



**ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY**

100 Main Street, Suite 450, Little Rock, Arkansas 72201 (501) 324-9006

**MINUTES OF THE 81<sup>st</sup> MEETING OF THE  
ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY  
BOARD OF DIRECTORS  
LITTLE ROCK, AR  
MARCH 20, 1998**

**CALL TO ORDER**

The meeting was called to order at 1:31 p.m. by Mr. Michael Murphy, Chairman of the Board, in the fourth floor conference room of the 100 Main Building in Little Rock.

Board members present included: Dr. Joel Anderson, Dr. Ed Crowe, Mr. William Dempsey, Ms. Catherine Janosky, Mr. Stephen Nipper, Dr. Harry Ward and Ms. Donna Young.

Staff members present included: Ms. Melissa Adams, Dr. John Ahlen, Ms. Sheryl Bollen, Jerry Buckingham, Mr. Michael Greer, Mr. Les Lane, Ms. Kelly Lyon, Dr. Herb Monoson, Mr. Chuck Myers and Ms. Joyce Sadler.

Visitors included: Mr. Gary Underwood from the Governor's Office.

Mr. Murphy welcomed two new members to the Board: Dr. Joel Anderson from the University of Arkansas at Little Rock and Dr. Harry Ward from the University of Arkansas for Medical Sciences. Mr. Murphy stated that one additional new member, Mr. D.W. May, could not attend this meeting.

**APPROVAL OF MINUTES**

Mr. Murphy presented for approval the minutes from the January 16, 1998 Board meeting.

Ms. Janosky made a motion for the approval of the minutes. Mr. Nipper seconded the motion; the Board gave its unanimous approval.

**PRESIDENT'S REPORT**

Dr. Ahlen introduced Mr. Jerry Buckingham, who accepted the position of Director of the Arkansas Manufacturing Extension Network. Mr. Buckingham will begin work on April 1.

Dr. Ahlen informed the Board the Les Lane, Vice President Finance, would be revising the application process for the Technology Transfer Assistance Grant (TTAG) program. Mr. Lane explained that after speaking with resource providers, the staff has decided to streamline the application and have more customer input on the process. Dr. Ahlen stated that if there were no objections from the Board, the staff would proceed with this task. The Board expressed no objections.

**Amendment to Resolution 97-20**

Dr. Ahlen reviewed with the Board the memo concerning amending Resolution 97-20.

Resolution 97-20 approved matching funds for the EPSCoR Program. There were two projects approved, one at UAF and UAMS.

The EPSCoR Advisory Committee recommended that the funding for Ventures In Education for the subsequent fiscal year (July 1, 1997) be rolled in with the UAMS EPSCoR project. Both projects were funded by NSF and were EPSCoR related. Resolution 97-20 had an amount of \$491,000 for UAMS. When the award letter was written to UAMS, the dollar amounts for the UAMS/EPSCoR project and the VIE project were broken out, but the staff maintained a separate file for that project with the EPSCoR project number on it.

Dr. Ahlen reported on what has transpired with regards to this project. In the fall, the Authority responded to an executive order from the Governor concerning projects that had begun after July 1 which involved any member of the legislature or any contract over a certain amount of money being identified to the Governor's Office. In accordance with the executive order, the VIE project was reported to the Governor's Office.

At the end of the VIE project period at UAMS, there was approximately \$20,000 that was refunded to the Authority. Because of that and because of the reference to the executive order, and a comment made by Dr. Monoson about it being confusing to have one project file for the separate activities, this information was being brought to the Board's attention.

Dr. Ahlen asked the Board vote to amend Resolution 97-20, clarifying there are two pieces to the UAMS project. This would allow the staff to break the UAMS award into two separate files.

There being no further discussion, Ms. Young moved that Resolution 97-20 be amended to reflect the two projects at UAMS. Mr. Dempsey seconded the motion. Dr. Ward stated that UAMS is the institution of his affiliation. The Board gave its unanimous approval. The projects will be listed as follows:

"Formation of an Arkansas Center for Membrane Transport" by Dr. Michael Jennings at the University of Arkansas for Medical Sciences in the amount of \$391,404.

"ADventures in Education" under the supervision of Dr. Richard Kennedy at the University of Arkansas for Medical Sciences in the amount of \$99,735.

Ms. Janosky stated that it would be interesting to see aptitude tests from the participating schools, and if there were any tangible improvements as a result of VIE's involvement in the schools. Dr. Ahlen stated that the staff could provide that information to the Board. It was also suggested that someone from the ADventures in Excellence program be invited to speak to the Board.

#### **FY98 SUMMARY OF RESEARCH GRANTS**

Dr. Herb Monoson, Vice President Research, provided a brief summary of the research proposals received and funded to date in fiscal year 1998.

#### **MEMORANDUM OF UNDERSTANDING**

Dr. Ahlen reported that the Authority is working with staff members from UAMS on a Memorandum of Understanding, which pledges to work together in supporting biotechnology industry in Arkansas.

#### **INVESTMENT COMMITTEE REPORT**

Draft Resolution 98-14 provides for the formal acceptance of Technology Transfer Assistance Grant (TTAG) projects funded since January 16, 1998. There were a total of nine projects funded.

Ms. Young made a motion for the approval of Draft Resolution 98-14. Mr. Nipper seconded the motion. Dr. Anderson stated that some of the funded projects were from UALR, the

institution of his affiliation. The Board gave its unanimous approval.

Draft Resolution 98-15 will provide monies for funding recommended projects under the Technology Transfer Assistance Grant (TTAG) Program during the third quarter of state fiscal year 1998. Ms. Young stated that the committee asked that the amount be increased from \$35,000 to \$35,762.50. This increase reflects a carryover of \$762.50 not expended in the last quarter.

Ms. Young made a motion for the approval of Draft Resolution 98-15. Mr. Nipper seconded the motion; the Board gave its unanimous approval.

The Board was provided a Seed Capital Investment Report for their review.

Les Lane, Vice President Finance, provided a summary on the history of the TTAG program.

Mr. Lane also gave an overview of ISO9000. Ms. Janosky stated that most of the firms that have received TTAG funding for ISO9000 certification, if they have to be certified, they will do it anyway, with or without the Authority's money. She stated that she doesn't view this as technology transfer, and asked if the Authority was turning down other good projects to fund ISO9000 certification projects.

It was suggested that if a funded company doesn't complete the process for ISO9000 certification, the Authority could require the awarded money be returned.

#### **INDUSTRY COMMITTEE REPORT**

Ms. Janosky reported that the Industry Committee met earlier in the day. At the meeting there was discussion about expanding the Industry Committee. The expanded committee would include representatives from manufacturing and would only serve in an advisory capacity for the committee.

Ms. Janosky explained that the Network will have its roll over review possibly in June. It would be helpful to have the additional people on board before this review.

With no further discussion, Ms. Janosky made a motion that she work with the staff in expanding the Industry Committee by five to eight individuals. Mr. Nipper seconded the motion; the Board gave its unanimous approval.

**OLD BUSINESS**

Dr. Ahlen shared with the Board a memo concerning changing the composition of the Authority's Board of Directors. Dr. Ahlen reviewed the current structure and the proposed changes in the structure.

Dr. Ahlen stated that given some of the statistics of where the Authority's research dollars are going, it would seem reasonable that there be representatives from UAF and UAMS filling the academic slots on the Board. The Board could then have two additional university scientists and two at large scientists filling the four scientific slots. The five private-sector slots could then be filled by two private sector, three private sector representatives from knowledge-based industries. The designated slot for the Director of the Department of Higher Education would be replaced by a university scientist. The three manufacturing slots would remain the same.

Dr. Ahlen stated that the business of the Board is changing and this proposal is one way of moving with those changes.

Mr. Dempsey expressed reservations about the proposed Board composition. He stated he is concerned about the lack of participation of smaller institutions. To designate permanent slots for UAF and UAMS would be a mistake because there are good people at smaller institutions.

After further discussion, it was decided that the staff would poll Board members between now and the May meeting to get their thoughts/suggestions on this process.

**NEW BUSINESS**

Draft Resolutions 98-16, 98-17, and 98-18 provides for the commendation of Dr. James Hendren, Mr. Sam Hummelstein, and Dr. Don Pederson for their service on the Board.

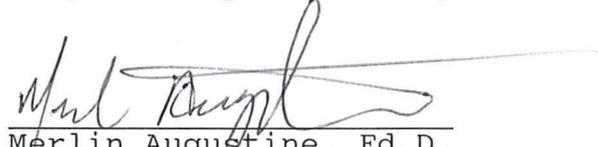
Mr. Dempsey made a motion for the approval of Draft Resolutions 98-16, 98-17, and 98-18. Ms. Janosky seconded the motion; the Board gave its unanimous approval.

Mr. Murphy reminded the Board that the next meeting would be May 15, 1998.

**ADJOURNMENT**

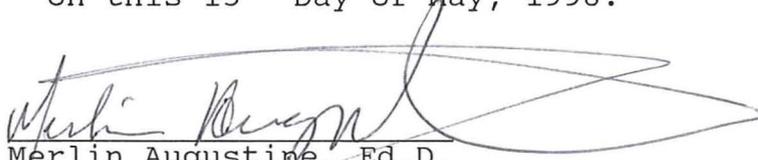
There being no further business to conduct, the meeting was adjourned.

Respectfully submitted,



Merlin Augustine, Ed.D.  
Secretary  
Board of Directors

**Approved** by the Board of Directors  
on this 15<sup>th</sup> Day of May, 1998.



Merlin Augustine, Ed.D.  
Secretary  
Board of Directors