

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION
FINANCE COMMITTEE MEETING

MINUTES

September 15, 2017
1:00-2:00 p.m.
SBS 345

MEMBERS PRESENT: Amy Sprowles
Lisa A. Rossbacher
Alex Enyedi
Jason Ramos
C.D. Hoyle

MEMBERS ABSENT: Rick Brown

OTHERS PRESENT: Kacie Flynn, SPF
Steve Karp, SPF
Denise Bettendorf, Accounting
Chrissie Anderson, Accounting
Sylvia Shively, Accounting
Doug Dawes, Administrative Affairs

I. Call to Order

Amy Sprowles called the meeting to order at 1:04 p.m.

II. Review 4th Quarter Financial Statements

(Attachment A)

Denise Bettendorf and Chrissie Anderson of Financial Services presented the 4th Quarter Financial Report ending June 30, 2017. For the year end, the effective IDC rate was 10.4% which is a .4-point increase from the prior year. At the end of the 4th Quarter the cash reserve (SPF's checking account) exceeded the current reserve goal of \$4 million by \$1,028,328.

Invoiced and unbilled Accounts Receivables (AR) of the Research Foundation totaled \$6.9 million, which was a \$180 thousand decrease from the prior year. At the end of the 4th Quarter, there were 440 active projects with a total award portfolio of \$71.6 million. Comparatively, at this point in FY 15/16 there were 407 active projects with a total award portfolio of \$68.8 million.

Steve Karp presented Pre-Award metrics with year to date comparative data on routed proposals and new awards. Through the end of FY 16/17, the foundation submitted 271 proposals requesting \$57.8 million in funding. Of those 271 proposals, 152 were \$25K or greater. In that same time, SPF received 197 new awards totaling \$30.2 million. Of those

197 new awards, 99 were \$25K or greater (Strategic Plan Objective 4.3 – Increase Grants over \$25,000 by 30%).

Steve noted the proposal pipeline is \$61 million strong, citing over the course of the next fiscal year there are: 100 "Pre-Routing Proposals" in the que totaling \$37.5 million in potential submissions, 12 "Routings approved but not yet submitted" in the amount of \$1.7 million, and 83 "Proposals submitted still waiting on notification" totaling \$22.2 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. Steve explained that though the current \$4 million is sufficient for daily operations, a number of large awards and subcontracts has pushed us near that limit. Last year HSU SPF secured 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)

Steve Karp reviewed the current policy and presented the proposed distribution of the \$1,028,328 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 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 presented and voted for approval by the full Board on September 26, 2017. Discussion ensued.

Action Item: C.D. Hoyle m/s Alex Enyedi "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 1:33 p.m.

Respectfully Submitted,



Amy Spowles