

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION
FINANCE COMMITTEE MEETING

MINUTES

September 16, 2022

10:30-11:30 a.m.

ZOOM Meeting ID: 849 5199 4609

MEMBERS PRESENT: Jeff Kane
James Woglom
Jenn Capps
Jason Ramos
Carly Marino

MEMBERS ABSENT: Tom Jackson

OTHERS PRESENT: Kacie Flynn, SPF
Binta Wright, SPF
Sarah Long, Controller
Kathleen Whiteside, Accounting
Cynthia Hawking, Accounting

I. Call to Order

Jeff Kane called the meeting to order at 10:32 a.m.

II. Review 4th Quarter Financial Statements

(Attachment A)

Kathleen Whiteside of Financial Services presented the 4th Quarter Financial Report ending June 30, 2022. For the year-end, the effective IDC rate was 9.7% which is a 0.1-point decrease from the prior year. Invoiced and unbilled Accounts Receivables (AR) of the Research Foundation totaled \$14.4 million, which was a \$943K increase from the prior year. The aging in report in particular has shown improvement since last fiscal year as collection efforts on the *91-120*, *121-150*, and *Over 151 Days* invoices have been made a higher priority.

At the end of the 4th Quarter, there were 632 active projects with a total award portfolio of \$116 million. Comparatively, at this point in FY 20/21 there were 630 active projects with a total award portfolio of \$112 million.

Kacie Flynn presented Pre-Award metrics with year to date comparative data on routed proposals and new awards. Through the end of FY 21/22, the foundation submitted 304

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proposals requesting \$131.7 million in funding. In that same time, SPF received 205 new awards totaling \$61.3 million. This is a record high and double the volume we've seen in preceding years.

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. The reserve level is currently being built up with a gradual 'set-aside' of 20% of the annual year-end net income. In addition, SPF maintains a \$4 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 approximately \$683 thousand 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 27, 2022.

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

V. Other

VI. Adjournment

The meeting adjourned at 11:13 a.m.

Respectfully Submitted,

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Jeff Kane