

Board of Directors Meeting
September 30, 2022
9:00 a.m.

MINUTES

A meeting of the Board of Directors of San Diego State University Research Foundation was held virtually on the Zoom platform from San Diego, California, on Friday, September 30, 2022, pursuant to the notice duly posted for public information.

The following Officers were present:

- Adela de la Torre, President
- Hala Madanat, Vice President
- Agnes Wong Nickerson, Treasurer
- Michèle Goetz, Associate Secretary-Treasurer

The following Directors were present:

Guadalupe X. Ayala	Randolph Philipp
Vickie Capps	Robert Zeller
Sweta Sarkar	Jennifer Thomas
Tom McCarron	Ming-Hsiang Tsou
David Page	Alex Waters

The following Directors were absent:

- Steve Gill
- Shawki Moore
- Salvador Ochoa
- Joan Copenrath

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

Iana Castro	Lizette Nájera
Marla Hummel	Deb Naylor
Cody Lee	Rachel Raynoha
Leslie Levinson	Robson Winter
Teresa Loren	

I. Call to Order

President de la Torre called the meeting to order at 9:02 a.m. and welcomed Associated Students Vice President of External Relations Robson Winter attending on behalf of A.S. President Shawki Moore, Marla Hummel from Grant Thornton, Teresa Loren from the research foundation's finance team, Cody Lee, communications officer for the research foundation, and Dr. Iana Castro, associate professor of marketing in the Fowler College of Business who was scheduled to present her research to the board.

II. Consent Agenda

President de la Torre 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 thereby approving:

- a) SDSU Research Foundation Board Meeting Minutes of May 6, 2022
- b) Resolution 22-08 Approving Industrial Security Clearance

III. Election of Board Secretary

President de la Torre nominated board member Randy Philipp to fill the secretary vacancy.

Motion: A motion was made, seconded, and unanimously carried to approve Randy Philipp as board secretary for a one-year term.

IV. Vice President for Research and Innovation Report

Vice President Madanat presented on the Mission Valley Innovation District and its vision, progress to date, and economic impact on the region, as well as announcing the new partners of the Mission Valley Hub. Dr. Madanat described the Entrepreneurship Ecosystem and reported on staffing updates within the Division of Research and Innovation.

Discussion Ensued.

V. CEO Report

Ms. Goetz began her report with congratulations to VPRI Hala Madanat on her permanent appointment, a welcome to new board members and an introduction of the new communication officer. She congratulated faculty board members on their success during FY22 and then reviewed the proposal and awards numbers for the first quarter. Ms. Goetz highlighted several new programs received this year including a new DARPA award, a project to improve early childhood education in the country of Georgia, and new funding to support programs in SDSU- Imperial Valley. Ms. Goetz also updated the board on the status of the new faculty hired on the SDSU Fuerte project, noting that nine faculty members have been hired including three new faculty in environmental health for SDSU Imperial Valley.

Ms. Goetz then updated the board on progress made in recruitment and retention of employees. She reported that since July 2021, 49 vacancies had been filled or close to 30% of central staff positions. She noted the ability to attract experienced talent to these positions and reduce current turnover levels was a direct result of the adjustments made during FY 22 in staff compensation adjustments and hybrid work structure, thanking the board for their support of these critical investments.

Ms. Goetz went on to provide a detailed report on the challenges associated with the current lack of space to house funded research programs. She noted that there were 143 proposals in the pipeline that if funded would need space and there is less than 2% vacancy in research foundation buildings and a corresponding lack of available university space.

Ms. Goetz stated that the campus has hired a consultant to inventory university space and research foundation space and make recommendations on how the university and research foundation space can be utilized more efficiently. She noted the preliminary report was due in the next few weeks but if insufficient space could be freed up, then SDSURF would need to begin leasing space for research programs. She went on to identify the challenges associated with this approach including the following:

- Availability of suitable commercial space close to campus may be limited.
- Property owners may not be willing to make the required space modifications needed so this option would not be suitable for all faculty programs.
- If space modifications are needed it could take up to a year to implement.
- Additional costs of tenant improvements would have to come out of SDSURF revenues reducing availability of funds back to the campus.
- Investments in space improvements are therefore going into someone else's property rather than investing in our own facilities.

- Since the space would be leased it would have to be classified as off-campus and require projects to budget rent line items as a direct cost.
- The F&A rate for off-campus space is 26% which means a loss of revenue to the foundation and a loss of research support funds to the PIs, colleges and VPRI.
- It is also likely that rents would be expensive unless large centers with reliable ongoing funding could be relocated off campus to support a long-term lease.
- Having to lease space could delay the start of research programs if space is not readily available.

She concluded by noting that she and her team were working closely with VP Wong-Nickerson and VP Madanat to identify other viable solutions to meet the immediate needs for space but noted that she was raising this issue with the board because of the importance of space in fostering the continued growth of research activity. A full discussion ensued.

VI. Finance and Investment Committee Report

Chair Wong Nickerson updated the board on the Finance & Investment Committee meeting held on August 11, 2022.

The Committee met to review and approve the KPBS SAG-AFTRA union agreement. Chair Wong Nickerson reported on the outcome of negotiations and updated the committee on F&A rate development, staff recruitment and retention, and an investment update. The Finance & Investment Committee also reviewed the budget in depth and Ms. Levinson gave a brief review of the midyear FY21-22 General Fund Budget compared to actual results. The budget schedule found on page 24 of the board packet was reviewed. She noted that the projected need to use reserves of \$232,000 at mid-year was reduced to \$0 and the budget was balanced with the actual results. Discussion ensued.

VII. Audit Committee Report

Mr. David Page reported on the meeting held on September 22, 2022 and stated the research foundation had nineteen sponsor audits during Fiscal Year 2021-22, four of which are still in process with no financial findings on the completed audits. The meeting was spent thoroughly reviewing the results of the financial and compliance audits with the auditors, Grant Thornton LLP. As for the financial and compliance audits, 147 grants were selected and reviewed, and no audit findings were found. Ms. Levinson highlighted the major changes from the previous year in the Management’s Discussion and Analysis (MDA) found on page 80 of the board packet as well as other major changes in the financial statements compared to the prior year.

The committee also reviewed the benefit plan audits performed by Holthouse, Carlin & Van Trigt (HCVT). These audits were also had unqualified (or clean) audit opinions.

Ms. Marla Hummel of Grant Thornton LLP presented the findings of the audit results. Ms. Hummel thanked the team for the tremendous effort during this process.

President de la Torre called for a motion to adopt Resolution 22-09:

**RESOLUTION OF THE BOARD OF DIRECTORS
OF SDSU RESEARCH FOUNDATION
APPROVAL OF SDSU RESEARCH FOUNDATION’S
AUDITED FINANCIAL STATEMENTS**

Motion: A motion was made, seconded, and unanimously carried to approve Resolution 22-09.

RESOLVED, That the Board of Directors of San Diego State University Research Foundation accepts and approves the Financial Statements and the Compliance report, audited by the firm of Grant Thornton LLP, for the Fiscal Year 2021-22.

VIII. Associated Students Report

AS vice president of external relations, Robson Winter attended on behalf of Shawki Moore. Robson gave a brief update regarding Associated Students including the upcoming Aztecs Rock Hunger campaign running October 14 through November 6, the Aztec Recreation Center grand opening and the 90th anniversary of A.S.

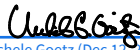
VII. PI Presentation

Dr. Iana Castro presented her research on “BrightSide Produce - Tackling Food Insecurity through Produce Distribution.”

VIII. New Business

President de la Torre called for any items of new business. Hearing none, she adjourned the meeting at 11:00 a.m.

Respectfully submitted,


Michele Goetz (Dec 12, 2022 15:39 PST)

Michèle G. Goetz
Associate Secretary-Treasurer