

**SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION
BOARD OF DIRECTORS
DECEMBER 4, 2015
MINUTES**

The meeting was called to order by President Elliot Hirshman at 9:03 a.m. in the James W. Cobble Boardroom of the Gateway Center.

Present: Dr. Elliot Hirshman, presiding; Dr. Guadalupe Ayala; Mr. Bill Brack; Ms. Paula Brock; Ms. Vickie Capps; Dr. Karen Emmorey; Dr. Samuel Kassegne; Dr. Mary Ann Lyman-Hager; Mr. Tom McCarron; Dr. Randolph Philipp; Dr. Ming-Hsiang Tsou; Ms. Blaire Ward; Dr. Stephen Welter; Dr. Robert Zeller; and Ms. Michèle Goetz.

Absent: Dr. Kim Barrett, Dr. Chukuka Enwemeka, and Dr. Craig Hauser.

Guests and staff attending: Dr. Kelly Doran and Ms. Agnes Wong-Nickerson from SDSU; and Mr. Bob Blizinski, Ms. Debbie Brighton, Ms. Norma Clark, Mr. Eric Elson, Mr. Tim Hushen, Ms. Rachel Raynoha, and Ms. Renée Daniels from SDSU Research Foundation.

President Hirshman welcomed Dr. Guadalupe Ayala to her first meeting and noted that in addition to being the associate dean in the college of health and human services and professor of public health, she is also a successful PI. He then recognized Dr. Kelly Doran, professor of biology who would give a presentation on her research and welcomed Mr. Eric Elson, SDSU Research Foundation's (SDSURF) associate director of facilities planning and management, in attendance as a guest.

President Hirshman referenced Mr. McCarron's November 10, 2015 email informing the board that Executive Director Bob Wolfson was taking a medical leave and also of Mr. Wolfson's intent to retire effective June 30, 2016. In the interim, Mr. McCarron has asked Ms. Michèle Goetz, associate executive director for sponsored research services, to serve as Acting Executive Director. President Hirshman thanked Ms. Goetz for providing leadership and continuity of operations during this transitional time period.

CONSENT AGENDA

The consent agenda contained one item: approval of the minutes from the meeting held on September 25, 2015.

President Hirshman asked if there were any questions or discussion needed. No discussion was requested. The consent agenda was approved unanimously.

RESOLUTION: AUTHORIZED SIGNATORIES FOR BANKING AND INVESTMENT TRANSACTIONS

President Hirshman referenced Tab B of the agenda materials and pointed out that there were two copies of the resolution: the first version was unmarked; the second was red-lined to highlight the changes made since the resolution was last updated at the September 25, 2015 meeting. Mr. McCarron introduced the item and explained that the previous resolution listed the banking Business Contracting Officers by name. The updated resolution now lists the banking Business Contracting Officers by position: Vice President for Business and Financial Affairs, Executive Director and Chief Financial Officer. Ms. Goetz added that the update would facilitate banking transactions as well as negotiations for a new line of credit agreement when the current agreement expires in January 2016. Additionally, the change will allow the new chief financial officer (CFO) to engage in the process if the position is filled prior to the March board meeting.

Dr. Ayala proposed that the board adopt the following resolution:

**RESOLUTION OF THE BOARD OF DIRECTORS:
AUTHORIZED SIGNATORIES FOR BANKING
AND INVESTMENT TRANSACTIONS**

RESOLVED: FIRST, that the Board of Directors of San Diego State University Foundation (DBA SDSU Research Foundation) designates the SDSU Vice President for Business and Financial Affairs, the SDSU Research Foundation Executive Director, and the Chief Financial Officer, or individuals designated to act in these capacities, as the banking Business Contracting Officers on behalf of SDSU Foundation effective December 4, 2015, and

SECOND, that the following officers and staff are designated as the only authorized signatories to establish accounts and execute banking and investment transactions on behalf of SDSU Foundation effective December 4, 2015:

Officers

President

Elliot Hirshman

Vice President

Stephen C. Welter

Treasurer

Thomas J. McCarron

Associate Secretary-Treasurer (Acting Executive Director)

Michèle G. Goetz

Staff

Associate Executive Director, Facilities Planning and Management

Norma E. Clark

Associate Executive Director, Research Advancement

W. Timothy Hushen

Director of Sponsored Research Administration

Renée L. Lechner

Associate Director of Finance and Accounting

Victoria W. Kern

THIRD, that for banking and investment transactions, two signatures will be required on all transactions over \$25,000 and one signature on transactions under \$25,000;

FOURTH, that the designated signatories are authorized to purchase, sell, assign, endorse for transfer, and do all other things necessary in the name of the corporation to secure the transfer of certificates representing stocks, certificates of deposit, mutual fund shares, bonds, common trust funds, or other securities now registered or hereafter registered in the name of this corporation;

FIFTH, that the designated signatories are authorized to open accounts in the name of the corporation and give instructions and effect transactions with banks, investment brokerage firms, and other financial institutions; and

FINALLY, that the Secretary or Associate Secretary-Treasurer of SDSU Research Foundation is authorized and directed to certify the content and purport of this resolution to financial institutions and others upon such statements or forms as said organizations may provide or require for that purpose.

The motion was seconded by Ms. Capps and adopted unanimously.

INFORMATION ITEMS

REPORT OF THE VICE PRESIDENT FOR RESEARCH: Dr. Welter reported on:

- The recently published 2014-15 SDSU Research Highlights brochure recognizing the innovative research conducted by SDSU faculty—including board members Ming-Hsiang Tsou and Bob Zeller. Ms. Brighton was acknowledged for her efforts in producing the publication.
- A handout of a recent article about board member Sam Kassegne's Center for Sensorimotor Neural Engineering.
- SDSU's aggressive hiring plan for research-centric faculty that continues to produce results: faculty proposal submissions increased from 395 the prior year to 480 proposals; awards were up from \$67 million to \$94 million.
- Strategic new faculty hires continue to advance SDSU's research program.

- Faculty success rates are being tracked by cohorts and colleges. Efforts will be focused on less successful areas to improve their rates of success.
- The continued success of the GREW (Grants and Research Enterprise Writing) program and the spin-off of this program being developed by John Crockett.

Dr. Hirshman initiated a brief discussion on ways to advance research and how SDSU could achieve its goal to reach \$250 million in research funding. He noted that there had been a significant increase in research funding since 2011. The productive discussion included input and suggestions from a number of board members on how to achieve the \$250 million goal—given the challenging budget times and keen competition for research funding.

REPORT OF THE FINANCE AND INVESTMENT COMMITTEE CHAIR: Mr. McCarron provided an update on the committee's September 19th meeting. Items addressed included:

- An update on Executive Director Bob Wolfson and the search for his replacement.
- CFO Search. Additional information to follow in Ms. Goetz's report.
- EIS Complex Financing: Following SDSURF board approval of the Engineering and Interdisciplinary Sciences (EIS) Complex financing at the May 2015 meeting, the financing was approved by the CSU board of trustees—also in May 2015. Demolition took place over the summer and construction began in early fall 2015. The initial financing plan approved for the EIS project provided that SDSURF would own the asset and lease it back to the university on a long-term basis. Mr. McCarron noted that this financing arrangement would no longer be necessary because the CSU was providing a capital outlay instead. Mr. McCarron recognized that SDSURF played a critical role in expediting this important project—without its support, the project would not have moved forward for at least two to three years.
- Line of Credit (LOC) Renewal: the \$12 million LOC was established in 2007 to finance short-term operating needs and will expire in January 2016. SDSURF no longer has the benefit of the College of Extended Studies reserves of approximately \$30 million and it is anticipated that there will be a greater need to access the LOC for short term cash flow needs. The terms are currently under review but no problems are anticipated in renewing the LOC.
- Investment Policy Review: the current Investment Policies and Practices document was last updated in May 2007. Grant Thornton recommended that the policy be reviewed periodically by the committee. Following a thorough review of the policy once the new CFO is hired, recommendations will be provided to the committee for approval.
- Summary of Investments Report: Absent a CFO, several finance and accounting staff presented the report. In response to a request made by the committee, dates of SDSURF-owned property appraisals were added. With input from committee members, staff will review ways to enhance the investment report.

REPORT OF THE ACTING EXECUTIVE DIRECTOR: Ms. Goetz reported on:

- CFO Search Update: the recent search failed to identify a viable candidate. Robert Half has been engaged to conduct a targeted search for the position. Existing finance and accounting staff are working to keep operations flowing smoothly. Ms. Goetz is working closely with Vice President McCarron and the Business and Financial Affairs staff and continuing to consult with Mr. Wolfson as needed.
- El Niño Flood Mitigation: Ms. Clark provided an update on clearing the creek channel adjacent to SDSU Research Foundation-owned Alvarado properties and also reported on the installation of a hydraulic flood gate. Her presentation included slides of the impacted properties and a video demonstrating a hydraulic flood gate in action.
- Enhanced Service Initiatives: Ms. Goetz noted that a number of SDSURF's initiatives to enhance services had focused on investing in automating paper processes. She said the goal—as research activity begins to grow again—is to position SDSURF to support this growth through automation and process improvements. Her report provided an update on progress to date and an outline of future initiatives:
 - ◆ *Past areas of improvement:* Proposal submission process and human resources and payroll transactions.
 - ◆ *Current areas of focus:*
 - Collaborating with GRA on the implementation of software to support the Institutional Review Board (IRB) with tracking, approval and monitoring of human subjects protocols.
 - Automation of changes to employee assignments once they are hired.
 - Automation of procurement, receiving of goods, and subsequent payment processes.
 - Expansion of access to data and customized reporting functionality through web-based interface PI Profile.

Significant programming efforts are currently underway to support smart workflow systems, role assignments, automated triggers, and other mechanisms to streamline approval processes for transactions across all systems. As different systems are added for various functions, SDSURF is developing a mechanism for a single user ID and password that will be consistent across many software platforms.

These initiatives are critical to ensure SDSURF can provide quality, efficient and effective services to the campus community.

Ms. Goetz concluded her report with the distribution of a flyer announcing the next PI Lecture by Dr. Ignatius Nip on December 11, 2015.

PI PRESENTATION—DR. KELLY DORAN

President Hirshman welcomed Dr. Kelly Doran, SDSU professor of biology, whose research focuses on major human pathogens including *Streptococcus*, *Staphylococcus aureus* and *Bacillus anthracis*. Dr. Kelly's presentation began with highlights of the work conducted at her lab which studies bacterial pathogens associated with Central Nervous System disease, particularly the mechanisms by which bacteria penetrate the blood-brain barrier, in order to cause meningitis. Dr. Doran is seeking to identify bacterial genes and gene products responsible for cellular invasion, and to characterize the host innate immune response to

infection. She concluded by acknowledging the outstanding work of her lab and the support of her funding agencies. Following a brief question and answer period, Dr. Hirshman thanked Dr. Doran for her informative presentation.

NEW BUSINESS

President Hirshman called for any additional items of new business. Hearing none, he adjourned the meeting at 10:37 a.m.

Respectfully submitted,

Michèle G. Goetz
Acting Associate Secretary-Treasurer