SDSU | Research Foundation

Board of Directors Meeting
October 3, 2025
9:00 a.m.

MINUTES

A meeting of the Board of Directors of San Diego State University Research Foundation was held in the SDSU Research Foundation Boardroom on Friday, October 3, 2025, pursuant to the notice duly posted for public information.

The following Officers were present:	Hala Madanat, Vice President Agnes Wong Nickerson, Treasurer Michèle Goetz, Associate Secretary-Treasurer	
The following Officers were absent:	Adela de la Torre, President	
The following Directors were present:	Vickie Capps Uduak Z. George Kareen Holstrom Tom McCarron Humberto Parada Mark Reed	Mahasweta Sarkar Jennifer Thomas William Tong Ming-Hsiang Tsou Alex Waters Rick Wentzel
The following Directors were absent:	Joan Coppenrath Steve Gill	
The following University administrators, guests, and Research Foundation staff members were present:	Marla Hummel Cody Lee Leslie Levinson Deb Naylon	Athena Quarles Rachel Raynoha Jessica Ross

I. Call to Order

Vice President Madanat called the meeting to order at 9:00 a.m. and welcomed staff and guests. She noted that the meeting would begin with public comments. No members of the media were present; therefore, she moved on to the consent agenda.

II. Consent Agenda

Vice President Madanat requested a motion to approve the consent agenda items.

Motion: A motion was made, seconded, and unanimously carried to accept the consent agenda thereby approving:

A. Minutes of June 13, 2025, Board of Directors Meeting
B. Resolution 25-06: Industrial Security Clearance
C. Resolution 25-07: Signature Authorization

III. CEO Report

Ms. Goetz began her report by updating the board on the impact of the current government shutdown and grant terminations, focusing on National Institutes of Health grants. She noted that court actions led to the reinstatement of some terminated grants, but a Supreme Court ruling overturned these reinstatements, giving agencies more flexibility to terminate grants. She moved on to discuss the potential impact of a new 15% F&A rate model expected to be proposed by the Office of Management and Budget, which would apply to all federal agencies and eliminate rate negotiations, though concerns remain about space and regulatory costs being potentially excluded. Financial projections showed a potential annual loss of $13 million to $17.5 million in F&A cost recovery if the proposed model is adopted. Ms. Goetz went on to report the results of the first quarter's proposal and award numbers, stating that submissions have remained strong, with faculty continuing to submit proposals despite the challenges.

Ms. Goetz then highlighted several FY 2024-25 operational achievements, including the implementation of Emburse for expenditure tracking, new commercial leases, and progress on space utilization, while also pursuing initiatives like an electronic procurement system and website redesign to enhance efficiency and user experience as part of the FY 2025-26 organizational goals. She referred the board to the full report of organizational accomplishments for FY 2024-25 and operational goals for FY 2025-26 which were included in the board packet. Discussion ensued.

IV. RSF Ad-hoc Subcommittee Report

Vice President Madanat reported that the Ad-hoc Research Support Funds (RSF) Subcommittee met on August 6, 2025, led by President De La Torre. She noted that management provided the committee with an overview of the impact of federal funding changes, including a decline in F&A cost recovery and uncertainty around future research budgets. VP Madanat noted that the committee agreed to postpone decisions on RSF distribution until after December 31, 2025, to allow time to obtain clarity on federal developments and to solicit faculty input on how to prioritize funds if necessary. She described the strategies the committee discussed for gathering faculty input on RSF allocations, including solicitation of input from the University Research Council, as well as scheduling a Town Hall meeting, sending surveys to solicit faculty input, and creating a dedicated email address where researchers can provide feedback. VP Madanat opened the floor to questions; discussion ensued.

V. Vice President for Research and Innovation Report

VP Madanat started her report by describing the success of bridge and closeout programs funded by the Prebys Foundation and emphasized the importance of these funds in supporting our researchers. VP Madanat then provided additional details regarding plans to solicit faculty input on how best to prioritize funding if there were limited funds available to support the research infrastructure.

The report ended with updates on new research facilities at Imperial Valley, a new STEM building on the main campus, and a joint project in Mission Valley with the San Diego Community College District.

VI. Finance and Investment Committee Report

Ms. Agnes Wong Nickerson, committee chair, reported on the Finance and Investment Committee meeting held September 18, 2025. Ms. Wong Nickerson noted the committee focused on the general fund budget to actuals presentation for FY 2024-25, management of short-term investments by J.P. Morgan, preparations for a potential government shutdown, and updates on the Research Foundation's total investments and endowment performance. Ms. Wong Nickerson then turned the report over to Ms. Leslie Levinson to provide an overview of the general fund budget results for FY 2024-25, noting positive variances in F&A,

self-support funds, facilities rents, and savings in administrative operations, resulting in additional unrestricted revenue to help offset the planned unallocated cuts to the FY 2025-26 budget.

Ms. Levinson then turned the board's attention to the next action item: board approval of the margin loan line of credit with JPMorgan Chase (JPM). She reminded the board that SDSURF has an existing working capital Line of Credit (LOC) with JPM. In preparation for the maturity of the JPM LOC and for additional resources/backup for cash flow needs given the current federal environment, SDSURF investigated cost effective options for another LOC and determined a "margin loan LOC" as the best option. The margin loan would be what J.P. Morgan Securities refers to as "uncommitted" which allows SDSURF or JPM to terminate the margin loan LOC at any time. Ms. Levinson provided an overview of the terms proposed for the margin loan and discussion ensued.

VP Madanat called for a motion to adopt Resolution 25-08:

RESOLUTION NO. 25-08:
RESOLUTION OF THE BOARD OF DIRECTORS
OF SDSU RESEARCH FOUNDATION
APPROVING MARGIN LOAN LINE OF CREDIT

WHEREAS, San Diego State University Foundation, a California nonprofit public benefit corporation, d/b/a San Diego State University Research Foundation ("SDSURF") has been formed to promote and assist the educational program of San Diego State University (the "University") as more fully described in the Articles of Incorporation of SDSURF (the "Articles of Incorporation"); and,

WHEREAS, SDSURF has determined that obtaining the Margin Loan Line of Credit from JPMorgan Chase Bank, N.A. (sometimes "J.P. Morgan") with a maximum "Line Amount" of $15,000,000.00 on terms and conditions set forth in that certain "Statement of Key Margin Line of Credit Terms" dated August 14, 2025, and in that certain "Secured Margin Line of Credit Agreement" ("Line of Credit Agreement") dated as of August 14, 2025 ("Chase Margin Loan Line of Credit"), would be most advantageous to SDSURF in financing short-term working capital needs;

NOW, THEREFORE, be it resolved by the Board of Directors of SDSURF (the "Board"), as follows:

First, that the Board authorizes and directs SDSURF's Chief Executive Officer and Chief Financial Officer (each, an "Authorized Officer") to negotiate, review and approve the above-described loan documents and instruments required to obtain the Chase Margin Loan Line of Credit; and

Second, that the Board authorizes and directs any one or both of the Authorized Officers for and in the name and on behalf of SDSURF, to execute, acknowledge and deliver the Line of Credit Agreement and such other documents as the Authorized Officer shall deem necessary or appropriate to consummate the Chase Margin Loan Line of Credit (the "Loan Documents"), in the form and content approved by the Authorized Officer(s), such approval to be conclusively evidenced by the execution and delivery thereof; and

Third, that the Board also authorizes and directs any one or both of the Authorized Officers to cause SDSURF to pay such costs and expenses which they may deem necessary or advisable to consummate the Chase Margin Loan Line of Credit and to effectuate the purposes of this resolution; and

Fourth, that the Board adopts, as the action of the Board, the following resolutions (referenced below as "these Resolutions"), which J.P. Morgan requires, and authorizes and directs the Secretary to certify to J.P. Morgan that the Board has adopted these Resolutions:

- **Each Authorized Officer is authorized, in the name and on behalf of SDSURF:**
- **To from time to time borrow money, pay down, draw upon, and apply for and secure from J.P. Morgan, any forms of secured or unsecured credit facilities and/or margin credit facilities, including line of credit facilities linked to SDSURF's J.P. Morgan accounts, that result in a direct or contingent liability or obligation of SDSURF; to issue any instruments and/or enter into any agreements necessary or desirable for that purpose and to renew, extend or modify the terms of any such instrument or agreement;**
- **To apply for and obtain from J.P. Morgan letters of credit and to execute applications, agreements, and all other documents in connection therewith;**
- **To execute and deliver, in their discretion, all guarantees, indemnity agreements and other undertakings on behalf of SDSURF;**
- **To pledge, mortgage, hypothecate, deposit or deliver any securities or other property of SDSURF for the purpose of securing any of the foregoing transactions or for the purpose of securing any transaction entered into by any other entity or person, to endorse said securities and/or to issue appropriate powers of attorney, documents or assignments in furtherance thereof; and to provide instructions to J.P. Morgan for the sale, delivery or other disposition of any securities or other property at any time held as collateral;**
- **To do such further acts and things as any Authorized Officer shall deem necessary or appropriate, including to do and perform (or cause to be done and performed), in the name and on behalf of SDSURF, all such acts and to sign, make, execute, deliver, issue or file (or cause to be signed, made, executed, delivered, issued or filed) with any person including any governmental authority or agency, all such agreements, documents, instruments, registrations, certificates, consents or waivers and all amendments to any such agreements, documents, instruments, registrations, certificates, consents or waivers and to pay, or cause to be paid, all such payments, as any Authorized Officer may deem necessary or advisable in order to carry out the intent of these Resolutions;**
- **To cause SDSURF to indemnify and hold harmless J.P. Morgan and its officers, directors and employees, from and against any and all claims, losses, costs, damages, liabilities or causes of action (including attorneys' fees) and any other expenses incurred by them arising directly or indirectly out of their acceptance and reliance on the Certificate of the Secretary certifying these Resolutions and their action in conducting transactions pursuant to the Certificate of the Secretary of these Resolutions; and**
- **Any transaction of the type authorized by these Resolutions that has been taken is in all respects approved, confirmed and ratified.**

Fifth, that all past actions of SDSURF's officers in obtaining the Margin Loan Line of Credit from J.P. Morgan are hereby acknowledged to have been taken in furtherance of the Board's resolutions and all such past actions are hereby ratified and confirmed; and,

Finally, that this Resolution shall take effect immediately upon its adoption.

Motion: A motion was made, seconded, and unanimously carried to approve resolution 25-08 approving the margin loan line of credit.

VII. Audit Committee

Ms. Vickie Capps, standing in as committee chair in the absence of Mr. Steve Gill, reported on the Audit Committee meeting held September 18, 2025. Ms. Capps noted that SDSURF had 50 sponsor audits in the

last year, all of which had no financial findings. In addition to the sponsor audits, she noted that the CSU audit team at the Chancellor's office instituted a new requirement for each auxiliary across the CSU to prepare a CSU auxiliary control self-assessment, which covered all functional areas of SDSURF. After review by the campus auditor, it was determined there were no deficiencies in internal control processes and no financial concerns identified.

Ms. Capps informed the board that the financial statements audit by Grant Thornton showed clean unmodified opinions for both the main statements and CSU schedules, though the single audit A133 opinion is pending the federal compliance supplement which is delayed by the federal government. Discussion ensued.

Ms. Marla Hummel of Grant Thornton, LLP explained that while Grant Thornton is ready to issue the unmodified opinion once the compliance supplement is finalized, they will wait for official clearance before doing so. She thanked the SDSURF team for their work and collaboration during the audit.

VP Madanat called for a motion to adopt Resolution 25-09:

RESOLUTION NO. 25-09:
RESOLUTION OF THE BOARD OF DIRECTORS
OF SDSU RESEARCH FOUNDATION
APPROVING FY 2024-25 AUDITED FINANCIAL STATEMENTS

RESOLVED, FIRST, the Board of Directors of San Diego State University Research Foundation accepts and approves the Financial Statements excluding the Compliance report, audited by the firm of Grant Thornton LLP, for the fiscal year 2024-25.

SECOND, the Board of Directors of San Diego State University Research Foundation accepts and approves the Financial Statements with the Compliance report, audited by the firm of Grant Thornton LLP, for the fiscal year 2024-25 pending the issuance of the Compliance Supplement which may require additional test work and modification of the final audit report and opinion.

THIRD, the Board of Directors recognizes that Grant Thornton may need to do additional test work and issue an updated opinion once the additional Compliance Supplement is issued by the federal government.

FOURTH, if Grant Thornton is required to do additional test work and as a result makes material changes to the Type of Report Issued, Internal Control Issues or Audit Findings compared to the draft report as presented here, then the Financial Statements including the revised Compliance report will be presented to the Audit Committee for review and acceptance.

FIFTH, The Audit Committee is delegated the authority to accept and approve the Financial Statements with the revised Compliance report if a subsequent presentation is required.

FINALLY, The Chair of the Audit Committee will report back to the Board of Directors on any revisions to the Compliance report at the next scheduled Board meeting.

Motion: A motion was made, seconded, and unanimously carried to approve Resolution 25-09 approving SDSU Research Foundation's 2024-25 Audited Financial Statements.

VIII. Associated Students Report

Associated Students (AS) President Kareen Holstrom presented updates on student engagement initiatives, including increased participation in mentorship programs and the upcoming Aztecs Rock Hunger campaign, while emphasizing the importance of student safety and sustainability efforts. Discussion ensued.

IX. New Business

VP Madanat called for any items of new business. Hearing none, she adjourned the meeting at 10:50 a.m.

Respectfully,

Michele G. Goetz

Michèle G. Goetz
Associate Secretary-Treasurer