

## 5. Draft Amendments to Bylaws and Charter

### AMENDMENT #1 to the Bylaws of the Tennessee Technology Development Corporation.

WHEREAS the Tennessee Technology Development Corporation ("TTDC") was created by statute pursuant to Public Chapter No. 517 of the 1997 Tennessee Public Acts and properly was formed under the laws of the State of Tennessee with the filing of a corporate charter and corporate bylaws with the office of the Secretary of State; and

WHEREAS the Bylaws of TTDC ("Bylaws") specify an annual meeting date, without call, on the first Thursday in April, although this date can conflict with the business of the General Assembly and other state and corporate matters and is counter to the TTDC's goal of providing its Board of Directors more flexibility in the setting of its annual meeting date; and

WHEREAS the TTDC charter, Bylaws and governing statutes require that changes to the Bylaws shall be made by the TTDC's Board of Directors subject to approval by the General Assembly;

NOW THEREFORE the TTDC Board of Directors desires to approve this Amendment #1 ("Amendment") to the Bylaws as set out below:

1. Amendment to Section 5.1.

Section 5.1 (Meetings of the Board and Committees) is hereby modified by deleting the following language and punctuation set out in the first sentence of the section:

"The Board shall hold an annual meeting each year, without call, on the first Thursday in April."

and replacing it with the following language and punctuation:

"The Board shall hold an annual meeting during the month of April each year."

IN WITNESS WHEREOF, the undersigned, being duly authorized by the members of the TTDC Board of Directors as signator on their behalf, has executed this Amendment as of January \_\_, 2009.

William Evans, Pharm.D.  
Board Chair

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## **Appendix A - Minutes of the January 22, 2009 Board Meeting**

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access to and works with and through the audit committee to resolve concerns, and noted the audit committee will report to the board at least once a year.

### **Motions regarding Governance Systems and Controls**

Upon a motion made by Mayor Haslam and seconded by Dan Marcum it was moved that the Code of Ethics be approved as written. The motion passed unanimously.

Upon a motion made by Mayor Haslam and seconded by Tom Ballard it was moved that the Conflict of Interest and Duality of Interest Policy be approved as written. The motion passed unanimously.

Upon a motion made by Mayor Haslam and seconded by Ted Nelson it was moved that the Whistleblower Policy be approved as written. The motion passed unanimously.

Dan Marcum brought up affirmative action efforts and fair component practices in our contracts and subcontracts. He noted that questions as to our diversity initiatives will be asked at times by various legislative committees, such as happened at the corporation's sunset hearing. Anderson said there is a provision in the new amendment to the charter on this point but that it is limited in scope. Chairman Evans stated that we must consider this in future appointments in our board and other business relationships.

Anderson informed directors that should we choose to adopt amendments to the charter and as discussed today it would need to be done legislatively and will have to go back to general assembly for approval along with the existing charter amendment.

Ballard said the Governor and both house speakers are sensitive to diversity issues. Although to change TTDC's charter we need legislative action, we can change our mission, policies, etc., to indicate that we wish to not only meet but exceed these expectations. It is the board's desire to amend the code of ethics to specifically include the board looking at diversity and composition.

### **Amendments to Bylaws and Corporate Charter**

Upon a motion made by Tom Ballard and seconded by Kevin Humphries it was moved that the amendment to the Corporate Charter be approved as written. Stewart Witzeman clarified that the charter would now be consistent with who TTDC is and what we are doing. The motion passed unanimously.

Upon a motion made by Stewart Witzeman and seconded by Ted Nelson it was moved that the amendment to the Bylaws be approved as written. The motion passed unanimously.

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Upon a motion made by Ted Nelson and seconded by Jim Phillips it was moved that Dan Marcum be allowed to act as signatory for the TTDC Corporate Charter and Bylaws amendments. The motion passed unanimously.

### Program Recommendations

#### EPSCoR

Regarding the retaining of Greg Sedrick at UTSI for project management support, discussion ensued on amount and use of funds such as time, travel, programs to track, etc. It is a project management control. Sedrick's role is to coordinate information flow and activity, communicate with State EPSCoR Committee, and assist in writing a statewide funding proposal. Stewart Witzeman asked what the deliverable would be - that we win federal grants and get matching state funds? Has he been successful in the past? Sedrick would finish out TTDC's interim control of the EPSCoR committee for 6 months and he would assist in making a final decision with the EPSCoR committee. The contract would be through the home institution, UTSI, not with Sedrick directly. Dan Stewart said Sedrick's deliverable would include proposals, measures of merit, dollars won/awards won, and capital from the state. Schmisser also mentioned the importance of his intangibles as well. Marcum added that \$25,000 will be a fraction of the costs associated with the overall costs of the EPSCoR effort. This is in preparation of the anticipation of the NSF solicitation that is expected to be released shortly with a fall deadline. Sedrick's contract will cover from now until the proposal is submitted. This change in plans is due to failure of the last proposal. Ballard questioned the cost of the contract, and Schmisser responded by stating a budget was submitted and will be provided to the board. The overall cost includes overhead, benefits, travel, grad student, etc.

Motion deferred until Schmisser provides more information for consideration.\*

#### SBIR

Cromwell provided an update on SBIR Phase 0 program and the recommendation to adopt a new focus on an informational/educational component. Discussion ensued on how these funds will be managed. Marcum said he is in favor and said we might look at engaging NIST MEP in this activity as the institute could receive additional federal funding from the new administration.

Upon a motion by Dan Marcum and seconded by Ted Nelson it was moved that TTDC management was authorized to engage UT-IPS to utilize the remaining resources approved for the SBIR Phase 0 Program to provide educational services and mentoring to future SBIR/STTR participants in Tennessee. The motion passed unanimously.

\*EPSCoR: In response to the above discussion, Schmisser provided more information on the forecasted budget. Dan Stewart stated that the key is to make sure it's not just good research, but good research infrastructure building and networking across the state, and additional support by Sedrick would be valuable.