



---

**ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY**

100 Main Street, Suite 450, Little Rock, Arkansas 72201  
Phone: (501) 324-9006 Fax: (501) 324-9012 <http://www.ark.org/asta>

**MINUTES OF THE 101<sup>st</sup> MEETING OF THE  
ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY  
BOARD OF DIRECTORS  
ARKANSAS CAPITAL CORPORATION  
March 15, 2002**

**CALL TO ORDER**

The meeting was called to order by Mr. D.W. May, Chairman of the Board at 1:30 p.m., in the Board Room of the Arkansas Capital Corporation, located at 225 South Pulaski in Little Rock.

A quorum of Board members were present: Dr. Mary Good, Mr. J. Wylie Harris, Dr. Charles Hathaway, Ms. Sue McGowan, Ms. Cynthia Moten, Mr. Ron Roberts, Dr. Neil Rutger, Ms. Melinda Saunders, Dr. Harry Ward, Dr. John White and Mr. Rickey Williams.

Staff members present included: Ms. Melissa Adams, Dr. John Ahlen, Mr. Kevin Carr, Ms. Lydia Carson, Mr. Les Lane, Dr. Herb Monoson, Mr. Chuck Myers, Mr. Brad Sims, Ms. Alma Valley, and Miss Rebecca Wright.

Visitors: Kelly Boyd from the Governor's Office, Liz Clark, National Institute of Standards and Technology, joined the meeting by phone.

Mr. May introduced two new board members: Cynthia Moten from the Department of Higher Education and Dr. John White from the University of Arkansas, Fayetteville.

**APPROVAL OF MINUTES**

Mr. May presented the minutes from the January 18, 2002 Board meeting. Dr. Hathaway made a motion for the approval of the minutes. Mr. Roberts seconded the motion.

The Board unanimously voted to approve the minutes.

## **PRESIDENT'S REPORT**

Dr. Ahlen introduced two new staff members: Brad Sims, Communications Manager and Rebecca Wright, Executive Secretary.

Kelly Boyd, the Authority's liaison in the Governor's Office, was recognized. Mr. Boyd read a letter from Governor Huckabee thanking the Board and staff for their work on the Research and Development Plan.

Dr. Ward expressed his concern about the fact that the Authority's research appropriation had been cut. He stated that it would make implementing the R&D plan difficult because there are no funds. Dr. Ward asked Mr. Boyd to convey to the Governor that his support is needed to restore those research funds. Mr. Boyd stated that he is committed to trying to restore those funds.

## **INVESTMENT COMMITTEE**

Ms. McGowan presented the Investment Committee Report.

Draft Resolution 02-04, a Seed Capital Investment into EdocAmerica in the amount of \$500,000, was presented to the Board. Ms. McGowan stated that the committee had met twice without voting on the resolution. It was decided by the committee to present it to the Board for further discussion, without a recommendation. Discussion followed and the Board raised the following questions: How does Acxiom, which is a top company using EdocAmerica, view the success? Will the doctor be able to prescribe medication? Why is \$1/2 million needed? Are there any new companies ready to sign on now? Are there any Arkansas competitors? There is concern that Dr. Smith is the only investor at this time.

A suggestion was made to the committee to consult with physicians, or a medical association, to get a diverse assessment of the project.

After discussion by the Board, Ms. McGowan asked for a recess so that the Investment Committee could meet. The Chair recessed the meeting for five minutes, at 2:00 p.m.

The Board reconvened at 2:06 p.m.

Ms. McGowan asked that the resolution be tabled until the committee could gather more information. Without objection, Draft Resolution 02-04 was tabled.

An authorization to write-off Venisect dba Transmedica was presented to the Board. Ms. McGowan made a motion to approve the write off of the project. Dr. Good seconded the motion; the Board gave its unanimous approval.

Ms. McGowan gave a brief update on Art-Exchange. The company has drawn on a portion of the monies awarded to them. The Authority has received its first royalty check from Art Exchange for \$3,000. Dr. Good stated that Art-Exchange had approached

UALR for help in developing a new database that would help them find new customers. UALR put them in touch with Acxiom, who is now working on the project.

Ms. McGowan updated the Board on the Garlock project. The project is expected to meet the completion deadline of June 30, 2002.

Ms. McGowan reported that the Authority has received its first royalty check from Integral Wave Technologies. The check totaled \$14,000.

## **INDUSTRY COMMITTEE REPORT**

Mr. Ron Roberts presented the Industry Committee report.

Mr. Roberts reported on the Repayment of Disallowed Costs. He stated that Lydia Carson and the staff worked very hard to resolve this issue. It has been determined that the Network will owe nothing. The information has been forwarded to the Office of the Inspector General and this issue should be closed shortly.

Mr. Roberts reported that Ms. Carson had developed twelve performance metrics on which the Network will be reviewed. To date, the Network has met all metrics.

Mr. Roberts reported on MEP funding. He stated that the President's budget showed a significant reduction in MEP funding. Letters have been sent to the governor, senators and representatives urging them to help MEP funding.

Ms. Carson reported that the Governor's Office had received notice that the Network's amended cooperative agreement had been approved. The Network will have funding through the end of the year.

An authorization to write-off Network Project Debt was presented to the Board. The write offs are a result of the staff reviewing financials from the beginning of the Network. There were invoices for companies that are unable to pay or are not going to pay. The Network staff feels that these debts should be written off and taken off the books. Ron Roberts made a motion for the approval of the write-off project debts. Dr. Mary Good seconded the motion; the Board gave its unanimous approval.

Ms. Carson reported that the Network had submitted a proposal to the Enterprise Corporation of the Delta. The RFP is a result of funds being provided by the Kellogg Foundation for technical assistance and training. The Network partnered with the MEP Centers in Louisiana and Mississippi on this proposal. The Network should hear something in April.

Mr. Roberts reported on the Formal Report from the Center Performance Review in October. The formal report was in line with the verbal summary given by the panel. Overall, the review was favorable.

The panel did recommend that the Network be removed from transition status and continue funding. One of the panel's recommendations was for the Network to form an Advisory Subcommittee to help provide advice and guidance to the Industry Committee. The staff has begun work on this recommendation.

Mr. May congratulated the Network staff and the committee on their hard work.

**RESEARCH COMMITTEE REPORT**

Dr. Ward stated that the Research Committee had no report for this meeting.

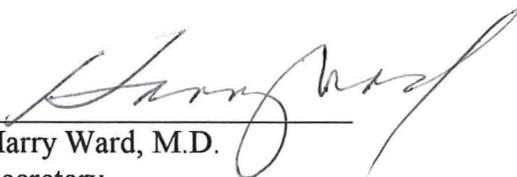
**NEW BUSINESS**

Dr. John Ahlen reported that the Authority had received a grant from the Winthrop Rockefeller Foundation for a project geared towards K-12 students in math and science and new teaching methods. Mini grants will be given to middle school teachers to monitor students' learning. The grant is for three years and totals \$405,000. Dr. Herb Monoson will oversee the project.

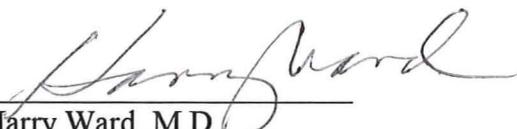
**ADJOURNMENT**

There being no further business to conduct, the meeting was adjourned at 2:30 p.m.

Respectfully submitted,

  
\_\_\_\_\_  
Harry Ward, M.D.  
Secretary  
Board of Directors

**APPROVED** by the Board of Directors  
on this 17<sup>th</sup> day of May, 2002

  
\_\_\_\_\_  
Harry Ward, M.D.  
Secretary  
Board of Directors