



Board of Directors Meeting
Friday, December 7, 2007, 8:00-11:45 a.m.
KTEC 2nd Floor Conference Room, Topeka, KS

Members Present: Chair Linda Reinhardt, Vice Chair Doug Brush (via teleconference), David Brant, Dan Cain, Bruce Dallman, Kyle Elliott, Rep. Doug Gatewood, Ted Haggart, Secretary David Kerr, Richard Lariviere, Dave McDonald, Bob Murdock (via teleconference), Rita Polsley (via teleconference), Sen. Chris Steineger, Ron Trewyn, Rep. Kenny Wilk

Members Absent: Sen. Nick Jordan, Tom Lauerman, Secretary Adrian Polansky

Others Present: Tracy Taylor, Kevin Carr, Michele Weigand, Dennis Depenbusch, Mark Hrinya, Miriam Ubben, Joni Cobb, Wade Wiebe, Kelly Pearl, Jesse Sanders, Kim Mason, Sheila Meyer, Wendi Lucero, Teresa Merrifield (KTEC); Jim Baxendale (KU); Rudy Beese, (SNR); Keith Braman (ITTC); Trish Brasted, Josh Oeding (WTC); Eric Ferrell (ATC); Lanaea Heine (BIOC); Bob Reader (NISTAC); Sandy Johnson (MAMTC); Angela Kreps (KansasBio); Brad Kramer (AMI); Matt McClorey, G.R. Underwood (LRTC); Steve Robb (KPRC); Joel Wiggins (ECJC); Kevin Sweeney (PSFS)

Call to Order and Introductions

Board Chair Linda Reinhardt called the meeting to order at 8:00 a.m. The board of directors and the members of the audience introduced themselves.

Review and Approval of Minutes

Reinhardt asked for additions or corrections to the September 7, 2007, board meeting minutes (Attachment A). Rep. Doug Gatewood moved that the minutes be approved as presented. Dan Cain seconded the motion, and the motion was approved.

CEO Update

Tracy Taylor welcomed new board members Bruce Dallman from Pittsburg State University and Secretary David Kerr from the Kansas Department of Commerce and introduced Mark Hrinya, new KTEC Entrepreneur in Residence, and Miriam Ubben, new Vice President of Policy for KTEC. Taylor discussed the importance of technology based economic development and gave a presentation on the results KTEC has demonstrated. He presented policy work KTEC had done with the former Vice President of Entrepreneurship at the Kauffman Foundation and the

presentations made to the legislature prior to the approval of the Kansas Economic Growth Act, including consulting bills paid by KTEC in the KEGA research and creation. Taylor reviewed 2007 results and 2008 goals and objectives, including the culmination of 20th anniversary activities for KTEC including the commitment to a budgeted assessment of KTEC by an independent third party.

Presentation: Board Governance

Rudy Beese, outside special counsel from the law firm of Sonnenschein Nath & Rosenthal, presented an overview (Attachment B) of the duties and responsibilities of board members. Discussion was held.

KTEC PIPELINE Update

Joni Cobb gave an update on the PIPELINE program and invited the board members to an event on January 24, 2008, to celebrate the graduation of the first year's class of innovators and to announce the second year's class.

Financial Report

Kevin Carr summarized the November 2007 financials presented in the board books (Attachment C) and fielded questions from the board. Kyle Elliott moved to approve the financials as presented, subject to audit. Dave McDonald seconded the motion, and the motion was approved.

Presentation: Lawrence Regional Technology Center

Matt McClorey presented an overview of the mission of the Lawrence Regional Technology Center in Lawrence and outlined the services which the incubator provides.

Executive Committee Report

Reinhardt gave an update from the previous day's Executive Committee meeting and relayed the committee's recommendation to authorize utilization of up to \$250,000 in funds from KTEC Holdings to cover KTEC's tracking software and other projects. Richard Lariviere moved to accept the committee's recommendation. Ted Haggart seconded the motion, and the motion was approved.

Audit Committee Report

David Brant gave an update from the previous day's Audit Committee meeting, noting that the audit findings were completely satisfactory and positive. He thanked KTEC staff for another positive audit and congratulated them on their commitment to good financial stewardship and transparency. Brant reported that the committee recommended approval of the audit (Attachment D). Haggart moved to accept the committee's recommendation. Lariviere seconded the motion, and the motion was approved.

University Programs Committee Report

Carr referred the board members to the updates in their board books on the Centers of Excellence. Carr also reviewed the EPSCoR / STAR Fund recommendations (Attachment E) from the committee meeting held on November 29, 2007, noting that funding would be contingent upon proper documentation of federal and/or industry matching awards.

NIH-CTR, KUMC - the committee recommended funding of \$102,400 from FY08 and \$102,400 from FY09 for a total of \$204,800. Elliott moved to accept the committee's recommendation. Haggart seconded the motion. Lariviere abstained. Sen. Chris Steineger voted no. The motion was approved.

EPA, KSU - the committee recommended funding of \$55,050 from FY08 and \$55,050 from FY09 for a total of \$110,100. Elliott moved to accept the committee's recommendation. McDonald seconded the motion. The motion was approved.

Investment Committee Report

Michele Weigand gave a presentation (Attachment F) on the active KTEC equity portfolio, noting recent changes. Weigand stated that the staff had reviewed 23 investment opportunities, and three were selected to present to the Investment Committee, which met on November 19, 2007.

ReNew Systems – specialty coatings. The committee recommended funding at \$200,000. Sen. Steineger moved to accept the committee's recommendation. Lariviere seconded the motion, and the motion was approved.

Netchemia – K-12 Special Needs & Recruiting Software. The committee recommended funding at \$100,000. Rep. Gatewood moved to accept the committee's recommendation. Cain seconded the motion, and the motion was approved.

Save My Coupons – paperless coupons. The committee recommended funding at \$200,000. Elliott moved to accept the committee's recommendation. Haggart seconded the motion, and the motion was approved.

Weigand also gave an update on the Angel Tax Credit Program.

Network Meeting Report

Weigand reported that the directors from the ICCs and the Centers of Excellence had met informally the previous day.

KansasBio Update

Angela Kreps gave an update on KansasBio's annual meeting, noting that KTEC board members Ron Trewyn, Dave McDonald, and Richard Lariviere, as well as KTEC CEO Tracy Taylor were serving on the KansasBio board. Kreps announced upcoming events to further education and advocacy in the biosciences.

MAMTC Update

Sandy Johnson reported on MAMTC's FY08 year-to-date results and on the success of the 1st Annual Manufacturing CEO's Conference held in Overland Park on November 14th and 15th.

Kansas Dept. of Commerce Update

Secretary David Kerr expounded on initiatives underway at the Kansas Dept. of Commerce, including the Governor's Economic Development subcommittee, which is charged with developing recommendations for the state to create an innovative economy, and on doing a better job of branding and imaging what Kansas has to offer.

Next Board Meeting and Adjournment

Reinhardt stated that the next board meeting would be held in Topeka on March 7, 2008, and that the meeting in June would be held in Manhattan. Reinhardt called for a motion to adjourn. Haggart so moved. Brant seconded the motion, and the motion was approved. The meeting ended at 11:50 a.m.