



423 Main Street, Suite 200
Little Rock, Arkansas 72201

www.asta.ar.gov

Phone: 501.683.4400
Fax: 501.683.4420

**MINUTES OF THE 132ND MEETING OF THE
ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY
BOARD OF DIRECTORS
LITTLE ROCK, AR
MARCH 21, 2008**

CALL TO ORDER

The meeting was called to order by Dr. Gary Phillips, Chairman of the Board, in the Authority's conference room, located at 423 Main Street in Little Rock.

A quorum of Board members was present and included: Dr. Cesar Compadre, Dr. Collis Geren, Mr. Wayne Hartsfield, Dr. Beverly Lyn-Cook, Mr. Paul Mastro, Dr. Jim Purcell, Dr. Stephen Seidman and Mr. George Williams (via phone).

Staff members present: Ms. Melissa Adams, Dr. John Ahlen, Ms. Tovia Chan, Mr. Dan Curtis, Ms. Neysa Henson, Ms. Stephanie Johnson, Dr. Gail McClure, Mr. Chuck Myers, Mr. Chris Snider, Dr. Steve Stanley and Ms. Sharon Whitlock.

APPROVAL OF MINUTES

Dr. Phillips presented for approval the minutes from the January 18, 2008 Board meeting. Mr. Hartsfield made a motion for the approval of the minutes. Dr. Seidman seconded the motion; the Board gave its unanimous approval.

PRESIDENT'S REPORT

Staff and Board Introductions

Dr. Ahlen introduced Neysa Henson, the Authority's new Executive Secretary. Dr. Ahlen also introduced Dr. Jim Purcell, the new Director of the Arkansas Department of Higher Education. Dr. Ahlen indicated that the DHE Director or the Director's designee has a permanent slot on the Board.

Operating Report

Dr. Ahlen reviewed the Operating Report. There being no questions, Dr. Seidman moved to accept the Operating Report as presented. Dr. Lyn-Cook seconded the motion; the Board gave its unanimous approval.

INDUSTRY COMMITTEE REPORT

Mr. Paul Mastro presented the Industry Committee Report.

The Industry Committee met on February 28th and discussed several items.

President Bush has proposed in his new budget to the cut MEP funding. The National Governor's Association has signed a letter of support for the program and Governor Beebe was one of the Governor's that signed the letter. AMS has also contacted the Arkansas Congressional delegation concerning this issue.

AMS will be conducting a strategic planning session in June. In addition, committee members discussed an issue facing manufacturers, which is finding skilled employees. The committee felt that this is an issue that AMS could take a leadership role in. The staff planned to work on this to see what AMS could do to address this issue.

INVESTMENT COMMITTEE REPORT

Mr. Wayne Hartsfield presented the Investment Committee Report.

SCIP Quarterly Report

The Seed Capital Investment Program quarterly report was presented. Mr. Hartsfield, on behalf of the Investment Committee, made a motion to accept the report as presented. The Board gave its unanimous approval.

TTAG Activity Report

The TTAG Activity Report was presented. Mr. Hartsfield, on behalf of the Investment Committee, made a motion to accept the report as presented. The Board gave its unanimous approval.

Draft Resolution 08-17

Draft Resolution 08-17 certifies tax credits for in house research by a targeted business for the following Arkansas Economic Development Commission (AEDC) project:

AEDC Project No. 10323, "Tax Credit for In House Research by a Targeted Business," submitted for tax year 2007 by APEI in the amount of \$1,363,765.53 in expenses eligible for \$450,042.62 in tax credits.

Mr. Hartsfield, on behalf of the Investment Committee, made a motion for the approval of Draft Resolution 08-17. Dr. Geren abstained from voting. The motion passed.

RESEARCH COMMITTEE REPORT

Dr. Collis Geren presented the Research Committee report.

ASSET Initiative Grant

Dr. Geren updated the Board on the ASSET Initiative Grant. The Bioproduction Research Group at Arkansas State University will begin funding seed grants. The grants will be distributed competitively. There are out of state reviewers who will evaluate the proposals. The proposals chosen for funding will be presented to the Board for final approval.

As part of the ASSET Initiative Grant, new positions will be filled at three of the campuses (UALR, UAF and ASU). Those positions have not been filled yet, so the budget for those positions will roll over into next year.

Dr. Geren reported that the collaboration among campuses is going well.

External Evaluator/Public Relations Firm

Dr. Geren reported that the Board's executive committee approved funding for an external evaluator for NSF EPSCoR. Minnick & Associates, Inc., located in New Mexico, was chosen as the external evaluator.

The Executive Committee has approved funding for a public relations contract with Stone Ward. Stone Ward will be responsible for promoting success stories related to university research projects.

STEM Coalition

The STEM Coalition is in the process of restructuring. Jerry Adams and James Hendren initially led the group, but have now stepped down. New officers were chosen: Greg Nabholtz, Chair; Michael Gealt, Vice Chair; Gail McClure, Secretary.

Elementary Science Coalition

Dr. Geren reported that he was invited to participate in the first national meeting of the Elementary Science Coalition. At the meeting he discussed Arkansas' model of setting up regional math and science resource centers across the state. Other states were interested in what Arkansas is doing in this area.

Draft Resolution 08-18

Draft Resolution 08-18 would provide funding of professional development fellowships and resource center workshops for the following proposals:

08-WRF-SumAcademy01, "UALR HSRP: UALR High School Research Program," submitted by Dr. Srin Ramaswamy, University of Arkansas at Little Rock, in the amount not to exceed \$10,000.

08-WRF-SumAcademy02, "Success with Active Learning in Engineering and Mathematics (SALEM) Program," submitted by Dr. Seshadri Mohan, University of Arkansas at Little Rock, in the amount not to exceed \$20,000.

08-WRF-ProDev02, "Space Days and Family Nights," submitted by Ms. Lynne H. Hehr, Center for Math and Science Education, University of Arkansas Fayetteville, in the amount not to exceed \$12,000.

08-WRF-NASA/EAST07, "Courtyard Project," submitted by Ms. Debra L. Lamb, Har-Ber High School, in the amount not to exceed \$1,500.

08-WRF-STEM_Partnership09, "Courtyard Project," submitted by Ms. Lael Lynch, Har-Ber High School, in the amount not to exceed \$1,500.

Dr. Geren, on behalf of the Research Committee, made a motion for the approval of Draft Resolution 08-18. Dr. Geren abstained from voting. The motion passed.

Technology Task Force Report

Dr. McClure presented a draft of the report being prepared by the Technology Task Force. Act 2266 directed the Authority to develop a knowledge-based technology based curriculum for use in grades seven through twelve. The Authority, through the STEM Coalition, organized a Technology Task Force to support this effort.

Dr. McClure stated that the Task Force is preparing an executive summary and recommendations that will be delivered to the Joint Committee on Advanced Communications and Information Technology. The Task Force wanted to provide the Board with an advanced summary to insure that they direction and recommendations being promoted by the Task Force are aligned with those of the Authority.

Dr. Ahlen stated that the staff reviewed the draft report and has no concerns with the Board accepting the report as presented.

Dr. Geren moved the acceptance of the interim report as presented by the Technology Task Force. Dr. Seidman seconded the motion; the Board gave its unanimous approval.

OLD BUSINESS

Approval of Executive Committee Meeting Minutes

Dr. Phillips presented for approval the draft minutes of the Executive committee meeting, which was held on February 26, 2008.

Mr. Hartsfield made a motion for the approval of the minutes as presented. Dr. Geren seconded the motion; the Board gave its unanimous approval.

Dr. Ahlen reviewed with the Board the items that were approved by the Executive Committee. The items included funding for the Arkansas Research Alliance, certification of one R&D Tax Credit, approval of the external evaluator for EPSCoR project and the approval of a public relations firm for the EPSCoR project.

NEW BUSINESS

Review of Grants

Dr. Ahlen reviewed with the Board four grants that have been received by the Authority. Dr. Ahlen reported that each grant had a budget with operating expenses and the staff requested a motion to approve expending funds and awarding grants in the following grants:

- **A Pilot Project for Entrepreneurship in Arkansas**
Funds awarded by: Winthrop Rockefeller Foundation
\$169,500

The project and funding is divided into four categories: Internships (\$87,500); Supporting Entrepreneurial Development through Accelerate Arkansas (\$0); Community Tools (\$22,000); and EAST Solution-Centered Entrepreneurial Development (\$60,000).

The funds will all be expended as Grants and Aid.

- **Energy Efficiency Arkansas (EEA) Industrial Energy Efficiency Program**
Funds awarded by: Arkansas Economic Development Commission
\$90,000

Arkansas Manufacturing Solutions will act as the Industrial Workshop Coordination contractor with the Arkansas Energy Office of AEDC to develop plans and execute logistical details for the Energy Efficiency Arkansas (EEA)-Industrial Energy Efficiency program workshops and/or conferences.

The funds will be divided as follows: \$71,700 in Operating Expenses; \$18,300 in Grant and Aids.

- **Department of Energy - Save Energy Now Program**
Funds awarded by: Arkansas Economic Development Commission
\$50,000

Under the DOE's Save Energy Now program, four energy-consuming industries that are serious about improving energy efficiency will be selected. Each industry will be provided with energy saving assessments and implementation assistance. Using information on the economic limits of each plant, energy saving measures will be proposed that are within the economic boundaries of each plant. The availability of financial assistance will be presented. The industrial assessment team will be available to provide on-going assistance for clarification to enable the implementation of the projects.

The funds will be divided as follows: \$10,000 in Operating Expenses; \$40,000 in Grants and Aid.

- **AT&T Accelerator Grant**
Funds awarded by: AT&T
\$15,000

The funds would be awarded to the Technology Task Force to organize and host a unique professional development workshop to integrate technology skills into lesson materials and simultaneously provide professional development for Arkansas teachers.

The entire \$15,000 will be awarded as Grants and Aid.

Dr. Geren made a motion to approve the expending of funds from the four grants as presented. Mr. Mastro seconded the motion; the Board gave its unanimous approval.

Draft Resolution 08-19

Draft Resolution 08-19 would provide In-House Research by a Targeted Business Tax Credits for the following AEDC project:

AEDC Project No. 10542 "Tax Credit for In House Research by a Targeted Business," submitted for tax year 2007 by BioBased Technology in the amount of \$427,020.62 in expenses eligible for \$140,916.80 in tax credits.

Dr. Seidman made a motion to approve Draft Resolution 08-19. Dr. Lyn-Cook seconded the motion. Dr. Geren abstained. The motion passed.

Draft Resolution 08-20

Draft Resolution 08-20 would provide In-House Research by a Targeted Business Tax Credits for the following AEDC project:

AEDC Project No. 10544 "Tax Credit for In House Research by a Targeted Business," submitted for tax year 2007 by BioBased Systems in the amount of \$343,148.47 in expenses eligible for \$113,238.99 in tax credits.

Dr. Seidman made a motion for the approval of Draft Resolution 08-20. Dr. Lyn-Cook seconded the motion. Dr. Geren abstained. The motion passed.

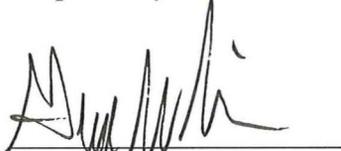
Next Meeting Date

Dr. Phillips reminded members that the next Board meeting is scheduled for May 16, 2008.

ADJOURNMENT

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

Respectfully submitted,



George Williams
Secretary
Board of Directors

Approved by the Board of Directors
on this 16th day of May, 2008.



George Williams
Secretary
Board of Directors