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**MINUTES OF THE 159TH MEETING OF THE
ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY
BOARD OF DIRECTORS
JANUARY 25, 2013
LITTLE ROCK, AR**

CALL TO ORDER

The meeting was called to order by Dr. Glen Jones, Chairman of the Board, in the Bessie Moore Board Room, located at 900 W. Capitol Avenue in Little Rock, Arkansas.

A quorum of Board members was present and included: Mr. Bradford Caldwell (via phone), Mr. Gary Campbell, Dr. Cesar Compadre, Dr. Carl Frederickson, Dr. Collis Geren, Mr. Joel Harrison, Dr. Beverly Lyn-Cook, Mr. Paul Mastro, Mr. Michael Nauman, Mr. Heartsill Ragon, Dr. Robert Sproles (via phone), Mr. Rod Sweetman and Mr. George Williams (via phone).

Staff members present: Ms. Melissa Adams, Mr. Dan Curtis, Mr. James Downs, Dr. Blake Perry, Ms. Cathleen Bailey, Dr. Steve Stanley, Mr. Andy Hendricks, Ms. Stephanie Johnson, Mr. Chris Snider and Mrs. Shirley Vanderslice.

Visitors: Ms. Stephanie Smith, attorney with the Roberts Law Firm.

APPROVAL OF MINUTES

Dr. Jones presented for approval the minutes from the November 16, 2012 Board meeting. Dr. Geren moved approval of the minutes as presented. Mr. Harrison seconded the motion; the Board gave its unanimous approval.

PRESIDENT'S REPORT

Dr. Perry introduced new staff members. Ms. Adrienne Gardner has filled the newly created position of Vice President STEM Education; Mr. Dan Mickelson is the newest Project Manager with Arkansas Manufacturing Solutions; Mr. Ben Rainwater is an intern working with the ASSET Project.

Legislative Session Update

Dr. Perry updated the Board on the legislative session and bills associated with the agency, including the Authority's general appropriations bill.

FY2013 Operating Report

Dr. Perry presented the FY2013 Operating Report. Mr. Ragon moved acceptance of the report as presented. Dr. Lyn-Cook seconded the motion; the Board gave its unanimous approval.

FY2013 Investment Summary

Dr. Perry presented the FY2012 Investment Summary.

In reviewing the maps showing Authority investments by county, Board members expressed a need to try and reach out to the areas of the state not impacted by the Authority programs. Dr. Perry stated that Dr. Stanley had visited Southern Arkansas University in Magnolia and offered information about Authority programs. It was suggested that Authority staff visit other campuses. Dr. Perry stated that with the addition of Ms. Gardner (VP STEM Education), STEM activities could be added to the maps which would show a greater impact in areas of the state.

There being no further discussion, Dr. Geren moved acceptance of the Investment Summary. Mr. Nauman seconded the motion; the Board gave its unanimous approval.

INDUSTRY COMMITTEE REPORT

Mr. Paul Mastro presented the Industry Committee report.

Andy Capel, the new AMS marketing manager, has completed his orientation. As reported earlier, Dan Mickelson has been hired as the newest project manager for AMS.

The vacant position at SAU-Tech will not be filled until July.

AMS Project Manager Jim Lilly has notified AMS that he plans to retire in March, 2013.

The AMS presence on Facebook and Twitter has been reactivated. Andy Capel is also working on the AMS page on Linked-In.

The Arkansas Energy Office has asked AMS to host the second annual Arkansas Energy Conference, which is tentatively scheduled for May 22nd.

The next CORE scorecard will be released in January. It is expected that AMS score will be unchanged and remain at 66. This puts AMS in the green level and in good standing with MEP.

AMS received the action plan from the Pennsylvania MEP Center. The committee was provided a copy and asked to review and be prepared to discuss at its next meeting in February.

AMS hosted the Toyota Kata Summit January 15-16 in Little Rock. A short video of an interview conducted by the local NPR station was shown to the Board.

Mr. Curtis introduced a new video marketing tool for AMS on “Growth Services”.

RESEARCH AND COMMERCIALIZATION COMMITTEE REPORT

Mr. Gary Campbell presented the Research and Commercialization Committee report.

Draft Resolution 13-15

Draft Resolution 13-15 would provide funding for the following Technology Development program application:

Application No. 13-TDP-01, “Scale Up Study of Wood-Magnetite Nanocomposite Production” by Synanomet LLC, in an amount not to exceed \$25,000.00.

Synanomet, LLC is a small, Arkansas-based company that was formed to commercialize technology developed at the University of Arkansas at Little Rock (UALR). The patented technology is a novel method for the preparation and manufacture of a new category of materials. The materials include carbon and carbon-metal nanoscale composites comprised of carbon nano tubes (CNTs); nano scale metals, metal alloys metal oxides, other metal compounds or mixtures of same, in a carbon matrix.

The requested funding will be used to fund a scale-up study for its waste water treatment technology.

Draft Resolution 13-15 was moved and seconded by the committee. The Board gave its unanimous approval.

Draft Resolution 13-16

Draft Resolution 13-16 would provide research matching funds for the following project:

Proposal No. 13-ARMF-01, "Arkansas Space Grant Consortium," by Dr. Keith Hudson of the University of Arkansas at Little Rock in an amount not to exceed \$222,653.

Draft Resolution 13-16 was moved and seconded by the committee. Dr. Frederickson abstained from voting; the resolution was approved.

Draft Resolution 13-17

Draft Resolution 13-17 certifies that In-House Research and Development Tax Credits are lawfully available for the following AEDC project:

“Tax Credit for In House Research and Development,” submitted for tax year 2011 by Arkansas Power Electronics International Inc in the amount of \$1,265,204.30 in qualified expenses eligible for \$253,040.86 in tax credits (AEDC Project No. 11203).

Draft Resolution 13-17 was moved and seconded by the committee. The Board gave its unanimous approval.

Draft Resolution 13-18

Draft Resolution 13-18 would provide certification of the GENESIS Technology Incubator, the Innovation Center and the Enterprise Center as a qualified technology incubator.

The Authority received a letter of confirmation from the University of Arkansas, Fayetteville confirming that the incubators are operating in cooperation with the University and the mission of the incubators is to foster the growth of technology based enterprises.

Draft Resolution 13-18 was moved and seconded by the committee. Dr. Geren abstained from voting. The resolution was approved.

Draft Resolution 13-19

Draft Resolution 13-19 would provide certification of the ASU Catalyst Innovation Accelerator as a qualified technology incubator.

The Authority received a letter of confirmation from Arkansas State University confirming that the incubator is operating in cooperation with the University and the mission of the incubator is to foster the growth of technology based enterprises.

Draft Resolution 13-19 was moved and seconded by the committee. The Board gave its unanimous approval.

Draft Resolution 13-20

Draft Resolution 13-20 would provide certification of the UAMS BioVentures as a qualified technology incubator.

The Authority received a letter of confirmation from the University of Arkansas for Medical Sciences confirming that the incubator is operating in cooperation with the University and the mission of the incubator is to foster the growth of technology based enterprises.

Draft Resolution 13-20 was moved and seconded by the committee. Dr. Compadre abstained from voting. The resolution was approved.

Company Audit

Dr. Stanley reported that the Research and Commercialization Committee met earlier in the day to discuss an Authority funded company and an ongoing issue with them. Dr. Stanley stated that part of the royalty agreement with the company includes the Board's ability to request an audit of the company's finances. If current issues cannot be resolved with the company, the staff will ask the Board to request an audit of the company's finances.

SPONSORED PROJECTS COMMITTEE REPORT

Dr. Carl Frederickson presented the Sponsored Projects Committee report.

Dr. Frederickson updated the Board on recent changes to the management team of ASSET. Dr. Vasu Varadan submitted her resignation as Technical Director of the GREEN Center in November. The ASSET Management Team met and decided that Dr. Jingbiao Cui would assume the Interim Technical Director responsibility of the GREEN Center and was named Co-PI on the ASSET Project.

ASSET is currently working with Iowa on a NSF EPSCoR Track II proposal. Proposals are due to NSF the end of January.

Draft Resolution 13-21

Draft Resolution 13-21 would provide funding for the following proposal:

13-EPS2-0010, "NSF EPSCoR Communication Internship Award", submitted by University of Central Arkansas, in an amount not to exceed \$15,600 for the period of January 25, 2013 through January 31, 2014.

Draft Resolution 13-21 was moved and seconded by the committee. Dr. Frederickson abstained from voting. The resolution was approved.

Draft Resolution 13-22

Draft Resolution 13-22 would provide funding for the following proposal:

Minnick EPSCoR Project (Project No. 13-EPS2-0011) in support of evaluating the impact of EPSCoR and STEM educational outreach, in an amount not to exceed \$62,000 for the period of January 25, 2013 through January 31, 2014.

Draft Resolution 13-22 was moved and seconded by the committee. The Board gave its unanimous approval.

Draft Resolution 13-23

Draft Resolution 13-23 would provide funding in an amount not to exceed \$96,000 to fund proposals approved for the “ASSET Initiative Summer Research and Internship Program”.

Draft Resolution 13-23 was moved and seconded by the committee. Dr. Compadre abstained from voting. The resolution was approved.

NEW BUSINESS

Expense Reimbursement

Dr. Perry reviewed the Expense Reimbursement Authorization for Board members. The Board must at the beginning of each calendar year authorize expense reimbursement for Board members.

Mr. Campbell made a motion to approve the expense reimbursement for Board members. Dr. Lyn-Cook seconded the motion; the Board gave its unanimous approval.

Conflict of Interest

Board members were reminded to review the Authority’s conflict of interest policy.

Board Attendance Policy

Board members were reminded to review the attendance policy.

Statement of Financial Interest

Board members were reminded that their Statement of Financial Interest forms were due to the Secretary of State’s office by January 31, 2013.

EXECUTIVE SESSION

Dr. Lyn-Cook moved that the Board go into Executive Session. Dr. Frederickson seconded the motion; the Board voted unanimously to go into Executive Session.

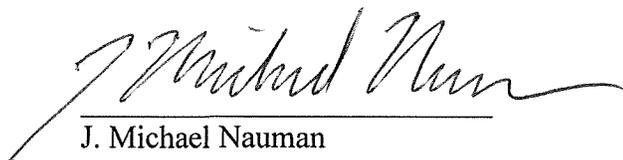
At the conclusion of the Executive Session, Mr. Harrison moved that the Board go back into general session. Dr. Lyn-Cook seconded the motion; the Board voted unanimously to return to general session.

Dr. Jones reported that the Board took no official action during the Executive Session.

ADJOURN

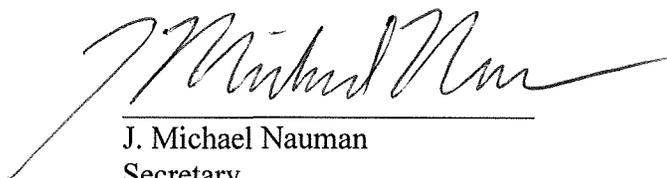
There being no further business, the meeting was adjourned.

Respectfully submitted,



J. Michael Nauman
Secretary
Board of Directors

Approved by the Board of Directors
on this 15th day of March, 2013.



J. Michael Nauman
Secretary
Board of Directors