

# HARBOR BRANCH OCEANOGRAPHIC INSTITUTE

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## FOUNDATION

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**Harbor Branch Oceanographic Institute Foundation, Inc.  
Finance Committee Meeting  
Agenda  
January 9, 2015  
8:30 am**

COMMITTEE MEMBERS PRESENT: Mike O'Reilly, Chair; Sherry Plymale\*; Karl Steene\*.

ALSO PRESENT: Joe Duke (Board Chair); Katha Kissman\*, President & CEO; Colleen Brennan (Director of Operations); Ed Michelson\*, Atlanta Consulting Group; Matthew Bauder\*, Atlanta Consulting Group)

ABSENT: Mike Toner; Marilyn C. Link

\*participated telephonically

### **Call to Order & Approval of Minutes**

Chair O'Reilly called the meeting to order at 8:30 am. The minutes of the October 30, 2014 and August 29, 2014 were approved unanimously.

### **Investments Report & Discussion**

Ed Michelson and Matthew Bauder provided an overview of the market, an analysis of possible alternate investments based on the request at the last meeting, and recommendations for the reinvestment of funds from Archstone and Collins hedgefunds (95% of Archstone to come at the end of January with the remaining 5% to come by mid-June following audit; 90% of Collins to come around February 4 with the remaining 10% to come by June/July following audit.)

For the reallocation of these funds as they become available, the Committee confirmed its intentions to the Atlantic Consulting Group to stay at the 60%/40% allocation under the current investment policy and to stay within the current set of fund managers to achieve a savings of fees at the following distribution:

Large Cap	20%
Small Cap	20%
International Equities	20%
Global Fixed Income	20%
Fixed Income	20%

Michelson will provide an updated Asset Allocation Review.

Following this discussion, Michelson and Bauder left the call.

### **Review of Current Financials, Review of Mid-Year Budget Revisions and Review of 5 Year History of Spendable vs. Actual Granting**

Kissman provided Y-T-D Balance Sheets and updated Budget vs Actual Financial Reports and walked the Committee through the proposed adjustments to the FY15 budget based on more current projections of likely income and expenses for the remainder of the FY. In addition to the information presented, it was agreed:

- a. Projection of the line item **Other-Legal** (lobbying expense) may be reduced between now and the Board meeting on January 22 for the mid-year budget revision. Targeted amount down from \$40,000 to \$20,000 for a 12 month period, to be pro-rated as may be necessary for FY15.
- b. Addition of new line item for a possible cash call from the Florida Petroleum Reprocessors Superfund Site. The Foundation's share of the upcoming cash call should be around 2.1% of an estimated \$request for \$750,000.

### **Policies Discussion**

Based on the feedback received from FAU which does not operate under a dual signature policy on checks, the Committee reconfirmed that the current policy as stated in the Foundation's Board approved Financial Policies and Procedures Manual (p. 6) is sufficient.

#### **8. SIGNING OF CHECKS**

**Policy:** Only those persons who are authorized by the Board of Directors shall follow the established check signing policy and procedures. No one can sign a check payable to him/herself or to a firm they represent. No pre-signed blank checks shall be issued at any time for any purpose.

**Procedure:** The signature documentation for each account designates the following positions with signatory power: the Chair, Vice Chair, Treasurer, Secretary, and Executive Director. In general, the Executive Director will be the regular signatory on checks. The Treasurer and Secretary will serve as regular back-up signatories as may be needed or for those checks requiring two signatures.

One signature is required for each check payment under \$10,000. Approvals from two signatories are required on any checks over \$10,000. Exceptions to this include:

- The frequent Specialty License Plate revenue from the State of Florida that is subsequently passed through from HBOIF to HBOI via FAU Sponsored Research, as well as Guy Harvey and Wyland Foundation that may have one signatory.
- Legal and consultant (auditor, accountants, lobbyist) expenses must be reviewed and approved by an officer, and upon such review the check may be signed by single signatory.
- Reimbursements to board members and the Executive Director for expenses incurred will require officer approval, and may be signed by single signatory.

Regarding the question of establishing a gift expenditure limit, it was reported that FAU did not have one. A motion was made to continue to have a gift expense line and that the Board would weigh in on the appropriate limit to individual gifts on case by case basis as needed.

At this point upon request, Kissman and Brennan left the meeting.

### **Adjournment**

The meeting adjourned at 10:27 a.m.