assignment, mortgage, or security interest must be specifically disclosed to and approved by the Board and all required CSU authorities. The CFO and legal counsel shall evaluate its effect on existing creditors, donor restrictions, revenues available for debt service, existing legal pledges and negative-pledge covenants, and future borrowing capacity.

I.5 Refunding, restructuring, and prepayment

CPPE may refund, restructure, or prepay Debt when it produces positive risk-adjusted value or advances a documented strategic objective. The analysis shall include net present value savings, all transaction costs and premiums, extension of maturity, use of reserves, changes in covenants or security, accounting effects, tax implications, and any increase in refinancing risk.

J. Financing Compliance

J.1 Payments and required transfers

CPPE shall make all debt-service payments and required transfers in the amounts and by the dates established in applicable CSU notices and financing documents. The CFO shall maintain an internal funding calendar and ensure sufficient funds are available when due.

J.2 Financing, tax, and disclosure compliance

CPPE shall comply with all revenue-pledge, reporting, tax, disclosure, insurance, use-of-proceeds, additional-debt, lien, security, and other requirements contained in applicable law, CSU policy, and financing documents. The CFO shall maintain procedures and records appropriate to monitor these requirements and shall obtain legal, bond counsel, University, or CSU review when required.

J.3 Defaults and material events

The CFO shall promptly escalate any actual or potential default, payment deficiency, covenant breach, tax or disclosure issue, or other material event in accordance with Section K.4 and applicable notice requirements.

K. Post-Issuance Administration and Monitoring

K.1 Debt register

The CFO shall maintain a complete debt register showing, for each obligation:

1. lender or issuer, type of obligation, purpose, and original and outstanding principal;
2. issue date, maturity, interest rate, and scheduled payment dates;
3. repayment source and security, if any;
4. material covenants, coverage tests, and compliance dates; and
5. location of the governing financing documents.

K.2 Compliance calendar

The CFO shall maintain a compliance calendar reflecting the payment, reporting, covenant, tax, disclosure, and notice requirements applicable to each Debt obligation.

K.3 Use of proceeds and financing compliance

Debt proceeds shall be tracked and used only for authorized purposes. CPPE shall maintain appropriate controls and records to support compliance with applicable financing, tax, disclosure, and CSU requirements.

K.4 Defaults and corrective action

The CFO shall notify the CEO, Board Chair, Committee Chair, University chief financial officer, and CSU officials as required immediately upon learning of:

1. a missed or threatened payment;
2. an actual or projected covenant breach;
3. a material error in a representation, report, or coverage calculation;
4. an event that could impair tax-exempt status, revenues pledged under applicable financing documents, or CPPE's ability to perform; or
5. another event that constitutes or could become a material default.

Required notice shall be furnished to the Board of Trustees, CSU officials, lenders, trustees, or other financing parties within the period specified by the applicable financing documents.
Management shall develop an appropriate corrective action plan. No corrective action may violate donor restrictions, law, CSU policy, or financing documents.

L. Board and Committee Reporting

The CFO shall report to the Committee at least quarterly and to the Board at least annually. Reporting shall include:

1. outstanding Debt and scheduled debt-service obligations;
2. applicable CPPE Debt Program and contractual DSCRs, together with any combined-campus or systemwide determinations provided by the University or CSU Office of the Chancellor;
3. compliance with material payment, covenant, tax, and disclosure requirements; and

4. any default, waiver, material amendment, policy exception, or other matter requiring Committee or Board attention.

M. Exceptions, Implementation, and Review

M.1 Exceptions

No exception may waive law, CSU policy, a Trustee or University approval, a tax requirement, or a financing covenant. Any permissible exception to an internal provision of this policy requires prior Board approval based on a written recommendation from the CEO and CFO that describes the reason, duration, financial effect, risks, mitigations, and exit plan.

M.2 Implementing procedures

The CEO and CFO may establish written procedures, forms, calendars, and internal controls consistent with this policy. Administrative updates to the debt register, payment schedules, contact information, and source references do not require amendment of this policy.

M.3 Review

The CFO shall review this policy at least every two years and whenever CSU policy, law, CPPE's financing documents, or CPPE's debt profile materially changes. Proposed amendments shall be reviewed by legal counsel and the Finance and Investment Committee before Board action. This policy becomes effective upon Board approval and applies to all existing and future Debt; existing financing documents remain controlling according to their terms.

Cal Poly Pomona ENTERPRISES

Appendix A - Approval and Review Matrix

Action	Management	Finance and Investment Committee	CPPE Board	University / CSU
Preliminary due diligence; nonbinding market inquiry	CEO/CFO authorize	Informed as appropriate	Not required if no commitment	Early coordination with University President and Campus CFO
Conceptual plan of finance	CEO recommends; CFO prepares	Reviews and recommends	Approves concept or directs further work	University and Chancellor's Office review as required
Final Debt authorization	CEO/CFO recommend	Reviews final terms and risks	Approves maximum amount, purpose, term, security, and parameters	President, Chancellor's Office, Trustees, or delegated approval as required
Bank line of credit or other non-CSU loan	CEO/CFO recommend; CFO evaluates terms and repayment source	Reviews and recommends	Approves maximum commitment, permitted purpose, term, and material parameters	University President approval as required; Chancellor's Office, Trustee, or delegated approval only when applicable
Document execution and closing	Authorized officers execute within parameters	Receives closing update	No further action unless terms exceed authority	Required CSU execution, acknowledgment, or approval
Material amendment, waiver, or new pledge related to covered Debt	CEO/CFO recommend	Reviews	Approves	Required approvals before effectiveness
Refunding, restructuring, or material prepayment	CEO/CFO recommend for non-SRB Debt; SRB Debt recommended by Chancellors Office	Reviews economics and risks	Approves	CSU and other approvals as required
Routine payment, reporting, and covenant administration	CFO administers	Monitors	Receives reports	Information and payments provided as required

Appendix B - Governing Authorities and CSU Guidance

This appendix is informational. Controlling authorities apply as amended.

5. **CSU Financing and Debt Management Policy**, PolicyStat ID 18997742, effective October 28, 2025. Official policy: calstate.policystat.com/policy/18997742
6. **CSU Auxiliary Organizations Policy**, PolicyStat ID 18463478. Official policy
7. **California Code of Regulations, title 5, section 42401**, requiring sound-business-practice fiscal procedures and management systems. Current text
8. **California Code of Regulations, title 5, section 42500**, authorizing specified auxiliary functions and requiring prior campus-president approval and compliance with Trustee policy for auxiliary debt instruments. Current text
9. **California Education Code section 89904**, requiring governing-board approval of auxiliary expenditures and financial standards supporting fiscal viability, working capital, and reserves. Official California Legislative Information

Cal Poly Pomona ENTERPRISES

Cal Poly Pomona Enterprises
Statement of Activities (P&L Report)
For Period Ending 06/30/2026

	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	$21,560,601	$21,889,489	$7,870,342	$8,084,065	$1,399,937	$12,128,207	$13,528,144	$13,461,690	$21,398,485	$21,545,755	$162,116	$343,734	($181,618)
Bookstore	$17,010,727	$16,305,459	$1,466,734	$1,673,762	$1,039,720	$14,547,556	$15,587,276	$14,221,626	$17,054,010	$15,895,388	($43,283)	$410,071	($453,354)
Kellogg West	$3,100,441	$4,448,660	$2,122,109	$2,101,446	$201,529	$2,085,285	$2,286,814	$2,346,729	$4,408,922	$4,448,175	($1,308,481)	$485	($1,308,966)
CPPE Student Housing	$24,017,428	$22,750,257	$3,319,502	$3,872,827	$1,561,133	$18,655,776	$20,216,909	$14,242,924	$23,536,411	$18,115,751	$481,017	$4,634,506	($4,153,489)
Real Estate/Rentals	$7,972,190	$8,840,900	$610,210	$692,171	$363,088	$4,854,546	$5,217,633	$6,336,264	$5,827,843	$7,028,435	$2,144,347	$1,812,465	$331,882
Total Commercial Services	**$73,661,389**	**$74,234,765**	**$15,388,896**	**$16,424,271**	**$4,565,406**	**$52,271,369**	**$56,836,776**	**$50,609,233**	**$72,225,672**	**$67,033,504**	**$1,435,717**	**$7,201,261**	**($5,765,544)**
Other Activities													
Investments	$7,742,388	$2,463,000	$0	$0	$0	$152,842	$152,842	$106,704	$152,842	$106,704	$7,589,547	$2,356,296	$5,233,251
Administration	$1,443,186	$614,458	$3,983,296	$7,343,677	($6,223,914)	$1,427,461	($4,796,453)	($4,732,553)	($813,157)	$2,611,124	$2,256,343	($1,996,666)	$4,253,009
Total Other Activities	**$9,185,575**	**$3,077,458**	**$3,983,296**	**$7,343,677**	**($6,223,914)**	**$1,580,303**	**($4,643,611)**	**($4,625,849)**	**($660,315)**	**$2,717,828**	**$9,845,889**	**$359,630**	**$9,486,259**
Total Commercial Services + Other Activities	**$82,846,963**	**$77,312,223**	**$19,372,192**	**$23,767,948**	**($1,658,508)**	**$53,851,672**	**$52,193,165**	**$45,983,384**	**$71,565,357**	**$69,751,332**	**$11,281,606**	**$7,560,891**	**$3,720,715**
Designated Funds													
Annual Designated	$184,881	$0	$95,777	$0	$0	$1,145,981	$1,145,981	$2,150,000	$1,241,758	$2,150,000	($1,056,877)	($2,150,000)	$1,093,123
Total Designated Funds	**$184,881**	**$0**	**$95,777**	**$0**	**$0**	**$1,145,981**	**$1,145,981**	**$2,150,000**	**$1,241,758**	**$2,150,000**	**($1,056,877)**	**($2,150,000)**	**$1,093,123**
Support Activities													
Bronco One Card	$415,327	$509,250	$241,040	$295,742	$25,746	$153,175	$178,921	$213,501	$419,961	$509,243	($4,634)	$7	($4,641)
Research Office	$3,875,144	$2,800,000	$106,637	$299,462	$1,166,561	$1,886,016	$3,052,577	$2,450,548	$3,159,214	$2,750,010	$715,930	$49,990	$665,940
Agriculture	$4,687,284	$5,431,524	$1,983,193	$2,209,594	$177,441	$3,557,766	$3,735,207	$3,200,596	$5,718,400	$5,410,190	($1,031,116)	$21,334	($1,052,450)
College of P&GE	$3,766,459	$2,456,250	$1,906,338	$930,689	$162,977	$1,423,107	$1,586,083	$1,524,662	$3,492,422	$2,455,351	$274,038	$899	$273,139
Support Programs	$7,485,621	$4,290,444	$1,860,998	$1,695,012	$127,927	$5,025,674	$5,153,601	$2,595,420	$7,014,598	$4,290,432	$471,023	$12	$471,011
Total Support Activities	**$20,229,836**	**$15,487,468**	**$6,098,206**	**$5,430,499**	**$1,660,651**	**$12,045,738**	**$13,706,389**	**$9,984,727**	**$19,804,595**	**$15,415,226**	**$425,241**	**$72,242**	**$352,999**
Grants+Transfers													
Grants and Contracts	$26,883,241	$22,265,600	$0	$0	$0	$26,875,060	$26,875,060	$22,265,600	$26,875,060	$22,265,600	$8,181	$0	$8,181
Vesting Grant Assets	$0	$0	$0	$0	$0	($1,184,460)	($1,184,460)	$0	($1,184,460)	$0	$1,184,460	$0	$1,184,460
Transfers	$0	$0	$0	$0	$0	$4,887,795	$4,887,795	$0	$4,887,795	$0	($4,887,795)	$0	($4,887,795)
Total Grants+Transfers	**$26,883,241**	**$22,265,600**	**$0**	**$0**	**$0**	**$30,578,395**	**$30,578,395**	**$22,265,600**	**$30,578,395**	**$22,265,600**	**($3,695,154)**	**$0**	**($3,695,154)**
Total Enterprises Net	**$130,144,921**	**$115,065,291**	**$25,566,175**	**$29,198,447**	**$2,143**	**$97,621,786**	**$97,623,930**	**$80,383,711**	**$123,190,104**	**$109,582,158**	**$6,954,816**	**$5,483,133**	**$1,471,683**

Cal Poly Pomona ENTERPRISES

Net Fund Balance Allocation to Reserves

		FY 2026-27	
	FY26 Ending Balance	FY 27 Estimated Contributions (based on FY26 Unaudited Financials)	FY27 Ending Reserve Balance
List of Reserves			
Capital/Deferred Maintenance	9,981,353	1,672,845.60	11,654,198
Residential Board Meal Program Surplus	5,780,329	146,095.47	5,926,424
Dining Reserve	94,595	1,621.16	96,216
Real Estate/Development	663,735	79,721.90	743,457
Student Housing Development	851,397	240,508.50	1,091,906
AG State Share Reserve	484,376	0.00	484,376
Residence Student Program Trust Fund	563,538	1,724.79	565,263
Operating/Working Capital Reserve	1,102,869	377,678.40	1,480,547
Insurance Reserve	386,496	50,000.00	436,496
Demo Reserve	219,211	30,983.16	250,194
Pine Tree Reserve	75,000	0.00	75,000
OFF OF RES & SPONS PRGM RESERV	170,143	0.00	170,143
Total Reserves	**20,373,043**	**2,601,179**	**22,974,222**

Finance & Investment Committee Meeting Schedule

Meets every quarter (September, December, February & May)
Finance & Investment Committee Thursday, September 3, 2026 9:00 am – 10:30 am Zoom Meeting
Finance & Investment Committee Thursday, December 10, 2026 1:00 pm – 2:30 pm Zoom Meeting
Finance & Investment Committee Wednesday, February 10, 2027 2:00 pm – 3:30 pm Zoom Meeting
Finance & Investment Committee Wednesday, May 19, 2027 1:00 pm – 2:30 pm Zoom Meeting