ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY

25th Anniversary

1983 - 2008

Table of Contents

Letter from the Chairman & President

Dear Governor Beebe & Distinguished Legislators:

This year the Arkansas Science & Technology Authority celebrates twenty five years of service in bringing the benefits of science and advanced technology to the people and state of Arkansas. To mark our silver anniversary, the Board of Directors and staff are pleased to submit to you the Authority's 2008 Annual Report. This report summarizes the scientific and technological projects by which the Authority carries out its mission to bring the benefits of science and advanced technology to the people and state of Arkansas.

The Authority's goal is "to plan, promote, influence and support with high quality programs and services the commercialization of research innovations thereby helping to grow the Arkansas economy and increase per capita income."

The Authority's Board of Directors has established five primary goals as part of its biennial plan: (1) To increase research activities in Arkansas, (2) To improve STEM (Science, Technology, Engineering, and Mathematics) education at all levels, (3) To maintain and transform existing enterprises into knowledge-based companies and increase global competitiveness, (4) To develop new products and entrepreneurial firms, and (5) To increase the Authority's visibility through a comprehensive communications and public relations program.

Increasing Research Activities

In Fiscal Year 2008, the Arkansas Science & Technology Authority's efforts to increase research activities were successful. The Authority was awarded a 9 million dollar grant from the National Science Foundation to be disbursed over the next three years to three Arkansas campuses: Arkansas State University, the University of Arkansas – Fayetteville, and the University of Arkansas at Little Rock. The award will establish the state's first multi-university research project focusing on wireless nano-sensor technology and plant-based bioproduction. By the end of the fiscal year, the funds were already being utilized as Arkansas State University opened the EPSCoR Center for Plant-Based Productions.

Looking into the future, the Authority staff wrapped up the year by taking part in the NSF EPSCoR Strategy Planning Session.

Improving STEM Education

This year the Arkansas Science & Technology Authority made strides to improve STEM education by hosting one of the most successful events in its history. Over 400 leaders from around the state convened for *Rising Above the Gathering Storm: Energizing and Employing Arkansans for a Brighter Economic Future*. This unique event, inspired by a 2007 report published by the National Academies, was a day-long event to brainstorm on building and sustaining an Arkansas workforce that can meet the STEM (Science, Technology, Engineering and Mathematics) demands of business and industry in the next decade and beyond.

Additionally, with the assistance of the Winthrop Rockefeller Foundation, the Authority staff endeavored to strengthen STEM and the creation of a skilled workforce in Arkansas. Authority staff members served on 5 advisory panels in Fiscal Year 2008. The panels focused on STEM curriculum in schools, access to technology tools and funding for undergraduate STEM career pathways. Over 20,000 Arkansas students, over 500 teachers and 268 schools were directly impacted by Authority awards and supported programs. Awards totaling $494,105 went to support STEM educational initiatives that improve the quality of STEM instruction. Authority staff continued to work with groups collaborating to expand the resources available for promoting 21st Century workforce skills. This included preparing teachers at SMART Workshops, an EAST facilitator workshop on grant writing, taking part in the fall meeting of the Arkansas Educational Cooperatives, and involvement in student-based projects for EAST and the Frontier Trails BEST Robotics Competition.

Transforming Arkansas Enterprises into Knowledge Based Companies

The Authority's Arkansas Manufacturing Solutions (AMS) aided in the improvement of Arkansas' manufacturing and industrial competitiveness in Fiscal Year 2008. AMS worked with 281 Arkansas companies and completed 238 projects and events, which included newly offered workshops and a

conference: *Manufacturing Matters 2007: Choices For Growth*. AMS assisted its clients by helping create and retain over 1,821 jobs and cutting costs by more than $10,558,215.

AMS staff took part in additional events throughout Fiscal Year 2008 including the Arkansas Aerospace Summit, meetings on workforce development, the UALR IT Cyber Logistics Conference, a meeting at the Arkansas Institute for Performance Advancement, the UALR IEA Economic Forecast Conference and the national NIST MEP Conference.

Developing New Products and Entrepreneurial Firms

The Authority supported Arkansas' economic future through investments in 2008, and the fruits of those efforts were obvious. Authority client Duralor LLC, a producer of high-performance coatings for cutting tools and machine parts, broke ground in Springdale at the city's 37-acre technology park. The company plans to add roughly 100 highly-skilled, high paying, knowledge-based jobs in the next five years. Through leveraged federal funding, the Arkansas Science & Technology Authority was able to support companies like Duralor and others in Fiscal Year 2008 by aiding in commercial expansion of their developing products and services. This was achieved using Technology Transfer Assistance Grants (TTAG) to fund Phase Zero SBIR Awards. The Authority also invested in 30 clients with the help of TTAG, Technology Development Program (TDP) and Seed Capital Investment Program (SCIP) funds.

Authority staff took part in various events throughout Fiscal Year 2008 including a presentation at the UAMS BioVentures SBIR Workshop and sponsorship of the National Association of Seed and Venture Funds' (NASVF) 2007 Annual Conference. Here professionals from across the country gathered to discuss and share their knowledge of the seed and venture capital industry offering practical advice to companies throughout the state.

Increasing Authority Visibility

In 2008, the Arkansas Science & Technology Authority generated public awareness through promotions, as well as media coverage of its products, services and client offerings. Thanks to print and electronic media on both the local and national level, presentations from a partnership with the National Science Foundation, *Rising Above the Gathering Storm*, and various client events, the Authority was able to elevate awareness and how our agency benefits the state. In addition, the Authority staff continued their memberships on 17 boards and commissions.

Highlights of the year included coverage in the Arkansas Democrat Gazette, Arkansas Business, statewide television news coverage of the *Rising Above the Gathering Storm* event and the Duralor groundbreaking. Additional highlights included Authority Board member participation on a nationwide broadcast of the Jim Lehrer News Hour, coverage in the UALR Magazine and online coverage through the Arkansas News Bureau, and arkansasbusiness.com.

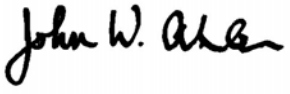
Conclusion

In 2008, the Authority advanced the scientific and technological progress of Arkansans. It would have not have been possible without your valued consideration and fiscal support of this agency. The Arkansas Science & Technology Authority will continue to assist the state in meeting the rapidly changing requirements of a new global economy, striving to ensure a brighter future by bringing the benefits of science & advanced technology to the people and state of Arkansas.

Sincerely,

Gary Phillips, Ph.D., Chair

John W. Ahlen, Ph.D., President



About the Authority

The Arkansas Science & Technology Authority (the Authority) was created by statute in 1983 with the mission to bring the benefits of science and advanced technology to the people and state of Arkansas. This mission is addressed by strategies to promote scientific research, technology development, business innovation, and math, science and engineering education.

The Authority is comprised of a Board of Directors, Advisory Committees and staff. The 14-member Board is appointed by the Governor to staggered four-year terms.

The Board has three directors who are scientists or engineers, two directors who are representatives of academic institutions, five directors who represent the private sector, three directors who represent the private sector and have knowledge and experience in the field of manufacturing, and the Director of the Department of Higher Education (or the Director's designee).

Increasing Research Activities

The purpose of the Arkansas Research Matching Fund is to encourage, establish and support basic and strategic research by providing state matching funds for federal agency awards to Arkansas colleges and universities.

Project ID	Federal Agency	Institution	Resolution	Authority Award	Federal Award
08-ARMF-01	NASA Training Grants	UALR	08-06	$175,000	$410,000
08-ARMF-02	NASA Research Infrastructure	UALR	08-06	$117,653	$125,000
EPS-07UAF-01	NSF EPSCoR RII	UAF	08-04	$1,758,140	$3 M
EPS-07UALR-01	NSF EPSCoR RII	UALR	08-04	$1,224,636	
EPS-07ASU-01	NSF EPSCoR RII	ASU	08-04	$749,907	
			Total	$4,025,336	$3, 535,000

Profile for Success: The Authority Is Awarded a $9 Million Dollar Grant From NSF

In Fiscal Year 2008, the Arkansas Science & Technology Authority was awarded a $9 million grant from the National Science Foundation (NSF) to establish the Arkansas ASSET (Advancing and Supporting Science, Engineering and Technology) Initiative.

The award was made through NSF's Experimental Program to Stimulate Competitive Research, which is better known by its acronym, EPSCoR.

The ASSET initiative is designed to boost progress in two scientific research areas that are developing in Arkansas: plant-based bioproduction and wireless nano-bio-info-technology sensors. Both have potential for major economic development as well as regional and national commercial significance.

The ASSET Initiative will be used to further develop the state's research capabilities and support interdisciplinary activity that will enhance Arkansas' research competitiveness, create added research and training opportunities, attract top scholars, enable Arkansas to form new links with national and international programs, and create new economic opportunities for industry and entrepreneurship.

ASSET is categorized as "multi-institutional and interdisciplinary" because it involves several state institutions and scientists who work in several fields of study. The grant will be very beneficial because it will help train entrepreneurs in the targeted research areas and support the commercialization of new technologies.

Grant funding will be provided to three Arkansas universities: the University of Arkansas - Fayetteville, the University of Arkansas at Little Rock, and Arkansas State University. The goal is to emphasize high-tech and knowledge-based industries.

The grant focuses both on improving research infrastructure, or capability, while strengthening the potential for commercialization of the products that may be generated by research groups.

The grant supports two separate themes. The first is the development of a Plant Powered Production (P3) Center, a multi-institutional, cross-disciplinary center for research at the interface of agriculture, energy, environment, and health. The P3 Center will be housed on the campus of Arkansas State University.

The second research theme, the Wireless Nano- Bio- Info-Tech Sensor System and Center, housed on the campus of the University of Arkansas, will create a collaborative infrastructure for the design of arrays of nanosensors that can be integrated with wireless systems and fabricated with a specialized, yet low-cost, nanofabrication technology.

Improving STEM Education

The purpose of the STEM Projects, funded by grants from the Winthrop Rockefeller Foundation, is to enrich STEM (science, technology, engineering and mathematics) education throughout the state of Arkansas.

Grants awarded	
Minigrant Awards	47
STUART Grant Awards	12
SMART Teacher Stipends	30
Robotics Grant Awards	5
Teacher Project Awards	11
University Summer Academy Awards	4
University Educational Resource Center & Cooperatives: Teacher Workshop Awards	7
Professional Development Events	
Evaluation Workshops (days) , Affiliate Evaluation Committees	15
SMART Teachers & Specialist Participating	40
STEM Workshops Funded (days)	14
STUART Workshops	2
Direct & Indirect Impact of Grants	
Student Impact (estimated)	20,000
Teachers receiving awards	500
21st Century Skills Training Activity, Professional Events and Presentations Across State	
Teachers/specialists participating	160
Professional Development Technology Continuing Education Credits Issues	16 hours
Rising Above the Gathering Storm participants	400
Curriculum Web Portal Development	
Portal Development Events, TASK Force Events	2
Teacher Workshops (SMART/Technology) Workshops Funded	5
Lesson Plans Created	250
Technology Integration Enhanced Lessons	200

Success Story: Rising Above the Gathering Storm Targets the State's Economic Future

In September, representatives from business, industry, education and government met to take part in *Rising Above the Gathering Storm: Energizing and Employing Arkansans for a Brighter Economic Future*, a day long event that took place at the Statehouse Convention Center. The purpose of the meeting was to brainstorm on building and sustaining an Arkansas workforce that can meet the STEM (Science, Technology, Engineering and Mathematics) demands of business and industry in the next decade and beyond.

This unique event, hosted by the Arkansas STEM Coalition with the support of the Authority, was inspired by a 2007 report published by the National Academies. The day began with an overview of the report's four recommendations for national implementation presented by keynote speaker Dr. Gail Cassell of Eli Lilly and Company. The recommendations are as follows.

1. Increase America's talent pool by vastly improving K-12 mathematics and science education.
2. Sustain and strengthen the nation's commitment to long-term basic research.
3. Develop, recruit, and retain top students, scientists, and engineers from both the United States and abroad.
4. Ensure that the United States is the premier place in the world for innovation.

In addition to Cassell, the event hosted a series of distinguished speakers including, Dr. Ruth Wooden, President of Public Agenda, and Mary Jo Waits, founding Director of Washington D.C. based Pew Center on the States.

The highpoint of the day's events came during lunch when Governor Mike Beebe took the stage.

During his twenty minute speech to the capacity crowd of nearly four hundred, Governor Beebe cited a "crying need" for more teachers and a more educated workforce with skills in science, technology, engineering and mathematics. He spoke about the importance of keeping pace in a global economy. "The key for America is to figure out what we're going to be doing ten years from now that nobody else has figured out yet."

We don't have any choice," he said. "You can't stand still. You're either going forward or backwards. And, I for one, don't intend for Arkansas to go backwards."

Based on the overwhelming success of the event, Arkansas STEM Coalition leaders and six student fellows received a special invitation from the National Academies to attend the 2nd National Convocation of Rising Above the Gathering Storm in Washington, D.C.

Maintaining and Transforming Existing Enterprises Into Knowledge-Based Companies

The purpose of Arkansas Manufacturing Solutions (AMS) is to provide business and technical assistance to Arkansas manufacturers through hands-on training and consulting. This results in greater competitiveness, improved overall efficiency, reduced costs and increased sales.

AMS Leverage of State Funding Fiscal Year 2008							
State Funding	Total Match		Match Breakdown				
		Federal	State Agencies		Universities	Non-Profits	Clients
			Authority	AEDC			
$257,182	$3,535,304	$941,110	$109,011	$1,002,691	$613,110	$89,338	$780,044
Leverage Ratio							
13.7							

In FY 2008 (July 2007 - June 2008), AMS field staff completed 238 projects and served 281 manufacturing companies. The types of projects completed and companies served are depicted in the following tables:

Substance	Number of Projects
Business Services	39
Quality Systems	47
Manufacturing Systems	51
Information Technology	6
Human Resources and Organization Development	3
Engineering/Technology Services	92
Total:	238

The following improvements were reported in FY2008 by clients during the NIST MEP surveys of AMS projects, including TTAG funded projects, completed from April 2006 to March 2007 with Arkansas companies:

Increased and Retained Sales	$331,645,800
Cost Savings	$10,558,215
Company Investments	$82,048,900
Jobs Created or Retained	1,821

Success Story: Amfuel Saves Company Capital and Jobs With Use of TTAG Funding

AMS client Amfuel is located in Magnolia, Arkansas and employs a workforce of 300. The company is a major fuel cell supplier of the OEM aircraft and helicopter industry and provides fuel and liquid containment solutions for military applications.

During Fiscal Year 2008, government inspectors who check the quality of the products were unsure if entering into the fuel cells was safe and asked Amfuel to provide verification that inspectors were not at risk of exposure to unknown hazards.

Inspections were put on hold until verification of a safe work environment could be established. This delay in inspections brought a multi-million dollar contract to a halt.

Amfuel, after reviewing their program, policies and procedures decided to strengthen their Confined Space Entry program and wanted to demonstrate that hazards were being managed safely. They contacted Safety & Environmental Associates, Inc. (SEA) for solutions, who in turn contacted Scotty McKnight, Project Manager from Arkansas Manufacturing Solutions (AMS) for assistance through the Technology Transfer Assistance Grant (TTAG) Program.

SEA has developed several safety programs for confined spaces and has experience in the areas of concern presented by Amfuel. Derek Jennings of SEA was assigned as project leader and assembled a team which included Shauna Scott, Chemical Engineer, and Greg Knight, Safety Specialist, to develop solutions. The SEA team worked with Amfuel to identify chemical components, conduct industrial hygiene monitoring, develop a written Confined Space Entry and Rescue program, and present these solutions to the government committee of inspectors and scientists. AMS Project Manager, Scotty McKnight, provided guidance and assistance in completing the TTAG application and obtaining the grant funds. She also oversaw the project implementation.

AMS support, along with SEA's technical assistance and guidance, helped Amfuel in improving its safety program, which led to resolving a significant contract issue.

As a result of this TTAG funded implementation project, Amfuel saved a minimum of $5000 in direct costs by developing a safety program utilizing the TTAG program. This project alone released the hold on the contract which saved company capital totaling $5.6 million and 40 jobs.

Developing New Products and Entrepreneurial Firms

As part of the Arkansas Science & Technology Authority's focus on business commercialization, Authority programs foster companies through various stages of development. From the inception of a technology-based business to the commercialization of new products, the Authority partners with the people who are changing our state.

The **Technology Transfer Assistance Grant Program (TTAG)** assists Arkansas' enterprises in developing or improving products or processes through the transfer of technical solutions to technology-based, industry-driven problems, thus enhancing that enterprise's market competitiveness.

Technology Transfer Assistance Grant Program (TTAG)		
Program Description Category	**Number**	**Award**
Control Systems/Integration	1	$3,750.00
Environmental	1	$3,000.00
Market Development	5	$15,737.00
Product Development and Design	4	$13,500.00
Small Business Innovation Research (SBIR) Assistance	15	$56,250.00
Total ASTA TTAG Awards	26	$92,237.00

TTAG Client Profile	
Average Number of Employees	3
Average Age of Company (Years)	5.77
Average Year of Corporation Founded	2002
Most Active County	Washington
Number of Projects in County	15
Average Authority Investment	$3,547.58
Total Authority Investment	$85,487.00
Average Client Investment	$1,250.00
Total Client Investment	$28,250.00

Industry Type	**Number**	**Award**
Administrative Management and General Management Consulting Services	1	$1,997.00
All Other Miscellaneous Electrical Equipment and Component Manufacturing	1	$3,750.00
Ambulance Services	2	$6,000.00
Analytical Laboratory Instrument Manufacturing	10	$36,750.00
Biological Product (except Diagnostic) Manufacturing	1	$3,750.00
Cutting Tool and Machine Tool Accessory Manufacturing	1	$3,750.00
Engineering Services	1	$3,750.00
Inorganic Dye and Pigment Manufacturing	1	$3,750.00
Other Animal Aquaculture	1	$3,750.00
Other Nonhazardous Waste Treatment and Disposal	1	$3,750.00
Research and Development in the Physical, Engineering, and Life Sciences	2	$6,240.00
Research and Development in the Social Sciences and Humanities	1	$3,750.00
Satellite Telecommunications	1	$3,750.00
Sheep Farming	1	$3,750.00
Surgical and Medical Instrument Manufacturing	1	$3,750.00
	26	$92,237.00

The **Seed Capital Investment Program (SCIP)** fosters the development of innovative technology-based businesses and projects that will stimulate economic growth and industrial competitiveness in Arkansas.

The Seed Capital Investment Program (SCIP)		
Company Company	**Year**	**Funds Awarded**
Station X, LLC	2008	$20,102.00
Lynndale Systems, LLC	2008	$123,000.00
Infinate Enzymes, LLC	2008	$97,551.00
Duralor	2008	$250,000.00

The **Technology Development Program (TDP)** provides assistance in the development and commercialization of new technology-based products and processes through innovative technology development projects.

The Technology Development Program (TDP)		
Client	**Project Title**	**Investment**
BioStragegies LC	Plant-Based Bioproduction of Chicken IL-12 Adjuvant for Bird Flu Vaccines	21,488.00
InvoTek Incorporated	AccuPoint Commercialization - an assistive technology for augmentative communication systems specifically for people with disabilities	50,000.00

The **R&D Tax Credit Incentive Program** is co-administered by the Arkansas Economic Development Commission and the Arkansas Science & Technology Authority with the goal of encouraging private sector financing of research and development jobs within Arkansas.

R & D Tax Credits			
Name of Business	**Resolution**	**Total Expenses**	**Credit Amount**
Vegrandis, LLC	08-14	$445,058.70	$146,869.37
Arkansas Power Electronics International	08-17	$1,363,765.53	$450,042.62
BioBased Technologies, LLC	08-19	$427,020.62	$140,916.80
BioBased Systems, LLC	08-20	$343,148.47	$113,238.99
BioBased Insulation	08-22	142,417.87	46,997.90
BioDetection Instruments, LLC	08-23	208,074.82	68,664.69
BlueInGreen, LLC	08-24	194,358.23	64,138.22
Insight Ecosystems, LLC	08-25	186,882.00	61,671.06
InvoTek, Inc.	08-26	188,481.35	62,198.05
NanoMech, LLC	08-27	255,504.66	84,316.54
Nanomaterial and Nanofabrication Laboratories	08-28	664,185.30	219,181.15
Ocean NanoTech, LLC	08-29	154,392.91	50,949.66
SFC Fluidics, LLC	08-30	221,918.56	73,233.12
Lynguent, Inc.	08-31	$306,677.00	$101,203.41

Success Story: Authority Client Breaks Ground

In May, Springdale-based Authority client Duralor LLC, a producer of high-performance coatings for cutting tools and machine parts, broke ground on its international headquarters in the Springdale Technology Park. The knowledge-based company plans to hire ten employees in its first year, with plans to add 100 more within five years. The average annual wage for the initial ten employees will exceed $60,000. Duralor plans to move into the new facility in fall 2008. The company plans to begin production and manufacturing in early 2009.

Duralor will manufacture and market next-generation abrasive coatings for cutting tools for machining and wear-resistant coatings for dies, molds and other products. Duralor's technology includes the TuffTek extreme wear-resistant coating, a process that can improve tool life by 300 percent or more compared to conventional coatings.

Duralor's coating technology was licensed through Authority client NanoMech LLC. NanoMech designs and manufactures coatings and coating systems used in a variety of industry sectors. Duralor's original patented technology was invented by Ajay Malshe and his colleagues at the University of Arkansas.

"Duralor's groundbreaking event marks an important milestone for technology product manufacturing industries in the state of Arkansas through a public-private partnership," said Malshe, UA professor and co-founder and CTO of NanoMech. "We are experiencing home-grown, world-class innovation connecting entrepreneurship, education and economics."

Increasing Visibility

Success Story: Authority Takes Center Stage In Media Blitz

The Authority continued to stay in the public eye in 2008.

From statewide media coverage to involvement in a national debate on the changing global economy as part of the Jim Lehrer News Hour, Authority staff, Board members and clients dominated the spotlight over the last Fiscal Year.

This was due, in no small part, to high profile coverage of three Authority events that pointed to the importance of STEM education, manufacturing and Arkansas research.

Garnering statewide media coverage, a crowd of nearly 400 state leaders met for the Authority sponsored "*Rising Above the Gathering Storm: Energizing and Employing Arkansans for a Brighter Economic Future*." During the event held at the Statehouse Convention Center, nationally recognized leaders in education spoke on the critical need for reform in our nation's schools.

Days later, Arkansas Manufacturing Solutions (an Authority program) hosted "*Manufacturing Matters 2007: Eureka! Winning Ways: Choices For Growth*." The day long event highlighted the importance of streamlining organizational and manufacturing practices to stay competitive in the 21st Century economy.

Finally, Authority staff joined Governor Beebe at the State Capitol to announce the release of 9 million dollars from the National Science Foundation to create the Arkansas ASSET Initiative. This initiative is a multi-university research endeavor, a team effort, to develop new innovations in wireless nano-sensor technology and plant-based bioproduction.

Thanks to coverage of these events in local and statewide electronic media and news publications, the Authority enjoyed its most visible year to date.

Committee/Board Affiliations

The staff of the Authority continues to stay visible throughout the education, scientific, technological and economic development communities by their involvement on various boards and committees.

Committee/Board	Who Serves
Arkansas Capital Corporation	President
Arkansas World Trade Center Board of Advisors	President or Designee
Connect Arkansas	President
Southern Technology Council	President
Task Force for the 21st Century Economy	President
Arkansas School for Mathematics, Sciences and the Arts	President or VP Research
Information Network of Arkansas	President
Commission for the Coordination of Educational Efforts	President
Distance Learning Coordinating Council	Vice President Research
Arkansas Tobacco Settlement Commission	President
Arkansas Biosciences Institute	President
UALR EIT Industry Council	Vice President Industry
Steering Committee, Arkansas Technology Task Force	Vice President Research
Executive Committee, STEM Coalition (Secretary)	Vice President Research
College of Science and Mathematics Advisory Board, UALR	Vice President Research

Operations Report
Fiscal Year 2008

General Operations		Actual				
Character	**Budget**	**1st Qtr.**	**2nd Qtr.**	**3rd Qtr.**	**4th Qtr.**	**Total**
Regular Salaries	558,698	152,942.20	127,186.32	123,347.26	127,946.98	531,422.76
Extra Help	12,000	0.00	0.00	0.00		0.00
Maintenance and Operations	165,410	50,356.29	40,158.79	38,386.87	29,961.63	158,863.58
Fringe Benefits	164,464	43,395.48	37,874.69	35,730.69	38,439.04	155,439.90
Research						
(Reallocation)						
Conference Fees and Training	27,223	3,897.49	4,059.75	1,500.00	7,958.50	17,415.74
Professional Fees	16,775	0.00	3,272.30	2,446.87	1,848.86	7,568.03
Capital Outlay						
Marketing and Redistribution	0					
Technology Development	156,975	21,240.00	29,250.00	53,750.00	52,735.00	156,975.00
Research Matching	292,653	0.00	292,653.00	0.00		292,653.00
Seed Capital Investments	292,653	0.00		220,551.00	72,102.00	292,653.00
TOTAL	1,686,851	271,831.46	534,454.85	475,712.69	330,992.01	1,612,991.01
AMS Support		**Actual**				
Character	**Budget**	**1st Qtr.**	**2nd Qtr.**	**3rd Qtr.**	**4th Qtr.**	**Total**
AMS Support	257,182	0.00	0.00	150,564.57	106,617.43	257,182.00
Seed Capital Fund		**Actual**				
Character	**Budget**	**1st Qtr.**	**2nd Qtr.**	**3rd Qtr.**	**4th Qtr.**	**Total**
Seed Capital Fund Balance	1,900,000	0.00	0.00	250,000.00		250,000.00
Network Operations		**Actual**				
Character	**Budget**	**1st Qtr.**	**2nd Qtr.**	**3rd Qtr.**	**4th Qtr.**	**Total**
Regular Salaries	139,056	35,603.08	27,460.47	32,806.60	31,332.91	127,203.06
Maintenance and Operations	124,456	21,048.67	25,408.72	21,559.14	28,743.48	96,760.01
Fringe Benefits	40,676	10,101.62	8,694.28	9,829.35	9,476.02	38,101.27
Grants	389,585	50,399.50	144,070.64	100,593.15		295,063.29
Conference Fees and Training	24,600	255.00	1,336.74	6,517.45	6,235.82	14,345.01
Professional Fees	50,000	5,001.00	11,375.00	10,300.00	8,850.00	35,526.00
Capital Outlay						0.00
Field Services	1,094,324	289,419.59	337,876	192,312	234,333.58	1,053,941.38
Miscellaneous Fees						0.00
TOTAL	1,862,697	411,828.46	556,222.24	373,917.51	318,971.81	1,660,940.02
EPSCoR Operations		**Actual**				
Character	**Budget**	**1st Qtr.**	**2nd Qtr.**	**3rd Qtr.**	**4th Qtr.**	**Total**
Regular Salaries	98,000	0.00	11,307.68	39,576.85	11,307.70	62,192.23
Maintenance and Operations	79,016	0.00	15,844.58	4,042.36	20,604.68	40,491.62
Fringe Benefits	29,613	0.00	2,983.02	10,095.34	2,983.03	16,061.39
Conference Fees and Training	3,333	0.00		0.00		0.00
Professional Fees	40,667	0.00		0.00	32,957.62	32,957.62
Grants	2,749,371	0.00		65,072.33	2,012,917.31	2,077,989.64
Grants (GIF)kbmd50p	1,500,000	0.00		190,597.64	945,694.72	1,136,292.36
TOTAL	4,500,000	0.00	30,135.28	309,384.52	3,026,465.06	3,365,984.86

(continued on next page)

General Improvement Funds	Funds	Actual				
Project	Released	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Total
Arkansas Research Alliance	250,000				250,000.00	250,000.00
Nanotech Research	1,150,000				1,150,000.00	1,150,000.00
Cyberinfrastructure Center	209,783				209,783.00	209,783.00
						0.00
TOTAL	1,609,783	0	0	0	1,609,783	1,609,783.00
Grants Received	**Ann'l Budget**	**1st Qtr.**	**2nd Qtr.**	**3rd Qtr.**	**4th Qtr.**	**Total**
Winthrop Rockefeller Foundation: Middle School Science Year 3 of 3 Total award $405,000	0				15,000.00	15,000.00
Winthrop Rockefeller Foundation: Entrepreneurial Arkansas 2008 No Cost Extension Total award $169,500	236,855	0.00	0.00	0.00	65,896.00	65,896.00
Operating Expenses	0	0.00	0.00	0.00	0.00	0.00
Grants	169,500	0.00	0.00	0.00	65,896.00	65,896.00
Winthrop Rockefeller Foundation: Transition of Middle School Science to AR Community Foundation Year 1 of 2 Total award $49,830	14,600	0.00	0.00	154.61	0.00	154.61
Operating Expenses	37,969	0.00	0.00	154.61	0.00	
Winthrop Rockefeller Foundation: Models for Growth: Using Minigrants to Improve Science Education and to Connect the Arkansas Community Foundation Affiliates to Public Schools Years 1 and 2 of 6 Total award $913,200	233,945	136,000.00	38,416.28	8,508.31	10,800.00	193,724.59

2008 Board of Directors

Gary Phillips Ph.D. - Chair
Missouri State University , West Plains
Department of Communications
Term Expires 2009

Sue McGowan
Director of Economic Development/CEO
Paragould/Greene County Chamber of Commerce
Term Expired 2008

Paul Mastro - Vice Chair
Vice President - Manufacturing and Engineering
George Fischer Sloane
Term Expires 2010

George Williams - Secretary
Director of Business Development
Intellimation Technologies
Jonesboro
Term Expires 2011

Joel Harrison
Nuclear Operations
Manager, NDE for
Washington Group Int'l
Term Expires 2012

Johnny Hooks
Agency Field Executive
State Farm Insurance
Term Expires 2012

Wayne Hartsfield
Chairman
Regions Bank
Searcy , AR
Term Expires 2011

John White Ph.D.
Chancellor
University of Arkansas Fayetteville
Term Expires 2010

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Dean
College of Natural Sciences & Mathematics
University of Central Arkansas
Term Expires 2010

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Vice Provost for Research
University of Arkansas, Fayetteville
Authority Research Committee Chair
Term Expires 2009

Steve Floyd Ed.D.
Arkansas Department of Higher Education - Little Rock
Term Permanent

Robert Hall
President
Hall Manufacturing
Authority Industry Committee Chair
Term Expires 2012

Cesar Compadre, Ph.D
UAMS
Associate Professor
Pharmacy and Public Health
Term Expires 2011

Beverly Dawkins Lyn-Cook, Ph.D.
Senior Research Scientist
Division of Personalized Nutrition and Medicine
Branch: Pharmacogenomics and Molecular Epidemiology
National Center for Toxicological Research (NCTR)
Term Expires 2009

Heartsill Ragon
Attorney
Gill Elrod Ragon Owen & Sherman, PA
Term Expires 2011

New Faces

New Board Members

Featured Above(Top Row, left to right) Jim Purcell, Ed.D., Beverly Lyn-Cook, Ph.D, Heartsill Ragon, III
(Bottom Row, left to right) Joel Harrison and Wayne Hartsfield

New Staff Members

Featured Above (Top Row, left to right) Neysa Henson, Dan Curtis, Deandra Berry,
(Bottom Row, left to right) Kim Reynolds, Cathleen Bailey)

New Interns

Featured Above (left to right) Alison Page, Tatum Branaman

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