

HUMBOLDT STATE UNIVERSITY SPONSORED PROGRAMS FOUNDATION
FINANCE COMMITTEE MEETING

MINUTES

February 28, 2017
1:00-2:30 p.m.
SBS 405

MEMBERS PRESENT: Amy Sprowles
Rick Brown
C.D. Hoyle
Jason Ramos
Lisa Rossbacher

MEMBERS ABSENT: Alex Enyedi

OTHERS PRESENT: Kacie Flynn, SPF
Steve Karp, SPF
Joyce Lopes, Administrative Affairs
Denise Bettendorf, Accounting
Chrissie Anderson, Accounting

I. Call to Order

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

II. Review 2nd Quarter Financial Statements

(Attachment A)

Denise Bettendorf and Chrissie Anderson of Financial Services presented the 2nd Quarter Financial Report ending December 31, 2016. For the first six months, the effective IDC rate was 9.2%, which is a 1.1-point decrease from this time last year. This is mainly attributed to awards with large subcontracts, which are limited in the amount of indirect that can be applied.

Invoiced and unbilled Accounts Receivables (AR) totaled \$4.4 million, which was a \$475K decrease from the prior year. At the end of the 2nd Quarter, there were 352 active projects with a total award portfolio of \$65.5 million. Comparatively, at this point in FY 11/12 there were 272 active projects with a total award portfolio of \$43.5 million.

Steve Karp presented Pre-Award metrics with year to date comparative data on routed proposals and new awards. In the first two quarters, the foundation submitted 123 proposals requesting \$37.1 million in funding. Of those 123 proposals, 76 were \$25K or greater. In that same time, SPF received 82 new awards totaling \$15.3 million. Of those

82 new awards, 49 were \$25K or greater (Strategic Plan Objective 4.3 – Increase Grants over \$25,000 by 30%). The Effective IDC on new awards is healthy at 13.6%.

Steve noted over the course of the next year there are: 94 "Pre-Routing Proposals" in the que totaling \$19.9 million in potential submissions, 20 "Routings approved but not yet submitted" in the amount of \$2.6 million, and 105 "Proposals submitted still waiting on notification" totaling \$39 million requested.

III. Discuss Transfer of SPF Property to HSU Real Estate Holdings (HSUREH) (Attachment B)

At the last Finance Committee Meeting, the board was asked to consider transferring property held by the HSU Sponsored Programs Foundation to the newly created HSU Real Estate Holdings (HSUREH), a supporting organization of the Humboldt State University Advancement Foundation (HSUAF). The four parcels requested to be transferred are outlined in the attached spreadsheet. Each of the properties are in the neighborhood of the HSU campus and will be used for campus expansion at some time in the future. The university will also transfer any remaining funds in the property trust held by Sponsored Programs to HSUREH.

At the committee's request, Joyce Lopes provided more information regarding the four properties annual revenues, expenses and net profit or loss. This detail is included on the attached spreadsheet. The four properties collectively bring in approximately \$50,000 a year and have an average of \$35,500 in expenses each year for a net of \$14,500. A map is also attached with yellow stars indicating the location of the four pieces of property.

There was also discussion last meeting regarding the Shelter Cove parcel. A potential buyer has been identified, so that property will remain with SPF for the time being. Discussion ensued.

Action Item: C.D. Hoyle m/s Rick Brown. "Motion to recommend the transfer of property held by HSU SPF to the new HSU Real Estate Holdings." 4 ayes, 1 abstention. Motion passed.

This item will be included on the March 7, 2017 agenda for the full board's review and approval on as recommended by the Finance Committee.

IV. Update on 403(b) Retirement Plan Vendors

*NFP: Wednesday, April 12th from 12:00-1:00pm in the CCR
Premiere: Thursday, April 13th from 12:00-1:00pm in the CCR*

SPF has been exploring using an outside vendor to manage our 403(b) retirement plan. This came as an outcome from our annual 403(b) audit, as well as new regulations from the Department of Labor.

At the December Finance meeting, the committee agreed to invite two previously researched vendors, NFP and Premier, to give formal presentations on campus to board members at a special meeting. Both vendors have now been scheduled to present on campus at the above listed times. All board members are invited to attend, and we will discuss the outcomes of those presentations at our next Finance Committee Meeting in late April.

SPF Management also worked with Administrative Affairs to prepare a 'Review for Qualifications' to explore any additional 3rd party vendors the board may want to consider, which will be going out shortly.

V. Other

VI. Adjournment

The meeting adjourned at 1:38 p.m.

Respectfully Submitted,



Amy Sprowles