

MINUTES
FINANCE COMMITTEE
ASSOCIATION OF CLINICAL RESEARCH PROFESSIONALS
VIRTUAL MEETING
MARCH 11, 2021

Pursuant to notice duly given, Sergio Armani, Treasurer, called to order a meeting of the Association of Clinical Research Professionals (ACRP) Finance Committee on Thursday, January 25, 2021 at 1:02 p.m. ET.

Members Present: Sergio Armani, Chair; Erika Stevens, ACRP Chair; David Morin, ACRP Vice Chair; Catherine Shuster, Public Member; Christina Brennan

Members Absent: Deborah Driscoll

Others Present: Jim Kremidas, Executive Director; Christy Herz, Director of Governance; Nicole Emborski, Cordia Partners; Larry Wethje, Morgan Stanley Wealth Management

CALL TO ORDER

Action No. 1: Motion was made by Ms. Stevens, seconded by Ms. Shuster, and carried unanimously, approving the minutes of January 25, 2021.

The January 25, 2021 minutes are attached as Exhibit A.

INVESTMENT UPDATE

Larry Wethje, provided an investment update as of March 5, 2021, reporting a 3.92% increase in portfolio value year to date, 11.65% over the past year, and an 8.39% average annualized return since inception. He reported on ACRP's 1.6 million line of credit balance and 1.58% interest rate. Committee members discussed beginning to pay interest on the line of the credit, but not paying principal at this time. It was noted that later in the year, the group will discuss whether to pay back a portion of the principal.

Mr. Wethje discussed ACRP's mix of investments and recommended moving 2% of cash in ACRP's investment portfolio to an emerging markets mutual fund.

Action No. 2: Motion was made by Ms. Stevens, seconded by Dr. Morin, and carried unanimously, approving moving 2% of the cash position into the emerging markets mutual fund.

The investment update is attached as Exhibit B.

FINANCIAL REPORTS

Nicole Emborski, Cordia Partners, presented Financial Statements as of December 31, 2020, highlighting that ACRP ended the fiscal year with an approximately \$200,000 increase to net assets before investments (approximately \$392,000 including investments). Jim Kremidas, Executive Director, noted that although total revenue over expenses for operations and investments was just under \$600,000 in 2020, the total change in net assets increased by only \$392,000; this was due to adjustments for accounts receivable reporting errors of approximately \$180,000 made by our previous accounting firm as well as \$36,000 in interest we did not pay on our loan in 2020. It was noted that we received a credit from our prior accounting firm due to the error.

Ms. Emborski noted that as in 2020, ACRP has received a 2021 Paycheck Protection Program (PPP) loan from the Small Business Administration (due to COVID) which is shown on our balance sheet as a liability until it is forgiven, which is expected later in the year.

Committee members discussed that our current cash is being held in a money market account at John Marshall Bank, and asked staff to look into moving a portion of it, based on our cash flow needs, to Morgan Stanley's money market offering.

Ms. Emborski stated that 2021 financial reports are not yet available as we are still in the process of converting to new financial software. She noted that our revenue and expenses appear to be in line with budget.

Ms. Emborski provided a cash flow forecast. Mr. Kremidas provided an update on ACRP's office space, which we are working with a commercial real estate broker to rent.

Financial Statements as of December 31, 2020 are attached as Exhibit C.

The Cash Flow Report is attached as Exhibit D.

There being no further business, the meeting adjourned at 1:31 p.m.

Respectfully Submitted,



Jim Kremidas
Executive Director and Secretary