

**New Mexico Bioscience Authority (BSA) Board of Directors
Regular Meeting**

October 22, 2021, 11:30 AM – 1:00 PM

317 Commercial St. NE, Suite 311, Albuquerque, NM

Draft Meeting Minutes

Present: Dale Dekker (Chair), Scott McLaughlin, Suzanne Quillen, Jennifer Gifford, Christos Christodoulou, Richard Larson, Ari Vazquez, Sarah Boisvert, Paul Laur, Alicia Keyes

Absent: Sheryl Arvizu, Greg Byrnes, Tom Kieft, Tanner Schaub

Staff Present: Stephanie Tofighi, Ryan Cangioli, Sterling Nichols

#	Agenda Items	Board Actions
1.	Call to Order and Confirmation of Quorum	The Chair called the meeting to order at 11:35 am. A Quorum was confirmed.
2.	Approval of Minutes: <ul style="list-style-type: none"> August 20, 2021, BOD Meeting 	<p>The Chair called a motion to approve the August 20, 2021, BOD Meeting minutes.</p> <p>A motion was made by Suzanne Quillen with a second by Richard Larson</p> <p>A Roll call vote of all board members was called with five in the affirmative, none in opposition, three in abstention and five absent. The vote was as follows:</p> <p>Arvizu-Absent, Boisvert-Abstain, Byrnes-Absent, Christodoulou-Affirm, Dekker-Affirm, Gifford-Absent, Keyes-Abstain, Kieft-Absent, Larson-Affirm, Laur-Abstain, McLaughlin-Affirm, Quillen-Affirm, Schaub-Absent</p>
3.	Chair's Report	<p>The Chair began his report introducing the new BSA board members; Sarah Boisvert, Paul Laur and Alicia Keyes with a brief summary on their background.</p> <p>Sarah Boisvert – Boisvert is an entrepreneur in digital manufacturing with over 30 years of high technology product commercialization using the tools of digital fabrication which includes 3D printing, Laser machine tools and CAD design. She is part of the MIT Fab Lab network and has a digital fabrication</p>

	<p>lab associated with MIT in in Santa Fe, NM where they train people for new collar jobs in manufacturing.</p> <p>Alicia Keyes – Keyes is the current Cabinet Secretary appointed by Governor Michelle Lujan-Grisham to lead the Economic Development Department at the State of New Mexico. As Cabinet Secretary, Keyes is responsible for fostering economic development in New Mexico Business sectors such as Bioscience.</p> <p>Paul Laur – Laur is the Chief Executive Officer at Spartina Biotechnologies which is a start-up bioscience company currently working on a drug delivery platform to deliver bio active molecules to infected cells. Spartina Biotechnologies is currently working on a therapeutic for COVID-19 in hopes for mass distribution to combat the virus.</p> <p>The Chair provided an update on the presentations to the Economic and Development Policy Committee (EDPC) in Prewitt, New Mexico on September 13, 2021, and the New Mexico Finance Authority (NMFA) Oversight Committee in Santa Fe, New Mexico on October 15th 2021.</p> <p>At the EDPC presentation, The Chair, Executive Director Stephanie Tofighi and Strategy and Policy Director Ryan Cangliosi spoke to the legislators about the BSA and its current initiatives while the presentation for the NMFA featured Chair Dekker speaking on the benefits of attaining Public-Private partnerships to grow the New Mexico economy and President Larson explaining the concept of the BSA’s Co-Investment program. The Chair mentioned that both presentations initiated positive discussions with those in attendance and were well received.</p> <p>Due to the November schedule the chair announced the addition of a full board meeting on Friday, December 10, 2021. The Chair informed that the December meeting and future BOD meetings will continue to be held via zoom to comply with the Attorney General’s guidelines during COVID. He did propose a possible in-person BOD meeting to be held during the 2022 legislative session in Santa Fe which would be discussed by the Executive Committee and then brought to the Board at the December 10th meeting.</p>
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4.	NMBSA Board Member Introductions	<p>The Current Board of Directors in attendance along with Ari Vazquez from the UNM Office of University Counsel formally introduced themselves to the new BOD members; Sarah Boisvert, Alicia Keyes and Paul Laur.</p> <p><u>NMBSA Board Members present:</u></p> <p>Dale Dekker - Chair Richard Larson - President Christos Christodolou – Vice President Suzanne Quillen – Secretary Jennifer Hernandez-Gifford Scott McLaughlin</p> <p>Others: Ari Vazquez – Deputy University Counsel</p>
5.	President’s Report	<p>President Larson informed the board that he had only one item to include in his report.</p> <p>The item was additional reporting that was requested by current New Mexico Governor Michelle Lujan-Grisham regarding the BSA’s ‘Dual identity’:</p> <ol style="list-style-type: none"> 1) The BSA’s identity under legislation 2) The BSA’s identity as a UNM Center of Excellence <p>Larson stated that the Governor had a discussion with University of New Mexico President Garnett Stokes requesting that the BSA generate a report with outcomes that are like the other Centers of Excellence as opposed to the BSA’s inclusion of items relating to specific statutory requirements. This report to the Governor is due within the next ten days. Larson confirmed that once completed, the report will be shared with the board by way of Executive Committee, Mission Accomplishment Committee, or per the Chair’s recommendation.</p> <p>President Larson added that as a Center of Excellence what is requested is that the BOD view the activities of the Bioscience Authority as ‘leveraging’ into the activities of the Health</p>

		<p>Science Center in terms of its bioscience research and the impact on commercialization. Larson assured the new report will address the ‘leveraging’ aspect and how it has affected company start-ups, commercialization, size of research mission, and various training available to students and faculty. Larson recommended that once the report is ready it should be distributed to the committees for review before presenting to the Board. The Chair agreed with Larson’s recommendations and asked for the Executive Director to distribute the report to the committees when ready. Larson emphasized he is producing the new report following the direction of President Stokes and UNM Executive Vice President Doug Ziedonis who are receiving guidance from Governor Lujan-Grisham, New Mexico Higher Education Department Secretary Stephanie Rodriguez, and Secretary Alicia Keyes.</p>
6.	Executive Director's Report	<p>Executive Director Tofighi announced that there has been an increase in the BSA’s outreach campaign by establishing a presence and participating at key New Mexico Bioscience industry related events. Tofighi provided an update to the BOD on the BSA’s efforts.</p> <p><u>NMBio/LANL September Lunch & Learn Update</u> – Tofighi attended the New Mexico Biotechnical & Biomedical Association (NMBio) Los Alamos National Labs (LANL) event where she presented an overview of the work being done by the NMBSA and was able to connect with Howard Kozloff, Co-Founder and principal of HATCHspaces as well as key LANL representatives involved with Small Business Innovation Research (SBIR)/Small business Technology Transfer (STTR) grant coordination.</p> <p><u>New Mexico Institute of Mining and Technology (NMT)’s Inventors and Entrepreneurs Workshop</u> – BSA Chair Dale Dekker, Executive Director Stephanie Tofighi, Strategy and Policy Director Ryan Cangliosi and Program Specialist Sterling Nichols III attended the October 14th Inventors workshop in Socorro, New Mexico. Chair Dekker engaged in a panel discussion. ED Tofighi and Mr. Cangliosi presented on the BSA’s expansion of UNM’s Bioscience Accelerator program and Tofighi and Nichols, answered questions about the BSA while sharing informational material at a table throughout the day.</p>

		<p><u>October 26th NM Bio Knowledge Fair and Expo</u> – Executive Director Tofighi and Program Specialist Sterling Nichols will attend to promote the BSA and connect with companies and participants.</p> <p><u>November 17th National Institute of Health SBIR/STTR Workshop</u> – The BSA in coordination with Arrowhead Center’s New Mexico State University New Mexico FAST program will host an introductory National Institute of Health (NIH)related workshop that will provide an overview of SBIR/STTR programs, the NIH focus with SBIR’s/STTR’s and the elements of writing effective proposals. Tofighi added that the workshop has been promoted and posted on the website in the BSA’s upcoming events.</p> <p><u>Expansion of NMBSA Social Media Presence</u> – Tofighi informed the board that the BSA has been aggressively expanding their social media efforts with a focus on establishing a ‘presence’ on Twitter and LinkedIn pages. She encouraged Board Members to follow the Authority on Twitter and to accept her invitations to connect on LinkedIn and then to follow the BSA’s page there too.</p> <p><u>2021 NMBSA Annual Report</u> – Tofighi reminded the BOD that the NMBSA annual report was finished and shared with the NM Legislative Council Services by the October 1, 2021, deadline. The report was also shared with the legislative committees the NMBSA presented to this past year.</p> <p>In conclusion of the Executive Director report Tofighi added that she has created a page on the BSA website detailing upcoming events with a full library of current slide presentations for 2021 containing page links to view. She expressed that the website expansion of posting upcoming events and BSA presentations would coincide with the social media expansion efforts to generate optimum interest in the BSA.</p>
7.	Presentation on Hatch Spaces	Chair Dekker proposed to move up the presentation by Howard Kozloff from HATCHspaces directly after the Board members introduced themselves to coordinate with Mr. Kozloff’s presence at the meeting. Chair Dekker then went on to explain, particularly to the new Board members, the

	<p>framework and purpose of including guest speakers at each Board meeting.</p> <p>Chair Dekker introduced Howard Kozloff as the Co-Founder of HATCHspaces which is a real estate platform built around the life sciences based in Los Angeles, CA. Their mission is to deliver the bioscience community state-of-the-art lab facilities at varying scales, allowing the region to retain early-stage bioscience and biotechnology start-ups emerging from research environments. They are currently negotiating agreements to develop similar spaces in New Mexico at Innovate ABQ in Albuquerque and at Los Alamos, Santa Fe, and Las Cruces.</p> <p>H. Kozloff presented a brief overview of HATCHspaces and then provided detailed information regarding their development plans for New Mexico at various locations throughout the state. He informed the Board that the work being done by HATCHspaces is equal parts science, real estate, and economic development to help researchers move from university and incubator space into larger, more independent lab space necessary to grow their innovation and business. They are not an incubator, but they do work with incubators to help businesses transition into spaces that accommodate a full career arc of available, well-paying bioscience jobs. They have typically taken a regional approach regarding the spaces they develop and where those spaces are located. Their approach is one that takes into consideration the lifecycle of life science businesses including the need for growth and connectivity depending on their particular stages. Space, layout, equipment, and how they are all connected is a key approach to the success of HATCHspaces which was recently awarded the 2020 APA Los Angeles Economic Planning and Development Award for their positive contributions to the built and natural environment in Los Angeles County, California.</p> <p>Kozloff shared that when working with companies he's learned that typically their main priorities are the availability of skilled labor and short timelines. He went on to describe the types of builds HATCHspaces currently develop, pointed out where they are in Los Angeles County and Boulder, CO, and then shared plans to develop spaces in New Mexico.</p>
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		<p>HATCHx – Accommodates acceleration of companies just leaving the incubator, university, or national lab space. Companies growing beyond a single bench often find themselves in hyper-growth mode. HATCHx is all about accelerating that growth period. Private lab spaces in multi-tenant facilities allow companies to focus on building their science team. Co-working in a collaborative environment fosters increased peer interaction. Spaces are typically between 200-1200 square foot spaces.</p> <p>HATCHlabs - Create quality at small scale. Emerging life science companies often find it difficult to rent space that both function at the highly technical level and delivers quality creative environments. HATCHlabs are purpose-built science labs for companies ready to grow in place. Science-focused infrastructure allows for a variety of science uses and design-forward spaces help to recruit and retain top talent. Most of the companies housed in HATCHspace are HATCHlabs. Spaces are built and permitted quickly from lease signing to operational in less than 8 weeks including spaces that exceed 10k sqft in size which compares to 12-14 months typically needed to build out spaces that do not start with the HATCHspace life sciences infrastructure already prepared and ready to accommodate new bioscience businesses.</p> <p>HATCHmfg – Accommodates production. Successful growth in the life sciences leads to a need for facilities built using the most current Good Manufacturing Practices. HATCHmfg addresses the need for cGMP buildings in small-to mid-sized scales to help bring products to market. They are very expensive to build and take longer to build. 50k or more sq. ft. is typically needed at a price of about \$25M.</p> <p>HATCHcampus – Develops community. They believe that the success of a startup is greatly enhanced by locating in environments that are collaborative and supportive. HATCHcampus is a collection of HATCHspaces® concepts found in a larger collaborative setting. Combining other mixed uses provides a setting for various stages of company growth. They currently have a 14-acre HATCHcampus at Thousand Oaks, CA that includes HATCHx, HATCHlabs, and office space.</p>
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		<p>One of their clients is Amgen. They are also looking into spaces that can accommodate housing to create a science village.</p> <p>Kozloff ended his presentation with concept images of the Innovate ABQ site in Albuquerque they are preparing to have built into the education wing of the First Baptist Church situated behind the UNM Rainforest as well as another site in New Mexico that was not able to be disclosed. That space is being proposed to be a multi-functional with office, lab, and possibly manufacturing space included.</p> <p>Kozloff then took questions from the board after first noting that HATCHspaces is completely focused on purpose-built life science real estate and they have a number of opportunities in New Mexico (5 including Innovate ABQ) that they are currently negotiating.</p> <p>Chair Dekker thanked Kozloff for his presentation and then opened the floor up for questions. President Larson thanked Kozloff for his presentation and expressed his own enthusiasm as well as that of the University of New Mexico. He then went on to share with Kozloff that there is a very active drug discovery development program that is in desperate need of a GMP facility. Kozloff responded that HATCHspaces is excited to work with the scientists in New Mexico to design the spaces they need.</p> <p>Chair Dekker finished by thanking Kozloff for the work that HATCHspaces is pursuing throughout the state of New Mexico.</p>
8.	<p>Co-Investment Scoring Task Force Report</p> <ul style="list-style-type: none"> • Recommendations to move forward with partnerships: NM Angels and Anzu Partners • Recommendations to extend the duties of the task force to develop evaluation criteria to choose bioscience 	<p>Director Schaub, the Chair of the Co-Investment Scoring Task Force, was not able to join the meeting, so Director Larson presented the recommendations that resulted from the Task Force's report alone.</p> <p>Director Larson shared the history of the Pilot Co-Investment Program with the Board specifically for the new members calling attention to the fact that this program is much smaller (\$250k) than the larger program (\$25M) that Chair Dekker would be recommending during the Executive Committee's report. He explained that the program is a potentially self-sustaining, new approach to economic development in New Mexico that is being pursued in Arizona, Massachusetts, and North Carolina. Rather than being a direct investment model</p>

	<p>businesses to invest in through LLC's</p>	<p>like the one pursued by the State Investment Council (SIC), a fund that would require a lot more regulation, or tax credits or incentives, this model would be a co-investment of public and private dollars between the NMBSA and an investment firm that would create an LLC to then co-invest in a new bioscience company in the state or in one that was willing to move to the state with a 2:1 match by the private investment firm of any private funds invested by the NMBSA.</p> <p>Director Larson then overviewed the steps the BOD had taken to reach this point including the recommendation by the Finance Committee to pursue this program, approval by the Board, the release of the RFP through UNM Procurement, accepting applications through UNM Procurement, forming the Scoring Task Force, using the previously approved evaluation criteria included below to score the applications, and then meeting as a Task Force to finalize the recommendations to the Board.</p> <p>Evaluation Criteria – In line with UNM procurement guidelines, the evaluation criteria explains the scoring for selection in three areas potential partners will disclose information:</p> <ol style="list-style-type: none"> 1. Organization Description (40 possible points) – a brief description of applying organization, listing of references, key company representatives, prior experience, and qualifications. 2. Statement of Interest (40 possible points)– potential partner demonstrates organizations ability, interest, and capacity to lead investment, meet 2:1 match, willingness to participate in 2:1 match, participate in LLC formation and fund New Mexico Bioscience startups, early-stage companies or companies relocating to New Mexico. 3. Investment Narrative (20 Possible points) – Provides company background, prior experience of partners, experience in early-stage bioscience investing with knowledge of bioscience industry in New Mexico and nationally. Disclosure on number of current deals with companies.
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	<p>The scoring on the evaluation criteria is 100 total possible points. The evaluation criteria also covers Residential and Veteran preferences, oral presentation to answer questions from submitted proposals and Basis of Award.</p> <p>Director Larson summarized that in this report he would present to Board the two investment firms the Task Force recommends that the NMBSA develops formal partnership agreements with after following the evaluation criteria listed above. He emphasized that this recommendation was not to approve bioscience companies in which to invest, but instead it was a recommendation to form partnerships with investment companies that the NMBSA could then co-invest with in companies first vetted by the investment firm and approved by the NMBSA BOD.</p> <p>Director Larson also called attention to the information already shared with the Board regarding the applications submitted by the two investment firms and the scores each company received from the Scoring Task Force.</p> <p>Anzu Partners – They are out of Tampa, Florida and are a larger investment firm than is typical to invest in New Mexico. Founded in 2014, Anzu Partners operates a robust investment platform for industrial and life science technology companies. Anzu’s current portfolio consist of 25+ portfolio companies, and the firm has 12+ investment professionals, 200+ fund investors, and 25+ portfolio support staff. They have had several meaningful exits and manage an active pipeline of new opportunities in diligence, tracked through firm-wide pipeline reviews that cover 400-500 industrial and life science technology companies per year across the globe. Anzu Partners already funds New Mexico bioscience start-ups: BioFlyte, NTx, and Mined Therapeutics.</p> <p>NM Angels – NM Angels has expertise in early-stage company investment, providing the business components to advance New Mexico companies, particularly medical and science driven efforts from the universities, national labs and elsewhere. New Mexico Angels has invested over \$20 million since 1999. Their portfolio includes many successful examples of biotech startups. Some examples include Nob Hill Therapeutics, Exovita Biosciences, Bennubio, MatrixBio, TNeuroPharma, Protein Genomics, and Zocere, Inc.</p>
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		<p>The Co-Investment Scoring Task Force included Task Force Chair, Tanner Schaub, Dale Dekker, Richard Larson, and Christos Christodoulou. The average scores received by each recommended applicant from the task force members are NM Angels 92.50 and Anzu Partners 92.00</p> <p>Director Larson completed his overview of the two investment firms to say that on behalf of the Scoring Task Force, he would like to make a motion to accept both firms as our co-investment partners and to sign Memorandums of Agreement (MOAs) with both in order to allow them to present us with companies they recommend to co-invest in that would then be reviewed by the BOD following their approved guidelines.</p> <p>Chair Dekker asked for a second.</p> <p>Secretary Keyes requested to ask a question before a motion was made. Chair Dekker accepted her request.</p> <p>Secretary Keyes asked for further information regarding the source of the \$250k President Larson had mentioned would be used to fund the NMBSA portion of the co-investment pilot program and whether they were state funds.</p> <p>Director Larson confirmed that they are state funds and that they would be matched 2:1 by any investment firm using the co-investment model.</p> <p>Secretary Keyes asked of the \$286k in state appropriations received annually, whether \$250k of that would be used to fund the co-investment program's investments.</p> <p>Director Larson responded that not all of the \$286k received has been spent, but that the \$250k meant for the co-investment program is from reserves that have been built up over three years so that adequate capital would be available to fund this small pilot program.</p> <p>Secretary Keyes asked for clarification regarding whether the state appropriations have been used for staff to which Director Larson responded that not all of it had been used to pay staff but instead a portion had been intentionally placed in reserves to fund this pilot program.</p> <p>Secretary Keyes asked for clarification regarding how funding from both the NMBSA state appropriations and the Center of Excellence</p>
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	<p>were being spent. She expressed reservations regarding Center of Excellence funds being used to create an equity fund. Director Larson clarified that no equity fund would be created, but instead the NMBSA would be investing equity into a joint LLC, but it would not be the same as an equity fund which has a lot more regulatory oversight and cost to execute.</p> <p>Secretary Keyes then expressed her interpretation of the Center of Excellence legislation to mean that the \$286k in funds coming from the Governor for the Center of Excellence are intended to be used for internship programs to help students, and she disagrees that those funds should be used to fund the Co-Investment Pilot Program.</p> <p>Director Larson encouraged the NMBSA to move forward with approving the partnerships with the investment firms, reiterating that this approval was not to enter into any financial commitments, but instead it would only be to start the process to formalize the agreement with a signed MOA. He also informed the Board that the second recommendation from the Co-Investment Scoring Task Force was to extend the work of the Task Force to now develop criteria the Board would be able to use to select bioscience businesses to co-invest with once options are presented to them by the investment firms. Director Larson called attention to the item on the agenda where Chair Dekker would be presenting the recommendation from the Executive Committee to approve the request for the \$25M Co-Investment Fund from the state legislature and how further discussion at this time regarding that plan could help to educate the new Board members regarding the purpose of the Co-Investment program and how it could address the goals of both the NM Bioscience Act and the Centers of Excellence legislation.</p> <p>Secretary Keyes responded by calling attention to the report that is due to the Governor in ten days regarding the work being done by the Bioscience Center of Excellence and the concerns that have been expressed regarding the use of those funds. She made a motion to table discussion on the Co-Investment Program until that report has been reviewed by the Governor and the President of UNM.</p> <p>Chair Dekker acknowledged the motion to table discussion related to the Co-Investment Program until a formal review at the Governor's level has occurred regarding the Center of Excellence and asked for a second. Director McLaughlin seconded.</p> <p>Chair Dekker asked if there was any other discussion.</p>
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	<p>Director Larson reiterated that the NMBSA is allowed to perform the activities of the co-investment program per the enacting legislation as well as the Center of Excellence legislation, specifically to allow the NMBSA to accept public and private dollars to co-invest in bioscience businesses with the private equity being one of the outcomes. Director Quillen verified that this allowance is included in the legislation and that the BOD has reviewed the legality of the action in detail previously as have two legal entities. She then asked if there is anything new information that the BOD was not previously aware of that would prevent the co-investment pilot program from moving forward.</p> <p>Chair Dekker asked Secretary Keyes to clarify. Secretary Keyes went on to explain that there has been a recent review of the past year of work done by the NMBSA specifically regarding the performance outcomes that were recently reviewed by the Governor. She reiterated her request to not make a decision on this action item until after the Governor has reviewed the report she has requested specifically regarding the activity of the Bioscience Center of Excellence.</p> <p>Director Christodoulou asked how long Secretary Keyes thought this review would take. Secretary Keyes confirmed that the report was due to the Governor in the next ten days.</p> <p>A Roll call vote of all board members was called with eight in the affirmative, none in opposition, one in abstention and four absent. The vote was as follows:</p> <p>Arvizu-Absent, Boisvert-Abstain, Byrnes-Absent, Christodoulou-Affirm, Dekker-Affirm, Gifford-Affirm, Keyes-Affirm, Kieft-Absent, Larson-Affirm, Laur-Affirm, McLaughlin-Affirm, Quillen-Affirm, Schaub-Absent</p> <p>Regarding the NM Bioscience Authority, the Center of Excellence legislation, 2019 HB 7, reads as follows: SECTION 1. A new section of Chapter 21 NMSA 1978 is enacted to read: "CENTERS OF EXCELLENCE.-- A. A "center of excellence" is established at the following higher education institutions: (4) the university of New Mexico health sciences center-affiliated entity, the New Mexico bioscience authority, to continue its work toward developing, promoting innovation in and expanding the bioscience industry in New Mexico. B. Each center of excellence provided for in</p>
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		<p>Subsection A of this section shall foster excellence in the noted field through:</p> <ul style="list-style-type: none"> (1) collaboration among leaders of the state's agencies, higher education institutions, business sector, national laboratories and community organizations; (2) the development by those leaders of strategies to accomplish that aim; and (3) the execution of those strategies. <p>C. Each center of excellence provided for in Subsection A of this section shall:</p> <ul style="list-style-type: none"> (1) actively seek, and may accept, public and private funding for its work; (2) establish short- and long-term goals for job creation, business creation and private equity investment outcomes of its work; and (3) beginning in 2020, report annually to the higher education department and the legislative finance committee on its goals and achievements. <p>SECTION 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2019.</p> <p>Director Quillen left the meeting.</p>
9.	<p>Finance Committee Report</p> <ul style="list-style-type: none"> • Monthly Financial Statement Review (August & September) • Verge Building Lease Approval • IRS 990 Approval 	<p>The August and September financial statements were reviewed by Ryan Cangioli. Mr. Cangioli made note of higher costs on the September financial statement compared to the August financial statement as being the result of the \$2,000 legal fee paid to UNM Legal, salary and fringe costs of staff, and technology fees related to the website, email services, and zoom.</p> <p>Strategy and Policy Director Cangioli then went on to review the annual 990 Tax filings explaining the information that was submitted. He began by answering a question Secretary Keyes asked regarding the operational ledger that was screen shared with the Board along with the 990 forms. Secretary Keyes requested clarification regarding the amount listed on the ledger for FY 2021 state appropriations as being \$626k even though the amount received from the state this year was \$294,200. Mr. Cangioli first suggested that this was the amount received over the past three. He later corrected this in an email to the board where he said,</p> <p>“Dear Board Members –</p>

	<p>I want to clear up a misstatement I made about the Operating Ledger Summary FY21, which is not a document that we send to the IRS but was provided to the board to show the breakout of all revenues and expenses.</p> <p>The \$626,000.00 is actually a double entry of the expected budget resulting from how our accounting system here at the UNMHSC uses a pass-through account to receive funds. A contra account is used to move the appropriation over to agency indices. This general ledger has the pass-through indices, as well as the agency indices rolled up, thus we have a number that reflects double the actual appropriation.</p> <p>On line 0721 you will see that we have an expected budget figure of \$313,000.00 which was what we received the previous year. We did not receive that amount in FY21, because there was an overall cut of 6% (\$18,800.00). The Budget (FYTD) Accumulated figure on line 0721 of \$294,200.00 was our actual appropriation from the State of New Mexico for FY21.</p> <p>I had indicated that the 626,000 may have been a 3 year roll up. That was inaccurate.</p> <p>I hope this provides clarity. I apologize for the miscommunication and any confusion. If you have any questions, please feel free to reach out to me anytime.</p> <p>Very respectfully,</p> <p>Ryan</p> <p>Ryan Cangioli Director of Economic & Community Development (505)272-7441"</p> <p>Secretary Keyes also asked for confirmation that ~\$130k each year is spent to fund staff salaries and fringe with the rest of the funds being allocated as being reserve financing to fund the co-investment program. Per the FY 2021 Operating Ledger Summary that Mr. Cangioli reviewed during his report, ~\$174k had been spent on staff salaries and fringe benefits, ~\$91k had been spent on operational costs which included</p>
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	<p>rent, legal fees, web design, marketing consultation, computer software, telecom charges, legal services, facility rental and other administrative costs, and then the remaining ~\$29k had been added to the reserve budget meant to fund the co-investment pilot program.</p> <p>Secretary Keyes then asked for clarification regarding funding from the NMBSA to the UNM ASCEND program. Mr. Cangioli confirmed that no direct funding had gone to the ASCEND program, but NMBSA staff time and support has been spent to develop the program to expand the efforts of the ASCEND that will be discussed during the Mission Accomplishment Committee's report.</p> <p>Secretary Keyes asked what funds had been used to finance the activities of the Community Readiness Program. Mr. Cangioli explained that initial funding for the program came from a \$100k EDAct Grant from the City of Albuquerque that was used to develop the certification criteria, host informational meetings, and invite municipalities to participate. The initial city to certify zones was Albuquerque, and they have certified eight so far. Since then, Rio Rancho has certified a zone and is working to certify another, and Clovis, Las Cruces, and Santa Fe are working on completing their certification applications. Other municipalities throughout the state have also been invited to participate including Gallup and McKinley County, and work is underway to contact Taos, Los Alamos, and Socorro. In summary, initial funding for the Community Readiness Program had come from the \$100k EDAct grant, but after that funding was used up during the grant's one year term, this program has been sustained with its web presence, marketing material, and staff time running the program by state appropriations.</p> <p>Secretary Keyes asked whether any NMBSA funding appropriated from the state goes to fund any programs involving students. Mr. Cangioli confirmed that no NMBSA funded programs are directly include students, but he assured her that the UNM HSC, which is responsible for administering the NMBSA, conducts a wide array of student activities that may not be funded directly by the NMBSA but are supported by NMBSA staff through their time and efforts to help develop programs being run through UNM, advertise those programs</p>
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		<p>to the rest of the state, and help as needed to provide staff support during the events. Examples include the BioDesign Course Directors Larson and Christodoulou contribute to develop, the BioVenture event, and the Hackathon events.</p> <p>After discussion regarding the August and September Finance Statements as well as the Operating Ledger Summary, Mr. Cangioli asked for a motion to accept the Financial Statements coming out of the Finance Committee.</p> <p>A motion was made by Christos Christodoulou with a second by Richard Larson.</p> <p>A Roll call vote of all board members was called with eight in the affirmative, none in opposition, none in abstention and five absent. The vote was as follows:</p> <p>Arvizu-Absent, Boisvert-Affirm, Byrnes-Absent, Christodoulou-Affirm, Dekker-Affirm, Gifford-Affirm, Keyes-Affirm, Kieft-Absent, Larson-Affirm, Laur-Affirm, McLaughlin-Affirm, Quillen-Absent, Schaub-Absent</p> <p>Through screen share Cangioli provided detail on the most pertinent items to be considered by the committee for a cursory understanding of the 990-reporting process. The four 990 forms presented to the committee were:</p> <ol style="list-style-type: none"> 1) Form 990-EZ 2) Form 990 Schedule A 3) Form 990 Schedule O 4) Operating Ledger <p><u>1. Form 990-EZ</u></p> <p>In Part 1 - Revenue, Expenses, and changes in Net Assets or Fund Balance, Section: Expenses Cangioli stated that the total expenses on Line item 17 for the 2020 Tax year beginning July 1, 2020 and ending June 30, 2021, was \$264,894 with \$29,352 per line item 18. Cangioli explained that the total expenses were reflective of those just discussed from the Operating Ledger Summary.</p>
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		<p>In Part II- Balance Sheets Cangiolosi reported that were no tangible assets to report for Tax Year 2020-2021 as \$259,788 is the amount submitted on line Item 27 for the End of the year total.</p> <p>In Part IV – List of Officers all of the current BOD members for Tax year 2020-2021 were recorded.</p> <p>In Part V Other Information- Cangiolosi affirmed that the questions were answered with ‘No’ as the information required was not applicable. Cangiolosi identified that Office of Research Financial Officer Michelle Parra is listed as the accountant for the organization’s books and the preparer of the tax filing described on line item 42a.</p> <p><u>2. Form 990 Schedule A</u></p> <p>In Part 1 Reason for Public Charity Status Line item 7 was the key field to select as the BSA receives a majority of support from a Government entity or unit.</p> <p>In Part II Section B, the amount of \$769,450 was listed for total support in Line Item 11 detailing support for Calendar years 2018-2020.</p> <p>Cangiolosi reiterated that for the remainder of Schedule A, information was not submitted as the requirements did not pertain to the organization.</p> <p><u>3. Form 990 Schedule O</u></p> <p>Mr. Cangiolosi explained that for Professional Fees the expenses incurred were:</p> <p>-Legal representation from the Modrall-Sperling Law Firm and UNM Legal</p> <p>For Other the expenses included administrative fees to the University of New Mexico and technical fees and services including costs for the Zoom account, website, email, and printer services, and computing costs.</p>
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10.	Mission Accomplishment Committee Report	<p>Director Christos Christodolou presented the Mission Accomplishment Committee (MAC) Report in place of MAC Chair Tom Kieft who was unable to attend the meeting.</p> <p>Christodolou began the report presenting the NMBSA SBIR/STTR Bioscience Business accelerator program proposal via screen share. He explained that the proposal's intent is to extend the current UNM ASCEND Hub business accelerator program to include all New Mexico colleges, universities, and national labs as well as all sectors of the biosciences. Under the current ASCEND Hub business accelerator program 11 universities from western states that includes UNM and NMSU, represent the current network. With the BSA's</p>

	<p>extension of the Ascend Hub program, all New Mexico educational institutions including New Mexico Tech (NMT) would be included.</p> <p>Director Christodolou then said that the BSA will extend the program to assist with training and mentoring related to writing SBIR/STTR grant applications and to facilitate networking between university and national lab researchers with small businesses in New Mexico. Christodolou stated that in order to bring the BSA's extension proposal into fruition, he would need approval from the BOD to seek \$200k from the state to hire personnel that would facilitate the activities of the BSA's business accelerator program in New Mexico.</p> <p>After Christodolou's review of the BSA's extension proposal he then made a motion for the BOD to approve the request being made to the state legislature for \$200k to hire personnel and pay for operating costs to facilitate the NMBSA Bioscience Business Accelerator Program.</p> <p>Following Christodolou's motion, Richard Larson seconded the motion. Afterward, Chair Dekker opened the floor up for questions. Secretary Alicia Keyes asked Director Christodolou why New Mexico Tech (NMT) was not included in the 'original' UNM Ascend Hub accelerator program to which Director Larson responded by saying that NMT was not included. Since it did not "qualify" it was not part of the Idea states consortium of the Mountain West Research Consortium.</p> <p>Secretary Keyes then asked how the program would work if NMT was not able to participate in the original program. Director Larson said that the BSA's extension of the program would work by having the staff capable enough to deliver networking and training events to the faculty at NMT, CNM, national labs, and beyond just UNM and NMSU who want to participate in the BSA's accelerator program which will include SBIR/STTR training and support for faculty and small businesses to submit NIH funded grants but also other federal sponsors who participate in the SBIR/STTR program which as Director Boisvert shared is given oversight by the Department of Commerce. Director Christodolou added further by stating that the BSA's extension would also help students from NM colleges and universities to engage in business start-ups as</p>
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		<p>well as small businesses who are unfamiliar with federal grant applications. This activity could promote successful collaboration between New Mexico based university researchers and NM based small businesses.</p> <p>Director Tofighi also noted that a large difference between the ASCEND Hub and the NMBSA Bioscience Business Accelerator is their research scope. ASCEND is restricted to biomedical related research while the NMBSA Accelerator would include all research areas included by the Bioscience sector as defined by the Department of Labor.</p> <p>In addition to clarifying the management structure of the SBIR/STTR program and the scope of that program across all the Federal Funding Agencies, Director Boisvert expressed her strong support for the NMBSA Bioscience Business Accelerator making note of the hardships faced by small businesses to collaborate with university researchers and apply for this type of grant funding and the clear means that the program could support those small businesses to grow. Director Christodoulou echoed Director Boisvert's enthusiasm by explaining the benefits of including the STTR program within the parameters of the Accelerator program as a means to encourage strong collaborations between business and university researchers to effectively keep all relative funding in state.</p> <p>Chair Dekker reminded the Board that Director Christodoulou had made the motion to approve the request being made to the state legislature for \$200k to hire personnel and pay for operating costs to facilitate the NMBSA Bioscience Business Accelerator Program. President Larson had seconded the motion.</p> <p>A Roll call vote of all board members was called with eight in the affirmative, none in opposition, none in abstention and five absent. The vote was as follows:</p> <p>Arvizu-Absent, Boisvert-Affirm, Byrnes-Absent, Christodoulou-Affirm, Dekker-Affirm, Gifford-Affirm, Keyes-Affirm, Kieft-Absent, Larson-Affirm, Laur-Affirm, McLaughlin-Affirm, Quillen-Absent, Schaub-Absent</p>
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11.	Executive Committee Report and Recommended Actions	<p>Regarding the Executive Committee Report and Recommended Actions, Chair Dekker acknowledged that the topic to be discussed was related to the previously tabled topic regarding the Co-Investment Program, and he recommended tabling discussion until after the Governor had received the Center of Excellence Report.</p> <p>Next, Chair Dekker referenced the letter from the Rural Economic Opportunities Task Force and Indian Affairs Committee regarding their request for the NM Bioscience Authority to assist uranium mine cleanup activities by bringing uranium mine cleanup funding and expertise to the state as part of our efforts to increase bioscience business in the state. This item was listed as an action item but should have been labeled as informational. Chair Dekker and Director Larson shared the response letter that was sent to the committees this week. The letter stated that the NMBSA was supportive of this collaboration and would reach out to the presenters mentioned in the original letter to develop an action plan. The response letter also detailed the amount of funding and activity that is already being done the University of New Mexico Health Sciences Center regarding uranium mine cleanup and its health effects specifically on the Pueblos and Navajo Nation.</p> <p>Finally, Chair Dekker introduced Program Specialist Sterling Nichols to the new board members.</p>

12.	Adjourn	<p>The Chair called for a motion to adjourn the meeting</p> <p>A motion was made by Christos Christodolou with a second from Scott McLaughlin</p> <p>A Roll call vote of all board members was called with eight in the affirmative, none in opposition, none in abstention and five absent. The vote was as follows:</p> <p>Arvizu-Absent, Boisvert-Affirm, Byrnes-Absent, Christodoulou-Affirm, Dekker-Affirm, Gifford-Affirm, Keyes-Affirm, Kieft-Absent, Larson-Affirm, Laur-Affirm, McLaughlin-Affirm, Quillen-Absent, Schaub-Absent</p> <p>The Chair adjourned the meeting</p>
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Respectfully submitted by Sterling Nichols and Stephanie Tofighi