



Board of Directors Meeting
Monday, June 29, 2009, 8:00-noon
KTEC 2nd Floor Conference Room, Topeka, KS

Members Present: Chair Kyle Elliott, David Brant, Bruce Dallman, Rep. Doug Gatewood, Sen. Tom Holland, Secretary David Kerr, Tom Lauerman, David McDonald, Sen. Carolyn McGinn, Linda Reinhardt, Ron Trewyn, Rusty Wilson

Members Present via teleconference: Vice Chair Ted Haggart, Bob Murdock, Secretary Adrian Polansky

Members Absent: Richard Lariviere, Speaker Michael O’Neal, Rita Polsley

Others Present: Stan Ahlerich, Jim Baxendale, Keith Braman, Trish Brasted, Jennifer Bruning, Kevin Carr, Taylor Clauson, Joni Cobb, Eric Ferrell, Katie Geier, Lanaea Heine, Sandy Johnson, Angela Kreps, Wendi Lucero, Julie Masionis, Kim Mason, Matt McClorey, Teresa Merrifield, Kelly Pearl, Kelly Pierce, Roger Rajewski, Bob Reader, Steve Robb, Scott Rothschild, Jesse Sanders, Valissa Smith, Kevin Sweeney, Jeff Tucker, Miriam Ubben, Michele Weigand, Wade Wiebe, Joel Wiggins

Call to Order

Board Chair Kyle Elliott called the meeting to order at 8:00 a.m.

Review and Approval of Minutes

Elliott asked for additions or corrections to the minutes from the board meeting held on June 5, 2009. Secretary Dave Kerr moved that the minutes be approved as presented. Sen. Carolyn McGinn seconded the motion, and the motion carried.

Approval of Appointments

Elliott referred to the list of board members that he had appointed to serve with him on the Executive Committee – Ted Haggart, Bruce Dallman, Rep. Doug Gatewood, and Bob Murdock - and the list of board members willing to serve on the other KTEC committees.

Elliott noted that with Richard Lariviere’s departure from the University of Kansas, Steve Warren would be representing the university on the board in the interim until the new provost is selected, and his name would be added to the Investment Committee list. Rep. Doug Gatewood made a motion that these members serve on the Investment Committee: Kyle Elliott, Sen. Tom Holland, Sen. Carolyn McGinn, Tom Lauerman, Bob Murdock, and Steve Warren. Ron Trewyn seconded the motion, and the motion carried.

David McDonald made a motion that Ted Haggart, David Brant, and Ron Trewyn serve on the Audit Committee. Sen. McGinn seconded the motion, and the motion carried.

Linda Reinhardt made a motion that Ted Haggart, Bob Murdock, and Rita Polsley serve on the Nominating Committee. Tom Lauerma seconded the motion, and the motion carried.

Sec. Kerr volunteered to be added to the list of board members on the Compensation Committee. Bruce Dallman made a motion that Bob Murdock, David Brant, Ted Haggart, and Sec. Kerr serve on the Compensation Committee. Reinhardt seconded the motion, and the motion carried.

Sen. Tom Holland volunteered to be added to the list of board members on the University Programs Committee. Lauerma made a motion that Sen. McGinn, Rusty Wilson, and Sen. Holland serve on the University Programs Committee. Sec. Kerr seconded the motion, and the motion carried.

Elliott recommended that Kevin Carr be appointed to serve as KTEC's representative on the State Fair Board. Trewyn made a motion to approve the recommendation. McDonald seconded the motion, and the motion carried.

Strategic Planning Task Force Update

Elliott read a summary regarding KTEC's Strategic Planning Task Force. Elliott reported that the task force had met once and would be meeting again on July 1st to focus on delivering a clear message to entrepreneurs and businesses on what KTEC is focusing its efforts and resources on.

Elliott requested that the board members and the audience, as well as the board members attending via teleconference, introduce themselves.

Kansas, Inc. Update

Stan Ahlerich briefly spoke on the state of the economy in Kansas and outlined topics on which Kansas, Inc. is focusing, including research into technology-based economic development and bringing jobs into the state. Ahlerich noted that the results from the studies will be made available to assist KTEC's Strategic Planning Task Force.

Kansas Dept. of Commerce Update

Sec. Kerr reported that the Dept. of Commerce studies jobs and where the economy stands and that the unemployment rate in Kansas is two to two and a half percent below the national average. Sec. Kerr also reported that there has been growth in the recruitment of new companies to Kansas, but a downturn in the expansion of companies. Discussion was held.

SITAKS Update

Miriam Ubben described SITAKS as the statewide trade organization for the software and information technology industry. Ubben reported on the organization's progress and where it is

today as compared to when it was established 18 months ago, and on the goal of becoming self-sustaining as KTEC funding is reduced in the next few years.

MAMTC Update

Sandy Johnson reported on MAMTC's impact on manufacturing in the state over the past three years. Johnson also announced Vice President Biden's commitment to the National Innovation Marketplace to help manufacturers get the information they need to build strong supply chains to support the new economy. Kansas is one of only four states involved in the pilot.

KansasBio Update

Angela Kreps gave a slide presentation that explained KansasBio's mission, KTEC's role in launching the bioscience initiative in Kansas and the importance of having a trade organization for the bioscience industry.

PIPELINE Update

Joni Cobb gave a presentation showing how the KTEC PIPELINE finds, trains, and supports entrepreneurs to create wealth for the state. Cobb fielded questions from the board regarding the organization's newly obtained 501(c)(3) status, which allows it to seek funding outside of KTEC. Further discussion was held regarding the number of participants in the program and the amount of the participants' stipends.

Network Meeting Report

Weigand reported that the directors from the ICCs and the Centers of Excellence had met on June 4th and updates were given by Eric Ferrell from the Alliance for Technology Commercialization, Joel Wiggins from the Enterprise Center of Johnson County, and Trish Brasted from the Wichita Technology Corporation.

Investment Committee Report

Michele Weigand explained the legislative changes to the Angel Tax Credit Program. Discussion was held. For the benefit of new KTEC board members, Weigand gave a presentation on the Investment Committee process and the FY 2009 investment funds. Weigand also showcased the active KTEC equity portfolio, highlighting the changes, and described the management of the portfolio. Weigand also gave an update on the VCM system and the status of the angel tax credits.

Executive Committee Report

Elliott asked for a motion to go into executive session for 15 minutes to discuss personnel issues. Dallman so moved. Sen. Holland seconded the motion, and the motion carried. The board entered executive session at 10:50 a.m. The board exited executive session at 11:05 a.m. Elliot called for a short break.

University Programs Committee Report

Following the break, Carr reported on the peer reviews for the Advanced Manufacturing Institute, the Information & Telecommunication Technology Center, and the Biotechnology Innovation & Optimization Center, which were conducted in April.

Review and Approval of FY 2010 Budget

Carr fielded questions from the board regarding the Centers of Excellence funding and gave an overview of the changes in the budget proposal from the version presented at the last board meeting. Discussion was held.

Elliott called for a short break for lunch.

Following the lunch break, Carr answered further questions regarding the budget presented to the board. Rep Gatewood made a motion to fund the Biotechnology Innovation & Optimization Center at \$520,205 and to reserve \$270,507 for future consideration of funding for the center. Sen. McGinn seconded the motion. Discussion was held. The motion carried.

Discussion was held regarding funding for the PIPELINE program. Rep. Gatewood made a motion to eliminate the stipends for the entrepreneurs in the program, reducing the budget by \$80,000. Sec. Kerr seconded the motion. Discussion was held. The motion carried, with nine in favor and three opposed. Board members teleconferencing for the meeting were not in attendance during the vote.

Discussion was held regarding the phasing out of funding for the trade organizations KansasBio and SITAKS.

Sec. Kerr made a motion to approve the FY 2010 budget, as amended. Lauerman seconded the motion, and the motion carried.

Next Board Meeting and Adjournment

Elliott stated that the next board meeting would be held in Wichita on September 11, 2009. McDonald made a motion to adjourn. Brant seconded the motion, and the motion carried. The meeting ended at 12:50 a.m.