

CAL POLY HUMBOLDT SPONSORED PROGRAMS FOUNDATION
FINANCE COMMITTEE MEETING

MINUTES

March 4, 2025

9:00-10:00 a.m.

ZOOM Meeting ID: 845 3813 9016

MEMBERS PRESENT: James Woglom
Jenn Capps
Kevin Fingerman
Taylor Bloedon
Jason Ramos

MEMBERS ABSENT: Michael Spagna

OTHERS PRESENT: Kacie Flynn, SPF
Sam Caudill, SPF
Kelly Dickey, Accounting
Monica Myers, Accounting
Samantha Puentes, Accounting

I. Call to Order

James Woglom called the meeting to order at 9:03 a.m.

II. Review 2nd Quarter Financial Statements

(Attachment A)

Monica Myers of Accounting presented the 2nd Quarter Financial Report ending December 31, 2024. For the first half of the year, the effective IDC rate was 13.1% which is a 1.5-point increase from the prior year. Indirect cost revenue increased by \$689K. Invoiced and unbilled Accounts Receivables (AR) of the foundation totaled \$16.1 million, which is a 798K decrease from the prior year. Since the issuance of this report, 98% of the available balance to be billed has been invoiced.

The second quarter revenue is higher than projected in all categories for FY 24/25 at 70%, particularly investment income. General Operations Expenses for the second quarter came to 45% of the annual budget.

At the end of the 2nd Quarter, there were 617 active projects with a total award portfolio of \$190 million. Comparatively, at this point in FY 23/24 there were 607 active projects with a total award portfolio of \$169 million, which is an increase of \$21 million.

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Kacie Flynn presented Pre-Award metrics with year to date comparative data on routed proposals and new awards. Through the end of the second quarter, the foundation submitted 151 new proposals, requesting \$87 million in funding. In that same time, SPF received 109 new awards totaling \$39 million, and the proposal pipeline is \$126.8 million strong. The foundation has routed 3,760 proposals, requesting \$1 billion over the course of the last 14 fiscal years; of those proposals 2,568 proposals were awarded for a total of \$468 million.

Kacie provided an update on federal funding considerations, highlighting that the foundation's strong cash position from the first two quarters will help mitigate the impact of ongoing federal funding changes in the coming months. While forecasting for Q3 and Q4 remains uncertain, and award notices may be delayed, SPF Accounts Receivable is actively monitoring cash flow to ensure stability. Additionally, the availability of the line of credit and prepaid awards further reduces the risk of operational disruptions.

Every three years, the foundation is required to reapply with its cognizant agency, the Department of Health and Human Services (DHHS), to update its federally negotiated indirect cost rate. The current application is indefinitely on hold due to staffing reductions at DHHS resulting from recent executive orders. Until DHHS completes its review, the foundation's previously negotiated rate of 47.5% remains in effect.

III. Old Business: Indirect Cost Distribution Policy

(Attachment B)

At the December meeting, Kevin Fingerma requested that the committee be prepared to review a written proposal for modifying the foundation's indirect cost distribution policy. At this meeting, he presented his proposal outlined in Attachment B along with a detailed explanation and mock scenarios. Kevin expressed concern that the existing policy disincentivizes Principal Investigators from pursuing grants that include large equipment purchases or subawards. Discussion ensued. The committee agreed to allocate additional time at the next meeting for further discussion of these options.

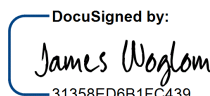
IV. Other

The Committee Chair introduced and welcomed Samantha Puentes, the new SPF Lead Accountant, who will be joining the SPF team with Monica and Kelly.

V. Adjournment

The meeting adjourned at 10:08 a.m.

Respectfully Submitted

DocuSigned by:

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James Woglom