CAL POLY HUMBOLDT SPONSORED PROGRAMS FOUNDATION
FINANCE COMMITTEE MEETING

MINUTES

September 16, 2025
10:00am-11:00am
ZOOM Meeting ID: 841 3877 8656

MEMBERS PRESENT:	James Woglom Kevin Fingerman Taylor Bloedon Jenn Capps
MEMBERS ABSENT:	Jason Ramos Michael Spagna
OTHERS PRESENT:	Kacie Flynn, SPF Sam Caudill, SPF Kelly Dickey, Accounting Monica Myers, Accounting Steve Karp, University Advancement

I. Call to Order

James Woglom called the meeting to order at 10:02 a.m.

II. Review 4th Quarter Financial Statements

(Attachment A)

Monica Myers of Accounting presented the 4th Quarter Financial Report ending June 30, 2025. At year end, the effective IDC rate was 11.8% which is a 1.7-point increase from the prior year. Indirect cost revenue increased by $1.3 million. Invoiced and unbilled Accounts Receivables (AR) of the foundation totaled $18.8 million, which is a $376K decrease from the prior year. Since the issuance of this report, 79% of the available balance to be billed has been invoiced.

The fiscal year ended above the projected amount in revenue categories at 147% of the total operating revenue. General Operations expenses for the fiscal year end came to 97% of the annual budget. This year there will be a record-breaking indirect cost distribution of $1.8 million.

At the end of the 4th Quarter, there were 664 active projects with a total award portfolio of $203 million. Comparatively, at this point in FY 23/24 there were 695 active projects with a total award portfolio of $189 million, which is an increase of $14 million.

Kacie Flynn presented Pre-Award metrics with year-to-date comparative data on routed proposals and new awards. Through the end of FY 24/25, SPF submitted 302 new proposals requesting a total of $128 million in funding, compared to $151.3 million in the previous year. In that same time, SPF received 199 new awards totaling $58.7 million. The proposal pipeline in $100M strong. Discussion ensued.

The committee requests that the Quarterly Financial Statement presentation slide deck be distributed post-committee meetings.

III. Review Current SPF Reserve Policy
(Attachment B)

The SPF Reserve Policy should be reviewed at least annually to ensure its consistency with the Foundation's objectives of growth, income and safety, and any changes in applicable laws and external financial trends.

Prior discussions with the Finance Committee determined once the $5 million threshold was met, SPF would have an ongoing need to set aside a determined % amount to match the portfolio growth. That 'set-aside' was increased in October 2024 to 30% to maintain a sufficient reserve. SPF Management has reviewed the policy and confirms that it continues to meet the organization's financial and cash flow needs. Accordingly, no changes are being recommended to the reserve policy for FY 25/26.

IV. Discuss Indirect Cost Revenue Distribution
(Attachments C & D)

During the May Finance Committee meeting, it was suggested that draft language be added to the current IDC Distribution Policy outlining an option by which Principal Investigators may request a second review of the distribution calculation. SPF Management prepared that draft which was provided as Attachment C. Discussion ensued.

Action Item: Jenn Capps m/s Kevin Fingerman "Motion to recommend changing the Indirect Revenue Distribution Policy based on the language suggested in Attachment C." Motion carried unanimously.

The Committee noted that previous exploration of alternative IDC distribution models showed no significant difference or benefit compared to the current approach. The draft language approved in Attachment C only formalizes the request from the April committee meeting. It does not address the ongoing discussions with accounting regarding methodology.

Kevin met with SPF Accounting last week to review the draft distribution workbook in greater detail and to discuss an alternative option that would allow the committee to selectively review non-qualifying projects prior to distribution. SPF Accounting confirmed that this option is feasible with existing staffing.

Members acknowledged the potential for delays in distribution if this option is implemented but also recognized the value of incorporating such a mechanism to future-proof the policy. Timeline impacts should be discussed with the full board, as the annual distribution could shift from the September meeting to the December meeting if further changes to the policy are adopted for FY 25/26. Discussion on this matter will continue at future committee meetings.

Action Item: Kevin Fingerman m/s Jenn Capps "Motion to recommend following the Indirect Revenue Distribution Policy as presented to the Board of Directors for approval in Attachment D." Motion carried unanimously.

V. Discuss JAG Fair Models

Kacie Flynn presented the Financial Accountability in Research (FAIR) model as an informational item only. FAIR is a proposed system for recovering research support costs that would replace the traditional F&A methodology with clearer, auditable cost categories. The model emphasizes transparency, accountability, and fairness by explicitly outlining allowable costs, accounting for institutional differences, and aligning more closely with private foundation practices. Implementation would require updates to federal policy, including revisions to Uniform Guidance (2 CFR Part 200).

Developed by the Joint Associations Group (JAG), the FAIR model provides an alternative framework that is both transparent and sufficient to cover essential research costs. It directly responds to congressional calls for a simpler, more transparent system to fund federally sponsored research and also offers an alternative to currently proposed 15% caps on indirect costs. Such caps, if enacted, would significantly undermine U.S. research capacity and global competitiveness.

VI. Other

VII. Adjournment

The meeting adjourned at 11:09 a.m.

Respectfully Submitted

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James Woglom
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