

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION  
FINANCE COMMITTEE MEETING

MINUTES

September 16, 2019  
10:00-11:00 a.m.  
SBS 345

MEMBERS PRESENT: Harold Zald  
Alex Enyedi  
Jason Ramos

MEMBERS ABSENT: Tom Jackson  
C.D. Hoyle  
Carly Marino

OTHERS PRESENT: Kacie Flynn, SPF  
Denise Bettendorf, Accounting  
Doug Edgmon, Accounting  
Jeffrey Kane, Forestry & Wildland Resources

**I. Call to Order**

Harold Zald called the meeting to order at 10:11 a.m.

**II. Review 4<sup>th</sup> Quarter Financial Statements**

(Attachment A)

Denise Bettendorf of Financial Services presented the 4<sup>th</sup> Quarter Financial Report ending June 30, 2019. For the year-end, the effective IDC rate was 10.3% which is a -1.1 point decrease from the prior year. At the end of the 4<sup>th</sup> Quarter, the General Operations cash and cash equivalents balance in SPF's checking account exceeded the current reserve goal of \$4 million by \$1,067,876.

Invoiced and unbilled Accounts Receivables (AR) of the Research Foundation totaled \$11.6 million, which was a \$4.7 million increase from the prior year. At the end of the 4<sup>th</sup> Quarter, there were 566 active projects with a total award portfolio of \$87.8 million. Comparatively, at this point in FY 17/18 there were 491 active projects with a total award portfolio of \$86.4 million.

Kacie Flynn presented Pre-Award metrics with year to date comparative data on routed proposals and new awards. Through the end of FY 18/19, the foundation submitted 253 proposals requesting \$48.7 million in funding. In that same time, SPF received 194 new awards totaling \$36.4 million. The total dollars awarded was up by almost \$13 million from last year, bringing the foundation in at an all-time record high in awards received.

Kacie provided an update on the HSU Strategic Plan as it pertains to the Research Community. SPF is set to meet their goals by 2020. Kacie highlighted one objective (4.3) specifically, to increase external funding for scholarly work by 25%. Currently SPF has exceeded that goal, by increasing external funding for scholarly work by 56.3% since baseline FY 2015/16.

Kacie noted the proposal pipeline is \$58.9 million strong, citing over the course of the next year there are: 149 "Pre-Routing Proposals" in the que totaling \$33.1 million in potential submissions, 13 "Routings approved but not yet submitted" in the amount of \$1.4 million, and 84 "Proposals submitted still waiting on notification" totaling \$24.4 million requested.

### **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. Kacie explained that the current \$4 million reserve is sufficient for daily operations. In addition, HSU 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.

At this time, HSU SPF is not recommending amending the reserve levels. Discussion ensued on the campus impacts to increasing the current reserve amount. 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 procedure and presented the proposed distribution of the \$1,067,876 Indirect Cost Revenue in following with the Board approved policy. The committee could recommend banking all or part of the revenue to put it towards building the reserve higher or distributing it back to the campus community. If the committee recommends in favor of distributing per the current policy, the detailed distribution list will be presented and voted for approval by the full Board on September 24, 2019. Discussion ensued on the current policy and its use as an incentive for faculty research. Further discussion on this topic may be included in subsequent meetings over the next academic year.

**Action Item:** Alex Enyedi m/s Jason Ramos "Motion to recommend following the Indirect Revenue Distribution Policy as presented to the Board of Directors for approval." Motion carried unanimously.

**V. Other**

Kacie Flynn welcomed Jeffrey Kane, faculty in Forestry & Wildland Resources, to the Finance Committee. Jeffrey will be formally seated at the September 24<sup>th</sup> Annual Board Meeting and is slated to serve on this committee for the 2019/2020 fiscal year.

**VI. Adjournment**

The meeting adjourned at 11:00 a.m.

Respectfully Submitted,



Harold Zald