

## KSURSF BOARD MEETING MINUTES

APRIL 23, 2018

Attendees: Ken Harmon, Julie Peterson, Don McGarey, Ron Matson, Andrew Newton, John Marshall (non-voting), Carolyn Elliott-Farino (non-voting)

Absent: Linda Noble, Mark Anderson, and John Omachonu

The meeting was called to order by the CEO, Ken Harmon, at 10:05 AM.

Approval of minutes of previous meeting: The first order of business was to approve the minutes from the October 2017 meeting. The minutes were approved and are attached.

Report of the Chairperson: Nothing to report.

Report of the Chief Executive Officer: Nothing to report.

Report of the COO:

- a. Discussion of KSURSF FY 17 audit: This discussion was tabled until May 16 when the auditors and KSU's Controller could be in attendance. The Chairperson, Treasurer, and Chief Operating Officer will attend for the Board.
- b. KSURSF budget and IP expenditures:
  - o FY 18 Budget: The Board questioned the decrease in net assets and it was explained that KSURSF made a \$100,000 investment in start-up funds for a research scientist. With the paucity of start-up funds across campus is there an intention to use KSURSF funds for this purpose? No – KSURSF doesn't have funds for start-up funding at this time and there are no major expenditures planned. The Board also decided to have the Office of Fiscal Services do a cash flow analysis to see if we could earn more interest by locking in funds for a set period of time.
  - o IP expenditures: The Board discussed ways to reduce the IP fees and seek commercial outlets for the IP. KSU does not have a technology transfer office as is often found at research intensive universities and the Board discussed the possibility of having the system office help with market viability studies. Ignite HQ was also mentioned as a possible help in this area. No decision was taken on this matter, but it was agreed that KSURSF needs someone to help with this. As far as fees go, Don explained that we interviewed two firms and our current patent attorney is providing some services for a flat rate which has reduced expenditures.
- c. IP Policy: The second draft is out for review and KSU's proposed share of revenue is in line with other R3 institutions. Most comments have been incorporated into the policy. The policy was approved as amended.
- d. Revised KSURSF food and alcohol policies: These are in line with the KSU Foundation policies and were approved and are attached.
- e. KSURSF Policies and Procedures Manual: Kristine Nowak has been hired to put the manual together by the end of June.
- f. Proposal to meet quarterly: The Board approved this proposal and will meet in July, October, January, and April.
- g. NCUR 2019: Don briefed the Board on KSURSF's role in this conference. The contract committing KSU and guaranteeing hotel rooms had to go through KSURSF, and KSURSF will sign contracts on behalf of KSU as necessary. These events have always yielded net income of \$100,000 - \$200,000. The

registration will go through the NCUR site and the funds will either be deposited into KSURSF's bank account or directly into KSU's bank account.

- h. KSURSF and KSU grants accountants all report to the Office of Fiscal Services. Shannon West has been tapped to ensure that things run smoothly. All three former KSURSF accountants have taken new positions outside of KSU. The Board discussed the possibility of including the KSURSF financials as a separate business unit in PeopleSoft. The KSU Controller is reaching out to the system office about this.

Report of other offices: Nothing to report.

Report of the Executive Committee: Nothing to report.

Reports of other committees: Nothing to report.

Unfinished business: Nothing to report.

New business:

There being no other business to conduct, the meeting was adjourned at 11:04 AM.

## **PURCHASING POLICIES AND PROCEDURES**

### **Overview**

KSURSF requires the practice of ethical, responsible, and reasonable procedures related to purchasing, agreements and contracts, and related forms of commitment. The policies in this section describe the principles and procedures that all staff shall adhere to in the completion of their designated responsibilities.

The goal of these procurement policies is to ensure that materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal statutes and executive orders.

### **Responsibility for Purchasing**

All project directors and/or their designees shall have the authority to initiate purchases within the guidelines described here. KSURSF requires two signatures in order to process a payment/reimbursement request. The project director is responsible for ensuring that the appropriate signatures are obtained. If someone other than the project director initiates a payment/reimbursement request, the project director must be the required second signature. If the project director initiates a payment/reimbursement request, the project director's supervisor (e.g. chair or dean) must be the required second signature.

The Accounting Department shall be responsible for processing payments, reimbursements, contracts, and other related forms of commitment. The Chief Operating Officer shall make the final determination on any proposed purchases where budgetary or other conditions may result in denial.

In general, KSURSF follows the expense and reimbursement policies of Kennesaw State University, with the exception that KSURSF may allow the use of its funds to pay costs associated with advancing its mission as stated in the Articles of Incorporation, even where KSU's policies would prohibit such payment. In no event, however, may KSURSF funds be used to pay or provide reimbursement for personal expenses of KSU employees or members of KSURSF's Board of Directors. When there is a valid business reason, consistent with KSURSF's mission, to pay expenses that would not be allowed by KSU's policy, such payments are authorized as stipulated below.

### **Employee Meals**

KSURSF funds may be used for payment to vendors or individuals for expenses related to meals incurred while conducting official University business. All such expenditures paid from KSURSF must be in accordance with the governing fund agreement (grant, contract or program intent) for that project account. The following information must be documented:

- Which KSURSF account is to be used?
- Where and when did the event occur?
- What was the business related purpose of the event?
- How did the event benefit the University?
- Who was in attendance and what is their relationship to KSU? (student, faculty/staff, board member, trustee, corporate partner, vendor)

- What role did those in attendance have in the success of the event?

In most cases, all arrangements for meals or catering should be made using reasonably acceptable practices in accordance with the State of Georgia's per-diem guidelines. **All on-campus catered events must adhere to the Kennesaw State University Catering Policy. All requests for reimbursements using outside vendors must include an approved exemption form.** All attendees should be directly involved in the business purpose related to the meal and should not include spouses (unless their attendance has a bona fide business purpose that directly benefits the University).

As a general guideline associated with hosting meals, the cost of the meal can be determined by the type of event you are hosting and the business purpose related to the meal. Exceeding the allowable guideline amounts may be deemed permissible so long as it is appropriately documented and appropriate for the type of event held. The following are instances where meals and entertainment expenses are allowable:

1. Meal expenses involving external University individuals are authorized for conducting general University related business and cultivation of significant relationships to the University. The cost of these meals should be limited to no more than \$15/person for breakfast, \$25/person for lunch and \$50.00/person for dinner (excluding gratuities). **As a rule, no more than three (3) employees per official guest should be in attendance.**
2. Meal expenses involving larger groups of individuals, including both external and internal to the University, are authorized for the purpose of conducting or attending seminars, conferences, or business meetings whose purpose is aligned with promoting and furthering the University's agenda, mission, and strategic plan. Lunchtime or other types of large group seminars and discussions, in which a featured guest is present, may include purchasing the meal for the featured guest. These meals should be limited to no more than \$30 per person (excluding gratuities).
3. Meal expenses related to meetings for University employees scheduled for conducting business related to University matters (trainings, problem solving, innovation, and department meetings) are authorized, but restricted to those considered necessary for conducting business. The cost for these types of meals should be limited to no more than \$15.00 - 20.00/person (excluding gratuities).
4. Individual employee meal expenses must be reimbursed through the University and are only allowable for official University business travel; they are subject to University System of Georgia guidelines for travel. Employee travel expenses such as transportation, mileage, lodging and meal per-diems must adhere to KSU and USG travel policies and procedures and be processed through the University's travel department for reimbursement. Please refer to the Kennesaw State University Travel Policy for information about reimbursable travel expenses. Travel cash advances are not allowed by KSURSF.

All requests for reimbursement must be accompanied by a receipt for the meal including the date, amount, and place of the meal, and the names and affiliation of the attendees, although descriptions may be generalized for groups larger than twelve participants.

## **Alcohol**

*Sponsored Agreement Funding:* Where a sponsored agreement expressly authorizes the purchase of alcohol for an event, KSURSF will pay for the cost (either directly or through reimbursement) in accordance with the terms of the agreement and the policies enumerated in this section.

*KSURSF Funding:* Where the purchase of alcohol is not for a function funded and authorized by a sponsor as described above, the expenditure is subject to the approval of two KSURSF Board Officers. Examples include receptions to acknowledge and honor researchers, functions at University museums, and receptions for visitors. This list is not exhaustive.

Any allowable alcohol purchase should be justifiable and kept to a reasonable amount. Any alcohol related purchase viewed as excessive in cost may be denied by KSURSF at the discretion of the Chief Executive Officer, Chairperson, or Chief Operating Officer.

## **Other Non-KSU Allowed Expenditures**

For all other expenditures that are not allowed per KSU policy, but which have valid business reasons and are consistent with KSURSF's mission, approval will be on a per case basis by the KSURSF Chief Executive Officer and KSURSF Treasurer. Such examples include first class travel for official visitors and discretionary spending other than elucidated above (e.g. flowers, gifts, receptions, office parties); this list is not exhaustive.