

Research Foundation**Board of Directors Meeting****May 4, 2018****9:00 a.m.****MINUTES**

A meeting of the Board of Directors of San Diego State University Research Foundation was held at San Diego State University in the James W. Cobble Boardroom of the Gateway Center, San Diego, California, on Friday, May 4, 2018 pursuant to the notice duly posted for public information.

The following Officers were present:

Sally Roush, President

Stephen Welter, Vice President

Tom McCarron, Treasurer

Karen Emmorey, Secretary

Michèle Goetz, Associate Secretary-Treasurer

The following Directors were present:

Guadalupe X. Ayala

Kim Barrett

Bill Brack

Paula Brock

Vickie Capps

Chimezie Ebiriekwe

Chukuka Enwemeka

Craig Hauser

Samuel Kassegne

Jennifer Thomas

Ming-Hsiang Tsou

Robert Zeller

The following Director was absent:

Randolph Philipp

The following University and Research Foundation administrators and staff members were present:

Debbie Brighton

Tim Hushen

Leslie Levinson

Lizette Najera

Deb Naylor

Agnes Wong Nickerson

Rachel Raynoha

The following guests were present:

Laura Shinn, Director of Planning, San Diego State University

Kellie Woodhouse, Communications Director, Graduate & Research Affairs

I. Call to Order

President Roush called the meeting to order at 9:00 a.m. and welcomed the following guests:

- Laura Shinn who will present on the SDSU Mission Valley site plan
- Kellie Woodhouse, communications director in Graduate and Research Affairs.

President Roush thanked Paula Brock for her service and read a resolution of commendation. **(Attachment 1)**

Ms. Brock expressed thanks and reported that it has been an honor and privilege to work with everyone. She hopes to do so again in the future.

II. Election of Board Members and Officer and Committee Appointments

- a) Election of Board Members: At the recommendation of the Senate, President Roush nominated Ming-Hsiang Tsou to serve as a member for a second four-year term; President Roush also nominated Joan Copenrath to serve as a member for a first three-year term. Joan joined the audit committee this past year as a non-director member; David Page to serve on the Audit Committee as the non-director member replacing Ms. Copenrath; Dr. Guadalupe X. Ayala to serve as a member for a second three-year term; and Dr. Craig Hauser to serve as a member for a third three-year term.

Motion: A motion was made, seconded, and unanimously carried to approve the board and committee member appointments.

- b) Election of Secretary-Treasurer: President Roush nominated Karen Emmorey to serve as Secretary for an additional one-year term.

Motion: A motion was made, seconded, and unanimously carried to approve the secretary appointment.

- c) Appointment of Finance and Investment Committee: President Roush expressed appreciation for the expertise and effort provided by current members: Tom McCarron, Bill Brack, Vickie Capps, Sam Kassegne and Randy Philipp – and proposed that Tom will continue as chair, and Bill, Vickie, Sam and Randy will continue to serve as committee members.

Motion: A motion was made, seconded, and unanimously carried to approve the Finance and Investment Committee appointments.

- d) Appointment of Audit Committee: President Roush expressed appreciation for the expertise and effort provided by current members: Paula Brock, Vickie Capps, Joan

Coppenrath and Ming Tsou and proposed that Vickie, Joan and Ming continue to serve as members. With Paula's departure in September, President Roush nominated Joan Coppenrath as Audit Committee Chair and David Page as a member of the Audit Committee.

Motion: A motion was made, seconded, and unanimously carried to approve the Audit Committee appointments.

III. Consent Agenda

President Roush requested a motion to accept the Consent Agenda.

Motion: A motion was made, seconded, and unanimously carried to accept the Consent Agenda for the SDSU Research Foundation Board of Directors meeting on March 2, 2018 thereby approving:

- a) SDSU Research Foundation Board Meeting Minutes of March 2, 2018

IV. Executive Director Report

Ms. Goetz announced that this would be President Roush's last meeting. Ms. Goetz read a resolution recognizing President Roush's contributions to the research foundation this past year. **(Attachment 2)**

Ms. Goetz continued her report by describing the factors that shape research foundation priorities:

- 1) What does the university need the research foundation to do?
- 2) What can we do with the financial and staff resources available?
- 3) How can we adapt to provide our services as effectively and efficiently as possible?

Ms. Goetz summarized some of the major university leadership changes that will impact the research foundation's priorities:

- **New President – Adela de la Torre starts June 28th** and will have a new vision and strategies for supporting the continued growth of research at SDSU.
- **Six of the university dean positions** are turning over, including those of the most research-active colleges.
- **Final year of five-year hiring plan to hire 300 new faculty.** 92 recruitments underway this year including 18 slots from last year that were not filled. This new group of faculty will be the drivers of future research.

Ms. Goetz then pointed the board to the new mission, vision and values statements included in the board packet.

She provided perspective as to why management took a conservative approach in the development of the revenue projections:

- F&A on sponsored programs comprises 65% of total revenues
- Two-thirds of awards and 74% of expenditures for FY 16/17 were federal or federal pass-through
- Priorities of the federal government have an immediate and significant impact on the financial health of our organization
- The current political landscape remains highly unpredictable and is likely to continue this way for the foreseeable future.

She also described some positive developments since the last board meeting including:

- Increased funding in the FY 18 budget for NIH (\$3 billion or almost 9%) and NSF (\$295 million or close to 4%), two of our major sponsors
- Congress blocked any restrictions on reimbursements of F&A by NIH.
- Although award numbers were lagging significantly behind awards received the same time last year, there has been an increase in awards and that gap is starting to close.

Looking to next year:

- Although the FY 2018 Bipartisan Budget Act set the budget amount for both 2018 and 2019, there are efforts in Congress to try and rescind or pull back on some of the spending increases proposed for FY 2019.
- The FY 2019 appropriations bill to fund the government from October 1, 2018 – September 30, 2019 is due by September 30th but unlikely to be enacted in a timely manner.
- The government may continue to operate on continuing resolutions until after the November elections.

Ms. Goetz summarized strategies that management is taking to reduce costs, streamline processes, or enhance service. She described the following actions taken since the last board meeting:

- Consolidation of shipping and receiving functions under a shared services initiative with the university resulting in savings of \$147,000 for the coming year
- Migrated Banner accounting system to the cloud, reducing the need for servers and hardware upgrades
- Upgraded PI Profile, the web-based interface, to provide a more user-friendly reporting and data access tool for SDSU researchers, deans and others.

Ms. Goetz ended her report with the results of the research foundation's "purge day" which was dedicated to document review and disposal in accordance with the record retention policy. Full discussion ensued.

President Roush thanked Michèle for her leadership and acknowledged the impact she has had on the organization.

V. Finance and Investment Committee Report

Finance and Investment Committee Chair McCarron updated the board on the following:

- The Santa Margarita Ecological Reserve Property: donation transaction is complete.
- The research foundation team has selected and is in the process of converting its endowment reporting to a new software system called FUNDRIIVER. Currently, the research foundation has an in-house developed system that has been in place for many years; the new system will provide enhanced functionality and services to The Campanile Foundation and the management of its endowment.
- The Capstone development, now called the Montage, will be completed in early August 2018. This project is located on land the research foundation is ground leasing to Capstone. When the property was offered for rent for the academic year starting in August 2018, it was 100% preleased within a week.
- The bulk of this report involved reviewing the proposed budget for FY 2018-19.

Mr. McCarron asked CFO Leslie Levinson to provide an overview of the proposed budget.

Budget presentation

Ms. Levinson reported that the budget is a balanced budget with source of funds and use of funds being equal at \$30,557,000. Ms. Levinson reviewed the General Fund Budget packet in detail.

Highlights included:

- No use of reserves is anticipated to balance the FY 2018-19 budget
- Reduction of the waiver of research compliance reimbursements from \$1,000,000 to \$750,000
- F&A earnings on grants and contracts is projected to be down by \$50,000
- Increase in investment income due to short-term interest rates increasing over the last year, a modification in investment strategy, and reductions in fees
- New commercial tenants and adjustments to lease rates resulting in higher facilities rents
- Consolidation of shipping and receiving functions with SDSU will generate savings of \$147,000 in FY 2018-19, streamline operations for both units and enhance services

- Medical/dental benefit increases will be zero for the first six months and capped at a maximum of 8% for the second half of the year under a newly negotiated agreement
- Salary budget includes 3% for compensation increases comparable to the university
- Research Support Funds (RSF) have been budgeted at 100 percent of the RSF formula.

President Roush thanked Leslie for her presentation and noted the great improvement in the research foundation's financial position over the years.

President Roush called for a motion to approve the FY2018-19 budget:

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SDSU RESEARCH FOUNDATION
APPROVAL OF SDSU RESEARCH FOUNDATION'S
FY 2018-19 GENERAL FUND BUDGET**

RESOLVED, That the General Fund Budget, as submitted to the board of directors at its meeting on May 4, 2018, at a level of \$30,557,000, be adopted as SDSU Research Foundation's budget for FY 2018-19, and forwarded to the president for her approval.

Motion: A motion was made, seconded, and unanimously carried to approve SDSU Research Foundation's FY 2018-19 General Fund Budget.

President Roush recognized Chimezie Ebiriekwe for his service and read a resolution of commendation. (**Attachment 3**)

VI. Vice President for Research Report

Vice President Welter thanked President Roush for serving as president this year. Dr. Welter then introduced Kellie Woodhouse, the new communications director for Graduate and Research Affairs.

Dr. Welter provided updates on the following:

- A newsletter has been created to showcase young faculty, undergraduate and other research
- Division webpages have been updated and Ms. Woodhouse has created Twitter and Facebook accounts
- Research Advancement position is closed; Mr. Hushen is reviewing applications.
- New initiatives; partnerships with deans
- GREW program update
- NIH/NSF success rates
- The number of active researchers continues to climb

- Investments in research are up from last year primarily due to the University Graduate Fellowship program's funding.

A discussion ensued regarding assigned time within the colleges. President Roush and Vice President Welter stated that incoming President de la Torre is fiercely interested in research. President de la Torre is a well-published researcher and may elicit conversations we have not had before.

VII. SDSU Mission Valley Presentation – Ms. Laura Shinn

Ms. Laura Shinn, Director of Planning presented on the SDSU Mission Valley site plan. More information on the SDSU Mission Valley plan can be found [here](#).

VIII. New Business

President Roush called for any items of new business. Hearing none, she adjourned the meeting at 10:45 a.m.

Respectfully submitted,



Michèle G. Goetz
Associate Secretary-Treasurer

ATTACHMENT 1

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SDSU RESEARCH FOUNDATION
COMMENDING
PAULA BROCK
FOR HER SERVICE TO
SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION**

WHEREAS, Paula Brock joined the SDSU Research Foundation Board in September of 2009 and served with thoughtfulness and engagement through September of 2018; and

WHEREAS, Paula Brock brought extensive expertise and enthusiasm to her role; and

WHEREAS, Paula Brock served as chair of the Audit Committee and provided leadership through several complex and critical audits with ease and grace; and

WHEREAS, SDSU Research Foundation and its staff have greatly benefitted from Ms. Brock's financial knowledge and commitment to our organization and to SDSU researchers; therefore

BE IT RESOLVED: That the Board of Directors of San Diego State University Research Foundation offers its deepest appreciation to and commends Ms. Paula Brock for her numerous and valuable contributions to San Diego State Research Foundation and San Diego State University.

President Roush called for a motion to approve the resolution of commendation for Paula Brock.

Motion: A motion was made, seconded, and unanimously carried to approve the resolution commending Paula Brock.

ATTACHMENT 2

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SDSU RESEARCH FOUNDATION
COMMENDING
SALLY ROUSH
FOR HER SERVICE TO
SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION**

WHEREAS, Sally Roush retired in 2013 from a distinguished career as a valued and respected leader at San Diego State University for over 31 years; and

WHEREAS, Sally Roush was appointed by Chancellor White in 2017 to serve as president of San Diego State University through June 2018; and

WHEREAS, SDSU Research Foundation and its staff have greatly benefitted from Ms. Roush's knowledge, leadership and deep commitment to our organization and to SDSU researchers; therefore

BE IT RESOLVED: That the Board of Directors of San Diego State University Research Foundation offers its deepest appreciation to and commends Ms. Sally F. Roush for her extraordinary contributions to San Diego State Research Foundation and to San Diego State University.

Motion: A motion was made, seconded, and unanimously carried to approve the resolution commending President Sally Roush.

Ms. Goetz announced that in appreciation for all Sally has done, SDSU Research Foundation will be making a \$10,000 contribution to the research endowment in her honor.

Mr. McCarron acknowledged and thanked Chancellor White for appointing Sally as the president for SDSU.

Motion: A motion was made, seconded, and unanimously carried to approve the \$10,000 contribution to the research endowment in honor of President Sally Roush.

ATTACHMENT 3

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SDSU RESEARCH FOUNDATION
COMMENDING
CHIMEZIE EBIRIEKWE
FOR HIS SERVICE TO
SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION**

WHEREAS, Chimezie Ebiriekwe, Associated Students President, has served on the SDSU Research Foundation board for the 2017-18 academic year; and

WHEREAS, SDSU Research Foundation has been fortunate to have a dedicated, well-informed and enthusiastic student leader serve on its board; therefore

BE IT RESOLVED: That the Board of Directors honors and commends Chimezie Ebiriekwe for his contributions and dedicated service to San Diego State University Research Foundation.

Through this resolution, the Board endeavors to record its sincere appreciation and respect for Mr. Ebiriekwe and his contributions to SDSU Research Foundation and San Diego State University.

President Roush called for a motion to approve the resolution of commendation for Chimezie Ebiriekwe.

Motion: A motion was made, seconded, and unanimously carried to approve the resolution commending Chimezie Ebiriekwe.