

**ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY**

100 Main Street, Suite 450, Little Rock, Arkansas 72201 (501) 371-3554

**MINUTES OF THE 32ND REGULAR MEETING OF THE  
ARKANSAS SCIENCE AND TECHNOLOGY AUTHORITY'S  
BOARD OF DIRECTORS  
LITTLE ROCK, ARKANSAS  
SEPTEMBER 9, 1988**

**CALL TO ORDER**

The meeting was called to order at 1:35 p.m. by Dr. Joe Nix, Vice Chairman of the Board, who chaired the meeting in Dr. Thompson's absence. The meeting was held in the Conference Room of the Department of Higher Education. Board members present included Dr. Joycelyn Elders, Dr. Don Pederson, Mr. Harry Truman Moore, Mr. John Troutt, Mr. Jerry Webster, Dr. William Willingham, and Dr. Paul Marion.

Visitors included Ms. Carol Griffiee, Interstate News Services.

Dr. Ahlen introduced Dr. Don Pederson, Vice Chancellor of Academic Affairs at the University of Arkansas in Fayetteville, as the newly appointed Board member who will serve out Dr. Hart's unexpired term. The Board welcomed Dr. Pederson.

**APPROVAL OF MINUTES**

Dr. Nix presented the minutes of the May 20 and June 24, 1988 Board meetings for approval. H.T. Moore moved the minutes be approved; Jerry Webster seconded the motion. The minutes were approved.

Dr. Ahlen reminded the members of the Board to keep their meeting booklets because these materials will not be provided as appendices to the meeting minutes. This procedure will constitute a savings of not only time but duplicating expense for the Authority.

Dr. Ahlen stated that a complete copy of the minutes from the previous meeting will be available at each Board meeting should there be any need to examine the material.

**PRESIDENT'S REPORT**

John Ahlen presented the president's report and highlighted the work of Charles Myers in the SBIR program. A company Mr. Myers has worked with will receive \$397,000 in federal SBIR awards. This is quite an accomplishment; there have been only three or four of these awards in the entire history of the SBIR program in Arkansas. Mr. Myers is also organizing a conference regarding the SBIR program that will be held in Little Rock on September 28. The Little Rock Technology Center admitted four new tenants into the business incubator program. The incubator now has a total employment of 41 persons.

**INVESTMENT COMMITTEE REPORT**

H. T. Moore presented the Investment Committee Report. He stated the Authority stayed within its budget for 1988 and finished the fiscal year well below the projected level of expenditures. Mr. Troutt moved that the Investment Committee Report be approved. Mr. Webster seconded the motion. The report was approved.

**PLANNING COMMITTEE REPORT**

(There was no Planning Committee Report.)

**RESEARCH COMMITTEE**

Dr. Elders presented Draft Resolutions 88-14, 88-15, and 88-16 for the Board's approval based upon the Research Committee's formal recommendation.

**Draft Resolution No. 88-14**

Draft Resolution No. 88-14 provides for the establishment of a Center for Energy-Related Research. Dr. Ahlen explained that a suggestion had been made to use some of the petroleum escrow funds for energy-related research under the same guidelines which are used in the Basic and Applied Research Program. It is expected that as much as \$300,000 could flow through the center for research projects in Arkansas colleges and universities. With the Board's approval, the proposal will then go to the Governor and the Legislature's Energy Committee for approval. Securing the Board's approval is just the first step to establishing such a center. With the Research Committee's recommendation, the Board gave its unanimous approval of Resolution No. 88-14.

## Draft Resolution No. 88-15

Draft Resolution 88-15 provides for funding of an applied research grant proposal: Proposal No. 88-A-0004, "Development of Low Cost, Continuous Area Laser Beam Detector Systems for the AGL Corporation, Jacksonville, Arkansas, by Electro- and Electroless-Deposition Processes," by Dr. Robert Engelken and Dr. Hal E. McCloud of Arkansas State University and co-sponsored by AGL Corporation of Jacksonville, Arkansas, in the amount not to exceed \$25,473. With the Research Committee's recommendation, the Board gave its unanimous approval of Resolution 88-15.

## Draft Resolution No. 88-16

Draft Resolution 88-16 provides for funding of an applied research grant proposal: Proposal No. 88-A-0005, "Computerized Vision System for Micromachining Control," by Dr. Carl Bowling of the University of Arkansas at Fayetteville and co-sponsored by Ozark Machine and Tool of Mountain View, Arkansas, in the amount not to exceed \$4,000. With the Research Committee's recommendation, the Board gave its unanimous approval of Resolution 88-16.

**OLD BUSINESS**

Resolution No. 88-10 was presented to Dr. Elders in recognition of her work with the Authority's Board of Directors.

Report on Science and Technology Corridor  
and Coordinating Office Efforts

Dr. Ahlen directed the Board's attention to the information regarding the Corridor which is being provided in response to Mr. Bowen's question regarding the definition of the Corridor. Dr. Ahlen said the original definition of the Corridor was based upon the level of federal research and development monies being spent at institutions of higher education in Arkansas. Any institution wishing to participate in the corridor project may feel free to take part because there is no formal definition of the Corridor or boundary that separates the area being developed.

Dr. Ahlen reported that AP&L brought to Arkansas two officials of the Battelle Memorial Institute in Ohio for a meeting about the overall strategy of the Corridor and specifically about the excellence of NCTR as a site for a National Biotechnology Demonstration Project. As a result of the meeting, the Corridor plan became more focused on a National Demonstration Project with

several individual components: (1) streamlining the regulatory process for biotechnology products, (2) protecting the intellectual property related to biotechnology research, (3) increasing public access and information, and (4) training of individuals at the center.

Mr. Bowen, Mr. Ramsay, Alice Smith, and Art Norris of NCTR, along with Elizabeth Goss from Senator Bumpers' office, visited Battelle (Sept. 8-9, 1988). They reported that an appropriation by the FDA of \$3,000,000 for federal fiscal year 1989 could be approved in the near future. This appropriation may be used for architectural and engineering studies related to the National Biotechnology Demonstration Project that is being planned.

The connection of the Demonstration Project to the Coordinating Office is obvious because Arkansas will have a clear opportunity to attract federal money to the state.

Dr. Ahlen stated that construction of dormitories to house visiting scientists at NCTR is underway. A 100,000 square foot building is being renovated for research which will be used by the Department of Defense. Part of this building will be available to the NCTR Associated Universities. There is also a portable building being renovated for use by the faculty at UAMS who work at NCTR but don't have office space or classroom space. The building should be available shortly after the beginning of the federal fiscal year.

#### 1989-91 Biennial Budget Report

Dr. Ahlen reported that the 1989 Legislative Agenda document that was presented at the May 20, 1988 Board meeting was translated into the Authority's budget request, which is the document provided in the meeting booklet. Funds to cover travel and personnel costs for the Coordinating Office have been requested in the budget. We have also asked for basic and applied research award money to be appropriated from the General Revenue Fund in the amount of \$1,800,000 (which is the level of appropriation that the Authority has received for these programs from the original authorization). The previous appropriations were from the Capital Improvement Fund, but the funds were released very slowly which hindered the Research Committee and Board in making awards for basic and applied research.

The Authority will make its budget presentation to the Joint Budget Committee on October 12. The Authority made two presentations to the Commission on Arkansas' Future. The letter to Craig Smith and the memorandum to the Governor are follow-ups from these presentations. Although the Technology Development Program is described in the memo to the Governor, the Authority did not seek funding in its budget request to establish this program.

**NEW BUSINESS**

## Report on NCTR Associated Universities

Dr. Ahlen directed the Board's attention to the letter from Dr. Milne which gives an update on the status of the NCTR Associated Universities. The NCTR-AU now includes 42 universities.

## FY 1988 Annual Report

The revised version of the Authority's FY 1988 Annual Report was presented to the Board for final approval. With the Board's approval the report will be printed and available as a handout to the Joint Budget Committee on October 12. Dr. Marion moved for approval of the Annual Report; Dr. Elders seconded the motion. The Board gave its unanimous approval of the 1988 Annual Report.

## Election of Officers

Dr. Marion gave the Nominating Committee's report. The Committee nominated Joe Nix as Chairman of the Board; Harry Truman Moore as Vice Chairman of the Board, and John Troutt as Secretary of the Board. There being no other nominations, the Board voted unanimous approval of the slate.

## Next Meeting

The next meeting of the Board of Directors was scheduled for 1:30 p.m. on November 18, 1988. Dr. Marion invited the Board to hold the meeting at the Department of Higher Education.

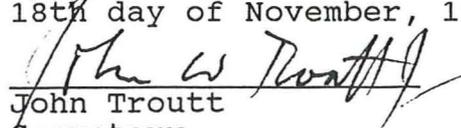
**ADJOURNMENT**

There being no further business, the meeting adjourned at 2:20 p.m.

Respectfully submitted,

John Troutt  
Secretary  
Board of Directors

Approved by the Board of Directors on this  
18th day of November, 1988.

  
John Troutt  
Secretary  
Board of Directors



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**RESOLUTION NO. 88-14**

**PROVIDING FOR THE ESTABLISHMENT OF THE CENTER FOR ENERGY-RELATED RESEARCH OF THE ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY**

WHEREAS, Act 859 as amended empowers the Arkansas Science & Technology Authority to encourage, establish and support both basic and applied research in science and technology within the state's colleges and universities;

WHEREAS, the Arkansas Science & Technology Authority has demonstrated its ability to operate successful, peer-reviewed basic and applied research grants programs;

WHEREAS, the energy overcharge funds made available to the State of Arkansas can be used to establish centers for energy-related research;

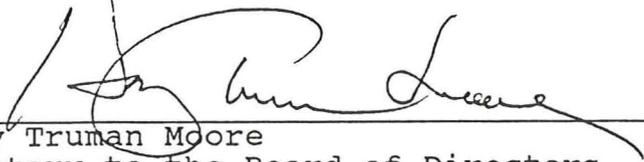
**NOW THEREFORE BE IT RESOLVED:**

THAT the Arkansas Science & Technology Authority's Board of Directors approves the establishment of the Center for Energy-Related Research of the Arkansas Science & Technology Authority.

**BE IT FURTHER RESOLVED:**

THAT all of the above policies are subject to the action of the Board of Directors within the framework established by Act 859 as amended.

APPROVED by the Board of Directors  
on this 9th day of September, 1988.

  
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Harry Truman Moore  
Secretary to the Board of Directors



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**RESOLUTION NO. 88-15**

**PROVIDING THE APPROVAL FOR THE FUNDING OF ONE APPLIED RESEARCH GRANT PROPOSAL BY THE BOARD OF DIRECTORS OF THE ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY.**

**WHEREAS**, Act 859 as amended empowers the Arkansas Science & Technology Authority to establish and administer an Applied Research Grant Program; and

**WHEREAS**, Act 292 of 1987 includes a reappropriation of \$519,029 for funding basic and applied research in Arkansas' colleges and universities; and

**WHEREAS**, Act 571 of 1987 includes an appropriation of \$1,800,000 for funding basic and applied research in Arkansas' colleges and universities; and

**WHEREAS**, Act 890 of 1987 includes an appropriation of \$414,000 for fiscal year 1988-89 for funding business incubators and basic and applied research in Arkansas' colleges and universities; and

**WHEREAS**, there are sufficient unencumbered funds in the aforementioned appropriations; and

**WHEREAS**, proposals were solicited in accordance with rules and guidelines for the Program; and

**WHEREAS**, proposals were reviewed for eligibility and completeness by the Authority's staff; and evaluated on the basis of scientific merit by peers in appropriate fields of science; and

**WHEREAS**, the Research Committee is committed to recommending to the Board of Directors those proposals that have clear economic development potential and are ranked as being scientifically meritorious; and

**WHEREAS**, the Research Committee finds that it is appropriate for the Authority to fund only proposals that are of limited time duration;

**NOW THEREFORE BE IT RESOLVED:**

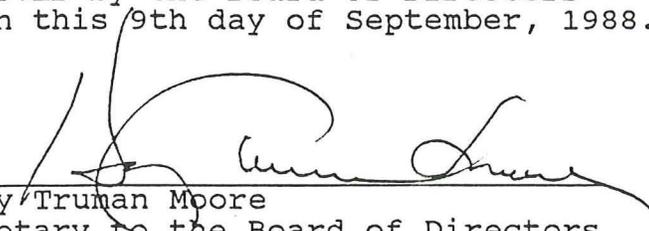
**THAT** the Arkansas Science & Technology Authority's Board of Directors approves for funding the following proposal:

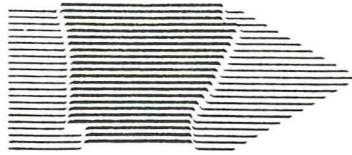
PROPOSAL NO. 88-A-0004, "Development of Low Cost, Continuous Area Laser Beam Detector Systems for the AGL Corporation-- Jacksonville, Arkansas by Electro- and Electroless-Deposition Processes," by Dr. Robert Engelken and Dr. Hal E. McCloud of Arkansas State University and cosponsored by AGL Corporation of Jacksonville, Arkansas in the amount not to exceed \$25,473.

**BE IT FURTHER RESOLVED:**

**THAT** all of the above policies are subject to the action of the Board of Directors within the framework established by Act 859 as amended.

APPROVED by the Board of Directors  
on this 9th day of September, 1988.

  
\_\_\_\_\_  
Harry Truman Moore  
Secretary to the Board of Directors



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**RESOLUTION NO. 88-16**

**PROVIDING THE APPROVAL FOR THE FUNDING OF ONE APPLIED RESEARCH GRANT PROPOSAL BY THE BOARD OF DIRECTORS OF THE ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY.**

**WHEREAS**, Act 859 as amended empowers the Arkansas Science & Technology Authority to establish and administer an Applied Research Grant Program; and

**WHEREAS**, Act 571 of 1987 includes an appropriation of \$1,800,000 for funding basic and applied research in Arkansas' colleges and universities; and

**WHEREAS**, Act 890 of 1987 includes an appropriation of \$414,000 for fiscal year 1988-89 for funding business incubators and basic and applied research in Arkansas' colleges and universities; and

**WHEREAS**, there are sufficient unencumbered funds in the aforementioned appropriations; and

**WHEREAS**, proposals were solicited in accordance with rules and guidelines for the Program; and

**WHEREAS**, proposals were reviewed for eligibility and completeness by the Authority's staff; and evaluated on the basis of scientific merit by peers in appropriate fields of science; and

**WHEREAS**, the Research Committee is committed to recommending to the Board of Directors those proposals that have clear economic development potential and are ranked as being scientifically meritorious; and

**WHEREAS**, the Research Committee finds that it is appropriate for the Authority to fund only proposals that are of limited time duration;

**NOW THEREFORE BE IT RESOLVED:**

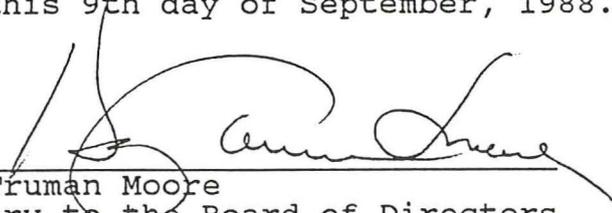
**THAT** the Arkansas Science & Technology Authority's Board of Directors approves for funding the following proposal:

PROPOSAL NO. 88-A-0005, "Computerized Vision System for Micromachining Control," by Dr. Carl Bowling of the University of Arkansas at Fayetteville and cosponsored by Ozark Machine and Tool of Mountain View, Arkansas in the amount not to exceed \$4,000.

**BE IT FURTHER RESOLVED:**

**THAT** all of the above policies are subject to the action of the Board of Directors within the framework established by Act 859 as amended.

**APPROVED** by the Board of Directors  
on this 9th day of September, 1988.

  
\_\_\_\_\_  
Harry Truman Moore  
Secretary to the Board of Directors