

KSURSF BOARD MEETING

13 November 2012

Attendees: Ken Harmon (KH), voting member; Teresa Joyce (TJ), voting member; Randy Hinds (RH), voting member; Charles Amlaner (CA), voting member; Flora Devine (FD), voting member; Mark Anderson (MA), voting member; John Salerno (JS), voting member; John Marshall (JM), non-voting advisor; Carolyn Elliott-Farino (CEF), non-voting secretary. Guest: Eric Vreeland, Mauldin & Jenkins.

Mauldin & Jenkins FY 12 A-133 Audit Presentation

At 1:05 PM, prior to the start of the Board meeting, Eric Vreeland of Mauldin & Jenkins, who oversaw KSURSF's FY 12 audit, went over the audit with the Board. The audit included 182 audit papers and involved 185 audit hours. The Board asked Eric to look into the AP amount and the AP contributions and he agreed to forward this information to the Board Secretary for further dissemination to the Board members. Mr. Vreeland's presentation concluded at 1:40 PM.

Board Meeting Minutes

1. The meeting was called to order at 1:45 PM.
2. Resolution to elect Mark Anderson to the Board: CA made a motion to elect Mark Anderson, Dean of the College of Science and Mathematics, to the Board. The vote to elect MA was unanimous. The resolution is Attachment 1.
3. The minutes from 9 April 2012 were approved.
4. Resolution to accept FY 12 audit: CA made a motion to accept the FY 12 audit. A discussion ensued about KSURSF's vendor process, and the Board recommended that KSURSF have standard operating procedures by June 2013, including a process to approve vendors. The audit was approved and will be published on KSURSF's website. The resolution is Attachment 2.
5. The Board reviewed the FY 13 financials and budget. JS inquired about approaching corporations for equipment donations and it was agreed that he should talk with KSU's VP for Advancement & Development, Mike Harders, about this. A meeting between MA and Mr. Harders would be a good start to this initiative. A discussion also ensued about a draft F&A and management fee policy that was presented for review. The policy will be revised based on the discussion.
6. Resolution to approve revised FY 13 budget: The revised FY 13 budget was approved by a unanimous vote. The resolution is Attachment 3.
7. Resolution to approve a project initiation form and a close-out form: The project initiation form will be incorporated into the internal routing form. The closeout form was approved with the addition of the words "to the best of my knowledge" to the PI certification. The resolution is Attachment 4.
8. Resolution to draft a new MOU with the Community Clinic Program: The resolution was approved unanimously. The resolution is Attachment 5.
9. The Board discussed holding a higher percentage of F&A (indirects) in KSURSF to help pay for intellectual property commercialization, and agreed upon a split of 60% for KSU and 40% for KSURSF.

10. Resolution to proceed with three patent applications for John Salerno: JS, a voting Board member, recused himself from the vote. The resolution was approved by unanimous vote. The resolution is Attachment 6.
11. Resolution to withdraw request for internal audit: A discussion ensued about internal and external audits, with the former important in the development of standard operating procedures. The resolution to withdraw the request for the internal audit was approved with the proviso that the internal auditors be consulted during the development of the standard operating procedures. The resolution is Attachment 7.
12. Report of the Chairperson: Nothing to report.
13. Reports of other officers: Nothing to report.
14. Report of the Executive Committee: Nothing to report.
15. Reports of other committees: Nothing to report.
16. Other new business: None.
17. Signed revised bylaws and amendments to the Articles of Incorporation: The revised bylaws and amendments were signed.
18. The Board Secretary will send out a request for the next board meeting to be held in April 2013.
19. The meeting was adjourned at 3:00 PM.

ATTACHMENT 1

BOARD OF DIRECTORS

KENNESAW STATE UNIVERSITY RESEARCH AND SERVICE FOUNDATION, INC.

RESOLUTION TO ELECT MARK ANDERSON TO THE BOARD OF DIRECTORS

WHEREAS Section 4.1 of the Kennesaw State University Research and Service Foundation Bylaws states that the business and affairs of the corporation shall be administered by, or under the authority of, a Board of Directors consisting of at least five (5) members, named or elected pursuant to Section 4.2; and

WHEREAS Section 4.2 (7) of the Kennesaw State University Research and Service Foundation Bylaws states that other members of the Board may be elected at any time by the affirmative vote of a majority of Board members, or as authorized by resolution of the Board; and

WHEREAS Section 4.3 of the Kennesaw State University Research and Service Foundation Bylaws states that other members of the Board may be elected at any time by the affirmative vote of a majority of Board members, or as authorized by resolution of the Board, and shall serve for terms of three (3) year duration.

Now therefore be it resolved that:

The Board of Directors of the Kennesaw State University Research and Service Foundation elect Mark Anderson, Professor of Chemistry and Dean of the College of Science and Mathematics, to the Board for a term of three (3) years.

Date of Resolution Approval 13 November 2012

ATTACHMENT 2

BOARD OF DIRECTORS

KENNESAW STATE UNIVERSITY RESEARCH AND SERVICE FOUNDATION, INC.

RESOLUTION TO ACCEPT THE FY 12 AUDIT REPORT BY MAULDIN & JENKINS

WHEREAS Mauldin & Jenkins, CPA, LLC has performed an audit on KSURSF for fiscal year 2012;

WHEREAS Mauldin & Jenkins has remitted their report to KSURSF Management;

WHEREAS Mauldin & Jenkins has made a presentation of the audit report to the KSURSF Board of Directors; and

WHEREAS the audit report includes recommendations of processes, policies, and procedures that KSURSF could implement to improve internal control;

Now therefore be it resolved that:

The Board of Directors of the Kennesaw State University Research and Service Foundation accepts the FY 12 Mauldin & Jenkins audit report. The Board also resolves that the audit recommendations be addressed by the end of the current fiscal year.

13 November 2012

Date of Resolution Approval

ATTACHMENT 3

BOARD OF DIRECTORS

KENNESAW STATE UNIVERSITY RESEARCH AND SERVICE FOUNDATION, INC.

RESOLUTION TO APPROVE A REVISED FY 13 BUDGET

WHEREAS the operations personnel of KSURSF have revised the FY 13 budget based on projected expenditures for the remainder of the fiscal year;

Now therefore be it resolved that:

The Board of Directors of the Kennesaw State University Research and Service Foundation approves the attached revised FY 13 budget.

13 November 2012

Date of Resolution Approval

ATTACHMENT 4

BOARD OF DIRECTORS

KENNESAW STATE UNIVERSITY RESEARCH AND SERVICE FOUNDATION, INC.

RESOLUTION TO APPROVE BUSINESS POLICIES OR PROCEDURES

WHEREAS in the course of its regular operations KSURSF has determined that certain business policies or procedures are needed in order to conduct its business; and

WHEREAS KSURSF staff have developed the following policies or procedures to meet these needs: i) Project Initiation Form; ii) Closeout Form;

Now therefore be it resolved that:

The Board of Directors of the Kennesaw State University Research and Service Foundation approve the above listed policies or procedures with the following exceptions:

13 November 2012

Date of Resolution Approval

ATTACHMENT 5

BOARD OF DIRECTORS

KENNESAW STATE UNIVERSITY RESEARCH AND SERVICE FOUNDATION, INC.

RESOLUTION TO DRAFT A NEW MOU WITH THE COMMUNITY CLINIC PROGRAM

WHEREAS Mauldin & Jenkins, CPA, LLC has performed an audit on KSURSF for fiscal year 2012;

WHEREAS Mauldin & Jenkins has remitted their report to KSURSF Management;

WHEREAS it is the opinion of the auditors that the Memorandum of Understanding (MOU) between KSURSF and the Community Clinic Program does not accurately describe the operational relationship between the two entities; and

WHEREAS the auditors recommend that an updated MOU be prepared and agreed to by both parties;

Now therefore be it resolved that:

The Board of Directors of the Kennesaw State University Research and Service Foundation agrees that a new MOU should be drafted with the Community Clinic Program.

13 November 2012

Date of Resolution Approval

ATTACHMENT 6

BOARD OF DIRECTORS

KENNESAW STATE UNIVERSITY RESEARCH AND SERVICE FOUNDATION, INC.

RESOLUTION TO PROCEED WITH THREE PATENT APPLICATIONS

WHEREAS Beverly Lyman, KSURSF's consulting patent attorney, has presented the following information about moving three provisional applications for Dr. John Salerno to full applications:

Tasks for Dr. Salerno:

- A. review and annotate each provisional application using Track Changes
- B. write down what he considers as the "commercializable technology", e.g., details of the product, kit, etc., allowing us to ensure it is fully disclosed, described, enabled, and claimed
- C. adhere to the timelines

Tasks for KSURSF:

- D. unless a viable licensee requires it, do not file outside the US
- E. unless Dr. Salerno disagrees, combine each of the Nitric Oxide Synthase MAP Kinase Binding, and Nitric Oxide Synthase Inhibition applications (2 and 3 below) into a single application and file by the February 23, 2013 first expiration deadline, assuming that Dr. Salerno timely completes A-C above

Patent Applications

1. **Mutagenic Plasmids** – provisional expires January 20, 2013.

Salerno action items due to me by December 1, 2012:

- a. review and annotate provisional application using Track Changes
- b. write down "commercializable technology", e.g., details of the product, kit, etc., allowing us to ensure it is fully disclosed, described, enabled, and claimed

estimate \$2,000 December cost to review, revise, redraft claims

estimate \$6,000 January cost, for US filing only, to finalize, prepare formal figures, prepare formal filing documents, file, prepare and submit Information Disclosure Statement, record Assignment

2. **Nitric Oxide Synthase MAP Kinase Binding** – provisional expires February 23, 2013.

Salerno action items due to me by January 7, 2013:

- a. review and annotate provisional application using Track Changes

b. write down “commercializable technology”, e.g., details of the product, kit, etc., allowing us to ensure it is fully disclosed, described, enabled, and claimed

estimate \$1,500 January cost to review, revise, redraft claims

estimate \$5,000 February cost, for US filing only, to finalize, prepare formal figures, prepare sequence listing, prepare formal filing documents, file, prepare and submit Information Disclosure Statement, record Assignment

3. **Nitric Oxide Synthase Inhibition** – provisional expires April 3, 2013.

Salerno action items due to me by February 26, 2013:

a. review and annotate provisional application using Track Changes

b. write down “commercializable technology”, e.g., details of the product, kit, etc., allowing us to ensure it is fully disclosed, described, enabled, and claimed

estimate \$3,000 March cost to review, revise, redraft claims

estimate \$7,000 April cost, for US filing only, to finalize, prepare formal figures, prepare sequence listings, prepare formal filing documents, file, prepare and submit Information Disclosure Statement, record Assignment

And

WHEREAS the patent attorney’s estimated cost to move these three provisional applications to full applications is \$24,500;

Now therefore be it resolved that:

The Board of Directors of the Kennesaw State University Research and Service Foundation commits to funding these patent applications with an additional 30% contingency for a total of \$31,850.

13 November 2012

Date of Resolution Approval

ATTACHMENT 7

BOARD OF DIRECTORS

KENNESAW STATE UNIVERSITY RESEARCH AND SERVICE FOUNDATION, INC.

RESOLUTION TO WITHDRAW THE REQUEST FOR AN INTERNAL AUDIT

WHEREAS the Chief Operating Officer of KSURSF submitted a request to KSU President Dan Papp and KSU Internal Auditor Clay Dean in mid FY 12 for an internal audit of KSURSF; and

WHEREAS said audit was provisionally scheduled for summer 2012; and

WHEREAS KSURSF subsequently learned that a comprehensive external audit would be required for FY 12; and

WHEREAS Mauldin & Jenkins, CPA, LLC performed a comprehensive external audit in July and August 2012; and

WHEREAS there were no significant findings in the external audit; and

WHEREAS the KSU internal auditors did not conduct an internal audit on KSURSF in summer 2012 and do not have a KSURSF audit on their schedule at this time;

Now therefore be it resolved that:

The Board of Directors of the Kennesaw State University Research and Service Foundation withdraws its request for an internal audit by the KSU internal auditor and will provide the KSU Internal Auditor Office with a copy of KSURSF's external audit.

13 November 2012

Date of Resolution Approval