

ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY

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**MINUTES OF THE 60TH MEETING OF THE
ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY
BOARD OF DIRECTORS
LITTLE ROCK, ARKANSAS
JANUARY 21, 1994**

CALL TO ORDER

The meeting was called to order at 1:38 p.m. by Mr. Jerry Webster, Chairman of the Board, in the fourth floor conference room of the Technology Center.

A quorum of Board members was present and included: Mr. William C. Bridgforth, Dr. Roberta Bustin, Mr. Danny Ford, Dr. James Hendren, Mr. James Kelley, Dr. Phillip Rayford, and Mr. John Troutt.

Staff members present included: John Ahlen, Jim Benham, Joe Gentry, Melissa Adams, Julie Welch, Ed Sartain, Brock Patterson, Courtney Johnson-Woods, Al Grijalva, Joyce Sadler, and Susan Collins.

Visitors included: Carol Griffee of Editorial Services, Inc.

APPROVAL OF MINUTES

Mr. Webster presented the minutes from the November 19, 1993 Board meeting for approval. Mr. Ford made a motion for the approval of the minutes. Mr. Bridgforth seconded the motion; the Board gave its unanimous approval.

PRESIDENT'S REPORT

Dr. Ahlen brought to the Board's attention the semi-annual report for the first six months of the fiscal year and the monthly report for December 1993.

RESEARCH COMMITTEE

Dr. Rayford stated that the Research Committee met on January 6, 1994 and recommended for the Board's approval the following resolutions:

Draft Resolution 94-13 provides for the funding of one applied research project:

PROPOSAL NO. 94-A-06, "High Speed Spectral Analysis of Transient Optical Emission," by Mr. Paul C. McLeod of the University of Arkansas at Little Rock, in the amount not to exceed \$29,692.00. This project is cosponsored by Remington Arms Company, Inc., in the amount of \$30,884.00.

Dr. Rayford made a motion for the approval of Draft Resolution 94-13. Mr. Bridgforth seconded the motion; the Board gave its unanimous approval.

Draft Resolution 94-14 provides for the funding of one applied research project:

PROPOSAL NO. 94-A-08, "Potential Feed Additive for Off-Flavor in Catfish," by Dr. Daniel Schlenk of the University of Arkansas for Medical Sciences, in the amount not to exceed \$26,200.00. This project is cosponsored by SF Services in the amount of \$26,000.00.

Dr. Rayford made a motion for the approval of Draft Resolution 94-14. Mr. Bridgforth seconded the motion. Dr. Rayford stated that UAMS was the institution of his affiliation. The Board gave its unanimous approval.

Draft Resolution 94-15 provides for the funding of five basic research projects, which are part of the DOE/EPSCoR program:

PROPOSAL NO. 94-EB-32, "Study of Fluorinated Hydrogenated Amorphous Silicon-Nitrogen Alloy for High Efficiency Multijunction Solar Cells," by Mr. Steven Kizzar, grant recipient, and Dr. H.A. Naseem of the Department of Electrical Engineering, University of Arkansas, Fayetteville, in the amount not to exceed \$12,500.00.

PROPOSAL NO. 94-EB-33, "Development of a Prototype Raman Particle Analyzer, Capable of Probing Suspended Particles Both in a Flow Stream and in a Trapping Cell," by Mr. Chris Masters, grant recipient, and Dr. A.J. Adams of the Department of Electronics and Instrumentation, University of Arkansas at Little Rock, in the amount not to exceed \$12,500.00.

PROPOSAL NO. 94-EB-34, "Investigation of Intracavity Laser Raman Spectroscopy on

Distillates of Hydrocarbon Fractions," by Ms. Kathy Underhill-Shanks, grant recipient, and Dr. M. Keith Hudson of the Department of Electronics and Instrumentation, University of Arkansas at Little Rock, in the amount not to exceed \$12,500.00.

PROPOSAL NO. 94-EB-35, "Structure/Function Relationships in Proteins Involved in Photosynthesis," by Ms. Marti Scharlau, grant recipient, and Dr. Dan J. Davis of the Department of Chemistry and Biochemistry, University of Arkansas, Fayetteville, in the amount not to exceed \$12,500.00.

PROPOSAL NO. 94-EB-36, "Quantification of the Effect of Drying Air Conditions on Drying Rate of Rice and Resultant Kernel Quality," by Ms. Cheryl Schulman, grant recipient, and Dr. Terry Siebenmorgen of the Department of Biological and Agricultural Engineering Department, University of Arkansas, Fayetteville, in the amount not to exceed \$12,500.00.

Dr. Rayford made a motion for the approval of Draft Resolution 94-15. Mr. Ford seconded the motion; the Board gave its unanimous approval.

Draft Resolution 94-16 provides for the funding of four basic research projects:

PROPOSAL NO. 94-B-32, "Innovative Bayesian Analysis of the Choice of the Link Function in Binary Response Regression," by Dr. Sanjib Basu of the Department of Mathematical Sciences, University of Arkansas, Fayetteville, in the amount not to exceed \$13,819.00.

PROPOSAL NO. 94-B-33, "Applications of Clifford Analysis to Boundary Value Problems and Classical Harmonic Analysis," by Dr. John Ryan of the Department of Mathematical Sciences, University of Arkansas, Fayetteville, in the amount not to exceed \$12,929.00.

PROPOSAL NO. 94-B-34, "Development of Immobilized Metal Affinity Separation (IMAMS): Evaluation of an Iminodiacetic Acid-Derivatized Polyvinylidene Fluoride Membrane," by Dr. Robert R. Beitle, Jr., of the Department of Chemical Engineering, University of Arkansas, Fayetteville, in the amount not to exceed \$30,001.00.

PROPOSAL NO. 94-B-41, "Probability-Based Process Diagnosis in Machine Processes," by Dr. John R. English of the Department of Industrial Engineering, University of Arkansas, Fayetteville, in the amount not to exceed \$35,873.00.

Dr. Rayford made a motion for the approval of Draft Resolution 94-16. Dr. Hendren seconded the motion; the Board gave its unanimous approval.

Draft Resolution 94-18 provides for the funding of one basic research project:

PROPOSAL NO. 94-B-37, "Compression of Multispectral Image Data," by Dr. Nasir Memon of the Department of Computer Science, Arkansas State University, in the amount not to exceed \$29,562.00.

Mr. Troutt made a motion for the approval of Draft Resolution 94-18. Mr. Ford seconded the motion; the Board gave its unanimous approval.

Draft Resolution 94-19 provides for the funding of two basic research projects:

PROPOSAL NO. 94-B-46, "Genetic and Biochemical Analysis of Ethanol and Acetate Metabolism," by Dr. Mark T. McCammon of the Department of Biochemistry and Molecular Biology, University of Arkansas for Medical Sciences, in the amount not to exceed \$32,450.00.

PROPOSAL NO. 94-B-47, "The Role of Glomerular Metalloproteinases in Diabetic Nephropathy," by Dr. Gur P. Kaushal of the Department of Medicine/Nephrology, University of Arkansas for Medical Sciences, in the amount not to exceed \$33,858.00.

Dr. Hendren made a motion for the approval of Draft Resolution 94-19. Mr. Bridgforth seconded the motion. Dr. Rayford stated that UAMS was the institution of his affiliation. The Board gave its unanimous approval.

INVESTMENT COMMITTEE

Mr. Kelley called the Board's attention to the FY94 General Fund Expenditure Report and the Investment Fund Report for the quarter ending December 31, 1993.

Mr. Kelley made a motion for the acceptance of the two financial reports. Mr. Bridgforth seconded the motion; the Board gave its unanimous approval.

Mr. Kelley called the Board's attention an information sheet listing ASTA's Certificates of Deposit and where they are invested. The information showed the location, rates for ASTA's Certificates of Deposit, and the new maturity dates. Mr. Kelley also disclosed that he serves on the Board of one of the banks that ASTA has a certificate of deposit.

INVESTMENT FUND POLICY

Mr. Benham brought before the Board a draft of a new Investment Fund Policy developed by the staff. Mr. Benham stated that this policy was developed by incorporating items from previous resolutions that have been approved by the Board.

Mr. Benham stated that this policy would give approval to extend the term of investing certificates of deposit from 180 days to up to 366 days. This policy would authorize the President, Vice President Finance, and the Vice President Management Services to disburse the monies of the investment fund.

Dr. Hendren stated that under item number eight in the policy, it would be clearer if it read, "any two officers."

After further discussion, Mr. Troutt made a motion for the approval of the Investment Fund Policy incorporating the clearer language. Dr. Hendren seconded the motion; the Board gave its unanimous approval.

TECHNOLOGY TRANSFER ASSISTANCE GRANT PROGRAM RULES

Ms. Welch brought before the Board a draft of the Technology Transfer Assistance Grant Program Rules. Ms. Welch stated that public comments were received on January 5, 1994 and the following changes were made to the rules:

2.1 The total maximum funding, per project, is \$5,000 with the first \$2,500 of project costs awarded by the Authority and the remainder cost-shared equally (50:50) between the Authority and the enterprise being assisted by the applicant.

Ms. Welch stated that it was also added under 2.1 that the Authority would not fund any costs associated with training.

Dr. Hendren stated that it is typical that with a transfer of technology, there may be some sort of training associated with it. Dr. Hendren suggested the statement to read:

The Authority shall not fund any costs associated primarily with training.

Dr. Hendren stated that this would give the Authority the leeway on a case by case basis to allow some training if needed.

Dr. Hendren stated that the rules would allow technology to come from out of state. Dr. Ahlen stated that the intent is to serve Arkansas businesses that have needs, regardless of where the source of the technology is located.

After further discussion, Mr. Bridgforth made a motion for the approval of the draft technology transfer assistance grant program rules, with the changes and additions suggested. Mr. Troutt seconded the motion; the Board gave its unanimous approval.

CREATIVE ENGINEERING CONSULTANTS

Ms. Welch gave an update on Creative Engineering Consultants (CEC), a company that the Authority invested funds in November 1992. Ms. Welch stated that CEC has sold its first Vibro-kinetic energy mill. The product has been delivered and the Authority will begin receiving royalties.

OLD BUSINESS

Mr. Troutt presented for approval Draft Resolution 94-12 commending Dr. Karl David Straub for his work with EPSCoR in Arkansas. Mr. Troutt made a motion for approval of Draft Resolution 94-12. Mr. Ford seconded the motion; the Board gave its unanimous approval.

NEW BUSINESS

Dr. Ahlen reminded the Board members of the policy for Board attendance. Dr. Ahlen stated that Board members would be reminded at the beginning of each calendar year. Excessive absences will be reported by the Secretary of the Board to the Governor's Office.

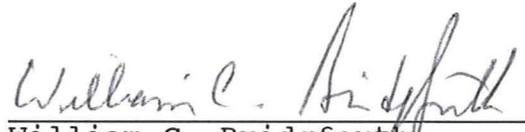
Mr. Webster reminded Board members that the next meeting date is March 18. Dr. Ahlen stated that this meeting will be held at UAMS. There will be another morning meeting, where the research portion of the plan will be discussed.

Mr. Webster reminded Board members that their Statement of Financial Interest forms were due in the Secretary of State's office by January 31.

ADJOURNMENT

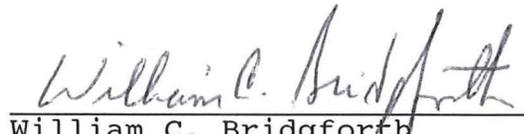
With no further business to conduct, the meeting was adjourned at 2:25 p.m.

Respectfully submitted,



William C. Bridgforth
Secretary
Board of Directors

APPROVED by the Board of Directors
on this 18th day of March, 1994



William C. Bridgforth
Secretary
Board of Directors