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**MINUTES OF THE 105<sup>th</sup> MEETING OF THE  
ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY  
BOARD OF DIRECTORS  
423 MAIN STREET, LITTLE ROCK, AR  
JANUARY 17, 2003**

**CALL TO ORDER**

The meeting was called to order by Dr. Harry Ward, Chairman of the Board, at 1:30 p.m., in the Third Floor Conference Room at 423 Main Street in Little Rock, Arkansas.

A quorum of Board members was present: Mr. Jonathan Davis, Dr. Mary Good, Dr. Charles Hathaway, Ms. Sue McGowan, Ms. Cynthia Moten, Mr. Ron Roberts, Ms. Melinda Saunders, Dr. John White and Mr. Rickey Williams.

Staff members present included: Ms. Melissa Adams, Dr. John Ahlen, Ms. Lydia Carson, Mr. Leslie Lane, Ms. Cathy Ma, Dr. Herbert Monoson, Mr. Chuck Myers, Mr. Brad Sims, Mr. James Watkins and Ms. Rebecca Wright.

**APPROVAL OF MINUTES**

Dr. Ward presented for approval the minutes from the November 15, 2002 Board meeting.

Mr. Roberts requested that page two of the minutes be corrected to show that Space Photonics, Inc. requested \$500,000 from the Seed Capital Investment Fund, not \$50,000.

Mr. Roberts made a motion for the approval of the revised minutes. Ms. McGowan seconded the motion. The motion passed unanimously.

**PRESIDENT'S REPORT**

Dr. John Ahlen presented the President's Report. He stated that two publications were given to each Board member. The Arkansas Times published Technostate: Emerging Trends in Technology in Arkansas. The Authority was included in the article "Unlocking the Future: High Tech Education is the Key." Arkansas Business published Arkansas Technology 2003. The article "Taking Off Down the High-tech Track" is a representation of Board members and Dr. Ahlen participating in a panel session.

Dr. Ahlen provided Board members with a copy of Governor Huckabee's legislative agenda, which included a proposed reorganization plan for state government. Dr. Ahlen stated that according to the plan, the Authority would fall under the Department of Commerce.

Dr. White asked if the Governor's model of restructuring compared favorably to those of other states. Dr. Good stated that Arkansas' restructuring is not unlike the one performed in Kansas.

Dr. Ahlen stated that Kelly Boyd has become the Legislative and Finance director during the Legislative Session. The Authority has been assigned a new liaison, DeWayne Hayes. Mr. Hayes has worked in state government for ten years.

Dr. Ward stated that he, Dr. Ahlen, Mr. Boyd and Mr. Hayes met with the Governor. They presented Mr. Roberts' presentation titled, "Recommendations of the Task Force for the Creation of Knowledge-Based Jobs." Dr. Ward stated that he focused on the Authority's budget. The Governor stated that he is supportive of the budget concept presented but could not put \$8 million into Centers of Excellence or the Seed Capital Investment Fund. He stated that he liked the theme of economic development and that the Authority should consider working with Jim Pickens at the Arkansas Department of Economic Development. Dr. Ward requested that a meeting be scheduled between the Authority's Executive Committee and Jim Pickens. Discussion followed.

#### UPDATE ON WINTHROP ROCKEFELLER GRANT

Dr. Monoson reported that 5,123 students are currently participating in the Innovative Teaching of Middle School Science project and the STUART project. The awards are for public schools and the class sizes range from 24-28 students. Dr. Monoson stated that he is performing site visits to observe the progression of the projects. Dr. Ward requested a one-page summary to the Board. Discussion followed.

#### **INDUSTRY COMMITTEE REPORT**

Mr. Roberts stated that NIST has extended the Network's FY03 cooperative agreement through June 30, 2003. He also reported that the Network conducted a Strategy Retreat on November 19-20, 2002 with excellent participation and results.

Mr. Roberts reported that due to the delay in NIST's approval of additional funding, and for the Network to be able to implement partnership budget changes quickly, it is

recommended that the Board authorize the Industry Committee to approve increases in the current partnership budgets and establishment of two new partnership budgets not to exceed \$5000 each. Any approvals will be reported to the next Board meeting.

Dr. White made a motion to approve the partnership budget increases. Dr. Good seconded the motion. The motion passed unanimously.

### **INVESTMENT COMMITTEE**

Ms. McGowan presented the Investment Committee Report.

Draft Resolution 03-04 was presented to the Board. Space Photonics, Inc. submitted a \$200,000 revised request through the Seed Capital Investment Program. The committee stated that the funds would not be released until the company received the matching funds from NASA JSC and from the Air Force Space Missile Command & AFRL, which total \$1,100,000.

Ms. McGowan made a motion to approve Draft Resolution 03-04. Dr. Good seconded the motion. Discussion followed. Mr. Roberts called the question. The motion passed unanimously.

Mr. Lane extended an invitation to the Board to attend the Venture Capital Forum on March 4, 2003. Dr. Ward requested that further information be mailed to the Board before the event.

### **NEW BUSINESS**

Dr. Ahlen reminded the Board that three members' terms expired this month and one member has resigned. He reminded the members that they continue to serve on the Board until they are reappointed or the Governor appoints a new member to their slots.

Dr. Ahlen reviewed the Board attendance policy. Legislation states that if a Board member misses three consecutive meetings, the Authority must inform the Governor's Office. The Governor can then choose to remove the Board member or excuse the absences.

Dr. Ahlen reviewed the expense reimbursement for Board members. Legislation states that the Board must, at its first regularly scheduled meeting of each calendar year, vote to authorize expense reimbursement for Board members. The expense reimbursement shall not exceed the rate established for state employees. The current mileage rate is \$0.29 per mile, plus meals and hotels when appropriate.

Dr. White made a motion that expense reimbursement be authorized. Mr. Roberts seconded the motion. The motion passed unanimously.

Dr. Ahlen reminded members that their Statement of Financial Interest form was due to the Secretary of State's office by January 31, 2003.

Dr. Ward announced that the next Board meeting would be March 21, 2003.

**ADJOURNMENT**

There being no further business to conduct, the meeting was adjourned at 3:00 p.m.

Respectfully submitted,



Ron Roberts  
Secretary  
Board of Directors

**APPROVED** by the Board of Directors  
on this 21<sup>st</sup> day of March, 2003



Ron Roberts  
Secretary  
Board of Directors