

*No Secrets * No Surprises * No Distractions * No Confusion * No Waste * No Illusions * No Politics*

Cal Poly Pomona Foundation, Inc.

“Quality Service Supporting Quality Education”



2007 / 2008

Corporate Business Plan

September 7, 2007

The Cal Poly Pomona Foundation is a *“Learning-Center Organization”* that has the capacity and ability to learn, is constantly learning to do things better, and within the Foundation learning is shared throughout the organization

The Foundation has developed a system and a climate for continuous improvement throughout the organization. Continuous improvement is nurtured and sustained so that management and staff are always alert to the possibilities for better ways to serve all stakeholders.



Cal Poly Pomona Foundation, Inc.
"Quality Service Supporting Quality Education"

2007-2008 Corporate Business Plan

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The 2007-2008 Foundation Consolidated Business Plan Process

Foundation Management began using a particular style and method of business planning in 1995 that was initiated following an intensive training program by the Management Action Program (MAP). This training provided a standardized method for Foundation management to set goals, determine action steps and monitor progress by reviewing various vital factors. For 2007-08, each major Foundation unit prepared their business plans based on the concepts of MAP. The Foundation appreciates the contributions of everyone that participated in the planning process for 2007-08.

Overview

Short-term Planning

**30-Day Goals and Performance Plans*

**Administrative Work Plans*

**Business Plans*

**Annual Budgets*

Long-term Planning

**Multi-year Strategic Planning*

**Multi-year Cash Flow Planning*

30-Day Goals

The 30-day goals system is used as a Foundation management tool throughout the year to review the status of various action steps and projects of individual supervisors, managers and directors. 30-day goals are to be consistent with the due dates of business plan action steps and may also include other action steps deemed necessary during the year to meet goals. Each month, the status of the past 30-day period is reviewed and new 30-day goals are submitted for the upcoming month.

Performance Plans

Individual staff employees establish a personal performance plan with their supervisors. This is based on their job descriptions and performance factors related to how they contribute towards the success of their unit. Performance reviews objectively consider the extent to which their contributions have met with expectations. The Foundation's Demonstrated Merit Performance Compensation Plan (DMPCP) establishes how an employee's performance rating relates to a position classification, grade level and possible merit increase on an annual basis.

Administrative Work Plans

The Executive Director asks Directors to submit Administrative Work Plans and report on the status of objectives and performance indicators in those plans. The Foundation incorporates this process with the business planning process. Directors are asked to design their Administrative Work Plan objectives and performance indicators around the most critical goals in their business plans. Objectives and proposed actions are to have positive effects on their business plan goals. Performance indicators are to be measurable in terms of vital factors or other measurable process variables. Individual performance evaluations consider the extent of accomplishments in both Administrative Work Plans and 30-day goals.

Unit Business Plans

The major operating and supporting units of the Foundation prepare annual business plans containing mission statements, assessments of strengths and challenges, survey results, keys to success, assessments of culture, major unit projects, business controls and vital factors, executive summaries, action steps, budgets and organizational charts. The purpose of the annual unit business plan is to have a detailed assessment and work plan for the 2007-08 fiscal year. The planning goal for 2007-08 is to address the key Foundation operating issues and coordinate the planning process. The unit business plans address what actions are planned in order to meet or exceed the programming plans, projects, approved budgets and the measurement of progress. The unit business plans are one-year plans developed at the unit level involving appropriate staff, supervisors, managers and customer input from surveys. The unit business plans are working documents and action steps are monitored throughout the year. The unit business plans form the basis for the Foundation Consolidated Business Plan.

Annual Budgets

The budgets for 2007-08 are based on certain assumptions including expected inflation, trends and enrollment levels. Foundation operating and support units prepare detailed annual budgets that incorporate approved business and strategic plan goals and concepts. The Foundation's Board of Directors formally approves the budgets annually. Foundation management reviews and monitors fiscal performance on a monthly basis.

Foundation Consolidated Business Plan

The Consolidated Business Plan is an executive summary of how the Foundation expects to perform and coordinate its activities. On September 7, 2007, key Foundation managers and directors will meet at Kellogg West to review and confirm the Foundation's Consolidated Business Plan. At this meeting, each director will review his/her unit's business plan with the management team. The Foundation Consolidated Business Plan is also designed as a working document. Each director/manager who participates in the Foundation Consolidated Business Plan meeting receives a copy of the plan.

Strategic Plan

Unit strategic plans are long-range plans and address multi-year planning issues. Strategic planning takes the business planning process one step further and includes information on industry trends, campus demographics, how needs of the University are addressed, changing technology, operational forecasts and anticipated capital needs up to 10 years out. The goal of strategic planning is to provide vision, direction and coordination of Foundation programs and assets. Strategic plans are typically updated every two or three years and are developed utilizing focus groups, research data, surveys and consultants. It is the intent of the Foundation to pursue the development of strategic planning for all major units of the Foundation.



CAL POLY POMONA FOUNDATION, INC.

Statement of Activities

For period ending JUNE 30, 2007 and 2006

Description	REVENUES			EXPENSES			SURPLUS/(DEFICIT)			FY 06-07 Forecast	FY 05-06 Actual	FY 06-07 Budget	YTD Budget Not Realized
	FY 05-06 YTD Actual	FY 06-07 YTD Budget	FY 06-07 YTD Actual	FY 05-06 YTD Actual	FY 06-07 YTD Budget	FY 06-07 YTD Actual	FY 05-06 YTD Actual	FY 06-07 YTD Budget	FY 06-07 YTD Actual				
General Activities:													
Administration	3,046,598	3,250,040	3,270,758	4,043,097	4,283,542	4,156,406	(996,499)	(1,033,502)	(885,648)	(1,070,670)	(996,541)	(1,033,502)	(147,854)
Real Estate	2,001,230	2,535,839	2,114,994	811,303	1,417,879	1,866,154	1,189,927	1,117,960	248,840	400,858	1,189,927	1,117,960	869,120
Investments	1,269,215	907,277	2,162,191	28,582	23,988	24,824	1,240,633	883,289	2,137,367	1,649,360	1,240,633	883,289	(1,254,078)
Building Rentals	812,692	960,677	957,827	670,498	777,093	804,560	142,194	183,584	153,267	142,917	142,236	183,584	30,317
TOTAL GENERAL	7,129,735	7,653,833	8,505,770	5,553,480	6,502,502	6,851,944	1,576,255	1,151,331	1,653,826	1,122,465	1,576,255	1,151,331	(502,495)
Enterprises:													
Bookstores	12,517,645	11,684,943	13,032,297	11,900,568	11,329,917	12,323,155	617,077	355,026	709,142	499,683	617,077	355,026	(354,116)
Carl's/ Salad Bar/Taco Bell	839,494	902,093	983,371	870,654	857,407	917,654	(31,160)	44,686	65,717	33,264	(31,160)	44,686	(21,031)
Panda Express	100,178	101,520	122,152	101,483	117,799	128,790	(1,305)	(16,279)	(6,638)	(22,314)	(1,305)	(16,279)	(9,641)
C-Store's	1,253,274	1,323,812	1,260,283	1,271,374	1,301,451	1,261,220	(18,100)	22,361	(937)	(16,617)	(18,100)	22,361	23,298
Vending	140,980	138,556	128,202	118,211	78,790	67,309	22,769	59,766	60,893	28,035	22,769	59,766	(1,127)
Los Olivos	4,679,695	4,805,950	5,029,873	4,323,122	4,547,300	4,690,911	356,573	258,650	338,962	246,585	356,573	258,650	(80,312)
Vista Café	685,282	633,607	799,069	649,441	580,277	701,919	35,841	53,330	97,150	47,437	35,841	53,330	(43,820)
Geneva Café	199,621	194,706	93,538	277,253	203,956	107,270	(77,632)	(9,250)	(13,732)	(20,689)	(77,632)	(9,250)	4,482
Vending Carts	0	0	0	0	0	35	0	0	(35)	0	0	0	35
Bronco Student Center	969,949	977,852	1,096,969	1,003,327	1,021,678	1,117,765	(33,378)	(43,826)	(20,796)	(57,262)	(33,378)	(179,582)	(158,786)
Food Service Management	0	0	(600)	0	135,757	108,484	0	(135,757)	(109,084)	(158,386)			
Catering/Conference Foods	1,456,948	1,280,610	1,579,096	1,623,468	1,375,631	1,716,840	(166,520)	(95,021)	(137,744)	(196,435)	(166,520)	(95,021)	42,723
K.W Conference Cntr.	1,855,828	1,975,254	1,798,802	1,879,621	2,007,566	2,033,160	(23,793)	(32,312)	(234,358)	(187,770)	(23,793)	(32,312)	202,046
University Village	6,383,416	6,803,504	7,348,840	5,618,079	6,708,194	6,895,399	765,337	95,310	453,441	415,418	765,337	95,310	(358,131)
TOTAL ENTERPRISE	31,082,310	30,822,407	33,271,892	29,636,601	30,265,722	32,069,911	1,445,709	556,685	1,201,981	610,949	1,445,709	556,685	(754,380)
TOTAL GEN & ENTERPRISE	38,212,045	38,476,240	41,777,662	35,190,081	36,768,224	38,921,855	3,021,964	1,708,016	2,855,807	1,733,414	3,021,964	1,708,016	(1,256,875)
Uses of Designated Funds:													
Development	3,088	0	0	45,768	108,000	98,789	(42,680)	(108,000)	(98,789)		(42,680)	(108,000)	(9,211)
Alumni Affairs	0	0	0	16,597	28,500	28,954	(16,597)	(28,500)	(28,954)		(16,597)	(28,500)	454
Public Relations	44,446	0	137,397	340,672	357,496	483,126	(296,226)	(357,496)	(345,729)		(296,226)	(357,500)	(11,771)
Publications	1,485	0	0	214,752	165,504	116,548	(213,267)	(165,504)	(116,548)		(213,267)	(165,500)	(48,952)
Athletics	0	0	0	50,000	55,000	55,000	(50,000)	(55,000)	(55,000)		(50,000)	(55,000)	0
Other	5,203	0	26,913	1,104,354	84,346	104,682	(1,099,151)	(84,346)	(77,769)		(1,099,151)	(84,346)	(6,577)
TOTAL DESIGNATED USES	54,222	0	164,310	1,772,143	798,846	887,099	(1,717,921)	(798,846)	(722,789)	(792,465)	(1,717,921)	(798,846)	(76,057)
Other Activities:													
Research Office	1,169,795	1,350,000	1,285,686	1,169,795	1,350,000	1,261,660	0	0	24,026	30,000	0	0	(24,026)
Agriculture	1,657,117	1,588,115	1,814,520	1,597,075	1,554,303	1,854,286	60,042	33,812	(39,766)	(27,317)	60,042	33,812	73,578
Continuing Education	2,441,315	1,942,312	1,897,979	2,641,961	2,045,303	2,007,823	(200,646)	(102,991)	(109,844)	(204,460)	(200,646)	(102,991)	6,853
Campus Prog-Unrestricted	1,883,712	2,600,000	1,818,487	1,522,374	2,600,000	1,429,370	361,338	-	389,117	(300,000)	-	-	
TOTAL OTHER	7,151,939	7,480,427	6,816,672	6,931,205	7,549,606	6,553,139	220,734	(69,179)	263,533	(501,777)	(140,604)	(69,179)	56,405
TOTAL SURPLUS (DEFICIT)	45,418,206	45,956,667	48,758,644	43,893,429	45,116,676	46,362,093	1,524,777	839,991	2,396,551	439,172	1,163,440	839,991	(1,276,527)
<i>L.O. trust fund contribution resident life</i>				46,797		50,299	(46,797)		(50,299)		(46,797)		
TOTAL FOUNDATION Net	45,418,206	45,956,667	48,758,644	43,940,226	45,116,676	46,412,392	1,477,980	839,991	2,346,252		1,116,643		

CAL POLY POMONA FOUNDATION, INC.

Corporate Administration

2007 - 2008 BUSINESS PLAN



June 2007

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Mission/Vision Statement

The Cal Poly Pomona Foundation, Inc., established in 1966, is an integral component of the educational mission of the university. In pursuit of this mission, the Foundation is a partner in the university community which includes students, faculty, staff, administrators, alumni and members of the larger community. The Foundation exists to provide the highest level of service and financial support while maintaining corporate fiscal integrity. The role of the Foundation is to provide convenient and appropriate goods and services at a reasonable price and to develop additional assets and resources for the university. The Foundation also promotes and celebrates the cultural diversity of the university, helps foster and maintain an effective learning environment to provide educational opportunities, reflects an institutional image of competence and quality and encourages cooperative relations within the university community.

Excellence in service to the university is the highest priority of the Foundation. The Foundation accomplishes this by:

- * Operating in a professional and conscientious manner.
- * Continually updating its planning for the future and emphasizing the importance of quality and excellence.
- * Promoting high standards for ethics, honesty, competency and professionalism in all its employees.
- * Developing and motivating employees to express an entrepreneurial spirit by using creativity, innovation, initiative and open communication.
- * Maintaining its commitment to affirmative action, equal opportunity, and career development in a safe working environment.

The Cal Poly Pomona Foundation, Inc. is an equal opportunity, affirmative action employer. The Foundation subscribes to all state and federal regulations and prohibits discrimination based on sex, race, sexual orientation, national origin, handicap, marital status, age, religious creed, color, ancestry, medical condition, or veteran status. The Foundation hires only individuals lawfully authorized to work in the United States.

The Foundation operates as a public-benefit charitable-educational organization under the provisions of the California Revenue and Taxation Code, Section 23701(d) and the United States Internal Revenue Code, Section 501(c)(3). As a recognized auxiliary of the California State University, the Foundation conforms to the regulations established by the Board of Trustees of the California State University and approved by the California State Director of Finance as required by the California Education Code, Section 89900. The university's administrative organization supervises the Foundation, as required by Title 5, California Code of Regulations, Section 42402.

Created: 12/11/95 (per 1995/1996 Foundation Business Plan)

CORPORATE VISION STATEMENT

Vision: "Quality Service Supporting Quality Education"

To be the best... an organization of employees must be committed to quality. Recognized as leaders and "award winners." An organization having the best business practices. An organization where service quality consistently exceeds customer expectations and financial performance consistently exceeds comparable industry norms. An organization with a stimulating and gratifying workplace where employees can achieve their full potential.

Cal Poly Pomona Foundation, Inc. management is not easy. Being part of our organization is challenging, demanding and often frustrating. It requires us to be willing to work hard and get along with a diversity of interest while serving them all, under intense pressure and with little recognition. It is, however, also worthwhile, stimulating and rewarding; we are part of the process for higher education at Cal Poly Pomona and we do contribute significantly to the education of every student.

Vision and mission, strategic planning, policies and procedures, customer service and campus relations all build and depend upon each other. Without a vision and mission, effective planning cannot take place. The process of assessing current status, soliciting input from campus stakeholders, and identifying problems and goals is common to each, and reinforce the others.

Overview of Previous Fiscal Year 2006-07

The Foundation accomplishments in 2006-07 were many. The most noteworthy are listed below:

- * The Foundation's overall year-end net surplus for 2006-07 was a healthy \$2,558,152.
- * Bronco Bookstore's implemented strategy of concentrating on what students wanted most, lower priced used textbooks, was an overwhelming success, resulting in record buy backs, highest ever recorded sales of used books and overall revenues exceeding \$13 million for the first time.
- * Dining Services opened Pura Vida/Freshens, a new coffee and smoothie venue as well as a Subway Express at the Bronco Student Center and reorganized it's management team at Los Olivos in order to better serve the fully occupied resident halls and completed the year in a very positive financial position.
- * University Village housed the largest population of resident students with all three Phases at nearly full occupancy during the academic year and over 70% occupied during the summer. Foundation Housing Service also implemented a completely new computer system called StarRez that provides a host of new capabilities such accepting payments on-line, interfacing with Foundation Accounting and providing customers web based work order requests system.
- * Kellogg West provided conference services, food and beverage and lodging to both university and outside clients while struggling with numerous facility mechanical issues. The addition of a full time HVAC Technician to the Foundation Facilities Management team has helped but the age of the Kellogg West facilities continues as a major challenge. A long range plan for KW needs to be determined to address some of these issues as well as address the issue of seismic upgrading of the Conference Center.
- *Contract and Grant new awards for 2006-07 was a robust \$14,961,000. Total Grant and Contract expenditures processed in 2006-07 amounted to \$12,582,000.
- *In 2006-07 the Foundation provided \$4,658,907 in support and contributions to the University. This consisted of \$798,846 to University services, \$2,001,718 to research and administrative support, \$415,510 in commissions to the University and \$1,442,833 in the form of donations and contributions.
- * The Foundation was audited in 2006-07 by the CSU and no major weaknesses were noted.

Strengths and Challenges

Strengths

Strong Diverse Revenue Streams *Growth Oriented - \$50 Million in Net Worth and \$100 Million in Assets *A Major Donor to University *Supporter of Fund Raising *Award Winning Services *Bronco Card Purchasing Capability *Veteran Management Team is Stable, Learning Centered - Always Improving *Recipient of Unqualified Audits *Capable of Managing Large Projects in Support of University such as Faculty Housing and Innovation Village *Independent, Self-supporting and Operates with Minimal Risk to University *Financial Services and Post Award Grant/Contract Support *A Recognized Leader and Innovator within the Industry *Board Representative of University.

Challenges

Profitability of the Aging Kellogg West Conference Facility and Need to Retrofit the Center *Profitability of Fdn. Sponsored Continuing Education Programs *Growing Cost of Employee Benefits *Lack a Category to Retain 30-35 Hour Per Week Employees *Lack of Retail Business during the Summers *Need to Maintain Cutting Edge Technology, Improve Efficiency and Integrate Systems *Need to Manage and Anticipating Risks of all Types *Meeting Customer Expectations for Low Prices and High Value *Need Green Strategies and Systems.

Employee Survey

An Employee Focus Group was conducted on April 16, 2007 to assess how employees feel about their employment with the Foundation. Fifteen randomly selected non-exempt full time employees participated in the focus group. A series of questions regarding how they feel about the Foundation work environment, adequacy of communication, training, chain-of-command, fair treatment of employees, process for employees to be successful and how they feel various administrative offices serve them were asked. Individual employee responses were not identifiable by employee name and the summarized results were shared with all directors prior to them finalizing their business plans. For the most part, the results were very positive and had good suggestions on specific areas of concern. When asked to rate, on a scale of 1-10 with 10 being best, how well they feel they are served by the administrative offices, the following ratings were received:

Foundation Administration, 12 responded, the average score was 7.9
Management Information Systems, 10 responded, the average score was 8.2
Marketing, 11 responded, the average score was 8.1
Human Resources, 15 responded, the average score was 8.1
Financial Services, 13 responded, the average score was 8.3

Customer Survey

An Administration Customer Survey was not conducted 2007.

However, a Board of Directors Survey was conducted. A scale of 1-4 was used with excellent being 4. Responses were received from 30% of the board members which was used to create the following data:

Administration and Operations:	3.50
Program Development and Delivery:	3.60
Financial Management:	3.67
Marketing and Public Relations:	3.33
Long-Range and Strategic Planning:	3.60
Client Services:	3.60
Overall Quality of Staff Performance:	3.50
Overall Response Average:	3.54

Keys to Success

Key to Success Item

Rank in importance 10 to 1

The keys to our success are to provide outstanding value to our major stakeholders:

- * Customers - by delivering service beyond their expectations 10
- * Employees - by developing high-performance self-managing teams 10
- * Cal Pol Pomona - by delivering exceptional financial performance and effectively supporting the campus mission. 10

Key Issues:

- * Identifying and providing core products and service. 10
- * Intensifying competition on and off-campus. 8
- * Balancing the goals of financial performance, customer service, and serving Cal Poly Pomona. 9
- * Non-traditional products and functions such as campus development and real estate. 9
- * CSU Chancellor's office concerns about auxiliaries and risk. 9
- * Abandon yesterday - improve systematically and continually. 8
- * Knowing the cost for doing business. 8

Corporate Culture

Customer/Client Perception

Unit Perception

Corporate Management Philosophy

NO SECRETS:

NO SURPRISES:

NO POLITICS:

NO DISTRACTIONS:

NO CONFUSION:

NO WASTE:

NO ILLUSIONS:

Everyone in the Foundation at all levels shares information openly.

No one can claim to be in the dark about problems or opportunities.

People get together and look at the same information and make tough decisions.

Management and systems operate in the background; they make noise only when things go wrong. People are free to get their work done.

Employees know what they need to do to succeed.

The organization is lean and mean.

We have no illusions about how tough things can be; that is why we are constantly modifying, improving and starting over.

Business Controls and Vital Factors

Executive Director: *Oversees all programs, services and activities for program objectives *Develops administrative and personnel policies *Approves staff *Facilitates long-term and short-term planning *Prepares annual budget for Board approval *Approves expenditures *Serves as chief liaison with other organizations and key stakeholders

Board of Directors: *Understands and supports mission of Foundation *Selects the executive director *Shares expertise and engages in decision making *Engages in planning *Provides adequate resources *Prepares for and attends board and committee meetings *Understands and evaluates programs *enhances the Foundation's public standing *Ensures legal and ethical integrity, and maintains accountability *Maintains the quality of the board through careful recruitment and orientation *Evaluates the executive director and board's performance

Partnership: *Common expectations *Cooperative planning and evaluation *Open and honest communications *Respect

Major Projects and Business Goals for 2007-12

Action Step

Person Responsible Due Date

- 1.) Develop and implement a long-term plan for Kellogg West Conference Center and Lodge for financial and facility substantiality.
- 2.) Dining Services will use innovation, resources and talent to create a customer-tailored dining environment that supports the university and yields improved measurable results financially.
- 3.) Support Cal Poly Pomona's commitments for faculty/staff housing by proving resources for programs and projects.
- 4.) Support the development of public/private partnerships at Innovation Village for additional educational and financial benefits for the campus.
- 5.) Provide savings to customers through an aggressive used book program that provides more used books and improves bookstore profitability.
- 6.) Maintain high occupancy while meeting financial objectives at the University Village through competitive housing rates, well maintained facilities and programs that meet customers needs.
- 7.) Support Cal Poly Pomona's commitments to sponsored research and fund raising by providing resources and services to assist the campus in meeting performance goals.
- 8.) Review Foundation's employee compensation system to insure that compensation and benefits are comparable to similar organizations.
- 9.) Improve controls and support to allow for expanded use of the campus card system for more services and financial opportunities.
- 10.) Insure that the Foundation has a risk management program that includes policies, procedures and training for a continued process to identify and manage risks.
- 11.) Establish "green" strategies and related systems

Capital Projects

<u>Capital Project</u>	<u>Budgeted Amount</u>	<u>Due Date</u>
Dining Services:		
Pony Express Convenience Stores new POS system for, \$137,950.		
Los Olivos replacement chairs, \$15,102.		
Starbucks at the new expanded Library, \$290,000.		
Total Dining Services	\$443,052	
Kellogg West Conference Center:		
Hotel pool furniture, guest room patio chairs and televisions, \$51,075.		
Conference Center meeting room ergonomic chairs and carpeting, \$116,000.		
Dining golf cart for Kellogg House functions, \$8,500.		
Total Kellogg West	\$175,575	
Agriculture-Aid-to Instruction:		
Farm Store purchase of a refrigerated truck, \$80,000.		
Pine Tree Ranch repair and improvements to ranch house, \$90,000.		
Total Agriculture	\$170,000	
Bronco Bookstore:		
Bookstore repairs and upgrades to HVAC, elevator, office and roof, \$73,500.		
Total Bookstore	\$73,500	
Foundation Housing:		
Appliances, furniture, paint Phase II & decks, locks, fumigation, roofs, \$946,510.		
Total Foundation Housing	\$946,510	
Administration:		
MIS servers, monitors, software, kronos, network and p-card training, \$297,500.		
Human Resources electronic library design/development, \$75,000.		
Marketing office remodel, \$10,000.		
Building 66 HVAC, roof renovation and classroom upgrades, \$83,500.		
Total Administration	\$466,000	
Real Estate:		
Innovation Village So. Campus/Temple intersection improvement, \$82,000.		
CTTI Complex site modifications, landscaping and floor repairs, \$50,000.		
Total Real Estate	\$132,000	
Total Foundation Capital Budget 2007-08	\$2,406,637	

<u>Capital Project Approved in a Prior Year</u>	<u>Budgeted Amount</u>	<u>Due Date</u>
Dining Services POS upgrade, security cameras, and CBORD inventory system.	\$92,470	
Faculty/Staff housing Foothill/Equation project	\$3,200,000	

3-Year Look-Ahead

2008-09:

Bronco Bookstore anticipates a major upgrade of its POS and inventory control computer system. Dining Services will have its new Library Starbucks in operation and be in the begin stages of construction designs of a new Vista Cafe to serve the additional resident students at the expanded university suites. With these new facilities coming on line, revamping or elimination of certain C-Stores and similar small operations will be made in accordance with the Dining Strategic Plan. It is anticipated that a decision will be made about the best way to proceed with a seismic upgrade to Kellogg West and possible energy savings to upgrade its HVAC system. Financial Services anticipates pursuing Web based information reporting and Financial System upgrade. MIS will be pursuing network cabling upgrades, wireless, electronic library systems, desktop upgrades to Vista and other software updates. Marketing plans for Innovation Village will continue. Construction will start on Innovation Village Trammell Crow Phase IV. \$1,810,000 is the maximum total anticipated that may be presented to the Finance Committee in 2007 and 2008 for faculty/staff houses as unit become available in the Kellogg tract target area.

2009-10:

It is anticipated that consideration will be given to design, build and operate a food service facility in the new College of Business building and coordinate the program as part of the Dining Services Strategic Plan. In February 2010 the Village 2002A bonds will have been paid off for the Phase 1 apartments. MIS anticipates the need for server software upgrades and facility expansion.

2010-11:

MIS anticipates TCP/IP version 6 implementation, systems consolidation and office automation and document imaging systems.

Organization Chart

CAL POLY POMONA FOUNDATION, INC.
"Quality Service Supporting Quality Education"

Executive Management Team

Cal Poly Pomona Foundation, Inc.
Board of Directors
University President, Chair

G. Paul Storey
Executive Director

Assistant to
 Executive Director
 Debra Poe

Karen Ward
Managing Director
and
Director of Bronco Bookstore

- Bronco Bookstore
- Educational Accounting / Management
- Systems Operators: Bronco Books, POS, Meal Plans & Points

David F. Prehovost
Senior Managing Director
and
Chief Financial Officer

- Grants & Contracts
- Campus Programs / Scholarships
- Financials / Investments
- Accounting & MIS
- Risk Management
- Budgeting / Financing

Andy Abelman
Managing Director
and
Director of Kellogg West
Conference Center & Lodge

- Kellogg West Conference Center & Lodge
- Facilities Rental

Dennis Miller
Director of Human
Resources

- Facilities Management

George Rankin
Director of Dining
Services

- Real Dining Services
- Board Operations
- Campus Catering
- Campus Vending

Stephan Lauzier
Director of Real Estate
Marketing/Development

Edwin Santiago
Director of Marketing

Katherine Ramsey
Interim Mgr. Public Relations
& Administrative Projects

Kenneth Fisher
Director of Foundation
Housing

May 2007

Budget for 2007-08

ADMINISTRATION_REAL_ESTATE_&_MARKETING

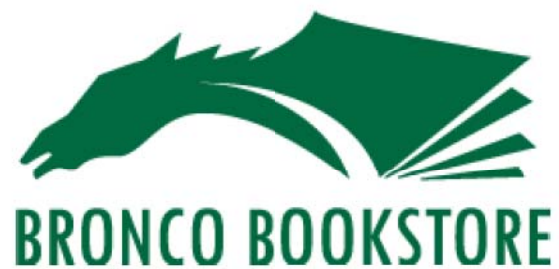
CONSOLIDATED BUDGET COMPARISON SUMMARY
FOR PROPOSED BUDGET YEAR 07-08
CURRENT FISCAL YEAR 06-07

ACCT. ACCOUNT TITLE	CURRENT YEAR		PROPOSED BUDGET	\$ CHANGE FORECAST TO PROPOSED BUDGET
	APPROVED BUDGET	CURRENT YEAR FORECAST		
REVENUE				
ADMINISTRATIVE FEES	3,246,960	3,141,382	3,483,555	342,173
SALES	<u>480</u>	<u>1,900</u>	<u>2,000</u>	<u>100</u>
TOTAL REVENUE	3,247,440	3,143,282	3,485,555	342,273
EXPENDITURES-CONTROLLABLE				
UTILITIES	28,700	34,085	35,300	1,215
REPAIRS & MAINTENANCE	23,358	14,900	33,455	18,555
MEALS & REFRESHMENTS	25,400	14,350	25,250	10,900
POSTAGE & FREIGHT	1,000	1,000	1,100	100
ADVERTISING	32,225	29,822	52,200	22,378
RENT	2,228	1,000	1,404	404
SERVICES	34,905	40,500	45,413	4,913
SUPPLIES	83,100	88,735	85,000	(3,735)
TELEPHONE	15,920	18,250	18,500	250
TRAVEL	21,900	13,000	16,100	3,100
LAUNDRY	0	0	0	0
OTHER	<u>46,415</u>	<u>32,475</u>	<u>32,417</u>	<u>(58)</u>
TOTAL EXPENDITURES-CONTROLLABLE	315,151	288,117	346,139	58,022
EXPENDITURES NON-CONTROLLABLE				
DEPRECIATION	15,636	11,838	16,372	4,534
INSURANCE	37,992	40,025	40,025	0
INTEREST EXPENSE	1,301	900	492	(408)
RENT	0	1,700	2,100	400
OTHER	<u>0</u>	<u>1,000</u>	<u>900</u>	<u>(100)</u>
TOTAL EXPENDITURES NON-CONTROLLABLE	54,929	55,463	59,889	4,426
LABOR COSTS				
SALARIES & WAGES	729,139	688,201	723,834	35,633
EMPLOYEE BENEFITS	<u>305,595</u>	<u>287,453</u>	<u>302,824</u>	<u>15,371</u>
TOTAL LABOR COSTS	<u>1,034,734</u>	<u>975,654</u>	<u>1,026,658</u>	<u>51,004</u>
TOTAL EXPENSES	<u>1,404,814</u>	<u>1,319,234</u>	<u>1,432,686</u>	<u>113,452</u>
NET INCOME	<u>1,842,626</u>	<u>1,824,048</u>	<u>2,052,869</u>	<u>228,821</u>

CAL POLY POMONA FOUNDATION, INC.

BRONCO BOOKSTORE

2007 - 2008 BUSINESS PLAN



2007-2008

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Mission/Vision Statement

MISSION STATEMENT

The Bronco Bookstore, of Cal Poly Pomona Foundation, Inc. will provide a complete range of bookstore products and services to support the University community in meeting their academic and individual needs in a fiscally responsible manner, with a commitment to service excellence.

VISION STATEMENT

Bronco Bookstore will be the most important resource supporting the Cal Poly Pomona campus community, with a commitment to quality service and strong relationships with our customers.

ETHICS STATEMENT

The Code of Ethics for Bronco Bookstore stipulates that all vendors and business partners must adhere to local, state or federal fair labor and safety laws and practices. The Bookstores' code prohibits the use of forced, convict, child or indentured laborers, either by a vendor or business partner or the source of their goods and services. Bronco Bookstore reserves the right to cancel orders, return merchandise, and/or terminate business dealings with vendors and business partners who violate these Ethics.

Overview of Previous Fiscal Year 2006-07

Fiscal Year 06-07 was another home run for Bronco Bookstore. Continuing the focus on responding to customer's wants and needs, the Bookstore posted record setting numbers in revenue. Offering students more used books as a way to keep textbook prices as low as possible was again popular, with almost half of total book sales in used books. This would not have been possible without the cooperation of the Cal Poly Pomona faculty in returning book adoptions in sufficient time to allow the Bookstore to buy back those titles from our students. Record setting book buy backs continued throughout the year, a result of strong marketing campaigns from the Foundation Marketing Team.

Campus partnerships were also important this year for the Bookstore. Assistant Director Suzanne Donnelly worked with the Disabled Student Center (DSC) to inform the campus about the Accessible Technology Initiative. The Accessible Technology Initiative (ATI) reflects the California State University's ongoing commitment to provide access to information resources and technologies to individuals with disabilities. Together the Bookstore and DSC made presentations to the Academic Senate as well as Department Deans at each college to reinforce the importance of timely information on course materials.

Pony Pak online textbooks orders are an increasingly more important part of the Bookstore's business plan. For Spring Quarter 10% of all textbook sales were a result of online orders, a number that expected to continue to grow. Customer Service is always a priority in the Bookstore, and this year was no exception. The ongoing focus on processing customers as quickly as possible the first week of classes, led to a maximum 5 minute wait at peak times.

Overall, Bronco Bookstore's commitment to provide exceptional service to Cal Poly Pomona has us well positioned for another successful year.

Strengths and Challenges

Strengths

Customer Service/Full Time Staff	Pleasing and Inviting Shopping Environment
Campus Partnerships	Product Mix
Experienced & Knowledgeable Staff	Inventory Management
Provide Requested Academic Merchandise on Time	Financially Sound
Departmental Teamwork	Efficient Service at Registers
Integrated Computer System	Positive Focus on Customer Wants/Needs

Challenges

Perceived High Prices/ Maintain Textbook Sell Through	Monitoring Competition
Industry/CSU System Developments	Retirements and Mentoring
Technology/Store Security	Campus Relationships
State and Federal Legislation Pertaining to Textbooks	Campus Communications
Improve/Expand Marketing & Promotions	Inconvenient Parking
Job Satisfaction/Personal Growth for Staff	

Employee Survey

The 2007 Employee Survey was completed by 10 staff and 18 student assistants. The overall rating was 3.00 (on a scale of 0-4), compared to 3.01 in 2006.

97% agreed that their work was considered crucial to the Bookstore's success

73% would like to know more about the goals of the Bookstore operation

93% agreed that they are treated with fairness, respect and equality by their supervisors and managers

83% agreed that there is an acceptable level of trust between employees and managers

80% agreed that the Bookstore promotes employment development and job satisfaction

90% agreed that Bookstore managers and supervisors are approachable and that their opinions and ideas are valued

90% agreed that teamwork is highly regarded at the Bookstore

87% enjoy working at Bronco Bookstore

Overall, numbers appear to be fairly consistent but the comments included with the survey indicate that communication needs to be improved. Steps to improve in this area will include summer meetings with each department to discuss goals for 07-08, as well as leadership workshops.

Customer Survey

The 2007 Customer and Faculty Surveys were once again administered through the National Association of College Stores. In all, there were 708 responses to the Customer Survey and 134 responses to the Faculty Survey. Responses were measure by importance and by satisfaction, the difference showing as a gap. The areas identified as being the most important with the largest satisfaction gap included:

Refund/Exchange Policies	1.21
Communication about late textbook arrivals	1.36
Availability of Used Books	1.55
Competitive Prices Overall	1.91
Convenient Parking	1.92
Competitively Priced Textbooks	2.37
Fair Prices When Selling Back Textbooks	2.45

All areas identified as needing improvement relate to communication and marketing, and appropriate action steps will be implemented.

Keys to Success

Key to Success Item

Rank in importance 10 to 1

Campus Partnerships/Communication (Faculty/Students/Staff)	10
Course Supplies and Materials on Time	10
Improve Perception of Course Materials Value	10
Exceptional Customer Service	10
Staff Development/Knowledge	9
Current on Technology (Infrastructure/Course Content)	9
Effective Marketing/Branding (Improve Perception)	8
Control Operating Costs (expenses and Labor)	8
Remain Competitively Priced	8
Maintain Appropriate Inventory	7
Merchandise Selection	7
Stay Responsive to new markets/products/services	7
Stay Responsive to Customer Wants/Needs/Expectations	7

Corporate Culture

Customer/Client Perception

Too Profitable
Not Part of Campus
Service Oriented
High Priced
Efficient Operation
Knowledgeable and Helpful Staff
Not Enough Operating Hours
Inconvenient Customer Parking

Unit Perception

Net Income on budget
Campus Partner
Service Oriented
Fair, Competitive Prices
Efficient Operation
Knowledgeable and Helpful Staff
Open to Meet Campus Needs
Inconvenient Customer Parking

Business Controls and Vital Factors

BUSINESS CONTROLS

P&L Reviews
 30 Day Goals
 Semi Annual Business Plan Report
 Strategic Plan
 Inventory Levels/Margins
 Departmental Labor Reviews
 Competitive Price Surveys

VITAL FACTORS

Quarter Opening Revenue Compared to Budget/Prior Year
 Net Profit/Loss Compared to Budget
 Inventory Turns/Levels Compared to Industry Average
 Sales per FTE Compared to Industry Average
 Inventory Margins Compared to Budget
 Percentage of Labor to Sales
 New/Used Book Ratio
 Operating Expenses Compared to Budget

Major Projects and Business Goals for 2007-08

<u>Action Step</u>	<u>Person Responsible</u>	<u>Due Date</u>
Store Operations:		
Reorganize Cash Room/Accounting Office to create additional workspace	Karen/Nancy	09/07
Reorganize Operations Office to create additional workspace	Karen/Sue/Deb	09/07
Develop Part Time Staff Handbook	Sue/Deb	09/07
Establish benchmarks for quarterly reviews	Karen/Clint	11/07
Review/Revise Security Procedures: Develop Handbook	Leadership Team	12/07
Develop timeline/budget for upgrade to Win PRISM	Clint/Kevin	10/07
Succession Planning Options	Karen/Suzanne/Clint	
Book Division:		
Review returns process to be more efficient	Suzanne	12/07
Set levels to determine acceptable inventory level percentages	Suzanne	9/07
Increase student awareness of digital options	Suzanne	6/08
Continue working with DRC on ATI/IMAP and related projects; (Campus textbook requisition policy)	Suzanne	6/08
ECommerce:		
Continuous review and improvement of website	Kevin	6/08
Develop plan/budget for Ecommerce office/pick-up window upstairs	Karen/Kevin/Clint	12/07
Develop Marketing Plan for early pickups	Kevin	9/07
Marketing:		
Develop Annual Marketing Plan	Karen	9/07
"Faculty Suggests" Campaign	Karen/Suzanne/ Edwin (Mktg Team)	12/07

Capital Projects

<u>Capital Project</u>	<u>Budgeted Amount</u>	<u>Due Date</u>
Elevator Upgrade/Repair	7,500	9/1/2007
Office Renovation/Accounting	13,000	9/1/2007
Office Renovation/Operations Office	12,000	9/1/2007
Roof	30,000	
HVAC Contingency	8,000	

<u>Capital Project Approved in a Prior Year</u>	<u>Budgeted Amount</u>	<u>Due Date</u>
---	------------------------	-----------------

3-Year Look-Ahead

Bronco Bookstore is well positioned for the next three years. However, with current pending legislation and focus on textbook prices, it is safe to assume that there could be major changes on the horizon. Textbooks are the backbone of Bronco Bookstore and there are several upcoming challenges in that area. The CSU is currently in development of a Digital Marketplace that would link students directly to digital content. Where the traditional college bookstore will fit in this model is still unclear. Although implementation of the Digital Marketplace appears to be several years down the road, it is not the only threat pending for bookstores. Major publishers are also developing programs to go directly to students with digital course materials, and Bronco Bookstore will work with them to ensure our place in the process. Bookstore management feels it is prudent to work in partnership on these new initiatives, as they are inevitable. The current focus on providing as many used books as possible, to offer students lower priced alternatives, continues to be very successful and should continue to serve the Bookstore well over the next three years. For continued success, however, the Bookstore must stay on top of potential changes and not look to this as the only option in the future. With another off campus competitor, in addition to increased peer-to-peer web sites, the Bookstore must stay competitive with prices and offer more services whenever possible.

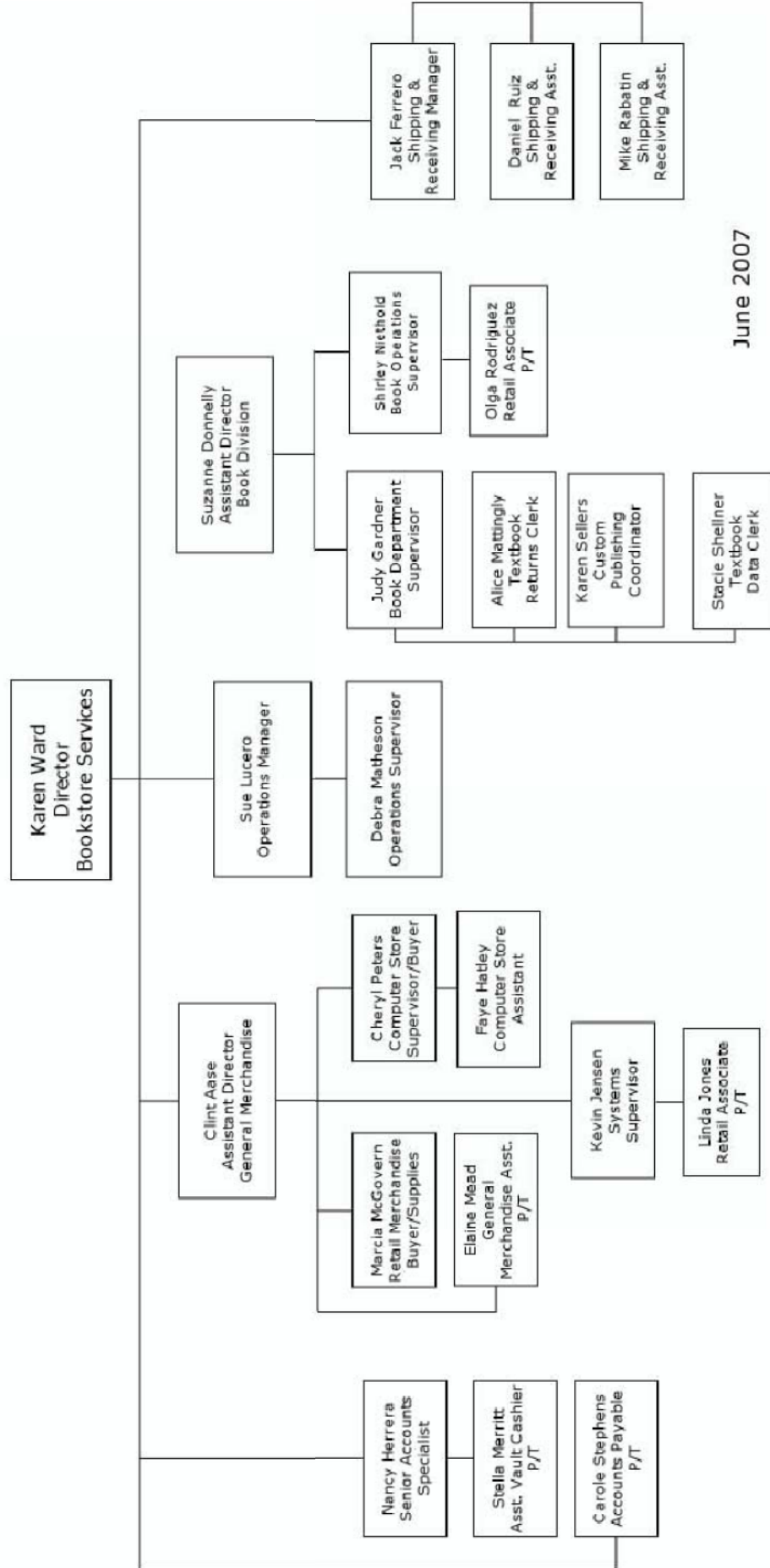
CPP students increasingly have higher expectations related to technology. They expect the Bookstore to have an efficient, easy to use web site. They also expect efficient Point of Sale systems to handle their transactions quickly. Bronco Bookstore prides itself on its effective use of the current system. It is important that we continue to improve systems to stay on top of technology and the improvements offered. To this end, a plan to upgrade the entire system in the next fiscal year is in process. Migrating to a Windows based system will not only improve functionality, it will also be easier to support on site with a more current platform. The Windows based system will also be more intuitive for new staff to learn. Maintaining our current system provider will allow for the use some existing equipment to offset costs.

A major growth area for Bronco Bookstore is in E Commerce. As stated previously, students come to CPP with high expectations related to technology. They are certainly web-savvy and expect to be able to purchase their books whenever they want. With growth averaging 50% each quarter, online purchasing of textbooks is an important part of any future development. To manage this growth, plans are in discussion for a separate E Commerce office in FY 08-09. This will include a window on the upper level of the atrium to facilitate pick up of online orders. Operationally, the biggest concern in the future for Bronco Bookstore is space. More efficient use of current office space is needed, since there is simply no room to expand.

In summary, the three year outlook for Bronco Bookstore looks bright. But with industry developments and possible legislation on the horizon, there is no time to rest on our laurels and become complacent. To remain viable the Bookstore must innovate, be visible on campus, increase communication with faculty and students and stay vigilant on changes in the textbook industry.

Organization Chart

CAL POLY POMONA FOUNDATION, INC.
 "Quality Service Supporting Quality Education"
Bronco Bookstore



June 2007

Budget for 2007-08

BOOKSTORE

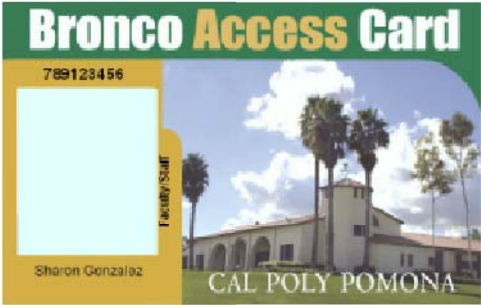
CONSOLIDATED BUDGET COMPARISON SUMMARY FOR PROPOSED BUDGET YEAR 07-08 CURRENT FISCAL YEAR 06-07

ACCT. ACCOUNT TITLE	CURRENT YEAR APPROVED BUDGET	CURRENT YEAR FORECAST	PROPOSED BUDGET	\$ CHANGE FORECAST TO PROPOSED BUDGET
REVENUE				
OTHER	61,000	79,152	85,500	6,348
SALES	<u>11,623,943</u>	<u>12,120,325</u>	<u>12,382,223</u>	<u>261,898</u>
TOTAL REVENUE	11,684,943	12,199,477	12,467,723	268,246
COST OF GOODS SOLD				
COST OF GOODS SOLD	<u>8,620,460</u>	<u>8,925,639</u>	<u>9,134,265</u>	<u>208,626</u>
TOTAL COST OF GOODS SOLD	8,620,460	8,925,639	9,134,265	208,626
GROSS MARGIN	3,064,483	3,273,838	3,333,458	59,620
EXPENDITURES-CONTROLLABLE				
UTILITIES	58,860	57,743	60,780	3,037
REPAIRS & MAINTENANCE	15,876	21,541	21,576	35
MEALS & REFRESHMENTS	1,500	2,048	500	(1,548)
POSTAGE & FREIGHT	36,180	34,514	36,900	2,386
ADVERTISING	4,750	3,715	6,000	2,285
RENT	7,200	8,452	8,400	(52)
SERVICES	42,334	43,339	49,306	5,967
SUPPLIES	41,700	48,369	52,150	3,781
TELEPHONE	12,960	12,694	13,440	746
TRAVEL	4,400	8,876	10,700	1,824
OTHER	<u>11,271</u>	<u>12,251</u>	<u>11,521</u>	<u>(730)</u>
TOTAL EXPENDITURES-CONTROLLABLE	237,031	252,542	271,273	17,731
EXPENDITURES NON-CONTROLLABLE				
ADMINISTRATIVE FEES	780,773	801,192	840,467	39,275
DEPRECIATION	128,400	121,980	135,000	3,020
INSURANCE	9,216	9,282	11,064	1,782
BANK CARD FEES	210,228	204,829	202,705	(2,124)
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES NON-CONTROLLABLE	1,128,717	1,147,283	1,189,236	41,953
LABOR COSTS				
SALARIES & WAGES	994,574	986,718	1,077,013	90,275
EMPLOYEE BENEFITS	<u>349,135</u>	<u>386,592</u>	<u>421,158</u>	<u>34,566</u>
TOTAL LABOR COSTS	1,343,709	1,373,310	1,498,171	124,841
TOTAL EXPENSES	<u>2,769,457</u>	<u>2,774,155</u>	<u>2,958,680</u>	<u>184,525</u>
NET INCOME	355,026	499,683	374,778	(124,905)

CAL POLY POMONA FOUNDATION, INC.

Bronco Card Office

2007 - 2008 BUSINESS PLAN



June 6, 2007

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Mission/Vision Statement

MISSION STATEMENT:

To offer the campus community an added value to their campus ID card for convenience and ease in purchasing or accessing our services, which include Dining Services, Bronco Bookstore, laundry at University Village, tickets at ASI, or groceries from the Farm Store.

VISION STATEMENT:

To create and support cashless Bronco Card financial transaction systems that Cal Poly Pomona customers view as convenient and valued tools to obtain retail campus goods and services.

Overview of Previous Fiscal Year 2006-07

Card usage continued to grow. The number of transactions (Meal Points and Bronco Bucks) increased 7% (\$116,566) over 2005-06.

Strengths and Challenges

Strengths

Growth of the student population.
Ease of carrying and using the card.

Challenges

Finding the Bronco Bucks Card Office.
Maintaining set hours for the office.
Student awareness of campus card.
Continued growth.
Shorter response time to requests for additional funds to be added to the card.

Employee Survey

N/A

Customer Survey

N/A

Keys to Success

Key to Success Item

Rank in importance 10 to 1

1. Cashless convenience and ease of use
2. Viewed as having added value
3. Wide acceptance as the only universal campus debit card
4. Secure and reconciled financial transactions
5. Staffed customer service office with regular service hours
6. Effective marketing with targeted goals and results

Corporate Culture

Customer/Client Perception

N/A

Unit Perception

N/A

Business Controls and Vital Factors

Daily/Monthly Transaction counts
Daily/Monthly Card Usage Reports

Major Projects and Business Goals for 2007-08

<u>Action Step</u>	<u>Person Responsible</u>	<u>Due Date</u>
Detemine operating hours for office	Sue, Karen	9/07
Staff the office with full-time person during operating hours	Sue	9/07
Conduct a customer survey to determine card awareness, wants, or expectations	All	5/08
Work w/Marketing to update Bronco Bucks flyer	Donna/Sue	1/08
Work w/Marketing to update Web site	Donna/Sue	1/08
Work w/Marketing to update signage to make card office more visible	Donna/Sue	9/07
Work with supporting operations to develop promotions to create growth	Sue	6/08
Develop written procedures for Bronco Card Office	Sue/Donna/Sandy	12/07
Attend ongoing meetings with University Housing	Sue/Donna/Sandy	

Capital Projects

Capital Project

Budgeted Amount

Due Date

None

Capital Project Approved in a Prior Year

Budgeted Amount

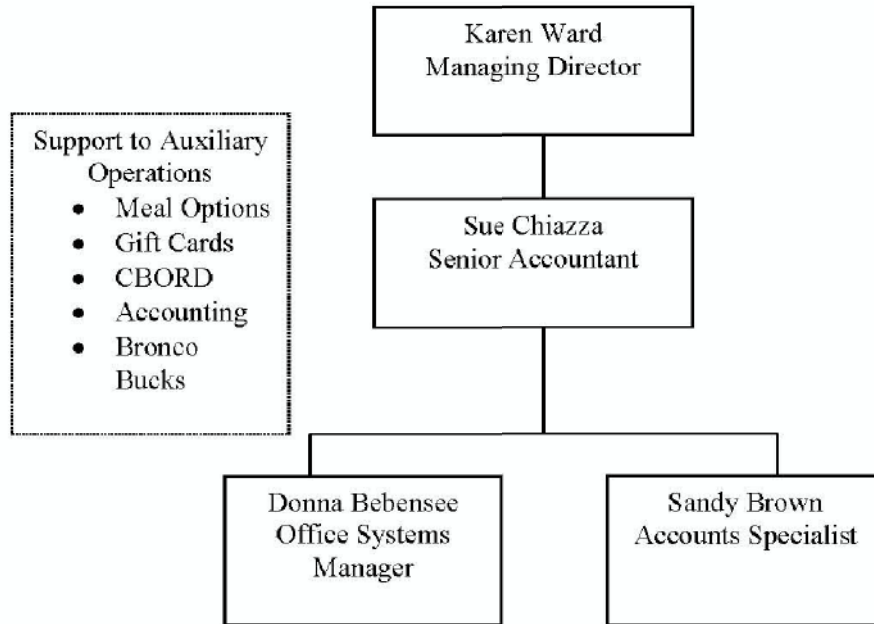
Due Date

3-Year Look-Ahead

It is anticipated that the Bronco Card will continue to grow in popularity and acceptance as a debit card. Challenges exist in some retail systems not being able to store and forward retail transactions when the campus network is down. This is critical to delivering consistent dining services when there are technology glitches and has limited the choices when systems need to be upgraded or changed. The volume of Bronco Card dollars, transactions and array of services is now at the point that a more prominent customer service office is needed with regular service hours. In the future, close coordination will continue to be necessary with the University, Financial Services, MIS and the departments that accept and process retail card transactions.

Organization Chart

Organization Chart Bronco Card Office



Budget for 2007-08

CAL POLY POMONA FOUNDATION, INC.

Dining Services

2007 - 2008 BUSINESS PLAN



August 23, 2007

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Mission/Vision Statement

MISSION STATEMENT:

The mission of Foundation Dining Services is to provide an exceptional dining experience in a clean, friendly, enjoyable, and socially accountable environment in which the services and goods exemplify the cutting edge of industry trends. The services and goods are to be provided at a reasonable and competitive cost in an ethical manner, while generating funds that contribute to the education and health of the people we serve on the Cal Poly Pomona campus.

VISION STATEMENT:

- To provide excellence in clean and attractive facilities
- To encourage dedication in all employees through recognition, training, respect, listening, and understanding
- To listen and be flexible and responsive to the needs of customers and the organization
- To provide a variety of valued and competitively priced products, quality services, and healthy choices to our customers
- To partner with the University
- To be financially successful
- To be ethical in our business procedures and decisions
- To be environmentally aware and responsible
- To be proactive and willing to change for the needs of today

Overview of Previous Fiscal Year 2006-07

Dining Services this year actively worked on its POS system. The Nebraska system was installed in the Campus Center Marketplace convenience store. We are in process of cleaning up and working on our menu management. CBORD coding was also accomplished; however, there are still many issues that need to be addressed and resolved with CBORD.

New facilities opened: Subway Express, Pura Vida Coffee, and Freshens Smoothies. Actively working on the installation of a Starbucks facility at the remodeled Library to open in Spring 2008. Partnered with the Cal Poly Pomona Green Team. Green Campaign in place & healthy dining options available in all dining facilities. Working on identifying additional sustainability areas/issues to incorporate on the Cal Poly Pomona campus following campus guidelines and direction as necessary. An in-depth review of convenience stores was conducted by b2b Solutions, Inc. Credit card program placed on registers. Re-alignment of management staff; hired new Catering Manager & new L.O. Manager.

Some items that we did not accomplish in 2006-07 are:

- 1) Develop a new internal customer survey to provide data for us to better serve our customers. We did complete a NACUFS Survey, but the completion rate was lower than expected.
- 2) Develop a new employee survey to identify issues for creating a better working environment. We know that training and developing a reward program are two major issues that must be addressed to better serve our customers and to increase employee morale, which translates to exceptional customer service.
- 3) A decision on a POS system has not been made. Several meetings with CBORD and Micros have been held, but CBORD continues to be unresponsiveness.

Strengths and Challenges

Strengths

Maintained "A" grade with the L.A. County Health Department.
Tremendous variety of product offered to the campus community.
Service oriented - care about our customers.
Diversity of management.
Teamwork within operations, with the campus community, and management.

Challenges

Customer service training in some operations.
CBORD inventory system. CBORD costs and functionality.
Student and staff turnover.
Meal Period Policy.
1 000 Hour Rule.
Security/theft.

Employee Survey

71 employees participated in this year's employee survey. Overall job satisfaction fell in the good to excellent range at 4.29 on a scale of 1-5 with 5 being best. While this is encouraging, there are numerous opportunities to improve. At the high end of the spectrum (responses which averaged 4.5 or higher) we see a pattern that demonstrates that our management team is doing a very good overall job with employee relations as demonstrated by the following responses:

- Managers/supervisors respect cultural differences in my immediate area. (4.56)
- Management is approachable & encourages your ideas/Suggestions. (4.52)
- Employees' responsibilities & job descriptions are clearly defined (4.52)
- Job Security: Feel secure in the job/position I hold with Dining Services (4.51).

At the other end of the spectrum, it is clearly demonstrated that most of the dissatisfaction revolves around issues related to the review process and financial remuneration. This is clearly demonstrated in the responses which follow:

- I am satisfied with the way merit increases are given. (3.58)
- I receive written job performance reviews in a timely manner. (3.93)
- I feel the form/evaluation process tells me what I need to know to improve & meet division goals. (4.02).

To address these areas, all Foundation divisions are currently in the process (mentored by Emie Kawai) of developing more accurate job descriptions and have developed an improved evaluation tool. Beyond these improvements Dining services will focus on the following: Managers/Supervisors need to be diligent in handling the evaluation/merit increase process in a timely manner; Customer Service Committee will complete development of reward/recognition programs already in process; Dining Services will develop new student worker job description mirroring process used for other staff; Narry Ramani and James Dial will work with George Rankin to develop pilot Student Manager program.

Customer Survey

The 2006/2007 NACUFS customer survey provides data that benchmarks Cal Poly Foundation Dining Services against a broad range of other Universities and Colleges. The findings are based on information gleaned from 628 respondents representing student, faculty and staff. The survey was administered online with an opportunity to win prizes in an effort to enhance participation. A larger sample was desired and our challenge will be to more effectively market the survey in the current academic year. Nonetheless, the survey represents a valid sample and provides essential information for the current program and future development.

Dining Services' overall performance can be judged as "good" based upon the survey results. The following benchmarks are indicative:

- Cal Poly; 43% somewhat satisfied, 28% very satisfied
Entire Sample; 40% somewhat satisfied, 25% very satisfied
Pacific Institutions; 41% somewhat satisfied, 20% very satisfied
- Cal Poly retail; 38% somewhat satisfied, 33% very satisfied
Entire Sample retail; 39% somewhat satisfied, 28% very satisfied
- Cal Poly board; 49% somewhat satisfied, 20% very satisfied
Entire Sample board; 40% somewhat satisfied; 23% very satisfied

It is readily apparent that overall we are marginally better than average, but this is not our goal. A review of the complete survey shows that some areas, such as friendliness/helpfulness of staff, service, facility layouts and cleanliness, we do relatively well. Overall food quality, taste and freshness are also stronger than average. Some the areas which need concerted attention are:

- Perception of value •Healthy menu choices •Speed of service

We have made efforts in these areas over the last year and will continue to enhance our programs in both retail and board to meet these needs. We are currently partnering with the Cal Poly "Green Team" and Pomona Organics to incorporate more sustainable and organic products in our board operation. The Pony Express in Bronco Student Center is being re-imaged to feature products from the Farm Store, Pomona Organics and other healthy choices.

Keys to Success

Key to Success Item

Maintain and improve financial results
Communication Up and Down
Quality/Month Staff Update Meetings
Support-Teamwork (walk the talk)
Coordination of catering offerings - all units
Coordination between all operations
Coordination with Kellogg West
Coordination with Accounting
Follow plan!!

Rank in importance 10 to 1

9
8
7
6
5
4
3
2
1

Corporate Culture

Customer/Client Perception

Separate from the University
L.O. well thought of, has a lot of variety
L.O. is the same - no variety
Faculty feel we are over-priced
Treat students fair
We are money driven
We have internal conflict
Inconsistent
Accessible
Convenient
Flexible
Funding source for the University

Unit Perception

Management is hardworking
Management is problem solvers
Management wants to be a resource and successful
Management has "can do" attitude
Management frustration with some processes
Staff is approachable/friendlier
Staff is under-paid/under-benefited
Staff is knowledgeable
Staff frustration with some processes
Staff crushed by time
Students are under-paid
Students are uninformed
Students not appreciated by some
Students need to be tidy
Students are friendly

Business Controls and Vital Factors

Dining Services is in the process (Summer 07) of developing a new labor tracking tool. Therefore, the best indicator of their effectiveness in controlling labor is the sales per labor hour (SPLH) ratio.

Labor is our largest issue but we also need to be extremely diligent in tracking the extreme volatility in food cost. All major government projections and industry media are predicting major increases in food cost. Indications are that this is not a temporary spike but a trend that should carry through 2008. Therefore controls and vital factor will be as follows:

*Sales per direct labor hour (SPLH) = expected as submitted by unit managers and approved by higher management.

*Percent food cost = expected as a % of total sales

*Full staffing as peak business = all positions filled and staff trained at beginning of each quarter

*Gross Sales = Meets or exceeds budget

*Operating Expenses = Meets or is better than budgeted percentage

*On Time Deposits, ETFs and employee evaluations = Supervisors to be held accountable for timely submissions

Major Projects and Business Goals for 2007-08

<u>Action Step</u>	<u>Person Responsible</u>	<u>Due Date</u>
Starbucks Cafe	Brett	Apr. '08
C-Store Register System	Brett/George	Jun. '08
Implement RIO System, Sysco's Ordering System	Arnold/Narry	Dec. '07
Cater Pro vs CBORD Cater Ease	Sandy C/James D	Dec. '07
Nutrition Access Program for Customer Base	Narry/Arnold	Dec. '07
Fresh Escape Remodel	Brett/George	Sept. 07
Additional Entry Access @ Los Olivos	Narry/Brett	July '07
New coffee machine @ L.O. and BSC Catering Room	Brett	Sept. '07
Green Grocery Concept @ BSC (Farm Store/Bronco Fresh)	Brett/George	Sept. '07
Issue RFP, Evaluate and Recommend Exclusive Beverage Contractor	GPR/Brett/Ernie	Mar. '08
Taco Bell Franchise Review	Brett/George	Jun. '08
Develop Catering Procedures	James/Narry	Jan. '08
Administrative Responsibilities: Review LO Payroll Sign-Off, job descriptions, back-up duties	George/Brett/Sue	Oct. '08
Develop Food Service Concept for College of Business Building	George/Brett	Dec. '07
Manager/Supervisor Training on Evaluations & Performance and Employee Reward Program	George/Brett	Feb. '08
Develop Student Manager Program	Narry/James	Jan. '08
Complete NACUFS Benchmark Survey	George/Brett/ Narry	Apr. '08

Capital Projects

Capital Project

Pony Express @ Campus Center Marketplace (new POS System)
Los Olivos (replacement of chairs)
Starbucks

Budgeted Amount

Due Date

\$137,950 Summer '07
\$15,102 Fall '07
\$290,000 Winter '08

Capital Project Approved in a Prior Year

Budgeted Amount

Due Date

\$92,470 Sept. '07

3-Year Look-Ahead

In the 2008/2009 academic year Dining Services will begin to physically manifest many elements of the Master Plan. It will be the 1st full year of operation of the Library (Starbucks) Café and the new Vista Café will be under construction for a Fall of 2009 opening. Both of these facilities will represent our goal of consolidating services into major venues that service broad constituencies rather than smaller more fragmented units. The Library Café will be anchored by a full Starbucks store in a central and very accessible location.

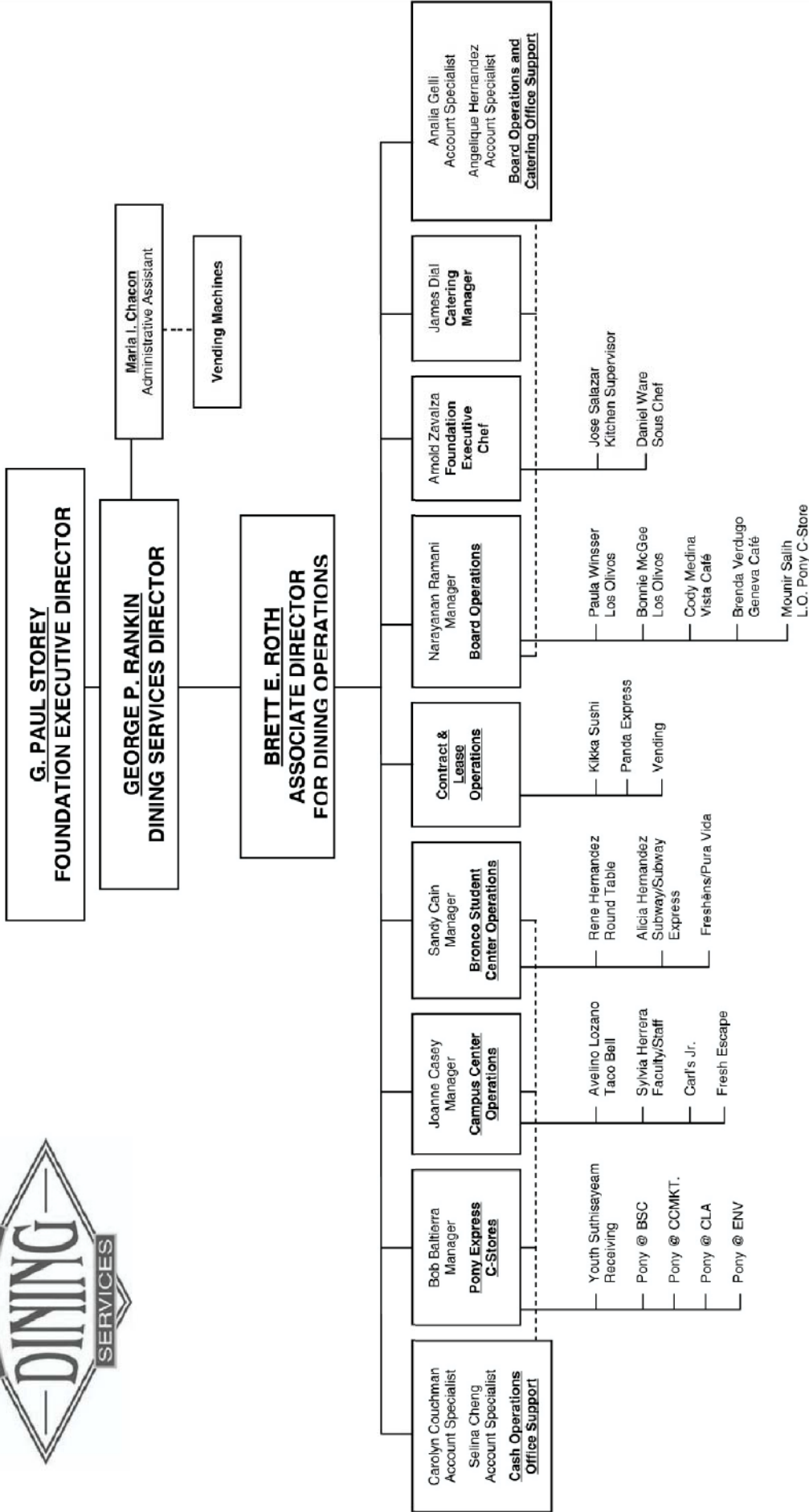
The new Vista Café is currently in the early design stages and will be 3 to 4 times the size of the current Vista. It will be anchored by an innovative restaurant/fresh food platform and an expanded C-store component that will emulate “best practices” of the non-institutional convenience store industry. The specific design for this space is collaboration between Ricca Design, Envision Strategies and b2b Solutions. This represents a consortium of an industry leading restaurant architectural firm, university foodservice consultants and convenience store consultants to develop the best possible solution to our customers’ needs. Vista currently services 420 residents, which will grow to 1000 in 2009 with an additional 400 to be added in phase III.

Towards the end of this period (projected Fall 2010), we will also see another venue open at the new business school complex on University Drive. This facility will also combine restaurant and convenience store concepts and occupy a space of up to 2500 sq. ft. The restaurant component which will anchor this unit is projected to be Einstein’s Bagels which has been identified by Envision Strategies and management as a good fit for our foodservice portfolio. As at Vista, it will also include a state of the art C-store component that can potentially service our residential population with considerably enhanced satisfaction over our current C-store offering at Los Olivos.

It becomes apparent that the strategic location of the new Vista (Vista Nueva?) and Einstein’s at the Business School at opposite ends of campus with the Library Café at the Campus Center will provide Cal Poly’s population with leading edge dining options as we enter the next decade. Beyond these major projects, we will continue to incorporate more healthy, organic and sustainable choices in all of our current facilities. This will be evidenced immediately as we are in the process of re-imagining Pony Express at Bronco Student Center and Fresh Escape at Campus Center (potential partnership with Campbell’s Soup) to embrace current and projected demand in this area. We also are analyzing numerous other concepts (Jody Maroni’s, Chic-fil-A, etc.) to keep all of our offerings contemporary and balanced.

Organization Chart

CAL POLY POMONA FOUNDATION, INC.
 "Quality Service Supporting Quality Education"
 DINING SERVICES OPERATIONS FOR 2007-08



Budget for 2007-08

DINING_SERVICES

CONSOLIDATED BUDGET COMPARISON SUMMARY FOR PROPOSED BUDGET YEAR 07-08 CURRENT FISCAL YEAR 06-07

ACCT. ACCOUNT TITLE	CURRENT YEAR APPROVED BUDGET	CURRENT YEAR FORECAST	PROPOSED BUDGET	\$ CHANGE FORECAST TO PROPOSED BUDGET
REVENUE				
OTHER	308,970	290,944	307,113	16,169
SALES	<u>10,049,736</u>	<u>10,363,361</u>	<u>11,421,112</u>	<u>1,057,751</u>
TOTAL REVENUE	10,358,706	10,654,305	11,728,225	1,073,920
COST OF GOODS SOLD				
COST OF GOODS SOLD	<u>3,356,967</u>	<u>3,446,551</u>	<u>3,676,672</u>	<u>230,121</u>
TOTAL COST OF GOODS SOLD	<u>3,356,967</u>	<u>3,446,551</u>	<u>3,676,672</u>	<u>230,121</u>
GROSS MARGIN	7,001,739	7,207,754	8,051,553	843,799
EXPENDITURES-CONTROLLABLE				
UTILITIES	379,418	389,322	431,658	42,336
REPAIRS & MAINTENANCE	95,668	115,218	102,508	(12,710)
MEALS & REFRESHMENTS	3,434	3,857	4,587	730
POSTAGE & FREIGHT	2,220	2,298	2,280	(18)
ADVERTISING	22,990	29,953	27,120	(2,833)
RENT	156,435	193,938	253,067	59,129
SERVICES	247,360	304,200	289,160	(15,040)
SUPPLIES	407,208	454,839	468,611	13,772
TELEPHONE	26,287	29,543	33,201	3,658
TRAVEL	16,037	17,804	11,819	(5,985)
LAUNDRY	88,936	92,997	103,500	10,503
OTHER	<u>44,357</u>	<u>55,192</u>	<u>62,717</u>	<u>7,525</u>
TOTAL EXPENDITURES-CONTROLLABLE	1,490,349	1,689,161	1,790,228	101,067
EXPENDITURES NON-CONTROLLABLE				
ADMINISTRATIVE FEES	672,509	703,697	762,351	58,654
DEPRECIATION	589,011	510,443	540,305	29,862
INSURANCE	31,130	36,105	40,564	4,459
RENT	385,862	390,674	409,959	19,285
BANK CARD FEES	42,446	78,395	85,777	7,382
OTHER	<u>(17,382)</u>	<u>(5,901)</u>	<u>46,703</u>	<u>52,604</u>
TOTAL EXPENDITURES NON-CONTROLLABLE	1,703,576	1,713,413	1,885,659	172,246
LABOR COSTS				
SALARIES & WAGES	2,718,380	2,835,558	3,074,631	239,073
EMPLOYEE BENEFITS	<u>950,776</u>	<u>1,086,004</u>	<u>1,073,979</u>	<u>(12,025)</u>
TOTAL LABOR COSTS	<u>3,669,156</u>	<u>3,921,562</u>	<u>4,148,610</u>	<u>227,048</u>
TOTAL EXPENSES	<u>6,863,081</u>	<u>7,324,136</u>	<u>7,824,497</u>	<u>500,361</u>
NET INCOME	138,658	(116,382)	227,056	343,438
	*****	*****	*****	*****

CAL POLY POMONA FOUNDATION, INC.

**KELLOGG WEST
CONFERENCE CENTER & LODGE**

2007 - 2008 BUSINESS PLAN



05/30/07

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Mission/Vision Statement

Kellogg West is rooted in the belief of creating an environment to fully maximize the continual education process for employees, clients, managers, professionals and executives. The setting is natural and tranquil with state of the art equipment and facilities to meet the needs of our constituency.

Kellogg West will provide attractive, comfortable and contemporary guest rooms along with an award winning food and beverage service.

Kellogg West staff is responsible for providing their guests with professional services, committed to an attention to detail philosophy. In addition, they are dedicated to maintaining a clean, comfortable, warm and secure facility which creates piece of mind to their guests.

Kellogg West is committed to not only remaining competitive, but to strive for continually upgrading its level of excellence. This is done by monitoring trends in the industry, continual training and development of its staff and reinvesting in the property. By maintaining all these key elements, Kellogg West will answer the challenges of the present, and realize the potential for the future.

Overview of Previous Fiscal Year 2006-07

Fiscal Year 2006/2007 was an especially challenging year for Kellogg West. In keeping with the revenue trend over the past ten years, this was anticipated to be a down year of the two year cycle. However, the first half of the year was encouraging as revenues remained positive over previous year in all three areas - Rooms, Conference and Food & Beverage. Although revenues were strong, maintenance costs of buildings & equipment were on the rise. With an aging infrastructure, there were increases in expenses to key components of the HVAC systems, plumbing and building support. Additionally, utility expenses continue to increase with a major increase in water services and natural gas. All other operating controllable costs were maintained effectively by management.

Starting in January, we saw a decline versus the previous year in revenues from Rooms and Conference. Although some months decreased, Food & Beverage revenues continued to stay ahead of previous year. Increase in costs as highlighted in the previous paragraph continued to plague the operation. Management continued to maintain costs in all other areas, but the maintenance costs continued to grow. Some major expenses were deferred in lieu of less expensive repairs to see how these would hold up over time.

An additional expense incurred this year was the PKF Strategic Plan which came in at \$16K. The net result of all of this was a much weaker than anticipated or budgeted fiscal performance.

As far as operational areas of the Business Plan, Kellogg West completed all areas covered. Capital Projects were either completed or funds were re-distributed to take care of increase in costs due to unanticipated problems with regards to the carpet installation.

As difficult as this year was, the management of Kellogg West continue to keep a positive attitude and are working to make all necessary adjustments and improvements to reposition the fiscal performance of the property.

Strengths and Challenges

Strengths

- * Operating Standards geared to maximize profit potential
- * A full service Food & Beverage Department
- * A property continually upgraded allowing us to be extremely competitive in an ever-evolving industry and market
- * State of the Art reservations system including direct on line reservations and internet platform travel website bookings
- * A highly motivated professional and continually developing staff
- * Additional venue of Kellogg House Pomona
- * An ongoing strong relationship with all campus entities
- * A strong pro-active management team that balances client needs & expectations with budgetary & fiscal requirements

Challenges

- * Continue to build on transient market via GDS systems and all other available tools
- * A better utilization of our client database to improve revenues
- * Continue to overcome public perception of price structure when being compared to traditional hotels
- * Maximize return from trade show attendance, print media and sales calls
- * Work on new avenues for catering business - weddings, holiday parties, tours, etc.
- * Maximize revenues and occupancy in spite of an off balance ratio of guest rooms to meeting rooms

Employee Survey

Our annual Employee Survey is completed in February of each year. The survey consists of 9 questions ranging from management communication to compensation and training. Employees answer the questions on a 4 to 0 score with 4 being the highest rating. A 4 & 3 are considered a favorable response while a 2, 1 & 0 are considered unfavorable. We are pleased to announce that for the seventh year in a row, we saw an improvement to the overall score. This year, the overall rating was an 82.3% favorable as compared to a 78.5% last year. This is a 3.8 percentage point or 4.8% improvement.

Additionally, of the 9 questions asked, there was an improvement in 7 of the 9 this year versus last year. The most noted improvement was "How well do you feel employees get along with each other." The biggest decrease was with the question "How do you feel management cares about helping you obtain your future goals." Since the survey, this has been a topic of conversation at Management Meetings, Employee Council Meetings and the last Staff Meeting. This is an area that management is going to continue to work on improving over the course of the year.

Customer Survey

Kellogg West has maintained three forms of Customer Surveys: (1) Conference Surveys mailed out to each conference group, (2) Restaurant & Catering Surveys mailed out to individuals and groups that had a Dining Services function including events held at Kellogg House, and (3) Guest Comment Cards which are placed in the guest rooms and available at the front desk. With the upgrade made to our front desk management system, we added a fourth avenue to reach our guests and that is sending an email comment card after the conclusion of a stay. Since it's implementation, we have seen a steady rise in the return of these surveys from our guests.

All surveys are bundled together by type and distributed to the management team. First the Director reviews and requests comments. Each manager reviews, makes any comments and forwards to the next. They are returned to the Director with all comments. Once final review is completed, they are stored for a year.

We are pleased to report that our returned surveys and results improved in all areas over the previous year. The results are as follows:

	Survey Population Increase	Improved Aggregate Score
Conference Surveys	1.43%	2.58%
Restaurant & Catering	2.84%	3.15%
Guest Comment Cards	.54%	2.19%
Emailed Comment Cards	87.42%	2.47%

Keys to Success

Key to Success Item

Rank in importance 10 to 1

Maintaining and/or improve operating cost controls	10
Improve and/or maximize off-campus sales efforts	10
Improve and/or maximize on-campus sales efforts	10
Guest Satisfaction	10
Maintain / Improve operating standards	9
Continual Property improvements	9
Management and staff productivity	9
Staff training and development	8
Improve perception of Food & Beverage operations	8
Make sure current clients are content with services provided	8

Corporate Culture

Customer/Client Perception

Unit Perception

Expensive services and goods	Provide competitive cost comparisons
Lack of amenities at the property	Continually market all upgrades and amenities
Inflexibility (pricing and set-ups)	Prove willingness to meet client needs
Price value of Food & Beverage services	Provide competitive-like operations price comparisons and market the advantages we offer
Tired property in need of renovation	Supply collateral materials, website information and offer and schedule site tours to view improvements made
Unable to provide services to transient market	Through GDS reservations systems used at property, market to potential clients services and advantages we offer to them
Property not in step with technological needs	Continue marketing improvements made in this area

Business Controls and Vital Factors

Daily: Review of Flash Reports

Weekly: Departmental & Management Team Meetings, Review of Pending Payment requests, Comparison review of expenditures vs. budget, Aging Report Update

Monthly: Goals to Foundation, Financial Statement review process, Revenue Forecasting

Quarterly: Full Staff Meetings, Employee Council Meeting

Semi Annual: Business Plan Update, Fixed Asset Analysis

Annual: Budget and Business Plan Preparation

Vital Factors - For KW, they are primarily (1) Actual Costs compared to budgets and schedules and (2) Occupancy comparisons and analysis (ADR & RevPar)

Major Projects and Business Goals for 2007-08

<u>Action Step</u>	<u>Person Responsible</u>	<u>Due Date</u>
All Areas and Management		
Complete all Summer Projects	AA,CE,SW,DR,JT	8/31
Prepare for holiday closure	AA,CE,SW,DR,JT	12/15
Prepare 08/09 Budget and Capital requests	AA,CE,SW,DR,JT	2/15
Schedule Summer Projects	AA / CE / DR / JT	6/15
Rooms		
Quarterly Front Desk Meeting - primarily concentrating on transient sales: building, evaluating from previous quarter's goals, evaluating upcoming goals and expected outcomes, etc. Also to focus in on operational and personnel issues.	CE	Each Quarter of the year
Schedule and complete preventive maintenance on all hotel rooms	CE	12/15
Review, revise and complete 08/09 room rates	AA / SW / CE	4/15
	CE	6/30
Conference		
Conduct campus sales blitz along with Catering Department	AA / CE	10/31
Deep clean all conference rooms	CE	12/15
Re-evaluate staffing levels	CE	3/31
Food & Beverage		
Plan & Execute Fall Conference events	AA / DR / JT	9/25
Complete kitchen deep cleaning	JT	8/31
Re-evaluate holiday menus/programs - change if needed	DR / JT	9/30
Sell holiday banquet packages	DR / CS	10/30
Evaluate all menus (breaks, lunch, breakfast, a la carte, catering, KHP) and make any necessary changes. Any changes to be implemented by 3/31.	AA / DR / JT	12/15
Complete kitchen deep cleaning	JT	12/15
Sales		
Each of the following is evaluated at the end of each quarter for results:	AA / SW / LE / CE	Each Quarter throughout the year
Increase overall sales productivity via sales calls and site tours		
Develop, execute and maintain Premier Club tracking and newsletter circulation		
Follow up on last year bookings for potential re-bookings		
Attend all trade shows scheduled during the quarter		
Work with Foundation Marketing on all sales ideas and strategies	AA / SW / CE / ES	
Plan and Schedule holiday client gifts and card distribution	AA / SW	11/15
Review, revise and complete 2009 rates	AA / SW / CE	4/15

AA-Andy Abelman, CE-Cameron Edmonds, SW- Shelly Walsh, DR-Debbie Ross, JT - Joseph Tagorda, CS-Cori Soderberg, LE-Laura Elliott, ES-Edwin Santiago

Capital Projects

<u>Capital Project</u>	<u>Budgeted Amount</u>	<u>Due Date</u>
Replacement of Pool Furniture	6,500.00	9/30/07
Replacement of Guest Room Patio Chairs	7,000.00	8/31/07
Replacement of Guest Room Televisions	37,575.00	3/31/07
Replacement of Conference Room Carpeting	100,000.00	8/31/07
Replacement of 50 Ergonomic Conference Chairs	16,000.00	12/31/07
<p>Note: The above mentioned items are pending direction being taken on hotel renovations planned, based on PKF Strategic Plan</p>		
Purchase of Golf Style Cart for Kellogg House	8,500.00	7/31/07

<u>Capital Project Approved in a Prior Year</u>	<u>Budgeted Amount</u>	<u>Due Date</u>
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3-Year Look-Ahead

So much of the direction Kellogg West is going to take in the next three years may be determined in the next couple of months. In 2004, a report was submitted by the University that Kellogg West needs to be seismically upgraded. This project was put on hold due in large part to determine if this is a State or Foundation project. As it became apparent that this would be a Foundation project, in 2006, Kellogg West contracted with PKF to do a strategic plan for KW. PKF, completed the first strategic plan for KW back in 1998. This new report was to first follow up on the 1998 report and then, to look at two scenarios for the future. First, complete the necessary seismic update with major infrastructure improvements and if funding is available, add 40 more guest rooms near the Main Lodge. Or, the second option was that if a previously discussed golf course construction project on campus does take place, then construct a new hotel and conference center as part of that project. As of the completion of this report, KW management is still finalizing the cost breakdown to complete the seismic upgrade. Once all this is packaged up, it will be presented to the Foundation Executive Director who will in turn review with the President of the University to determine which direction will be undertaken.

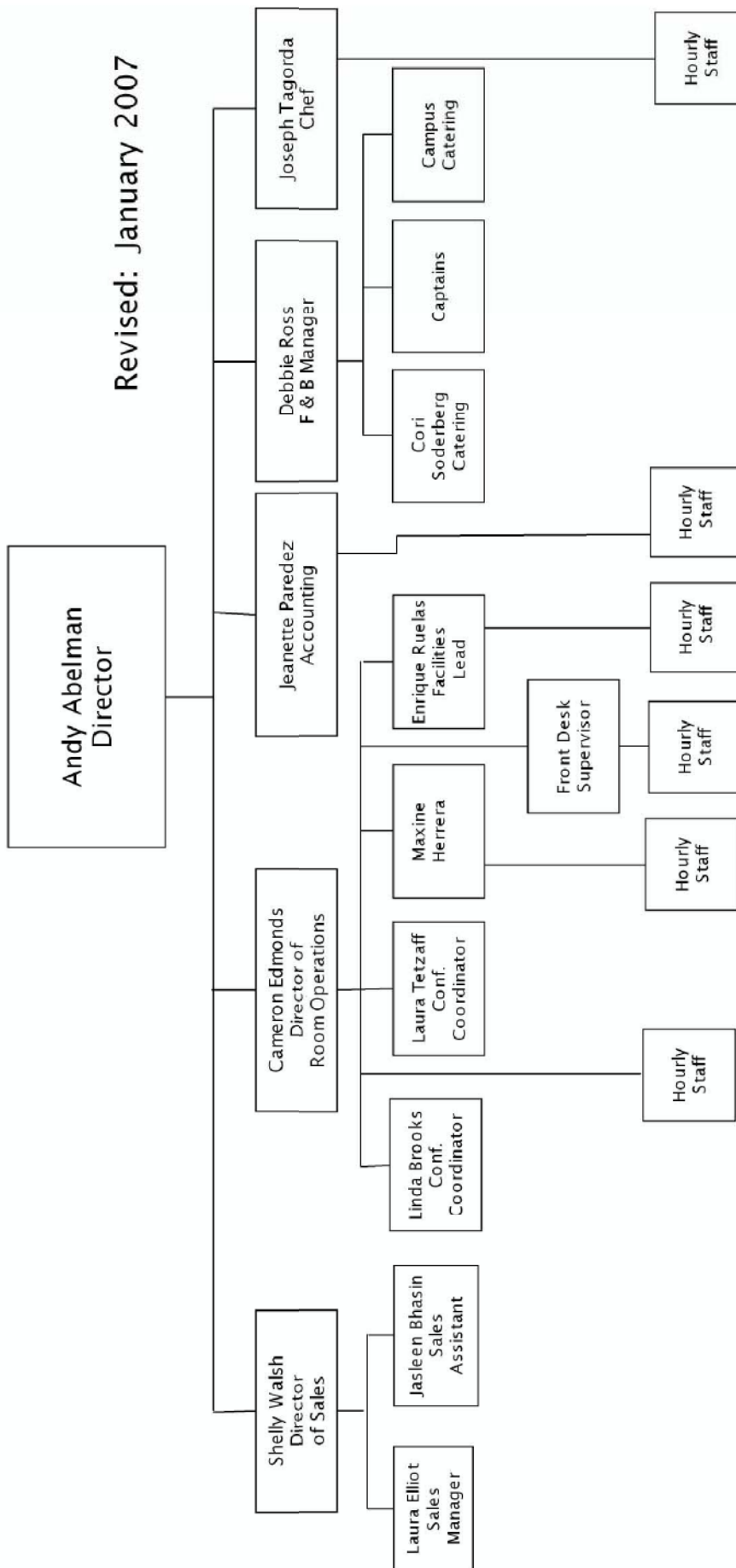
Once a course of action is decided, this will have a major impact on where KW will go. To adequately cover, we would need more space than provided for in the confines of this section of the Business Plan. However, we will discuss the operational plan of attack for Kellogg West regardless of the direction to be taken from what was discussed above.

Over the past several years, although client needs and expectations are met or exceeded, the financial success of Kellogg West has not met expectations. There are several factors that are causing this, however, they fall into two major categories - top line revenues and cost management. The hospitality industry as a whole has had a tough several years. This has been compounded by a location in a market that continues to struggle. New competition in the area continues, even though by all indications (highlighted in the PKF report) this area is a stagnant market. The Kellogg West teams continues to look for new avenues to improve along with a new marketing program spearheaded by the Director of Marketing for the Foundation is coming together and is being implemented immediately. Also, a plan to outsource the Housekeeping Department is to be implemented in July '07 with an anticipated annual savings of \$100K. Additional cost controls are continually reviewed and implemented. However, with an aging infrastructure, that is in need of constant repairs and rising University related costs, without any changes to the core operation, these costs are going to continue to increase. That is why it is critical a decision be made on the future of Kellogg West and that the decision be implemented. Once decided, then a solid commitment can be made on not only the next three years, but the next generation.

Organization Chart

CAL POLY POMONA FOUNDATION, INC.
 KELLOGG WEST
 CONFERENCE CENTER & LODGE

Revised: January 2007



Budget for 2007-08

KELLOGG_WEST_CONFERENCE_CENTER_AND_LODGE

CONSOLIDATED BUDGET COMPARISON SUMMARY
 FOR PROPOSED BUDGET YEAR 07-08
 CURRENT FISCAL YEAR 06-07

ACCT. ACCOUNT TITLE	CURRENT YEAR			\$ CHANGE FORECAST TO PROPOSED BUDGET
	APPROVED BUDGET	CURRENT YEAR FORECAST	PROPOSED BUDGET	
REVENUE				
OTHER	5,336	3,629	5,266	1,637
SALES	<u>1,969,918</u>	<u>1,822,556</u>	<u>1,960,561</u>	<u>138,005</u>
TOTAL REVENUE	1,975,254	1,826,185	1,965,827	139,642
COST OF GOODS SOLD				
COST OF GOODS SOLD	<u>4,683</u>	<u>6,368</u>	<u>10,252</u>	<u>3,884</u>
TOTAL COST OF GOODS SOLD	<u>4,683</u>	<u>6,368</u>	<u>10,252</u>	<u>3,884</u>
GROSS MARGIN	1,970,571	1,819,817	1,955,575	135,758
EXPENDITURES-CONTROLLABLE				
UTILITIES	140,934	141,072	160,824	19,752
REPAIRS & MAINTENANCE	102,888	131,639	118,170	(11,469)
MEALS & REFRESHMENTS	1,600	3,166	1,820	(1,346)
POSTAGE & FREIGHT	4,215	3,219	3,860	641
ADVERTISING	48,117	33,233	30,290	(2,943)
RENT	20,253	19,616	19,426	(190)
SERVICES	78,473	96,261	164,867	78,606
SUPPLIES	77,079	79,452	71,885	(7,567)
TELEPHONE	55,500	48,928	52,800	3,872
TRAVEL	1,150	1,282	4,600	3,318
LAUNDRY	42,492	42,573	47,352	4,779
OTHER	<u>8,856</u>	<u>6,902</u>	<u>9,464</u>	<u>2,562</u>
TOTAL EXPENDITURES-CONTROLLABLE	584,557	597,343	685,358	88,015
EXPENDITURES NON-CONTROLLABLE				
ADMINISTRATIVE FEES	128,389	118,703	127,780	9,077
DEPRECIATION	151,968	172,657	165,052	(7,605)
INSURANCE	18,668	22,099	26,047	3,948
BANK CARD FEES	<u>30,406</u>	<u>23,380</u>	<u>25,534</u>	<u>2,154</u>
TOTAL EXPENDITURES NON-CONTROLLABLE	329,431	336,839	344,413	7,574
LABOR COSTS				
SALARIES & WAGES	767,623	755,388	612,532	(142,856)
EMPLOYEE BENEFITS	<u>321,272</u>	<u>318,017</u>	<u>250,588</u>	<u>(67,429)</u>
TOTAL LABOR COSTS	<u>1,088,895</u>	<u>1,073,405</u>	<u>863,120</u>	<u>(210,285)</u>
TOTAL EXPENSES	<u>2,002,883</u>	<u>2,007,587</u>	<u>1,892,891</u>	<u>(114,696)</u>
NET INCOME	(32,312)	(187,770)	62,684	250,454
	*****	*****	*****	*****

CAL POLY POMONA FOUNDATION, INC.

FOUNDATION HOUSING SERVICE UNIVERSITY VILLAGE APARTMENTS

2007 - 2008 BUSINESS PLAN



2007-2008

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Mission/Vision Statement

The University Village is a transitional residential community for Cal Poly Pomona students provided by Foundation Housing Service. The evolution of the whole person is supported through a variety of educational methods including role modeling, consistency in policy implementation, and positive student development practices. As a unit of the Cal Poly Pomona Foundation, Inc., Foundation Housing Service will assist in its overall mission of providing the highest level of service and financial support to the University in a businesslike, professional manner while maintaining corporate fiscal integrity. Foundation Housing Service will strive to create an environment where all residents feel physically and psychologically safe as they learn, work, and play; and will promote a community where each person's race, ethnic identity, age, marital status, religious affiliation, gender, physical disability, and sexual orientation is cause for appreciation and learning, and against whom will not be discriminated.

Foundation Housing Service strives to offer valuable, clean, well-maintained, and furnished accommodations to every resident. We will promote community involvement by encouraging students to maintain living units where governance, community standards, and creative problem-solving are at their core. Comprehensive residential and co-curricular educational programs will be provided by a skilled professional and paraprofessional staff. Through these methods, a multi-cultural residential community will be nurtured and maintained.

Foundation Housing Service will seek mutually beneficial relationships, both internal and external to the University Community. From these relationships, we will guide and promote to our residents the ideals of leadership, ethics, exploration of personal values, and appreciation of the richness and opportunities inherent in a multi-cultural world. Through these efforts, Foundation Housing Service will strive to distinguish itself as a student housing program with a unique capacity to adapt to changing times, while preserving a tradition of educational excellence.

Overview of Previous Fiscal Year 2006-07

The 2006-2007 fiscal year was a tremendous success for FHS with the achievement of all major project goals. Listed below, are the major project goals completed for each departmental unit (Residential Education, Operations, Facilities)

RESIDENTIAL EDUCATION:

*Enhanced health and safety inspection process *Created CA Class *Developed Leadership Coordinator position *Goal set with UHS *Redeveloped organizational structure and programming model.

OPERATIONS:

*Re-evaluated mail-room operations and recommend functional changes. *Redeveloped business office organizational structure. *Developed on-line payment and licensing program *Integrated Star Rez system into all basic operations.

FACILITIES:

*Enhanced grounds, landscaping, lighting, recreational, areas. *Identified furniture contractor and re-started furniture replacement cycle (Phase I.) *Identified 3 energy saving projects *Reviewed performance of contractors and made appropriate changes to enhance effectiveness, cost/benefit and overall performance. *Developed cleaning and apartment prep. model. *Instituted new computerized work order process. *Obtained estimates for Phase II ext. painting.

ORGANIZATIONAL DEVELOPMENT:

*License Agreement revised. *Organizational guidelines, manuals, policies, forms revised, replaced, enhanced. *Village staff meetings and team development experiences occurred. *A comprehensive marketing plan was developed and utilized. Phase I housing had an added focus with the planned replacement of apt. furniture, exterior painting, lighting enhancements etc. *The Village logo was redesigned. *We improved our relationships with colleagues on and off the Cal Poly Campus through conference and meeting attendance. We maintained high occupancy throughout: 97-99%.

Strengths and Challenges

Strengths

*quality of staff *financially responsible and profitable*affordable housing*new housing operating system*new web site with on-line services*student customer focus*quality of student life*occupancy (new and retained)*facilities (flexible design options)*comprehensive training program for building staff*24 hour emergency response (maintenance and student crisis) *flexible and responsive approach to "change" and organizational development*student leadership development in transitional housing environment*students report high satisfaction with the quality of life (overall-QLS)

Challenges

*security*general operating costs*maintaining rates at affordable levels*physical "aging" of Phases I and II-deteriorating facilities*communication between various departments (overall)*developing a Village staff team (all units)*student recreation and study space*Phase I marketing (overall)*effective communication of policies, procedures and general information to student residents*student leadership-students taking responsibility for their community*retention of qualified staff*computerization of administrative systems*Maintain positive and equal relationships with campus offices*

Employee Survey

There were a total of 32 responses. The employee survey was administered through the opinion meter in May 2007.

RESULTS:

91% understand how their job contributes to the success of the UV

69% understand policies and procedures

69% believe that management is fair equitable and respectful

66% believe that events, opportunities, policy changes and schedules are provided in a timely manner

59% agree that job reviews are current and timely

91% understand the purpose of their job and that of their coworkers

69% believe that management is approachable and encourages ideas and suggestions for improvement

84% state that they believe that their immediate supervisor is able to resolve problems and answer questions quickly.

59% believe that management holds people accountable and enforces policies fairly

94% feel that managers/supervisors respect cultural differences

63% believe that they are recognized and commended for a job well done

66% feel that their opinions are considered when making changes

82% believe that over this past year, the "team" has made progress in improving the Village

66% agree that quality customer service is provided by Village employees to residents

75% are satisfied with the training provided on job tasks

THE VILLAGE MANAGEMENT TEAM WILL ACTIVELY LOOK TO RAISE SCORES IN ALL AREAS PRIOR TO THE 2008 SURVEY

Customer Survey

During the 2006-2007 academic year, all University Village residents received a copy of the annual Quality of Life Survey. In 2006-2007, the QLS return rate was 76%-159 more surveys completed and returned in comparison to 2005-2006.

KEY MISSION STATEMENT POINTS:

*96% of residents reported having a positive experience with the maintenance staff.*Satisfaction with Village cleanliness increased by 14.5% over the previous year.*Despite having the highest consistent occupancy, Phase II residents were least happy with the physical condition of their apartments. *Satisfaction with response to work orders increased by 8%.*Cost is a positive factor in the decision to live at the Village.*72% of students report that, they have read and understand the License Agreement.*There has been an 8% increase in student satisfaction with the FHS office regarding communication about deadlines etc.*84% of residents agree that their Community Advisor "does a good job".* Residents report (overwhelmingly) that they feel safe and secure living in the Village. *Resident satisfaction with recent improvements in grounds and building lighting and other safety improvements increased by 13% over 2005-2006. 16% of students reported that they were unaware of staff programming.

Overall, the Quality of Life Survey indicates that our student "customers" believe that we're "on the right track" We have some work to do in providing more relevant programming and effective advertising, keeping costs down to reduce annual rent increases, and upgrading the facilities in Phase II. These action steps are contained in Major Projects and Business Goals (2007-2008)

Keys to Success

Key to Success Item

Rank in importance 10 to 1

Positive resident/customer relations	10
Safety and Security	10
Maintain Facilities	10
High Occupancy	10
Marketing	9
Inclusive Community	9
Fiscal Responsibility	9
Management and Staff Productivity	8
Positive Staff Relations(internal and external)	8
Effective Verbal and Written Communication (internal and external)	7
Enhancing Technology for Students and Staff	7
Positive Relations with University and Foundation Colleagues	7

Corporate Culture

Customer/Client Perception

Supportive-Positive (overall)
Staff Do A Good Job (overall)
Insensitive (at times) to Student Needs
Fair/Justified
Disorganized
Strictly Business/Money Making
Customer Service Oriented
Concerned with Safety and Security

Unit Perception

Helpful
Supportive
Skilled
Fair/Justified
Professional
Sensitive
Productive
Loyal
Consistent

Business Controls and Vital Factors

BUSINESS CONTROLS

*Budget Prep/P&L Reviews*Departmental Meetings*30 Day Goals*Position Descriptions*Individual Supervisory Meetings*Business Plan Preparation and Quarterly Reviews*Incident/Judicial Database*CPPD Logs*Daily Res. Ed Duty Logs*Review of Pending Disbursement Vouchers*Maintenance Work Orders* Quarterly Reports*Contractor Performance Reviews*Scheduled and Non-Scheduled Property Inspections*Annual Staff and Customer Surveys*Occupancy Reports

VITAL FACTORS

Actual to Budget Comparisons*Net P&L Compared to Budget*Occupancy-Retention and New Applicants*Consistency in Policy Implementation*Resident Accountability-Accountability to Residents (License Agreement-Student Handbook)*Incident Follow-Up*Follow-Up to student initiated appeals and grievances

Major Projects and Business Goals for 2007-08

<u>Action Step</u>	<u>Person Responsible</u>	<u>Due Date</u>
Create a Programming/Activities Database (Highest Priority=1, 2nd Priority=2)	Kerrie Krol	6/08
Implement the new Residential Education organizational structure	Kerrie Krol	9/07
Successfully encourage OSL to locate campus-wide programming at the Village	Kerrie Krol	6/08
Evaluate QLS and modify questions to enhance relevance and accuracy	Kerrie Krol	1/08
Evaluate cost/effectiveness of CSO Program and recommend enhancements (#1)	K. Krol/K.Fisher	1/08
Develop plan for creation of Village individual and group study space	Management Team	1/08
Refine programming model to respond effectively to the short and long-term developmental needs of the transitional housing community (#1)	Kerrie Krol	9/07
Refine/Redevelop CA and full-time staff job descriptions	Management Team	1/08
Paint Phase II Exterior (#1)	S. W./K.F	9/07
Restart furniture replacement cycle-refurnish 6 buildings in Phase I (#2)	K.F./S.W.	9/07
Refurnish the Recreation Center and Community Center	K.F./S.W.	9/07
Complete Phase I deck repair (#1)	Steve Whippie	8/07
Begin termite control program (#1)	Steve Whippie	7/07
Replace door locks in Phase I	Steve Whippie	6/08
Implement preventative maintenance project-all roofs (#2)	Steve Whippie	6/08
Continue kitchen appliance replacement program-Phases I and II (#2)	Steve Whippie	6/08
Replace all bedroom overhead lighting units in Phase II (#1)	Steve Whippie	9/07
Install compact fluorescent light bulbs in all Phase I and II apartments (#1)	Steve Whippie	9/07
Create committee to recommendation energy and recycling programs (#1)	Ken Fisher	1/08
Continue "charge" of three departmental standing committee's developed in '06-'07	Ken Fisher	6/08
Develop multi-yr. mrktng. program for the Village-Emphasize Phase "identity"		
Scale back mrktng dollars if 100% occupied & actively manage wait list. (#1)	Ken Fisher	4/08
Develop marketing coordinator responsibilities	Ken Fisher	1/08
Foster Staff communication & identity through group team building & mtgs.	Ken Fisher	6/08
Research systems management opportunities (paperless and on-line) provided through Star Rez and the Village web site-reduce "paper driven" processes (#2)	Sherry Flamino	6/08
Develop task force to identify future utilization ideas for Phase I (#2)	Ken Fisher	6/08
Meet with UHS Management Staff once each quarter	K. Fisher/K.Krol	6/08
Update long-term cash flow plan-Use as a long-range planning tool (#2)	Management Team	6/08
Implement UPS/Mail Boxes Etc. services in Village	S.F./K.F.	6/08
Enhance the appearance of areas immediately outside Village walls (#2)	D.M./K.F	6/08
Investigate possible purchase of local apartment complex for mixed use (#2)	Ken Fisher	6/08
Jointly re-evaluate Facilities salary splits and Central % allocations with HR and Facilities mgmnt. (#1)	Fisher/Miller/ Whippie/Kawai	12/07
Actively pursue options for off-campus expansion of the apartment program (#2)	Ken Fisher	6/08
Research and develop summer conference housing opportunities (#2)	K.F./S.F.	12/07

Capital Projects

<u>Capital Project</u>	<u>Budgeted Amount</u>	<u>Due Date</u>
Kitchen Appliance Replacement Program	\$18,941	7/1/07
Phase II Exterior Painting-All Buildings	\$115,000	7/1/07
Phase I Door Lock Replacement Program	\$25,569	7/1/07
Furniture Replacement Program-Phase I (6 buildings)	\$665,000	7/1/07
Deck Repair/Re-Coating-Phase I	\$45,000	7/1/07
Termite Extermination (Tenting)	\$25,000	7/1/07
Roof Repair-Phases I and II (Preventative Maintenance)	\$52,000	7/1/07

<u>Capital Project Approved in a Prior Year</u>	<u>Budgeted Amount</u>	<u>Due Date</u>
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3-Year Look-Ahead

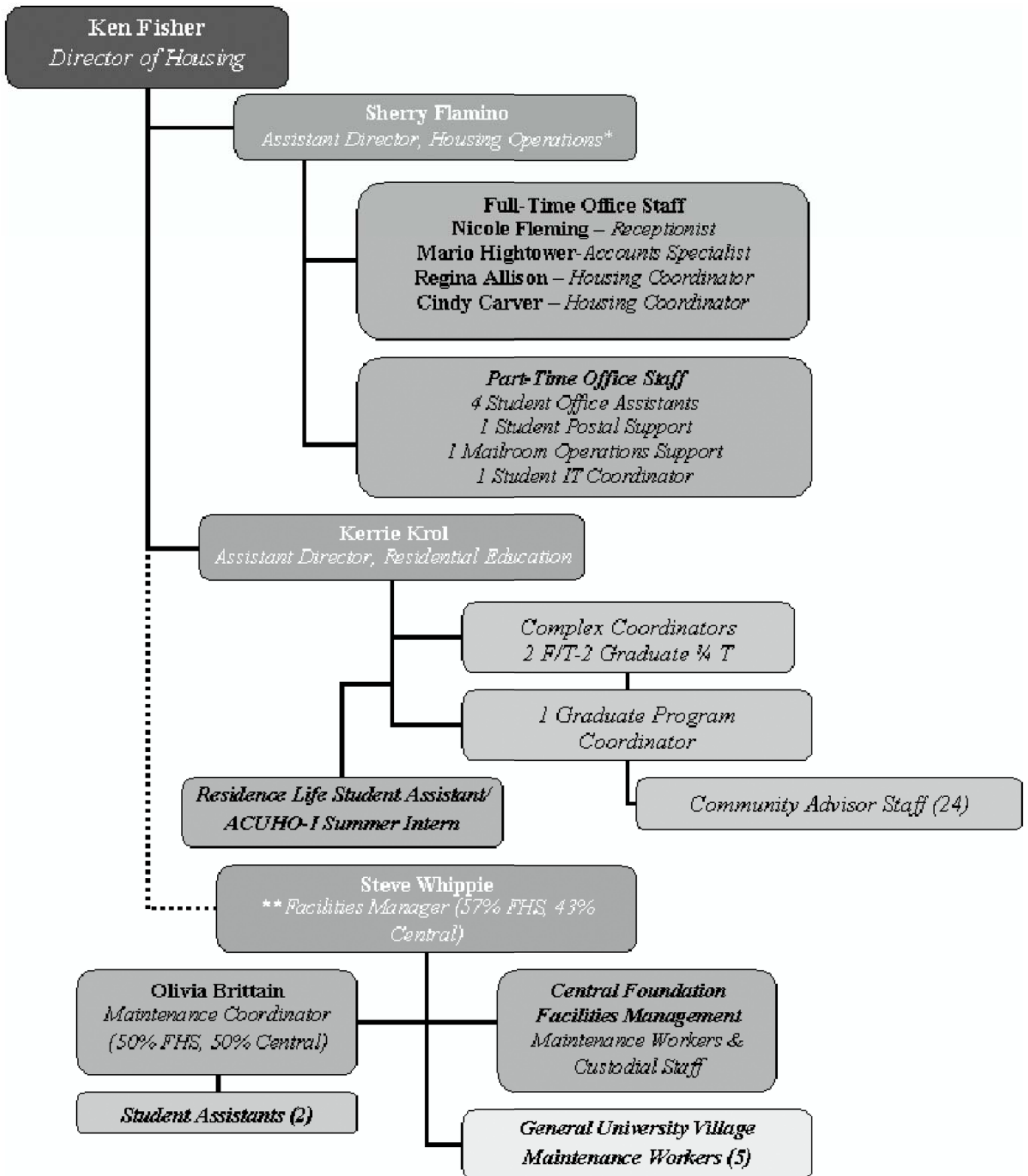
The University Village has undergone significant changes over the past 5 years. The building of Phase III essentially "doubled" the number of students and consequently, "doubled" student needs within the community. The organizational structure of the Village has also developed and changed in order to meet new expectations resulting from the sheer number of additional students. The Quality of Life Survey results from 2005-2006 and 2006-2007 supports the belief that the University Village is certainly meeting student needs and that residents are significantly satisfied with both the community and leadership.

FACTORS EFFECTING THE GROWTH OF THE UNIVERSITY VILLAGE OVER THE NEXT 3 YEARS (and beyond):

- *Aging (and outdated) facilities in Phases I and II requiring additional capital expenditures.
- *The rising cost of energy and utility expenses requiring innovative steps to reduce consumption and increase student and staff accountability.
- *Consistent rate increases driven by increasing operating expenses.
- *Students preferring to not share and expecting more private housing options. The knowledgeable "student consumer".
- **"Finding a future" for Phase I. How do we successfully market the shared bedroom concept? What unserved populations might be attracted to embrace living in this Phase?
- *Financial planning and crisis response to: pandemic flu, economic shifts, earthquakes, violence and expected occupancy trends.
- *The expansion of the UHS suites-the "growth of the University. Will additional suite style housing increase "competition" and decrease the availability of potential student "tenants"?
- *The need to "go green".
- *The "pay-off" of the Phase II construction bonds (this should result in a significant eventual increase in surplus revenue) despite the long-term expenses associated with Phase III bonds.
- *Increasing numbers of students with poorly developed coping and life management skills. Greater numbers of students nationwide are coming to college with psychiatric and abusive histories, poor coping skills, academic and learning deficits, chronic illnesses etc. These students are choosing to live in campus housing. We need to work more closely with Student Affairs staff to provide greater support for these "needy" young "folks". We also need to better train (and support) our staff in order to better respond to their concerns and to understand their issues.
- *We're being asked to participate more as an "equal player" in the University community. The Student Affairs department has increasingly asked Village staff to participate in committees and work groups. This is exciting! Foundation staff are being recognized for their skills, professional experience and commitment to Cal Poly.

The next three years (+) promises to be the most exciting and challenging yet! The issues facing the University Village are consistent with the challenges facing housing programs nationwide.

Organization Chart



Budget for 2007-08

FOUNDATION HOUSING SERVICES

CONSOLIDATED BUDGET COMPARISON SUMMARY FOR PROPOSED BUDGET YEAR 07-08 CURRENT FISCAL YEAR 06-07

ACCT. ACCOUNT TITLE	CURRENT YEAR APPROVED BUDGET	CURRENT YEAR FORECAST	PROPOSED BUDGET	\$ CHANGE FORECAST TO PROPOSED BUDGET
REVENUE				
INTEREST INCOME	18,000	65,000	54,996	(10,004)
OTHER	46,000	58,000	46,000	(12,000)
SALES	<u>6,739,504</u>	<u>7,095,680</u>	<u>7,648,830</u>	<u>553,150</u>
TOTAL REVENUE	6,803,504	7,218,680	7,749,826	531,146
EXPENDITURES-CONTROLLABLE				
UTILITIES	697,917	690,820	739,596	48,776
REPAIRS & MAINTENANCE	180,304	238,978	219,550	(20,428)
MEALS & REFRESHMENTS	6,300	5,100	6,750	1,650
POSTAGE & FREIGHT	3,150	2,000	2,400	400
ADVERTISING	27,300	20,700	27,300	6,600
RENT	1,500	200	600	400
SERVICES	269,843	330,620	321,687	(8,933)
SUPPLIES	51,576	29,420	42,490	13,070
TELEPHONE	210,000	210,000	210,000	0
TRAVEL	7,600	9,600	7,300	(2,300)
LAUNDRY	360	100	150	50
OTHER	<u>61,725</u>	<u>60,925</u>	<u>63,425</u>	<u>2,510</u>
TOTAL EXPENDITURES-CONTROLLABLE	1,517,575	1,598,453	1,640,258	41,795
EXPENDITURES NON-CONTROLLABLE				
ADMINISTRATIVE FEES	442,228	447,000	503,737	56,737
DEPRECIATION	1,917,648	1,939,977	2,044,640	104,663
INSURANCE	109,000	75,000	90,696	15,696
INTEREST EXPENSE	1,422,332	1,416,840	1,482,000	65,160
BANK CARD FEES	55,000	57,188	67,500	10,312
OTHER	<u>147,413</u>	<u>148,815</u>	<u>157,920</u>	<u>9,105</u>
TOTAL EXPENDITURES NON-CONTROLLABLE	4,094,621	4,084,820	4,346,493	261,673
LABOR COSTS				
SALARIES & WAGES	782,088	790,074	877,371	87,297
EMPLOYEE BENEFITS	<u>313,910</u>	<u>329,905</u>	<u>361,828</u>	<u>31,923</u>
TOTAL LABOR COSTS	<u>1,095,998</u>	<u>1,119,979</u>	<u>1,239,199</u>	<u>119,220</u>
TOTAL EXPENSES	<u>6,708,194</u>	<u>6,803,262</u>	<u>7,225,950</u>	<u>422,688</u>
NET INCOME	95,310	415,418	523,876	108,458

CAL POLY POMONA FOUNDATION, INC.

FACILITIES MANAGEMENT

2007 - 2008 BUSINESS PLAN

JUNE 2007

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Mission/Vision Statement

- To support Foundation units by providing building and equipment management, maintenance, and custodial services in a knowledgeable, timely, cost effective, and professional manner.
- To proactively provide preventive maintenance, technical support, and training.
- To keep critical Foundation services operating at levels expected by Foundation customers.
- To provide strong staff support, training, and utilize all resources to provide services to the Foundation and University.
- To foster strong relations between all Foundation units and the Facilities department.

Overview of Previous Fiscal Year 2006-07

- Purchased two trucks
- Hired two full-time employees
- Re-piped two Village buildings
- Painted exterior Village Phase I buildings

Strengths and Challenges

Strengths

- Strong organizational structure with high morale
- Facilities Maintenance employees are well trained
- Flexibility to apply different and timely solutions with the use of contractors or employees
- Excellent work order turn around and quick response

Challenges

- Improving communication with customers and all employees
- Volume of work orders and projects
- Educating customers on "projects" versus "repairs"
- Accomplishing a higher volume of work with the same number of employees
- Retaining student workers
- Aging facilities in some areas continue to leverage resources to the limit

Employee Survey

N/A

Customer Survey

N/A

Keys to Success

Key to Success Item

Rank in importance 10 to 1

Customer Service	10
Safety	10
Minimum downtime	10
Cost effective	10
Responsiveness	9
Protect major assets	9
Positive staff relations	9
Accountability	8
Effective communication	8

Corporate Culture

Customer/Client Perception

Dependable
Important to their success
The ones to call for emergencies
Hardworking
Need to improve communication

Unit Perception

Knowledgeable
Concerned for best solution
Improved communication
Hardworking
Responsive

Business Controls and Vital Factors

- Review budget monthly and make adjustments where necessary
- Review work orders daily and provide initial response to customers within 24 hours
- Continue 30 days goals and project updates and review
- Work order history program
- Participate in the monthly MMHR meeting
- Customer copy of work order left with customer upon completion of task each time. Employees to be held accountable.

Major Projects and Business Goals for 2007-08

<u>Action Step</u>	<u>Person Responsible</u>	<u>Due Date</u>
Repair Village apartment decks	Steve	7/07
Pool lighting around Village pool	Steve	6/08
Repair Village walkways	Mark	6/08
Replace Bldg. 55 entry structure	Steve/Mark	1st Qtr '08
Evaluate Bldg. 97 Computer Lab entry and repair where necessary	Steve	6/08
Continue Team Building Events	Steve/Olivia	6/08
Hold quarterly all hands meetings	Steve/Olivia	6/08
Hold focus group with directors for feedback	Steve	6/08
Install light fixtures & energy efficient bulbs	Mark	8/07
Market Facilities program services	Steve/Dennis	1/08
Paint 30 Village apartments interior	Mark	8/07
Implement tool control program	Steve/Dennis	5/15/08
Implement inventory control program for consumable supplies	Steve/Dennis	2/28/08
Supervisory development	Dennis	6/08
Coordinate roof replacement at bldg. #66	Steve	8/07
Coordinate Village Kitchen Appliance Replacement Project	Steve	12/07
Coordinate the painting of Phase II exteriors	Steve	7/07
Coordinate door lock replacements in Village Phase I	Steve	8/07
Coordinate furniture replacement in Village Phase I (6 buildings)	Steve	8/07
Coordinate termite fumigation for selected building at the Village	Steve	7/07
Re-evaluate salary splits with Village Mgmt.	Dennis/Steve/Emie	12/07
Re-evaluate Central cost allocation based on wrk orders and time/effort.	Dennis/Steve/Emie	12/07
Re-evaluate maintenance \$1,000 flat charge and MOU with CTTi/CEU	Dennis/Steve/Emie	12/07
Coordinate and insure that customer and employee surveys are completed	Steve/Olivia	12/07
Participate in energy audit, make recommendations on system changes	Steve	6/08
Evaluate HVAC job duties vs. contract services for costs savings and efficiency.	Steve/Dennis	6/08

Capital Projects

Capital Project

Budgeted Amount

Due Date

Capital Project Approved in a Prior Year

Budgeted Amount

Due Date

3-Year Look-Ahead

The next 18 - 36 months will continue to challenge the Facilities Maintenance function in its current form, due primarily to the degradation of several aging buildings and the toll those repair projects place on the current resources within the Facilities Maintenance function.

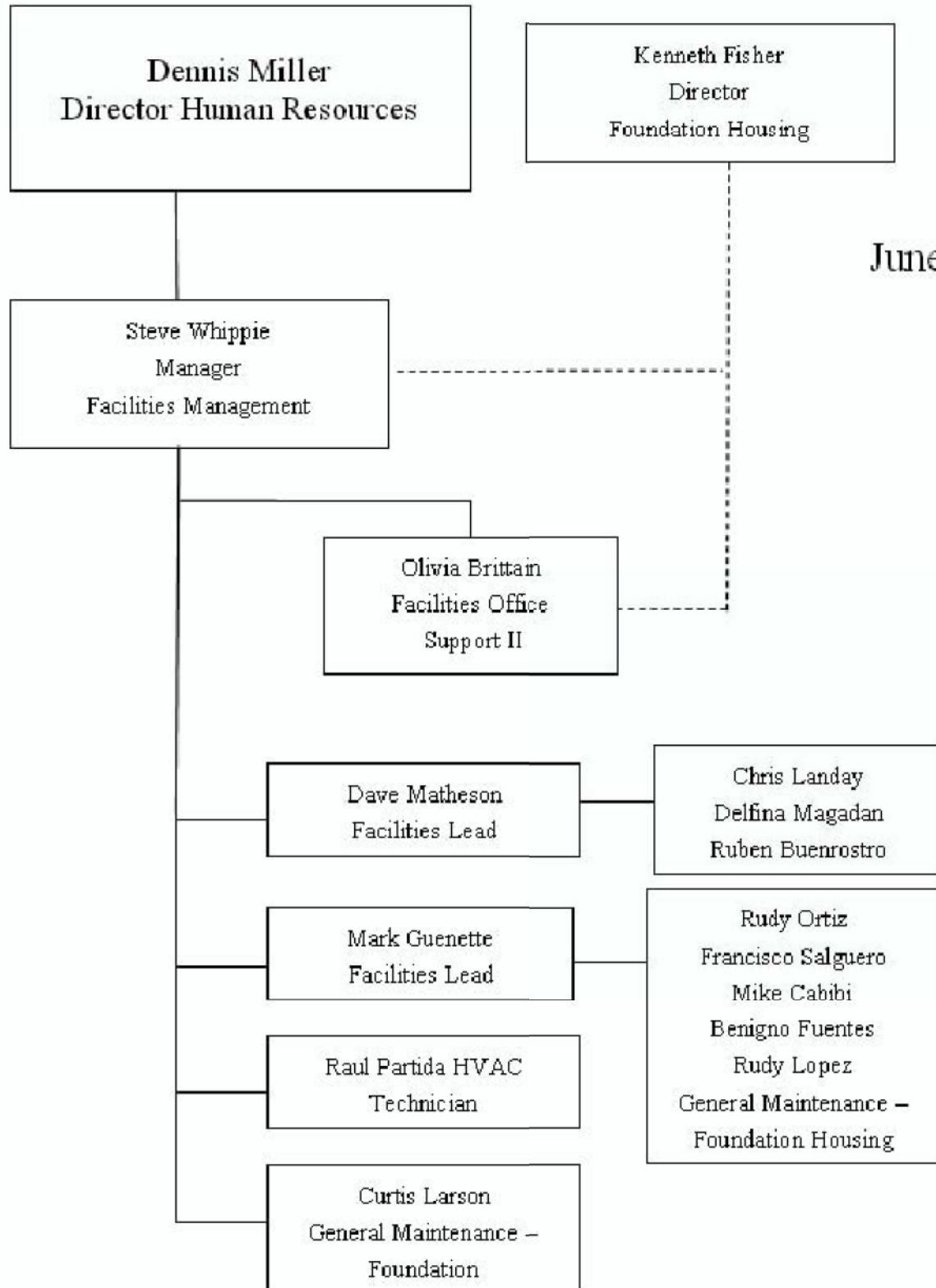
We expect to continue to complete a higher volume of work without significantly increasing the cost of labor. This situation will be partially addressed in the short term by cross-training our employees in key skills sets and by implementing practices that enhance operational efficiencies. Both outcomes are achievable with proper planning and execution.

Additional relief will be found regarding how we currently use our mix of contractors versus employees, with a focus on how those two sets of services can be even more complimentary with one another and still remain cost effective.

Foundation Facilities Management expects to address in the near future, issues related to making Foundation buildings climate neutral and capable of operating at maximum efficiency.

Organization Chart

Organization Chart



June 2007

Budget for 2007-08

FACILITIES MANAGEMENT

CONSOLIDATED BUDGET COMPARISON SUMMARY FOR PROPOSED BUDGET YEAR 07-08 CURRENT FISCAL YEAR 06-07

ACCT. ACCOUNT TITLE	CURRENT YEAR		PROPOSED BUDGET	\$ CHANGE FORECAST TO PROPOSED BUDGET
	APPROVED BUDGET	CURRENT YEAR FORECAST		
EXPENDITURES-CONTROLLABLE				
REPAIRS & MAINTENANCE	42,000	44,821	41,100	(3,721)
MEALS & REFRESHMENTS	384	244	120	(124)
POSTAGE & FREIGHT	0	0	0	0
ADVERTISING	1,728	850	1,440	590
RENT	240	150	240	90
SERVICES	(329,680)	(355,003)	(432,058)	(77,055)
SUPPLIES	6,660	6,224	7,660	1,436
TELEPHONE	1,380	0	3,730	3,730
TRAVEL	60	0	60	60
OTHER	<u>1,320</u>	<u>951</u>	<u>1,200</u>	<u>249</u>
TOTAL EXPENDITURES-CONTROLLABLE	(275,908)	(301,763)	(376,508)	(74,745)
EXPENDITURES NON-CONTROLLABLE				
DEPRECIATION	1,772	1,917	1,428	(489)
INSURANCE	<u>3,120</u>	<u>3,031</u>	<u>3,340</u>	<u>309</u>
TOTAL EXPENDITURES NON-CONTROLLABLE	4,892	4,948	4,768	(180)
LABOR COSTS				
SALARIES & WAGES	179,955	199,375	246,281	46,906
EMPLOYEE BENEFITS	<u>91,061</u>	<u>97,440</u>	<u>125,459</u>	<u>28,019</u>
TOTAL LABOR COSTS	<u>271,016</u>	<u>296,815</u>	<u>371,740</u>	<u>74,925</u>
TOTAL EXPENSES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET INCOME	0	0	0	0

CAL POLY POMONA FOUNDATION, INC.

Real Estate

2007 - 2008 BUSINESS PLAN



June 2007

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Mission/Vision Statement

The mission of the real estate office consists the following principles:

- * Maximize the use of real estate to meet campus needs
- * Seek the highest and best use of University and Foundation real estate assets
- * Develop multi-revenue streams from real estate assets for financial support to the University
- * Minimize the risks and liabilities associated with ownership of real estate assets

Overview of Previous Fiscal Year 2006-07

Innovation Village Research Park: Phase 3 construction started in September by Trammell Crow on a 123,000 sq.ft. building with tenant interest. Wall raising event held in February.

Phase 4 approved in April 2007 by Board of Trustees with identical specifications with construction start to follow 50% lease of Phase 3. CTTI Wet Labs and Phase 2 infrastructure received EDA grant award of \$3 million.

CTTi received interest from CalTech start-ups. BIO2007 Booth - visitors interested in academic and research park partnerships. Co-hosted regional conference for AURP.

Faculty/Staff Housing: Faculty interest list grows to 50+ employees. Four properties acquired, three houses sold to new faculty. Inventory totals sixteen homes. Board of Directors and Trustees approval obtained to build 34 new townhomes, negotiations near completion with the Olson Company. Discussions held with other developers for homes continues. Planned and chaired university housing workshop for university officials.

Gift Real Estate: Several properties were reviewed at the request of the campus.

Other Real Estate: Downtown Pomona Center tenancy structured at the request of the College of Letters, Arts, and Science. Rent revenue remains past due, although our collection efforts have been fruitful.

Strengths and Challenges

Strengths

Supportive Board of Directors
Visionary Leadership
"Can-Do" Staff and Management
Numerous Property Assets
Campus History of Successes
Foundation History of Success

Southern California location
Access to developable property

Challenges

Risk and Exposure
High Costs of Development
Extended Time Frames of Development
Changes in Market/Demand Conditions
Lack of depth in real estate staffing
Budgetary Constraints

Employee Survey

N/A

Customer Survey

N/A

Keys to Success

Key to Success Item

Rank in importance 10 to 1

Supportive campus administrative management and board	10
Supportive Foundation administration management	10
Talented and committed staff	10
Effective communication between staff and customer resources	9
Effective progress measurement tools	8
Pleasant working environment	7
Recognition and reward of staff achievement by management	7
New opportunities of new services, new assets, new systems of operating from external sources	6
Education and personal development of staff	6
Experience in performing duties and years of serving campus	5
Knowledge of the real estate marketplace, industry contacts, community contacts and marketing events viable application to relevant campus real estate issues	4
Frequent workload evaluations to prevent over-commitment and poor customer service.	3

Corporate Culture

Customer/Client Perception

Pleased with high level of customer service
Need to provide more housing

Unit Perception

A campus asset
Very Effective

Business Controls and Vital Factors

Business Plan
30-Day Goals
Faculty/Staff Project Budgets (per property)
Board of Directors - Housing Financial Analysis
Finance Monthly Income Reports (Monthly P&L)
Finance Detail Trial Balances (Monthly P&L)
Business Journal Commercial R.E. Reports - (vital factors)
DataQuick/CAR Median Sales Prices - (housing vital factors)
CBRE & Cushman/Wakefield Market Reports - (commercial vital factors)

Major Projects and Business Goals for 2007-08

<u>Action Step</u>	<u>Person Responsible</u>	<u>Due Date</u>
Complete IVRP Phase 3 building - Tenant Ground Lease compliance	Steve Lauzier	2/08
Complete IVRP Phase 2 infrastructure - Innovation Way/Landscape; CAM updates	Steve Lauzier	9/08
Complete IVRP Phase 4 building - Tenant Ground Lease compliance	Steve Lauzier	6/08
Complete IVRP Phase 5, Parcel 2 - concept design; master plan assistance	Steve Lauzier	10/7
San Diego BIO-2008 conference: organize University assistance for marketing	Steve Lauzier	8/07
Host BIO-2008 Booth	Steve Lauzier	6/08
Develop IVRP website replacement: refresh site; incorporate changes	Steve/Edwin S	9/08
Develop IVRP marketing program, including affiliate program & tenants advisory	Steve Lauzier	9/08
Coordinate with Advancement website of campus research labs,equipment, projects	Steve/Edwin S	9/08
Complete EDA appraisal for IVRP infrastructure	Steve Lauzier	9/08
Shorten faculty/staff housing construction time frame for Kellogg tract move-ins	Steve Lauzier	9/07
Execute Olson townhome agreement	Steve Lauzier	8/07
Obtain sales of all 34 Olson units	Steve Lauzier	3/08
Identify new townhome project of 10-50 units	Steve Lauzier	6/08
Assist with campus master plan	Steve Lauzier	6/08
Seek real estate opportunities to satisfy campus and foundation needs	Steve Lauzier	6/08
FSH - Develop staffing plan to support hiring of housing coordinator	Steve Lauzier	9/07

Capital Projects

Capital Project

Budgeted Amount

Due Date

Innovation Village - intersection improvements at So.Campus & Temple
CTTi Complex - site modifications, landscaping, and floor repairs

\$82,000

2008

\$50,000

2008

Capital Project Approved in a Prior Year

Budgeted Amount

Due Date

\$3,200,000

03/08

3-Year Look-Ahead

Faculty/Staff Housing Program

	2007-2008	2008-2009	2009-2010	Total	10-Year F/C 2017
TOTAL FORECAST:	39	55	205	299	584
CUMULATIVE TOTAL:	52	110	315	315	600

Forecast 5 homes/yr from Kellogg tract and balance new townhomes. Faculty/Staff interest list exceeded 50 employees in 2006. The first eligible buyer contacted executed a purchase/ground lease and closed escrow. Campus awareness of the program has grown substantially and it is being included in the recruitment program; the Foundation is receiving many calls from department heads and prospective recruits. The above table starts with 2006 ending inventory of 16 homes.

1. Kellogg Tract. There are 89 existing homes within the priority area south of the Kellogg Polytechnic Elementary School approved by the board as an acquisition target for future faculty/staff housing needs. Of the 89 the Foundation current has an interest in 16. Nine of the Foundation homes are occupied by faculty members whose feedback indicate a high level of satisfaction with the program. We shall not acquire more homes here until the Foothill Townhomes (#2) is complete, thereafter, we forecast 5 homes/year.
2. Foothill/Equation Tract. The Foundation is in negotiations with The Olson Company on 34 new townhomes proposed for direct sales to eligible faculty/staff and other university affiliates. These homes are scheduled for completion starting in December 2007 with the project expected to be completed in Spring. Final prices will be announced at completion of negotiations.
3. TBD #2 and TBD #3 Townhome projects. Recognizing the combination of Kellogg Tract homes and the potential Olson project at Foothill/Equation will not meet the demand levels described in the Valeo study of 2006 the Foundation continues to seek locations off-campus to meet the second and third years of the forecast.
4. TBD #4 Apartment. The housing assessment report of 2006 also identified a need for transitional housing and recommended the acquisition of an existing apartment complex to meet this need. Foundation is seeking appropriately located sites that could fulfill this need, but the more complex financial requirements of such an acquisition forces a longer period to identify a source that realistically might be feasible.
5. TBD #5 Condo/Retirement. This requirement could potentially be combined with TBD #4 Apartment requirement due to some similarity of housing product type. The campus housing assessment report also gives consideration to the needs of retiring faculty/staff members, as well as those nearing retiring who may already have property within the housing program and need assistance in locating suitable retirement housing before leaving their larger housing program homes.

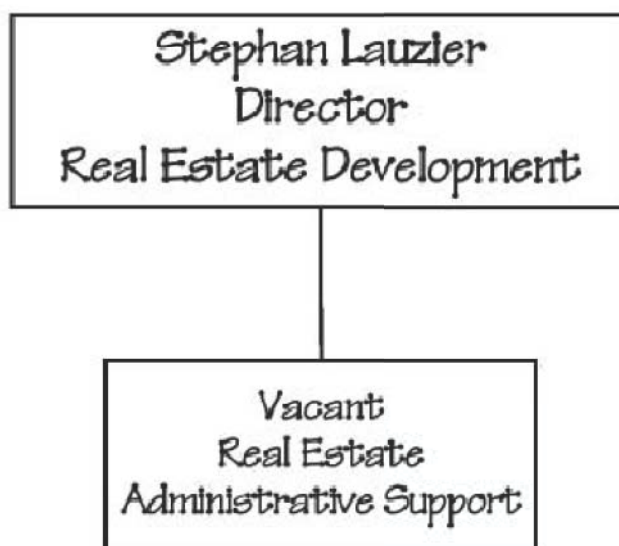
Innovation Village Research Park

Forecast Sq.Ft. of land absorption: 07-08= 1.118M; 08-09= 1.394M; 09-10= 1.573M

In addition to Phase 3&4 development by Trammell Crow Co we are developing a marketing design package for Phase 5 Parcel 2

Organization Chart

Cal Poly Pomona Foundation, Inc. Real Estate Development



June 2007

Budget for 2007-08

Incorporated in Admin. Figures

CAL POLY POMONA FOUNDATION, INC.

Human Resources

2007 - 2008 BUSINESS PLAN



June 20, 2007

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Mission/Vision Statement

The mission of the Foundation Human Resources Department is to deliver employment based services to all the people employed by the Foundation, in support of their roles of supporting the educational mission of Cal Poly Pomona.

We will achieve our mission by providing a wide array of cost effective employee centered benefits and programs, with an emphasis placed on attracting new employees, while maintaining a well-balanced quality of work-life environment for existing employees during their time as a member of the Foundation.

The Core Values of the Human Resources Department include:

- a) Fair and equitable treatment for all employees and applicants
- b) Superior level of services to our employees
- c) Confidentiality and security of "Personal Information"
- d) Professionalism
- e) Superior ethical and moral behavior

Overview of Previous Fiscal Year 2006-07

Major Goals for 2006 - 2007

1. Select software vendor for HR, Payroll, and Timekeeping
2. If funds become available, implement software project from above
3. Rewrite the Employee Handbook, gain board approval, and place user friendly version on website
4. Create and publish Manager's Handbook to supplement Employee Handbook (gain board approval if appropriate)
5. Examine all positions to ensure proper exempt status
6. Reinvigorate training program by accomplishing the following:
 - a) at a minimum, HR Director will deliver a quarterly presentation to management on key employment topics
 - b) at a minimum, HR staff will deliver one presentation per quarter on new or existing HR processes
 - c) provide (quarterly) scheduled workshops with a guest speaker for targeted audiences
 - d) deliver structured safety training to all employees on a scheduled basis
 - e) communicate and offer additional web-based training

Goals 1, 2, 3, and 5 have been or will be completed by June 30, 2007. Goal (4) was discussed with management but was not considered important enough to warrant completion during this fiscal year. Goal 6 was partially completed - most of the incremental goals were completed but achieving those goals did not result in a re-invigoration of the training program.

Strengths and Challenges

Strengths

Well organized and cohesive HR team
Positive attitudes with a strong focus on providing quality employee services
Willingness to adapt new systems, processes, and technologies for the purposes of improving employee services
Significant opportunities for evolving the HR services delivered to employees and managers
Relatively low cost for providing a wide range of employee centered services

Challenges

Completing the internal (within HR) transition from an administrative function to a value added services provider
Re-engineering the HR function / redesigning the major workflow processes, examining the staffing levels and skill sets within HR and effect appropriate adjustments, and communicating those changes to our customer base
Roll-out of employee and manager self-service functionality of the HR system to the organization

Employee Survey

None completed this year.

Customer Survey

None completed this year.

Keys to Success

Key to Success Item

- Quality employee services
- Positive staff and employee relations
- Thorough and clear communications
- Fiscal accountability
- Follow-through
- Responsiveness
- Accuracy
- Timely communications
- Retooling skills set for HR staff

Rank in importance 10 to 1

10
10
10
10
9
9
9
9
9

Corporate Culture

Customer/Client Perception

Unknown

Unit Perception

Knowledgeable
Patient
Flexible
Adaptable
Fair
Approachable
Professional
Helpful

Business Controls and Vital Factors

Execution of monthly and weekly goals development and tracking
Implementation of employee and manager self-service for decentralization of common HR tasks
Review monthly budget and make changes where appropriate

Major Projects and Business Goals for 2007-08

<u>Action Step</u>	<u>Person Responsible</u>	<u>Due Date</u>
Evaluate the necessity and feasibility of hybrid employment status (30 hours week)	D. Miller	9-1-7
If appropriate, develop/implement benefits programs for hybrid employment status	D. Miller	11-15-7
Complete implementation of KRONOS software	D. Miller	10-1-7
Complete annual health benefits renewal project	Miller/Fernandez	12-15-7
Restructure and retool HR function	D. Miller	3-1-8
Develop "5 Year Workforce Planning Model"	D. Miller	5-1-8
Integrate the Facilities Maintenance function under HR (at Management level)	D. Miller	8-1-7
Assume accountability for all Facility Maintenance objectives per its Business Plan	D. Miller	7-1-7
Implement systematic approach for "needs assessment" for supervisory training program, and provide associated training.	D. Miller	4-1-8
Review compensation program and ensure appropriate mix of benefits and options.	D. Miller	12-15-7
Facilities Maintenance		
Determine which services to provide in-house & evaluate which to possibly outsource	D. Miller	2-1-8
Examine status of R-22 conversion, and develop 2 year plan to complete conversions	D. Miller	5-1-8
Other tasks identified in Facilities Maintenance Business Plan		

Capital Projects

Capital Project

Budgeted Amount

Due Date

Feasibility study for "electronic library" regarding records retention

\$75,000

3-15-8

Capital Project Approved in a Prior Year

Budgeted Amount

Due Date

3-Year Look-Ahead

The next 3 years for our Human Resources function will experience a complete overhaul regarding the manner in which it provides services to all employees. Most of the transaction based work and paper driven processes will be modified or replaced entirely as a result of the new functionality provided by the Kronos HR/Payroll software. Our fundamental focus will shift from being an "administrative role" to that of a value added services provider, and ultimately, shift to the role of a business partner with the management team.

The minimum wage in California will increase by 50 cents per hour - to \$8.00 per hour on January 1, 2008. Although the federal minimum wage has been approved to increase over the next 3 years, since California has a minimum wage in place that already exceeds the forecasted federal rate, we do not believe there will be any measurable impact in California due to that federal minimum wage rate hike.

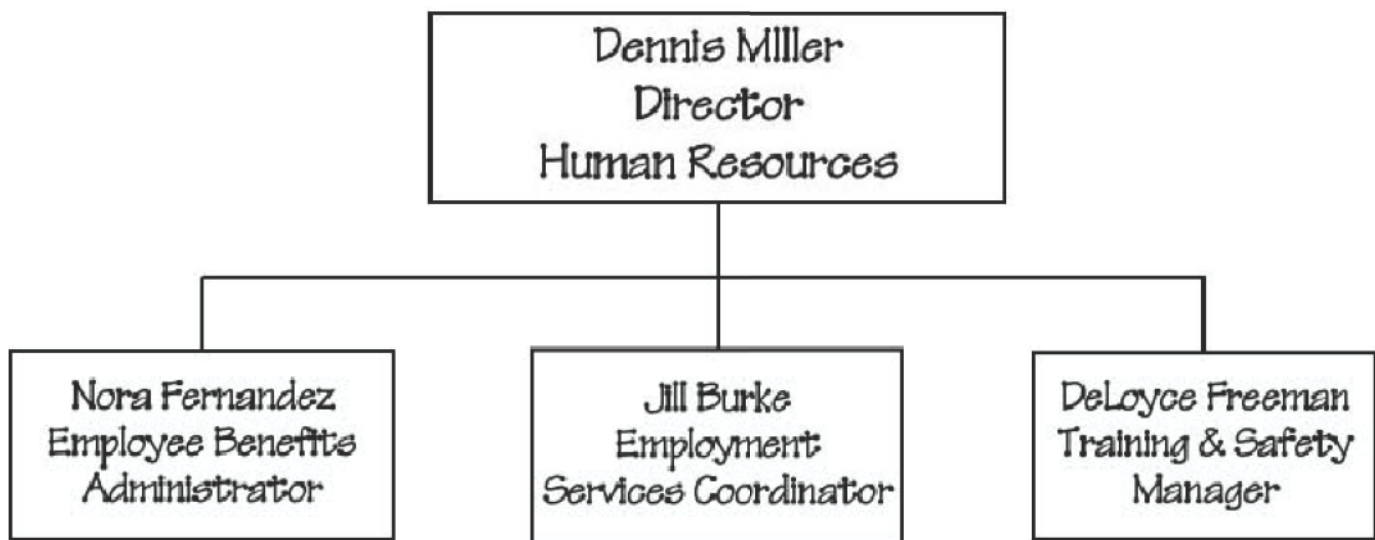
We believe the overall employment market, and availability of labor, in our area will remain fairly consistent in the next 24 - 36 months with little variability compared with the current employment based market conditions. This forecast is neither good news nor bad, but if this forecast holds accurate, it is something for which we can manage.

We expect the cost of health care insurance to continue its historical trend of 7 - 15% annual increases for the foreseeable future, with the ability to make minor adjustments in our plans to help minimize those increases.

The forecast for workers compensation insurance in the commercial market is that it will continue its downward trend, and this trend will become more pronounced as more workers compensation insurance carriers return to California. However, due to the punitive approach associated with exiting our current CSURMA workers compensation program, it may be difficult (too expensive) to exit that program and take advantage of the declining rates of workers compensation in the commercial market.

Organization Chart

Cal Poly Pomona Foundation, Inc. Human Resources Department



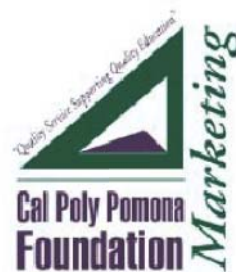
June 2007

Budget for 2007-08

CAL POLY POMONA FOUNDATION, INC.

Marketing

2007 - 2008 BUSINESS PLAN



June 2007

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Mission/Vision Statement

MISSION STATEMENT: Marketing provides services that promote the Foundation to internal and external constituents in a manner that will facilitate the organization's ability to achieve its stated goals. To accomplish this, Marketing's focus is twofold. First, to engage in activities which build awareness of and enhance the Foundation from a corporate stand point. Secondly, to provide assistance to individual units in realizing their goals through various promotional endeavors.

VISION STATEMENT: Support the marketing, public relations and advertising functions of all auxiliary units including Human Resources, Foundation Administration and Financial Services. Our goal is to maximize the results of each department's advertising budget, safeguard the branding of each unit by keeping a consistent look in all its advertising and signage and continuously research innovative and cost effective ways of reaching the campus community.

Overview of Previous Fiscal Year 2006-07

Marketing has worked on the following projects during the past year:

1. Signage, photography, and advertisement: Bridal Fair, Grad Fair, 40th Anniversary Celebration, Bookstore projects
2. Web Re-Design: Kellogg House, University Village
3. Developed accessibility Standards for the Bronco Bookstore and Kellogg House Websites.
4. Developed advertising campaigns, including campus-wide signage and advertisement for Buyback and On-Line Orders (record breaking buyback during each quarter of 2006-07).
5. Re-branding Campaign: University Village, Kellogg House, Campus Center, Bronco Student Center and Vista Cafe
6. Partnership with ASI to develop their Eat - Study - Play campaign.
7. Developed web-access for the 2007 Human Resources Rideshare Survey (AQMD).
8. BroncoGear promotion: Photo shoots and major signage campaign.
9. University Village Quarterly Housing Campaign and Star-Rez Implementation: Campus-wide signage and advertising
10. Innovation Village, Phase III: Marketing materials
11. Jobs on Campus Campaign for Dining Services
12. Update and design campus map.
13. Develop e-mail database management system for upcoming marketing campaigns.
14. Monthly Newsletters: Foundation, Kellogg West, Financial Services.
15. Developed Green Campaign
16. Pura-Vida and Freshens Smoothies Campaign
17. Daily Meal Campaign for Subway Express

Strengths and Challenges

Strengths

1. Creativity
2. Timely processing of requests
3. Working on minimal budget
4. Goal oriented
5. Innovative
6. Consistent quality of work
7. Ability to work in a crunch
8. Wide spectrum of services: Photography, event planning, web development, public relations, etc.

Challenges

1. University's strict posting policy
2. Low enrollment for summer
3. Limited budget
4. Lack of planning from clients
5. Space Issue

Employee Survey

N/A

Customer Survey

Marketing customer survey was not conducted.

Keys to Success

Key to Success Item

Rank in importance 10 to 1

Quantity of Projects	10
Quality of Projects	9
On-Time Delivery	9
Creative Content	9
Customer Relations	8

Corporate Culture

Customer/Client Perception

Adherence to Budget
Creativity
Meeting Deadlines
Professionalism
Innovative Ideas
Knowledge
Return on Investment
Results Oriented
Attention to Detail

Unit Perception

Excellent
Excellent
Excellent
Meets Expectation
Excellent
Meets Expectation
Meets Expectation
Excellent
Meets Expectation

Business Controls and Vital Factors

Communication with clients regarding project status
 Marketing costs vs. results
 Labor costs vs. work output
 On time delivery of projects
 Quality
 Maintain high client satisfaction level
 Prioritize project requests on hand
 Introduce innovative ideas and marketing solutions

Major Projects and Business Goals for 2007-08

<u>Action Step</u>	<u>Person Responsible</u>	<u>Due Date</u>
Implement Constant Contact E-mail list Software for all units	Alex/Edwin	9/07
Re-configure all admin. websites for graphic standards & accessibility rules by CSU	Alex/Edwin	12/07
Redesign all admin. websites to new branding	Alex	12/07
Improve overall sales of dining venues	Laura/Edwin	12/07
Launch campaign for Poly Fresh	Edwin	9/07
Launch a full on marketing, PR and advertising campaign for KW	Edwin	9/07
Complete 2005-06/2006-07 annual reports	Edwin	12/07
Improve summer occupancy rate at the Village by 70%	Edwin	6/08
Help launch Human Resource's new software	Laura/Alex/Edwin	9/07
Continue Phase 2 of University Village branding campaign	Edwin	10/07
Help launch Starbucks at the Library	Laura/Edwin	3/08
Increase overall BroncoGear sales by 25%	Edwin	6/08
Redesign Faculty/Staff housing assistance website	Alex/Edwin	9/07
Increase catering sales for Los Olivos	Laura/Alex	6/08
Update advertising book	Laura	12/07
Increase overall website hits for all units by 20%	Alex/Edwin	6/08
Increase Bookstore online sales by 20%	Edwin	6/08
Redesign Foundation Newsletter	Laura/Edwin	11/07
Design Foundation Booth	Edwin	12/07
Launch new campaign for Bronco Bucks	Edwin	8/07
Increase buyback by 10%	Edwin	6/08
Rebrand Geneva Cafe	Edwin	8/07
Develop computer department sales and marketing	Alex/Edwin	12/07
Marketing for Fair Oaks Walk Project	Alex/Edwin	03/08
Promote Bookstore "Faculty says..." project	Edwin/Laura	02/08
Develop customer satisfaction survey	Edwin	01/08
Annual Report	Edwin/Kim	12/07

Capital Projects

Capital Project

Budgeted Amount

Due Date

N/A

Capital Project Approved in a Prior Year

Budgeted Amount

Due Date

N/A

3-Year Look-Ahead

Create marketing campaigns that will encompass the following items:

- 1) Update Foundation advertising book
- 2) Reformat all Foundation websites to conform to the Accessibility Act
- 3) Reach 75% Occupancy Rate for the Village during the summer and 100% Occupancy for the Village throughout the rest of the year
- 4) Develop a campaign for KW to give the unit a chance to compete with other hotels
- 5) Maintain the bookstore's market share
- 6) Increase online sales for the bookstore by 50%
- 7) Increase gift card sales by 50%
- 8) 30% Increase on BroncoGear Sales
- 9) Brand Recognition for BSC Units
- 10) Provide more Marketing opportunities and partnerships for Dining Services
- 11) Help market Faculty/Staff Housing Program

Organization Chart

Cal Poly Pomona Foundation, Inc. Marketing Department



May 2007

Budget for 2007-08

Incorporated in Admin. Figures

CAL POLY POMONA FOUNDATION, INC.

FINANCIAL SERVICES

2007 - 2008 BUSINESS PLAN



JUNE 1, 2007

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Mission/Vision Statement

The Financial Services department provides accounts payable, cash receipts, purchasing and encumbrances, payroll, grants administration, management information services, financial reporting, budgeting, investments, risk management and other financial services to the University for functions relating to the Foundation's on and off campus commercial activities, sponsored projects, campus programs, endowment and scholarship funds and to other auxiliary organizations as needed.

- The Financial Services department provides quality financial services by operating in a professional and business-like manner with a high degree of technical competency to meet both internal and external reporting requirements.
- The Financial Services department strives for accuracy and timeliness in its services using trained personnel, computer systems and cost effective methods to safeguard the assets of the Foundation.
- The Financial Services department provides financial analysis to aid Foundation administration and operations managers in decision-making.
- The Financial Services department provides its employees with open lines of communication, opportunity for personal, professional growth and a participatory work environment to enable quick response to the growing demands of the University and Foundation activities and business.
- The Financial Services department promotes open communication and quality services to its customers through cost-effective finance and accounting systems procedures.

Overview of Previous Fiscal Year 2006-07

Grants and Contracts: Processed \$1.4 million (M) in new projects, monitored \$47M in grants for 300 different projects, processed \$1.3M in expenditures, and worked with 125 project directors; Assisted with various personnel issues for grant programs.

Payroll: Evaluated, selected and developed new Kronos HR/Payroll software to be linked to Kronos timekeeping.

General Financial: Assisted in developing annual operating and capital budgets and L/T cash plan. Implemented daily reconciliation of Bronco Bucks. Updated and implemented Gift-In-Kind policy. Implemented the centralization of gift processing. Modified recurring journal entries to compute administration fees using YTD revenues. Implemented procedures to upload Bookstore daily deposits to create a batch. Implemented quarterly audit of change funds. Successfully resolved change fund issue at the Bookstore. Processed \$3.8M in Annual Funds/UET donations and \$1.28K average daily deposits in vault, and filed \$1.2M in sales taxes.

Accounting: Processed \$42 million in A/P or 57k transactions, processed \$2M or 10k P-card transactions for 250+ card holders, processed 400 PO, maintained & reconciled \$81M in Fixed Assets. Managed and resolved risk management issues and claims.

Financial Systems: Reconciled 300k credit card transactions or \$25M. Created and managed Subway Gift Card purchases/redemption reconciliation. Tested Village online StarRez credit card system. Maintained system access, trained and supported 190 campus users. Developed CDD reports.

MIS: Resolved 2025 problem calls; Processed 470 MIS work orders; Installed Global Backup System; Initiated off-campus data storage; Trained two new staff members; Installed StarRez U-Village housing system; Installed and/or reused 15 Dining Services systems; Installed work order system; Created standards/procedures library; Installed 7 servers/retired 4 servers; Recycled 2000 lbs computer equipment.

Strengths and Challenges

Strengths

Quality of staff; meet deadlines; teamwork; multi-tasking; internal control; communication through semi-annual meetings, monthly financial facts, newsletters, updated policies, procedures, forms on the Web; online MIS/Bi-Tech work order services; responsive to campus needs through internal managers; courteous; friendly; knowledgeable; professional; customer service oriented; efficient.

Challenges

Volume of work; accuracy; cross training; delegation of responsibilities; special projects; decentralization of accounting functions; consistency; inter-department communication; employees turn-over; limited resources to support new projects and recently implemented projects; office space; compensation and benefits.

Employee Survey

This year's survey included the same 12 questions as the previous years and there was a 100% response from 23 employees. On a scale of 0 to 4, 4 being totally agree, 3 being agree, 2 being disagree, 1 being totally disagree and 0 being don't know, we received an overall score of 3.4 versus the 05-06 year of 3.46, the 04-05 year of 3.21, the 03-04 year of 3.06 and the 02-03 year of 3.08. There were a total of 117 responses who totally agree, 76 responses who agree, 20 responses who disagree, 5 responses who totally disagree and 12 responses who don't know. The following totally agree or agree: 96% feel they are treated with fairness, respect and equality as a whole and enjoy working for Foundation Financial Services, 91% believe their supervisor considers them to be an important factor to their department's success, 87% feel there is a high level of trust between employees and direct supervisors and goals are communicated to all employee levels, 83% feel there is a good level of trust between employees and upper management and teamwork and communication within Foundation Financial Services is good, 78% feel other departments or employees react quickly to meet the needs of the other employees/departments and Foundation management is interested in their future and does all it can to develop their skills and 61% feel their salary plus benefits is appropriate for the requirement of their position.

Customer Survey

This year's customer survey included 3 additional questions specifically tailored for MIS. There were 59 responses and we have used the same scale as the employee survey from 0 to 4. We received an overall score of 3.37 versus the 05-06 year of 3.3, the 04-05 year of 3.28, the 03-04 year of 3.46 and the 02-03 year of 3.34. There were a total of 409 responses who totally agree, 331 responses who agree, 73 responses who disagree, 14 responses who totally disagree and 140 responses who don't know. The following totally agree or agree: 93% feel the staff is always efficient when answering their questions, 92% feel the service is an asset to the University, 86% feel our employees are courteous, helpful, knowledgeable and service oriented, 85% feel we consistently complete assignments on time, 83% when faced with new projects or demands, we react quickly to meet your needs, produce a consistently superior level of accuracy in all of the work we perform, organized, professional organization that conducts transactions in a business-like manner and payment request procedures are comprehensive. 80% feel our forms are easy to understand and use, 76% feel we incorporate current technology in servicing our customers, 73% feel deposit procedures are comprehensive, 72% feel MIS staff respond to service requests in a timely manner, 69% feel payroll procedures are comprehensive, 66% feel purchasing procedures are comprehensive, 62% feel computer information is current and accessible, 56% feel travel procedures are comprehensive and 49% feel computer systems are fast, reliable and efficient.

Keys to Success

Key to Success Item

Rank in importance 10 to 1

Knowledge/Expertise	9
Timeliness in Reporting	9
Responsiveness to customer needs	9
Compliance to regulations and policies	9
Accuracy	9
Quality of service	10
Communication	9
Efficient	9
Teamwork	10
Integrity	10

Corporate Culture

Customer/Client Perception

Inflexible
Bureaucratic
Friendly
Improve Responsiveness
Cooperative
Service Oriented
Professional
Organized

Unit Perception

Innovative Ideas
Educate customers
Friendly
Improve Responsiveness
Cooperative
Service Oriented
Professional
Organized

Business Controls and Vital Factors

We control our business and vital factors by managing our time, providing timely service, accuracy and accessibility to information. We manage our time and projects through our 30 day goals process, week manager meetings, bi-weeks one on one manager meetings and monthly department meetings. We manage our service by assigning internal managers to respective colleges or divisions, customer survey, employee survey, focus group meetings, committee and director meetings and our three year cycle of all campus program and scholarship projects. We manage our accuracy of information through segregation of duties and required review and approval of all transactions and reports. We manage the accessibility of information through our 24/7 access of the accounting system.

Major Projects and Business Goals for 2007-08

<u>Action Step</u>	<u>Person Responsible</u>	<u>Due Date</u>
Clear compliance audit findings with the CSU internal auditors	All	Mar. 2008
Assist Office of Research and Sponsored Programs with understanding Foundation post award compliance issues including reviewing projects for compliance, risk, budgetary issues; and cost sharing issues.	Debbie	June 2008
Implement Kronos Payroll (eliminating Bi-Tech Payroll)	Sharon	July 2007
Develop paycheck stubs and W-2's to be visible online by individual employees with Kronos	Sharon	Sept. 2007
Evaluate/Implement Financial Systems to manage the UET Endowments	David/Anh/ Michael	Mar 2008
Continue the process to convert Ad Hoc financial reports to "Click Drag Drill" reports.	Michael/Anh	June 2008
Test and implement procedures to upload deposit data in Excel format to Bi-Tech to create batches for commercial units.	Michael	June 2008
Implement endowment accounting and financial reporting system.	Michael/Anh	June 2008
Review and improve credit card reconciliation process as transactions and accounts have increased.	Anh Chen	June 2008
Review and improve AFLAC reconciliation.	Anh Chen	June 2008
Convert P-card users from B of A to GE Capital web based platform.	Haleh	Nov. 2007
Interface GE Capital P-card transactions to general ledger.	Haleh/Anh	Dec. 2007
Test & implement procedures to upload A/P data in Excel format to Bi-Tech to create A/P batches.	Haleh/Anh	June 2008
Implement software tools to monitor, audit, inventory desk top & server performance	Randy	Sept. 2007
Implement an enterprise wide disaster recovery plan.	Randy	Dec. 2007
Set up test/recovery environments for strategic systems.	Randy	April 2008
Implement first phase network equipment upgrades in Foundation buildings.	Randy	June 2008
Monitor and assist with Olson Housing project	David	June 2008

Capital Projects

<u>Capital Project</u>	<u>Budgeted Amount</u>	<u>Due Date</u>
Application Server - To provide space for monitoring, software distribution, and print services.	5,000	
Database Server - To replace end of life CPPFDINING server. New home for FMS and Work Order SQL Databases.	5,000	
Domain Controller - To replace end of life CPPF2003VILLAGE server. Also to separate CPPFEXCH2003 file server functions from domain security.	4,000	
Domain Controller - To maintain login and file security during network outages at Kellogg West. Also to provide strategic backup domain controller functions on DomainFDN.	4,000	
Terminal Server - Currently workstations are joined to the WIN domain causing problems with maintenance.	3,500	
Monitoring Software - To monitor servers, network, workstations, domain, etc..	3,000	
Work Order, Inventory, Software Distribution - Proactive management of hardware, software licensing, self help work orders, knowledgebase for users, automated software distribution.	5,000	
Kronos HR/Payroll System Wide Licensing - Proactive management of hardware, software licensing, self help work orders, knowledgebase for users, automated software distribution.	165,000	
Network Infrastructure Upgrade - The university will be upgrading old network switches and cabling to meet current CSU standards	95,000	
Pcard Implementation/Training - Foundation will migrate Bank Of America to GE Services	8,000	

<u>Capital Project Approved in a Prior Year</u>	<u>Budgeted Amount</u>	<u>Due Date</u>
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3-Year Look-Ahead

Review and implement FASB 157 fair value measurements (i.e. assets and liabilities); Support increase in sponsored research programs; Support University Advancements capital campaign; Improve controls and segregation of financial and accounting duties; Strategize long term risk management program for cost savings and risk mitigation; Office space.

Grants and Contracts: Participate in indirect cost rate negotiations; Analyze web based.

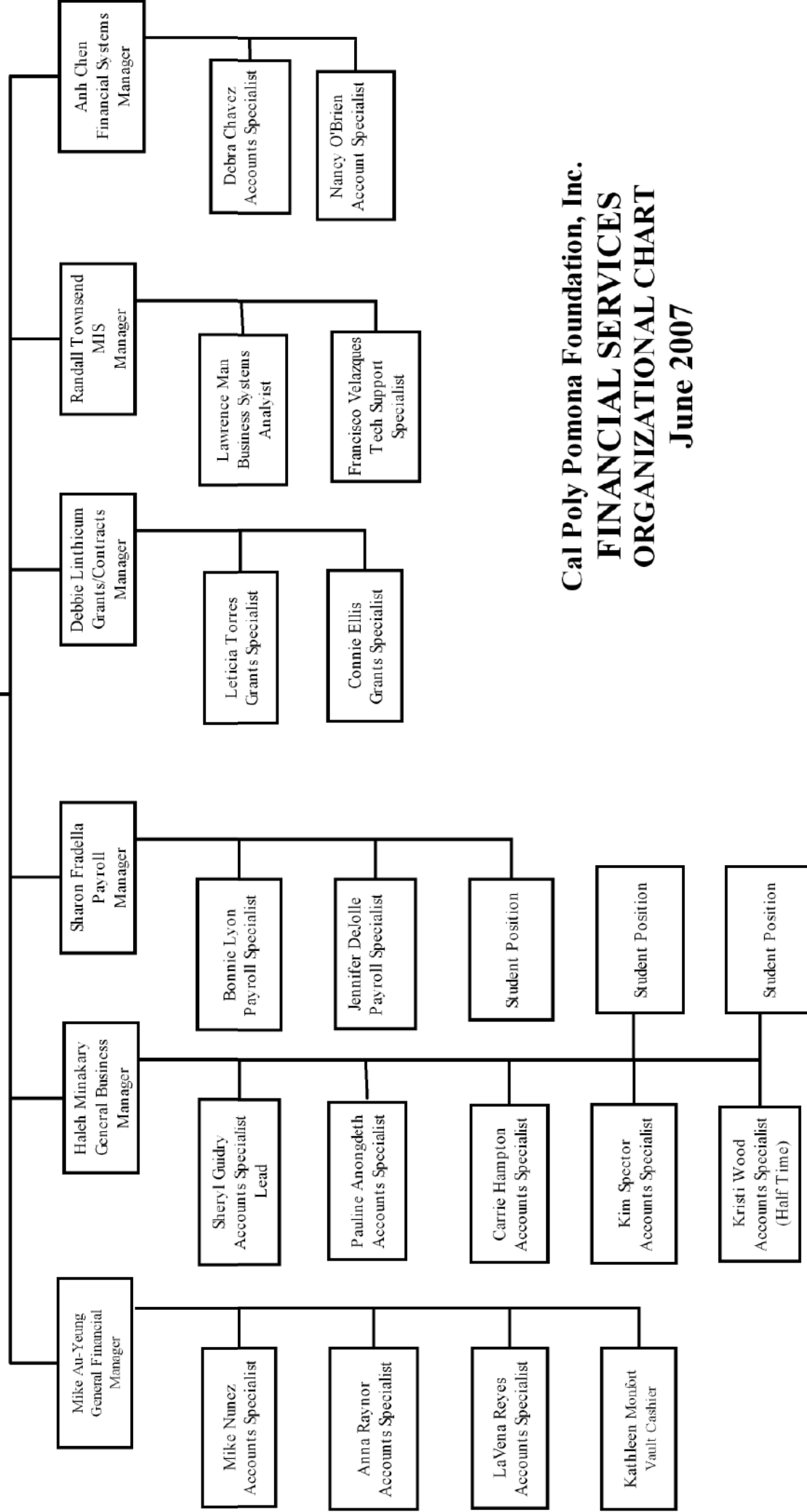
Financial Systems: Year (2008-2009) Web Based Information Reporting (Bi-tech 7i); Financial System Upgrade.

MIS: Year (2008-2009) Network Cabling Upgrades + Wireless; Electronic Library System Phase II; Desktop Software Upgrades (Vista); Workflow Tools; Software Update Automation. Year (2009-2010) Server Software Upgrades (Longhorn); Phone System Upgrade; Facilities Expansion.

Year (2010-2011) TCP/IP version 6 Implementation; Systems Consolidation; Office Automation software; Document Imaging System.

G. Paul Storey
Executive Director

David Prenovost
Senior Managing Director
Chief Financial Officer



Cal Poly Pomona Foundation, Inc.
FINANCIAL SERVICES
ORGANIZATIONAL CHART
June 2007

Budget for 2007-08

FINANCIAL_SERVICES

CONSOLIDATED BUDGET COMPARISON SUMMARY FOR PROPOSED BUDGET YEAR 07-08 CURRENT FISCAL YEAR 06-07

ACCT. ACCOUNT TITLE	CURRENT YEAR		PROPOSED BUDGET	\$ CHANGE FORECAST TO PROPOSED BUDGET
	APPROVED BUDGET	CURRENT YEAR FORECAST		
REVENUE				
SALES	<u>2,400</u>	<u>8,851</u>	<u>2,400</u>	<u>(6,451)</u>
TOTAL REVENUE	2,400	8,851	2,400	(6,451)
EXPENDITURES-CONTROLLABLE				
REPAIRS & MAINTENANCE	89,476	129,700	148,196	18,496
MEALS & REFRESHMENTS	1,800	1,800	1,848	48
POSTAGE & FREIGHT	23,076	25,732	26,496	764
ADVERTISING	996	1,196	996	(200)
RENT	120	0	0	0
SERVICES	87,411	106,156	111,020	4,864
SUPPLIES	46,260	54,068	48,552	(5,516)
TELEPHONE	2,400	2,220	2,004	(216)
TRAVEL	16,116	17,244	13,206	(4,038)
OTHER	<u>3,756</u>	<u>4,700</u>	<u>3,972</u>	<u>(728)</u>
TOTAL EXPENDITURES-CONTROLLABLE	271,411	342,816	356,290	13,474
EXPENDITURES NON-CONTROLLABLE				
DEPRECIATION	97,704	83,744	141,396	57,652
RENT	8,796	8,796	9,240	444
BANK CARD FEES	5,004	5,000	5,148	148
OTHER	<u>55,724</u>	<u>55,976</u>	<u>57,456</u>	<u>1,480</u>
TOTAL EXPENDITURES NON-CONTROLLABLE	167,228	153,516	213,240	59,724
LABOR COSTS				
SALARIES & WAGES	1,166,184	1,114,496	1,282,513	168,017
EMPLOYEE BENEFITS	<u>506,466</u>	<u>502,590</u>	<u>581,753</u>	<u>79,163</u>
TOTAL LABOR COSTS	<u>1,672,650</u>	<u>1,617,086</u>	<u>1,864,266</u>	<u>247,180</u>
TOTAL EXPENSES	<u>2,111,289</u>	<u>2,113,418</u>	<u>2,433,796</u>	<u>320,378</u>
NET INCOME	(2,108,889)	(2,104,567)	(2,431,396)	(326,829)
	=====	=====	=====	=====

Asset Protection Management

The responsibility for protecting personnel and property cannot be **delegated**. It is the legal, moral and ethical charge of all Foundation management to protect. Some risks are inherent in our working environment, but most can be addressed with an appropriate system of internal controls.

The Foundation's asset protection and training is organized around three broad areas:

- (1) Personal safety and physical security
- (2) Protecting assets from external threats
- (3) Protecting assets from internal threats

The Foundation's risk-assessment process includes the following basic steps:

- Identify risks (in all parts of the Foundation)
- Analyze how to deal with each kind of risk
- Select and apply approaches for dealing with each risk
- Monitor results and make changes when needed

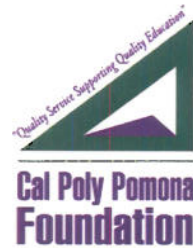
Action Item	Person Responsible	Due Date	Status
Opening & Closing Procedures and Staffing			
Asset Protection Audit <ul style="list-style-type: none"> ▪ Asset Protection Audit Form 			
After Hour Precautions			
Audit Committee (Provides oversight of annual financial statement audit)			
Protecting Assets from External Threats			
Protecting Assets from Internal Threats <ul style="list-style-type: none"> • Safety First • Ethics Policy/Training • Value Based • Mitigating and avoiding • Civil litigation • Timely Reconciliations • Proper Screening and Hiring Procedures • Mandatory Vacations • Complaint Mechanisms for Employees 			
All Foundation Agreements in Compliance with CSU policy			
Information Technology <ul style="list-style-type: none"> • Operating Systems and Data Base Security • Segregation of Duties and Controls • Cash Drawer Accountability 			

Risk Management Review Check List		N/A	Adequate	Needs Improvement	Type Threats	Improvement Assignments	Accomplish By Date
A. Personal Safety							
1	Employees knowledgeable personal safety						
	Identify locations for blue light emergency phones, fire extinguishers and alarm pull stations. Know police # 3070.						
2	After hours oversight, communication						
	Employees leave together, responsibility for securing premises assigned, contacts in place in case of after hours emergency						
3	How to help a customer w/safety problem						
	Staff trained on how to respond to common issues, seek emergency help, etc.						
4	Lockers, employee/customer						
	Policy, procedure and practice exist for proper use of lockers. Lockers are adequate and maintained.						
	COMMENTS:						
B. Physical Safety and Security							
1	Building perimeter						
2	Fire, life, safety, intrusion systems, smoke detector systems maintained and tested						
	Work groups know where utility shut offs are, which phones will work with emergency power, where radio, flashlights & first aid kits are.						
3	Egress						
	Employees know the plan and where to meet						
4	Safety devices in place and maintained						
	Safety guards, eye protection/wash, mats maintained, wet floor signs available						
5	Video system maintained, staff trained, access limited to authorized personnel, policy and procedure in place						
	Periodic tested to make sure they are working. Know to report to Executive Director if out of order more than 48 hours.						
6	Fire extinguishers/hoses						
	Annually inspected and employees trained in how to use them						
	COMMENTS:						
C. Cash and Valuables							
1	Management oversight in place, responsibilities assigned						
2	Cash handling procedures/practice						
	See Foundation Procedures "CR - 370 Cash Receipts" on the web site.						
3	Reporting any shortages of cash or discrepancies (over/short) in cash; if over \$50 report to Foundation Admin. Who will report to University						

Risk Management Review Check List		N/A	Adequate	Needs Improvement	Type Threats	Improvement Assignments	Accomplish By Date
	See Foundation Procedures "CR - 370 Cash Receipts", item 370-1C3 on the web site.						
4	Valuable equipment/inventory protected Foundation Fixed Assets over \$5,000 (portable) is audited by Foundation Accounting every two years (See Fixed Asset Policy).						
5	Valuable paperwork protected, tracked and accounted for Original documents that would generate a billing are controlled						
6	Accountability: separation of duties						
7	Safe type, access, combo changes Safe type is adequate, TL (tool resistant) rated or fire safe? Management controls access and changes combination when employees leave or no longer have a need based on job duties. Manager keeps record of when combination was last changed and who has access to the combination/key(s). See Foundation Procedures (CR-370 Cash Receipts", Item 370-8 on the web site.						
8	Timely processing, deposit, billing, etc. See Foundation Procedures "CR - 370 Cash Receipts", item 370-3 Timely Deposits on the web site.						
9	Check & card acceptance See Foundation Procedures "CR - 370 Cash Receipts", item 370-9 Check Acceptance Procedures on the web site.						
10	Limit exposure, access, transportation of valuables See Foundation Procedures "CR - 370 Cash Receipts", item 370-1 Section C5 on the web site.						
11	Reconciliations made to original docs.						
	COMMENTS:						
D. Vehicle Safety							
1	Drivers authorized Foundation employees must be authorized in advance by Foundation Admin. To drive Foundation vehicles.						
2	Vehicles safe, maintained, seat belts in place.						
3	Registration, insurance info. Centralized handling Foundation car registration in administration office. Also, updating Foundation vehicles list, obtain insurance for new vehicles and reporting the sale of the cars to Insurance Co. Is done by Administration office.						
4	Management controls use of vehicles and keys Compliance with Foundation Policy and if the Foundation or unit Policy is adhered to? COMMENTS:						

Risk Management Review Check List		N/A	Adequate	Needs Improvement	Type Threats	Improvement Assignments	Accomplish By Date
E. Liability Risks							
1	Screening, hiring employees Background check for employees handling cash prior to employment. DMV check for employees driving Foundation Vehicles.						
2	Proper wage, salary, OT, etc. Compliance with Human Resources Policies						
3	Trips, falls, clutter hazards Compliance with government and industry regulations.						
4	Food sanitation Compliance with Health Department requirements.						
5	Alcohol served Compliance with Campus alcohol Policy, alcohol secured						
6	Sexual harassment Staff is aware that management must be informed and investigate any alleged sexual harassment						
7	Employees trained on discrimination Provide periodic training by Human Resources to supervisors						
8	Minimize litigation and legal Employees trained in different areas (interviewing, hiring, discipline, termination, sexual harassment, etc) can minimize litigation and liabilities.						
9	Reviewing Foundation Contracts - (Indemnification Clause, Insurance Clause) Standard indemnification clauses and Insurance requirement for agreement are posted in Foundation Website						
	COMMENTS:						
F. Data Security							
1	Social Security Numbers not recorded						
2	Credit card numbers are not recorded without protection						
3	Data bases protected At present, the staff have access to those data bases (i.e. accounting module) that related to their job function. Back ups performed.						
4	Operating system and access to server The server kept in a secure room with access limited to authorized to people need to have access to it.						
5	Unique log-ins practiced, enforced Mandatory periodic change of password on critical systems. Passwords are not shared.						
	COMMENTS:						

Memorandum



Date: May 10, 2007

To: Board of Directors
Cal Poly Pomona Foundation, Inc.

From: G. Paul Storey *G. Paul Storey*
Executive Director

Subject: **2007-2008 Preliminary Budget Resolution**

WHEREAS, Pursuant to the provisions of the Policies and Procedures for California State University Auxiliary Organizations Section 9.8.1, the Educational Code Section 89904(b) and the Bond Indenture Section 5.04(c) requirement for budgeted Debt Service, the Cal Poly Pomona Foundation's governing board must approve the amounts and purpose of expending Foundation funds. The proposed budget includes amounts for Foundation operations, reserves for adequate working capital, current operating and capital replacements, as well as amounts and purpose of expenditures to augment State appropriations such as expenditures for public relations activities. The Foundation's governing board accomplishes this requirement by reviewing and approving the annual budget before the start of each fiscal year. Necessary changes to the budget may be made by the governing board as the fiscal year progresses, and

WHEREAS, the Foundation Budget Process Policy No. 118, provides that Foundation Administration will present annually detailed operating and capital budget schedules and information to the Finance/Investment Committee; and

WHEREAS, the Foundation Reserve Policy No. 172, provides that Foundation Administration will present annually the long-range cash plan/reserve forecast for the unrestricted funds (fiscal viability) as required by the Board of Trustees of the California State University policy statement; and

WHEREAS, the Finance/Investment Committee has reviewed and discussed the budget including the designated gift request of \$917,023, the reserves requested of \$2,743,983 pursuant to Foundation Budget Process Policy No. 118 and the long-range cash plan/reserve forecast pursuant to Foundation Reserve Policies; and

WHEREAS, the Finance/Investment Committee recommends that the Foundation's operating, capital, designated gifts and reserve budget for fiscal year 2007-08 be submitted to the Board for approval and the long-range cash plan/reserve forecast be presented to the Board for acceptance at its next regularly scheduled meeting; and

WHEREAS, the Personnel Committee of the Cal Poly Pomona Foundation, Inc. recommends to the Board of Directors for approval effective July 1, 2007 all eligible employees receive a compensation increase based on the 2007-08 merit scale of 0% - 6% depending on performance rating and classification within a range. This modification to compensation is

budgeted to be extended to substantially all benefited employees of the Foundation including the Executive Director and Senior Managing Director/CFO; and

NOW, THEREFORE BE IT RESOLVED, that the Directors of the Board of the Cal Poly Pomona Foundation, approves the operating, capital, designated gifts, reserve budget including the compensation increase based on the 2007 merit scale from 0%-6% and accepts the long-range cash plan/reserve forecast; and

BE IT FURTHER RESOLVED, that through the Chair's signature below, Dr. J. Michael Ortiz, the President of California State Polytechnic University, Pomona signifies his approval of said budget and authorizes Foundation management to proceed with implementation of the budget effective July 1, 2007.

PASSED AND ADOPTED THIS 24th DAY OF MAY 2007.

By: J. Michael Ortiz 6/1/2007
Dr. J. Michael Ortiz, Date
Chair

By: Becky Pepping 5/24/07
Ms. Becky Pepping Date
Secretary/Treasurer

CAL POLY POMONA FOUNDATION, INC. PROPOSED 2007-08 BUDGET HIGHLIGHTS

The 2007-08 operating and capital budgets will provide the University with convenient and appropriate goods and services at reasonable prices along with the development of additional assets and resources for the University.

The budgets are subject to assumptions, estimates, forecasts and judgment by the management and directors of the Foundation which cannot predict all the actions or inactions, risks and uncertainties over which there may not be control that could cause actual results to differ materially. Some factors that may cause such a difference include:

- The state budget
- Decline in enrollment
- Unfavorable economic conditions including ramifications of additional terrorist attacks and war
- Increased operating costs
- Shortages of qualified personnel and strikes
- Costly compliance to new regulations
- Risks associated with providing services to international markets
- Risks associated with expansion and renovations
- Competition (on and off-campus)
- Use of campus facilities
- Unpredictability of completion of construction projects
- Employment and liability claims against the Foundation
- Proposals which are not awarded for grants and contracts
- Environmental liability and regulations

As a result, the Foundation's 2007-08 operating and capital budgets are based on assumptions, historical performances and the judgment of management on how the Foundation will financially perform over the next fiscal year. The Foundation has used sound business principles and practices to develop a budget that reflects the needs and obligations of the Foundation.

The proposed operating revenues of \$48.7 million offset by the expenditures of \$47.4 million generate a net surplus of \$1,297,181. The proposed operating budgeted revenues are projected to increase \$2.5 million or 5.5% over the current year forecast due to real estate, bookstore, dining services, Kellogg West, University Village Housing and supplemental programs. In arriving at this surplus, management has incorporated an employee merit increase of 5%, a 10.4% contribution to the CALPERS retirement for the pension plan and a 14.35% contribution to the Foundation's defined benefit health care plan per the actuarial study.

The proposed operating, financing, non-cash transactions including depreciation and uses of reserves as reported in the Summary of Sources of Cash, generates \$6.6 million from the following activities:

• Operating surplus	\$ 2,214,204
• Designated Gifts to the University	(917,023)
• Non-cash depreciation and amortization	3,810,840
• Non-cash retirement medical	1,331,688
• Financing Loans repaid	<u>136,485</u>
• Total cash generated	\$ <u>6,576,194</u>

The proposed uses of cash of \$6.5 million are for the following activities:

• Capital improvement requests	\$ 2,406,637
• Capital improvement carry forward	92,470
• Principle bond payments	1,315,000
• Contributions to reserves	<u>2,743,983</u>
• Total cash used	\$ <u>6,558,090</u>

The proposed capital budget request of \$2.4 million is for Dining Services, Kellogg West Conference Center and Lodge, Agriculture-Aid-to-Instruction, Bookstore, University Village Housing, Administration and Real Estate Activities.

General Activities – include administration, real estate and investments and revenues are projected to increase \$49,650 or 0.62% to \$8 million. **Administration** revenues are budgeted to increase 11% or \$335,672 mainly due to the budgeted increase in enterprise revenues and sponsored program expenditures and are projecting to generate a deficit of (\$1,233,209). Administration is requesting capital of \$382,500 for Management Information Systems, Human Resources and Marketing Departments. **Real Estate** includes development, building rental and faculty staff housing and is projecting to generate a surplus of \$1,254,193 due to the additional gains from the sale of five faculty staff homes. Real Estate Division is requesting capital of \$215,500 for Innovation Village, CTTi Complex and Building # 66. **Investments** are budgeted to generate a surplus of \$828,959 from unrealized equity gains of \$400,000 offset by unrealized fixed income losses of (\$195,580) and interest and dividends of \$647,989 less expenses.

Bookstore - will continue to serve the needs of both undergraduate as well as graduate students and provide both new and used textbooks, course material as well as the traditional class supplies, soft goods, computers, and convenience items students most often need. The budget assumes revenue to increase to \$12.4 million, an increase of 2.1% or \$268,246. Although the past two years we have experienced strong increases in used textbook revenues and the budget assumes textbook revenues to increase 4.3% or \$399,990, it will be difficult to sustain this same high level of revenue going forward. Another factor to consider is a new off campus competitor opening at the old off campus bookstore. We will continue to work closely with the faculty to maximize the availability of textbooks, course materials and supplies needed for each student and each course. The tremendous success the Bookstore experienced the past two years receiving timely faculty textbook requisitions, buying used books from multiple sources, promoting the buy back of books to make more, lower cost, use books available for students will be continued in 2007-08 as major goals in responses to the issue of high publisher textbook costs. There are three major capital improvements planned for the coming year for \$73,500; a new roof will be needed on Building 66, the passenger/freight elevator is in need of upgrading along with infrared door protection as an added safety feature, a plan to add modular furniture to two office areas and a contingency is planned for possible HVAC repairs to the unpredictable system in our mature building.

Dining Services – overall budget anticipates revenue increase of 10% or \$1.1 million from retail, residential and Kellogg West Dining as a result of the addition of the Starbucks venue in the main entry of the library expansion, Kellogg House becoming part of Kellogg West Dining, the continued full occupancy in University Housing and a 5% increase on primary board plan and conference rates. **Retail Dining** includes 12 venues throughout the University and revenues are budgeted to increase 10% or \$361,551 with the majority of this increase attributable to the new Starbucks. The revenue increases have been leverage by better operational management, more effective queuing and emphasis on customer service. The capital request of \$290,000 is for the new Starbuck venue. **C-Store** operations have markedly improved in the area of inventory control. Implementation of the Bookstore's Nebraska point-of-sale and back office at Campus Center Market Place has given us the capability to accurately track and analyze our inventory movement. The capital request of \$137,950 will continue this process with a new point-of-sale system for all Pony Express Stores. **Vending** revenues continue to decrease due to the elimination of a large bank of vending machines at the Library, disruption due to construction and the fact that Dining Services beverage sales have increased during the same period. **Residential Dining** revenues are budgeted to increase 4.1% or \$232,823 due to continued full capacity housing and a 5% increase on primary board plan and conference rates. Management has been restructured to provide more direct and proactive management and we continue to work with CBORD to re-configure and learn the systems capabilities to produce more accurate, timely and beneficial reporting to more effectively manage the operation. The capital request of \$15,000 will replace the chairs in the main dining area. **Kellogg West Dining** revenues are budgeted to increase 33.7% or \$467,863 due to the addition of Kellogg House revenues of \$256,874 or 18.5% and \$210,989 or 15.2% from Kellogg West as this year being the up year of the two year cycle. The capital request of \$8,500 is for a golf cart for Kellogg House functions.

Kellogg West Conference Center & Lodge - revenues are budgeted to increase 7.6% or \$139,642 due to the history of the two year cycle. We believe the increase is attainable with our new marketing strategies and a more aggressive and flexible program of working with potentially new clients. Although we are experiencing an increase in revenues we are also seeing an increase in utilities, campus related expenses and building and equipment maintenance and have outsourced the housekeeping services for the guest rooms and re-distributed some of the labor to Kellogg West Dining in an effort to control the costs in the Center & Lodge. The capital request of \$167,075 is for new carpet in the meeting rooms, ergonomic chairs, pool furniture, guest room patio chairs and televisions.

University Village – revenues are budgeted to increase 7.3% or \$531,146 based upon a 95% academic year occupancy and 70% summer occupancy on license fees rates that are 6% higher than the forecast. This increase is offset by the increase in expenditures of 6.2% or \$422,688 due to the rising costs associated with utilities, maintenance and general upkeep. Requests for capital funding of \$946,510 include repainting the exterior of all Phase II buildings, the replacing of furniture in six Phase I buildings, community and recreation centers, preventative maintenance on all roofs in Phases I and II, limited kitchen appliance replacement in Phases I and II, and the completion of outdoor deck repairs in Phase I. The net surplus has drastically been reduced from prior years as expected due to our investment and financing of Phase III that positioned the University Village to serve nearly 1,300 Cal Poly Pomona resident students and on-site staff in the gated apartment complex. Phase III was completed in September 2005 and increased the housing capacity of the Village by approximately 58%.

Designated Gifts – to the University are projected to increase 15.7% or \$124,558 to \$917,023 for the President's public relations, University Advancement's outreach, communications and

University-wide events to our alumni, friends and donors and Office of Research and Graduate Studies for a program designed to increase grant and contract activity, and strengthen the training of teacher-scholars.

Research Office – Research and Sponsored Programs consists of two projects. The Office of Research and Sponsored Programs proposed budget for 2007-08 is projecting to generate a surplus of \$341,310 versus a forecasted surplus of \$382,606 that will be distributed to the Division of Academic Affairs through the Indirect Surplus project except for the forecasted and budgeted amounts of \$30,000 and \$45,000 respectively that will be used to fund the Indirect Disallowance Reserve and the Research and Sponsored Program Reserve. The indirect cost recoveries are budgeted to be \$1,350,000 or 9% indirect effective rate on \$15 million in direct expenditures versus the forecasted indirect cost recoveries of \$1.2 million or 10% indirect effective rate on \$12 million in direct expenditures. There is a request for a Proposal Services Associate and Student Assistant.

Agricultural Programs – proposed budget consists of ten instructionally related non-credit courses and is projecting to generate a surplus of \$54,535 versus a forecasted deficit of (\$27,317) on revenues of \$1.8 million, an increase of \$163,634 or 10% over the current year forecasted revenues, see individual budgets for further details. The budget includes a capital request of \$170,000 for the purchase of a Reefer Truck for \$80,000 and repairs and improvements to the primary residence at Pine Tree Ranch for \$90,000. The Truck will be used to transport products and six employees to farmers markets and off campus special events. The Pine Tree Ranch house repairs include some major upgrades to interior bathrooms and the kitchen area as well as some minor wood repair and a good paint job on the exterior of the house.

Continuing Education - includes non-credit programs from the College of the Extended University, the College of Engineering and the College of Science and is projecting to generate a surplus of \$76,332 versus a forecasted deficit of \$(204,460) on revenues of \$1.9 million versus forecasted revenues of \$1.8 million an increase of \$157,418 or 8.7%, see individual budget for further details.

College of the Extended University –consists of eight non-credit programs and is projecting to generate a surplus of \$83,942 versus a forecasted deficit of (\$173,795) on revenues of \$1.8 million, an increase of \$221,138 or 13% over the current year forecasted revenues, see individual budgets for further details.

College of Engineering – consists of five non-credit programs and is projecting to generate a deficit of (\$19,514) versus a forecasted deficit of (\$51,205) on revenues of \$78,700, versus actual forecasted revenues of \$70,420 and increase of 11.7% or \$8,280. Forecasted revenues include transfers between projects of \$72,000; see individual budgets for details.

College of Science – consists of one non-credit program and is projecting to generate a surplus of \$11,904 versus a forecasted surplus of \$20,540 on revenues of \$29,204, equivalent to the current year forecasted revenues, see individual budget for details.

Unrestricted Campus Programs – Revenues are projected to remain the same and breakeven.

CAL POLY POMONA FOUNDATION, INC.

PROPOSED BUDGET
SUMMARY STATEMENT OF ACTIVITY

FISCAL YEAR

REVENUE

	Revised Budget	Current Forecast	Proposed Budget
2006-2007	2006-2007	2006-2007	2007-2008

EXPENSES

	Revised Budget	Current Forecast	Proposed Budget
2006-2007	2006-2007	2006-2007	2007-2008

NET SURPLUS/(DEFICIT)

	Revised Budget	Current Forecast	Proposed Budget
2006-2007	2006-2007	2006-2007	2007-2008

GENERAL ACTIVITIES:

ADMINISTRATION	3,250,040	3,152,483	3,488,155	4,283,542	4,223,153	4,721,364	(1,033,502)	(1,070,670)	(1,233,209)
REAL ESTATE	3,496,516	3,179,884	3,713,771	2,194,972	2,197,257	2,459,578	1,301,544	982,627	1,254,193
INVESTMENTS	907,277	1,872,318	852,409	23,988	22,958	23,450	883,289	1,649,360	826,959
TOTAL GENERAL ACTIVITIES	7,653,833	8,004,685	8,054,335	6,502,502	6,443,368	7,204,392	1,151,331	1,561,317	849,943

ENTERPRISE ACTIVITIES:

Bookstore	11,684,943	12,189,477	12,467,723	11,329,917	11,699,794	12,092,945	355,026	498,683	374,778
BRONCO Bookstore	11,684,943	12,189,477	12,467,723	11,329,917	11,699,794	12,092,945	355,026	498,683	374,778
Total Bookstore	11,684,943	12,189,477	12,467,723	11,329,917	11,699,794	12,092,945	355,026	498,683	374,778

Dining Services

FRESH ESCAPES	106,710	112,645	116,135	99,516	113,112	112,088	7,194	(467)	4,047
CARL'S JR.	510,133	596,218	614,573	493,046	576,194	592,379	17,087	20,024	22,194
PONY EXPRESS - CCOMP	784,205	813,134	784,200	766,098	788,626	762,901	18,107	24,508	21,289
PONY EXPRESS - CLA	183,150	175,242	179,251	173,758	179,057	170,499	9,392	(3,815)	8,752
PONY EXPRESS - STUDENT UNION	288,210	229,012	249,328	290,760	258,645	269,292	(2,550)	(29,633)	(19,964)
PONY EXPRESS - ENW	68,247	69,060	71,747	70,835	76,737	78,636	(2,588)	(7,677)	(6,889)
STARBUCKS COFFEE	0	0	243,600	0	0	262,165	0	0	(18,565)
PANDA EXPRESS	101,520	118,065	122,046	117,799	140,379	106,763	(16,279)	(22,314)	15,283
KIKKA SUSHI	63,445	61,400	63,506	62,734	60,562	60,701	711	838	2,805
LOS OLIVOS	4,805,950	4,931,700	5,099,067	4,547,300	4,685,115	4,835,979	258,650	246,585	263,088
VISTA CAFE	633,607	682,195	747,651	580,277	634,758	695,394	53,330	47,437	52,257
VENDING	138,556	100,500	112,183	78,790	72,465	79,659	59,766	28,035	32,524
SUBWAY EXPRESS	115,870	80,837	87,947	164,855	132,317	124,621	(48,985)	(51,480)	(36,674)
SUBWAY	461,289	490,000	499,800	455,962	480,118	485,368	5,337	9,882	14,432
ROUND TABLE	337,238	283,963	298,077	312,278	275,942	283,674	24,960	8,021	14,403
DINING ADMINISTRATION	0	0	0	135,757	159,386	171,904	(135,757)	(158,386)	(171,904)
FRESHENS/PURA VIDA	0	143,416	185,962	25,848	167,939	206,337	(25,848)	(24,523)	(20,375)
TACO BELL	285,250	283,988	291,978	264,845	270,281	272,714	20,405	13,707	19,264
GENEVA CAFE	194,706	95,915	106,296	203,956	116,604	124,941	(9,250)	(20,689)	(18,645)
KW - CATERING/CONF. FOODS	1,280,610	1,387,015	1,854,878	1,375,631	1,583,450	1,805,151	(95,021)	(196,435)	49,727
Total Dining Services	10,358,706	10,654,305	11,728,225	10,220,045	10,770,687	11,501,169	138,661	(116,382)	227,056

K.W. Conference Ctr. & Lodge

K.W. Conference Ctr. & Lodge	1,975,254	1,826,185	1,965,827	2,007,566	2,013,955	1,903,143	(32,312)	(187,770)	62,684
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University Village

University Village	6,803,504	7,218,680	7,749,826	6,708,194	6,803,262	7,225,950	95,310	415,418	523,876
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TOTAL ENTERPRISE ACTIVITIES

TOTAL ENTERPRISE ACTIVITIES	30,822,407	31,898,647	33,911,601	30,265,722	31,287,698	32,723,207	556,685	610,949	1,188,394
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TOTAL GENERAL & ENTERPRISE ACTIVITIES

TOTAL GENERAL & ENTERPRISE ACTIVITIES	38,476,240	39,903,332	41,965,936	36,768,224	37,731,066	39,927,599	1,708,016	2,172,266	2,036,337
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CAL POLY POMONA FOUNDATION, INC.
 PROPOSED BUDGET
 SUMMARY STATEMENT OF ACTIVITY
 FISCAL YEAR

	REVENUE		EXPENSES		NET SURPLUS/(DEFICIT)				
	Revised Budget 2006-2007	Current Forecast 2006-2007	Proposed Budget 2007-2008	Revised Budget 2006-2007	Current Forecast 2006-2007	Proposed Budget 2007-2008	Revised Budget 2006-2007	Current Forecast 2006-2007	Proposed Budget 2007-2008
DESIGNATED GIFTS	0	0	0	798,846	792,465	917,023	(798,846)	(792,465)	(917,023)
SURPLUS (DEFICIT) AFTER DESIGNATED GIFTS	38,476,240	39,903,332	41,965,936	37,567,070	38,523,531	40,844,622	909,170	1,379,801	1,121,314
SUPPLEMENTAL PROGRAMS									
RESEARCH OFFICE	1,350,000	1,200,000	1,350,000	1,350,000	1,170,000	1,305,000	0	30,000	45,000
AGRICULTURE UNITS	1,588,115	1,645,453	1,809,087	1,554,303	1,672,770	1,754,552	33,812	(27,317)	54,535
CONTINUING EDUCATION	1,942,312	1,800,940	1,958,358	2,045,303	2,005,400	1,882,026	(102,981)	(204,460)	76,332
UNRESTRICTED CAMPUS PROGRAMS	2,600,000	1,600,000	1,600,000	2,600,000	1,600,000	1,600,000	0	0	0
TOTAL SUPPLEMENTAL	7,480,427	6,246,393	6,717,445	7,548,606	6,448,170	6,541,578	(68,179)	(201,777)	175,867
TOTAL SURPLUS (DEFICIT)	45,956,667	46,149,725	48,683,381	45,116,676	44,971,701	47,386,200	839,991	1,178,024	1,297,181
WRITE-OFF UNAMORTIZED COST & DEBT SRVC - 2000 SERIES BONDS								(438,852)	0
TRANSFER OF FIXED ASSETS TO UNIVERSITY							0	(300,000)	0
NET SURPLUS /(DEFICIT)							839,991	439,172	1,297,181

CAL POLY POMONA FOUNDATION, INC.
2007-2008 PROPOSED CAPITAL BUDGET

Enterprise Activities			
Dining Services			
Pony Express	137,950	New POS System for Pony Express stores	
Los Olivos	15,102	Replace chairs	
Starbucks	290,000	start up cost	
Total Dining Services	<u>443,052</u>		
Kellogg West Conference Center			
Kellogg West Hotel	51,075	Pool furniture, Guest room patio chairs and televisions	
Kellogg West Conference	116,000	Meeting room ergonomic chairs and conference rooms carpeting	
Kellogg West Dining	8,500	Golf Cart for Kellogg House functions	
Total Kellogg West	<u>175,575</u>		
Agriculture-Aid-to-Instruction			
Farm Store	80,000	Purchase of a Reefer Truck	
Pine Tree Ranch	90,000	Repair and improvements to ranch	
Total Agriculture	<u>170,000</u>		
Bronco Bookstore			
Bookstore	73,500	HVAC, elevator upgrade, office renovation, roof	
Foundation Housing			
University Village	946,510	replace kitchen appliances, paint-phase 2, room furniture, paint deck, door lock-phase 1, termite tenting, and roof repair-phase 1 & 2	
Total Enterprise Activities	<u>1,808,637</u>		
Administration Activities			
Management Info Systems	297,500	4 different servers, monitor software, kronos, network upgrading, pcard training	
Human Resources	75,000	Electronic Library - first stage of design and development	
Marketing	10,000	Remodel Office	
Total Real Estate Activities	<u>382,500</u>		
Real Estate Activities			
Innovation Village	82,000	intersection improvements - So Campus & Temple	
CTTI Complex	50,000	site modifications, landscaping, and floor repairs	
Building 66	83,500	Air Conditioning, roof renovation, and upgrade of two classrooms.	
Total Real Estate Activities	<u>215,500</u>		
Total Capital Requested - fiscal year 2007-2008	<u>2,406,637</u>		
Prior Year Capital Budget Carry Forward			
Dining Services	92,470	POS System Upgrade, Security Camera, and Cbord Inventory System	
Total Prior Year Capital Carry Forward	<u>92,470</u>		
To Present to Board at a later time			
Real Estate Activities	1,810,000	Four faculty housing	

LONG-TERM CASH PLAN/RESERVES – 2009-18

The Cal Poly Pomona Foundation, Inc., 10-year Long-Term Cash Plan/Reserves for the fiscal years ended June 2009 through 2018 focuses primarily on sources and uses of cash by incorporating the Foundation's various operations into the analysis. The plan was developed to proactively study the financial implications related to the Foundation's operations and programs, non-cash transactions, financing activities, capital projects, and reserves with special attention devoted to changes (improvement or deterioration) in financial conditions. As a result, the Long-Term Cash Plan/Reserves is a combination of forecasts by the various directors and managers.

The original plan was developed in 1997 and has been updated annually to include assumption in regards to new programs, operations, financing, capital projects, reserves and non-cash transactions. The plan was developed to provide the Foundation Board of Directors and management an opportunity to review the projected financial needs of the Foundation and the University in relationship to the financial condition of the Foundation. The plan forecasts the cash generated from excess surpluses, non-cash transactions, financing activities and reserve draw downs and cash used for current and projected capital projects, debt service for financing activities, designated gifts and fixed assets transferred for the benefit of the University and the funding of reserves as designed by Board approved policies.

The highlights of the Long-Term Cash Plan/Reserves for the ten fiscal years ended June 2018 are as follows:

Sources of Cash:

- Total surpluses from operations - \$31.2 million
- Non-cash transactions – Depreciation - \$42.8 million
- Non-cash transactions – FAS 106 Post Retiree Medical Benefits – \$17.6 million
- Financing activities - Principal loan payments received - \$-0-
- Reserve draw downs - \$5.2 million
- **Total Sources of Cash - \$96.8 million**

Uses of Cash:

- Capital project requirements - \$19 million
- Financing activities – Principal loan payments - \$12.4 million
- Designated Gifts - \$12.1 million
- Reserve contributions - \$33.9 million
- **Total Uses of Cash - \$77.5 million**

Net increase in Cash - \$19.3 million

Cash Available - \$25.4 million – net of ongoing grant/contract support

The surplus revenues for the ten years ended of \$31.2 million, net of depreciation and FAS 106, are generated from the following operations:

- Administration is projected to generate a deficit of (\$10) million plus the non-cash depreciation of \$2.1 million used to pay for a portion of the capital projects

- Real Estate (Innovation Village, Building Rentals & Faculty Housing) is projected to generate \$10 million plus the non-cash depreciation of \$7.5 million used to pay the majority of the principal debt payments on the CTTi's 2007 and 2000 series bonds of \$695,000 and \$1.4 million and the alternative investment of \$3.0 million.
- Investments are projected to generate \$6 million
- Bookstores are projected to generate \$4 million
- Dining Services \$4.2 million
- Kellogg West \$1.1 million
- University Village \$15.8 million plus the non-cash depreciation of \$22 million used to pay the principal debt payments on the 2002A and 2005 series bonds of \$1.4 million and \$5.9 million respectively.
- Supplemental Programs are forecasted to breakeven and the non-cash depreciation of \$1.1 million to repay the balance on the CTTi's 2007 and 2000 series bonds.

Non-cash transactions for the ten years ended of \$60.4 million include depreciation of \$42.8 million and post-medical retirement benefits of \$17.6 million.

The surpluses from operations of \$31.2 million plus the non-cash transactions of \$60.4 million generate cash from operations of \$91.6 million for the ten years ended.

Financing activities from principal repayments generate \$-0- as the Interim Design Center and the ATRC loans are fully paid in year 2008.

Reserve draw-downs generate \$5.2 million; \$1.5 million for refurbish all of Phase II at University Village in 2010-11, \$2.2 million refurbish all of Phase III and community and recreation centers for University Village in 2013 and \$1.5 million for Kellogg West renovation of all guest rooms in 2013.

The majority of the capital project requirements of \$19 million are for renovations and upgrades as follows:

- Administration web based information reporting, network cabling, electronic library, desktop software, workflow tools, software automation, server software, financial system, phone system, facilities expansion, IPv6 Implementation, system consolidation, office automation and document imaging for \$1.5 million;
- Real Estate to replace flooring, tile, HVAC systems in building 66 and 97 of \$1.3 million;
- Bookstore upgrade workstations and work areas, computer hardware and software, telephone and HVAC upgrades, replace flooring and carpet, alarm system, additional shelf space and a van at \$892,000;
- Dining services equipment and upgrade at Vista Cafe, new convenient store at Tech Park, new concept at CCMP, outside seating upgrade dining area at CCMP and BCS, upgrades Round Table Pizza, Carl's Jr. and Subway, renovations including update dining area/platforms at Los Olivos, new satellite operation, free standing concept, bathroom upgrades, van and tables and chairs at \$3 million;

- Kellogg West Conference Center and Lodge carpet and renovation of all meeting and guest rooms, renovation of all public areas, major roof repairs and new large van and small shuttle vans of \$3.4 million;
- Kellogg West Dining new golf cart and catering truck, major front of the house renovations and kitchen equipment replacement and carpet restaurant of \$1.3 million.
- University Village replacement of furniture, carpet, roofs security system and cameras at \$7.5 million

The financing activities of \$12.4 million represent principal payments per the debt amortization schedules as following:

- Principal debt obligations for the CTTi 2000 series bonds of \$695,000
- Principal debt obligation of University Village II 2002A bonds of \$1.4 million
- Principal debt obligations of University Village Phase III 2005A of \$5.9 million
- Principal debt obligations for the CTTi 2007 series bonds of \$1.4 million
- Alternative Investment for infrastructure at Innovation Village of \$3 million

The Designated Gifts on behalf of the University for the President's public relations, the Division of University Development and the Office of Research and Sponsored Programs are projected to increase 5% each year for a total of \$12.1 million.

The projected reserve contributions of \$33.9 million over the next ten years as follows:

- Agriculture Program Reserve - no projected contributions or capital withdrawals for a balance \$75,000 equal to the goal;
- Cafeteria State Share Reserve - no projected contributions or capital withdrawals for a balance of \$197,000 versus a goal of \$-0-;
- Capital Reserve contributions are 1.75% of unrestricted Foundation revenues are expected to increase 3% each year for total contributions of \$10 million net of \$5.2 million capital project requests for a balance of \$6.7 million versus a goal of \$6.0 million;
- Emergency Reserve no projected contributions or withdrawals for a balance \$120,152 versus a goal of \$-0-;
- Indirect Cost Disallowance Reserve contributions of \$200,000 with no projected disallowance for a balance of \$432,000 versus a goal of \$411,000;
- Insurance Reserve no contributions or withdrawals for a balance of \$104,000 versus a goal of \$-0-;
- Los Olivos Trust Reserve contributions are net surplus in excess of 6% of gross revenues for total contributions of \$272,000 and no withdrawals for a balance of \$648,000 versus a goal of \$-0-;
- Pine Tree Ranch Reserve contributions are 50% of the surplus are projected to be \$50,000 for a balance of \$81,000 versus a goal of \$75,000;
- Post Retiree Medical Benefit Reserve contributions are projected to increase 5% each year for a total contribution of \$17.6 million with a balance of \$27.9 million versus a goal of \$25 million

- Research and Sponsored Program reserve no projected contributions or withdrawals with a balance of \$-0- versus a goal of \$-0-;
- Venture Capital/Real Estate Reserve contributions are 1% of unrestricted Foundation revenues are projected to increase 3% each year for a total contribution of \$5.7 million and no withdrawals for a balance of \$6.7 million versus a goal of \$6,000,000

The assumptions, estimates, forecasts and judgment by the management and directors of the Foundation are subject to risks and uncertainties over which there may not be control that could cause actual results to differ materially.

Factors that might cause such a difference include; unfavorable economic conditions, including ramifications of additional terrorist attacks and war, increased operating costs, shortages of qualified personnel, strikes, costly compliance to new regulations, risks associated with providing services to international markets, risks associated with expansion and renovations, competition (on and off- campus), decline in enrollment and use of campus facilities, unpredictability of completion of construction projects, employment and liability claims against the Foundation, proposals which are not awarded for grants and contracts and environmental liability and regulations.

Annual Planning Session Survey
 2007-2008 Survey Results

Ranking Scale: "1" improvement required, "10" excellent

Grand
 Total

No.	Question	1	2	3	4	5	6	7	8	9	10	Grand Total
1	Was this session worthwhile?											
2	Were you able to freely express your views?											
3	Rate planning process											
4	Were unit presentations informative?											
5	Four hour session allowed sufficient time to review all business plans?											

COMMENTS:

1 Suggestions for improvements:

2 What do you believe is the most interesting or positive thing you learned in this business planning process?
