

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION
FINANCE COMMITTEE MEETING

MINUTES

September 21, 2020

2:30-4:00 p.m.

ZOOM Meeting ID: 968 6456 6092

MEMBERS PRESENT: Jeff Kane
Dale Oliver
Carly Marino
Jason Ramos

MEMBERS ABSENT: Tom Jackson

OTHERS PRESENT: Kacie Flynn, SPF
Denise Bettendorf, Accounting
Sarah Long, Accounting

I. Call to Order

Jeff Kane called the meeting to order at 2:34 p.m.

II. Review 4th Quarter Financial Statements

(Attachment A)

Denise Bettendorf of Financial Services presented the 4th Quarter Financial Report ending June 30, 2020. For the year-end, the effective IDC rate was 8.9% which is a -1.4 point decrease from the prior year. From a percentage standpoint this is a decrease, but the total indirect revenue has actually increased \$56 thousand from the prior year.

Invoiced and unbilled Accounts Receivables (AR) of the Research Foundation totaled \$12.3 million, which was a \$657 thousand increase from the prior year. At the end of the 4th Quarter, there were 605 active projects with a total award portfolio of \$110 million. Comparatively, at this point in FY 18/19 there were 566 active projects with a total award portfolio of \$88 million.

Kacie Flynn presented Pre-Award metrics with year to date comparative data on routed proposals and new awards. Through the end of FY 19/20, the foundation submitted 271 proposals requesting \$60.4 million in funding. The total proposals submitted was up by almost \$12 million from last year, bringing the foundation in at an all-time record high. In that same time, SPF received 178 new awards totaling \$33 million.

Kacie provided an update on the HSU Strategic Plan as it pertains to the Research Community. SPF has either met or exceeded all goals established by the campus community in the 2015-2020 Strategic Plan. Kacie highlighted one objective (4.3) specifically, to increase external funding for scholarly work by 25%. By the end of FY 2019/20 SPF exceeded that goal, increasing external funding 81.1% since the baseline FY 2015/16.

III. Review current Reserve Policy

(Attachment B)

Per the current Reserve Policy, it will be reviewed at least annually to ensure its consistency with the Foundation's objectives of growth, income, and any changes in applicable laws and external financial trends. The full Board had previously voted to amend the policy in May 2020, increasing the reserve amount from \$4 to \$5 million. This new reserve level will be built up with a gradual 'set-aside' of 20% of the annual year-end net income. In addition, SPF maintains a \$2 million line of credit with Redwood Capital Bank as a safety net in the event the foundation needs to process a large invoice. The committee did not recommend any changes to the policy at this time.

IV. Discuss Indirect Cost Revenue Distribution

(Attachments C & D)

Kacie Flynn reviewed the current policy and presented the proposed distribution of the Indirect Cost Revenue in following with the Board approved policy. After first setting aside 20% of the available balance towards the reserve, there is \$635,326 remaining for consideration. The committee could recommend banking all or part of the revenue to put it towards building the reserve quicker or distribute it back to the campus community. If the committee recommends in favor of distributing per the current policy, the detailed distribution list will be voted for approval by the full Board on September 29, 2020.

Action Item: Dale Oliver m/s Carly Marino "Motion to recommend following the Indirect Revenue Distribution Policy as presented to the Board of Directors for approval." Motion carried unanimously.

V. Other

Dale Oliver thanked Denise Bettendorf and Kacie Flynn for presenting a clear and concise overview of SPF financials.

VI. Adjournment

The meeting adjourned at 3:22 p.m.

SPF Finance Committee Meeting
September 21, 2020
Page 3

Respectfully Submitted,

DocuSigned by:

B8B79FC6C3A34B9...

Jeff Kane