

ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY

200 Main Street, Suite 210, Little Rock, Arkansas 72201 (501) 371-3554

ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY
MINUTES OF THE THIRTEENTH REGULAR MEETING OF THE BOARD OF DIRECTORS
LITTLE ROCK, ARKANSAS
AUGUST 20, 1985

The August 20, 1985 meeting of the Board of Directors of the Arkansas Science & Technology Authority was called to order by Governor Bill Clinton at 1:45 p.m. Members of the Board who were present included Dr. Jocelyn Elders, Dr. Ron Hart, Mr. Bart Lindsey, Mr. Chuck Mimbs, Mr. H.T. Moore, Dr. Joe Nix, Mr. Louis Ramsay, Dr. Win Thompson, and Representative John Lipton.

Governor Clinton pointed out that the last meeting of the Board was March 22, 1985. At that time Mr. Ramsay was the chairman, Dr. Phyllis Garnett was vice chair, and Dr. Elders was secretary. The Governor recognized the Board's leadership in strategic planning and working with Belden Daniels on the development of part of his economic development program. He thanked the previous 16-member Board for supporting the economic development legislation that restructured the Authority's Board of Directors.

Governor Clinton then introduced the members who were newly appointed and had not served on the Board before. He introduced H.T. Moore, a Paragould attorney, and Dr. Marian Barr--in absentia-- a prominent, West Memphis physician. The Governor noted that the Authority was fortunate to have two members representing the Arkansas General Assembly: Senator Max Howell of Jacksonville, and Representative John Lipton of Warren. The Governor went on to thank Senator Howell and Representative Lipton for sponsoring his ASTA-related legislation.

Governor Clinton explained how the mission of the Authority was specified and intensified by his economic development package. He observed that there are more opportunities for technology-based businesses and the potential for job growth in biomedicine is great.

He pointed out that his economic program complements his educational program and that if there are any links between the two programs at all, ASTA is that link.

The Governor then introduced Secretary of State Bill McCuen, who swore-in the members present at the meeting.

After a brief pause, during which the Governor and Secretary of State left the Board meeting, John Ahlen presided over the election of chairman of the Board of Directors. Mr. Louis Ramsay was unanimously elected on a motion by Mr. Lindsey, seconded by Mr. Mimbs.

Mr. Ramsay took the chair and presided over the election of vice chairman. Dr. Thompson was nominated by Dr. Elders, and Mr. Mimbs by Mr. Lindsey. Mr. Mimbs was elected vice chairman three votes to two on paper ballots.

Dr. Nix was nominated for the office of secretary by Dr. Hart, and was elected unanimously on a motion by Dr. Elders, seconded by Mr. Moore.

Dr. Ahlen was asked to review the Authority's staff organization, which was implemented with the beginning of the new fiscal year in July 1985. The Authority's staff is comprised of nine authorized, unclassified positions. The Authority's new legislation changes the title of executive director to president, and the new staff organization reflects that change. The staff is organized into three functions: finance, research, and information. The finance function involves the \$1.8 million seed capital program, and is staffed by Jim Benham as vice president finance and Bill Parks as fiscal officer. The research function involves the \$1.8 million basic and applied research program and the service-oriented technology transfer program, and is staffed by Patricia Troth, Ph.D., as vice president research and Jeff Lovell as the technology transfer program manager. The information function includes the planning and inventory programs and the \$1.9 million business incubator program, and is staffed by Alice Smith as vice president information, Sue Yarbrough as research analyst and Cassie Tavorn and Barbara Swanda as secretaries. Dr. Ahlen suggested that the Board consider adopting the staff organization as presented and the job descriptions that were provided to Board members in a pre-Board-meeting mailing. After discussion, primarily involving the more than \$57 billion federal budget for research in 1984 and the suggestion that the Congressional delegation be kept up to date on ASTA activities, the Board approved the staff organization and all job descriptions except that for the technology transfer program manager on a motion by Mr. Lindsey, seconded by Dr. Elders. It was suggested that the staff keep abreast of developments in Washington, D.C. by subscribing to the Congressional Record, the Federal Register, and the Federal Commerce Daily.

Dr. Ahlen gave an abbreviated executive director's report. The main item of this report was a summary of work performed pursuant to House Concurrent Resolution 9 concerning clinical toxicology in central Arkansas and the vacant Veterans Administration Hospital Complex. He reported that the staff's best effort resulted in the

preparation of a document circulated to Ron Hart, Ray Thornton, Gene Towbin, and Harry Ward and scheduled for submission to the Governor and the Arkansas Legislative Council sometime later in the week of August 19, 1985. Representative Lipton asked if the report supported the pursuit of clinical toxicology with the continued advise of the four individuals named in the resolution. Dr. Ahlen responded that this activity was supported by the report. Dr. Hart discussed the legislation in Congress that would reauthorize the nation's super fund legislation (CERCLA--the Comprehensive Environmental Response, Compensation and Liability Act of 1980). He pointed out three things. First, the U.S. Environmental Protection Agency is required to fund certain kinds of research relating to hazardous materials and toxic substances. Second, there may be funds transferred from the USEPA to the U.S. Department of Health and Human Services for clinical toxicology research. This transfer would be handled through the Agency for Toxic Substances and Disease Registry. Third, two amendments have been offered to direct in excess of \$125 million to, in one case, the National Institute for Environmental Health Science (NIEHS), or, in another case, to the Agency for Toxic Substances and Disease Registry instead of NIEHS. The point Dr. Hart wanted to make was that there is an opportunity for Arkansas to get involved in this federal activity.

Representative Lipton suggested that the ASTA staff monitor this Washington, D.C. development and pursue clinical toxicology in central Arkansas with the four individuals named in House Concurrent Resolution 9.

The Board next considered ASTA Resolution No. 85-1 providing for an interim set of Board policies drawn from the minutes of previous meetings of the 16-member Board of Directors. This resolution, attached to these minutes, was approved on a motion by Dr. Thompson, seconded by Mr. Mimbs, with a change that where the phrase "executive director" appears in the resolution, the word "president" will be inserted instead.

The Board next considered ASTA Resolution No. 85-2 providing for the establishment of the executive committee, the standing committees, and an ad hoc committee of the Board. This resolution is also attached to these minutes. The resolution was approved on a motion by Mr. Mimbs, seconded by Dr. Hart.

The Board next considered the selection of the president of the Arkansas Science & Technology Authority. Mr. Ramsay noted the satisfactory performance of Dr. Ahlen in the position of executive director. Dr. Hart moved that Dr. Ahlen be selected as president of the Authority. This motion was seconded by Dr. Elders, and unanimously approved by the Board.

After brief discussion and consideration of alternatives, the next meeting of the Board of Directors was scheduled for Thursday, September 26, 1985 at 1:30 p.m. in the Board Room at 200 Main Street.

Representative Lipton suggested that it would be most beneficial for the Board to have a panel discussion on clinical toxicology development in Arkansas. The panel could be composed of Dr. Hart, President Thornton, Dr. Towbin, and Dr. Ward. There was general agreement with this suggestion, though an alternative time for such a discussion might be at a Board retreat to be scheduled sometime this fall. The Authority's staff will pursue this.

Dr. Nix announced that on October 30 and 31, 1985 the Arkansas Department of Higher Education would be holding a conference, the subject being the role of higher education in economic development. Two sessions to be held on the afternoon of the 30th involve research needs and sources of support. He also made the Board and staff aware of an announcement in Chemical and Engineering News concerning the availability of federal funds for the renovation of research facilities.

Dr. Thompson asked that the Authority's staff continue its effort to cooperate with Arkansas colleges and universities. This notion was seconded by Mr. Moore.

Dr. Ahlen reviewed some changes in parking policy at the bank parking lot adjacent to 200 Main Street. Authority staff has been informed that Board members who park in the bank parking lot during Board meetings will be required to pay individual parking fees at future meetings. It was determined that group parking for today's meeting could be paid--this time only--if the Board would authorize such payment. Dr. Nix moved that this payment be authorized for any Board members parking in the lot for today's meeting. The motion was seconded by Dr. Elders, and passed unanimously. Dr. Hart pointed out that the rates in the parking lot across the street were considerably cheaper.

The Board adjourned at 3:00 p.m. until its next meeting on September 26, 1985.

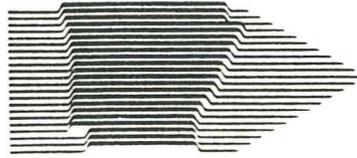
Respectfully Submitted,

Joe Nix, Ph.D.
Secretary, Board of Directors

APPROVED by the Board of
Directors on this 26th
day of September, 1985.



Joe Nix, Ph.D.
Secretary, Board of Directors



ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY

200 Main Street, Suite 210, Little Rock, Arkansas 72201 (501) 371-3554

RESOLUTION NO. 85-1

PROVIDING FOR AN INTERIM SET OF POLICIES; DRAWN FROM THE MINUTES OF THE MEETINGS OF THE ORIGINAL BOARD OF DIRECTORS; TO BE UTILIZED BY THE BOARD OF DIRECTORS OF THE ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY APPOINTED IN 1985.

WHEREAS, there is a need for a set of policies to provide continuous guidance to the staff of the Authority, as well as a need for a framework for the Board of Directors to follow; and

WHEREAS, there is a distinct direction in which the original Board and the Governor, set out in the original enabling legislation, intended the Authority to proceed; and

WHEREAS, several key motions adopted by the original Board are important to this intended direction, as well as to continuous guidance for the Authority;

NOW THEREFORE, BE IT RESOLVED THAT THE FOLLOWING MOTIONS SHALL BE RECOGNIZED AS INTERIM POLICIES FOR THE BOARD OF DIRECTORS, THEREIN:

THAT professional service contracts shall be approved by the Board of Directors except that (1) contracts in amounts more than \$5,000 but less than \$10,000 can be approved by the Executive Committee and (2) contracts in amounts less than \$5,000 can be approved by the President (7/2/84).

THAT the President's Report, prepared as a memorandum, be submitted on a monthly basis to the Board of Directors (8/10/84).

THAT all material that is prepared for a Board meeting and available two weeks in advance, including figures and narratives submitted to support budget requests, be mailed to members of the Board (8/10/84).

BE IT FURTHER RESOLVED:

THAT all of the above policies be identified as only of an replacement of these policies are subject to the action of the

Board of Directors within the boundaries of Act 859 of 1983 as amended by Act 409 of 1985, the State Constitution and the Federal Constitution.

APPROVED by the Board of Directors
on this 20th day of August, 1985



Joe Nix, Ph.D.
Secretary, Board of Directors



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RESOLUTION NO. 85-2

PROVIDING FOR THE ESTABLISHMENT OF THE EXECUTIVE COMMITTEE, THE STANDING COMMITTEES, AND AN AD HOC COMMITTEE OF THE BOARD OF DIRECTORS OF THE ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY.

WHEREAS, Act 409 of 1985 mandates the establishment of a five-member Executive Committee; and whereas the functional areas including investments, planning, and research require direct involvement by members of the Authority's Board of Directors; and

WHEREAS, Act 759 of 1985 requires the Board of Directors to prescribe in cooperation with the Arkansas Department of Higher Education rules and regulations for determining qualified research programs that will qualify for an Arkansas research and development tax credit;

NOW THEREFORE, BE IT RESOLVED THAT THE FOLLOWING MOTIONS SHALL BE RECOGNIZED AS POLICIES FOR THE BOARD OF DIRECTORS, THEREIN:

THAT there is established a five-member Executive Committee of the Board composed of the Chairman, Vice Chairman, Secretary, and two members appointed by the Chairman to provide guidance, direction, and counsel to the Authority's staff as needed between regularly scheduled meetings of the Board of Directors.

THAT there are established an Investment Committee, a Planning Committee, and a Research Committee as standing committees of the Board of Directors, composed of no fewer than three nor more than four members of the Board of Directors, appointed to each committee by the Chairman of the Board of Directors, including appointment by the Chairman of the Board of Directors of each committee's chairman.

THAT each member of the Board of Directors shall be appointed to at least one and not more than two standing committees except that the Chairman of the Board of Directors shall be an ex officio member of every standing and ad hoc committee of the Board of Directors.

THAT there is established a Research and Development Tax Credit Committee as an ad hoc committee of the Board of Directors,

composed of no fewer than three nor more than four members of the Board of Directors, including a committee chairman appointed by the Chairman of the Board of Directors; the purpose of the Research and Development Tax Credit Committee is to submit to the Board of Directors rules and regulations defining qualified research programs; and that the Research and Development Tax Credit Committee shall cease to exist upon the adoption by the Board of Directors of such rules and regulations.

APPROVED by the Board of Directors
on this 20th day of August, 1985



Joe Nix, Ph.D.
Secretary, Board of Directors