

**New Mexico Bioscience Authority (BSA) Board of Directors  
Regular Meeting  
October 20, 2022, 11:30 AM – 1:00 PM  
317 Commercial St. NE, Suite 311, Albuquerque, NM**

**Draft Meeting Minutes**

**Present:** Dale Dekker (Chair), Richard Larson, Paul Laur, Scott McLaughlin, Tanner Schaub, Prisca Tiasse, Greg Byrnes

**Absent:** Sheryl Arvizu, Jennifer Gifford, Sarah Boisvert, Christos Christodoulou, Alex Greenberg, Tom Kieft

**Staff Present:** Stephanie Tofighi, Ryan Cangiolosi, Sterling Nichols

#	Agenda Items	Board Actions
1.	Announcements and Chair's Report	<p>At the start of the meeting, the Chair and Executive Director (ED) Stephanie Tofighi proposed modifying the agenda as some board members would be arriving late for the October 20<sup>th</sup> meeting. The Chair and ED Tofighi suggested for some of the <b>'Informational'</b> items' to be moved ahead of the <b>'Action'</b> items' to allow the board members arriving late an opportunity to vote on the meetings <b>'Action'</b> items .</p> <p>The Chair and ED Tofighi then made a motion to move up the following agenda items:</p> <p><b>Agenda Item 3 – <u>Announcements and Chair's report</u></b>  <b>Agenda Item 5 – <u>Executive Director's report</u></b>  <b>Agenda Item 6 – <u>Presentation on Nature's Toolbox</u></b>  <b>Agenda Item 11 – <u>Legislative Funding Task Force Report</u></b></p> <p>ahead of Agenda items:</p> <p><b>Agenda Item 1. <u>Call to Order and Confirmation of Quorum</u></b>  <b>Agenda item 2. <u>Approval of Minutes September 22<sup>nd</sup> BOD Meeting</u></b>  <b>Agenda Item 7. <u>Finance Committee Report</u></b>  <b>Agenda Item 8. <u>Co-Investment Task Force</u></b></p>

		<p><b>Agenda Item 9. <u>Executive Committee Report</u></b>  <b>Agenda item 10. <u>Mission Accomplishment Committee Report</u></b>  <b>Agenda Items 12. <u>Adjourn</u></b></p> <p>The Board agreed to the modifications in the agenda:</p> <p>The following are the modifications made to the order of the original Agenda Items for the October 20<sup>th</sup> Board of Directors meeting:</p> <p><b>Agenda Item 3 – <u>Announcements and Chair’s Report</u>, changed to: Agenda Item 1</b>  <b>*Informational item</b></p> <p><b>Agenda Item 5 – <u>Executive Director’s Report</u>, changed to: Agenda Item 2</b>  <b>*Informational item</b></p> <p><b>Agenda Item 6 – <u>Presentation on Nature’s Toolbox (NTx)</u>, changed to: Agenda Item 3</b>  <b>*Informational Item</b></p> <p><b>Agenda Item 11 – <u>Legislative Funding Task Force report</u>, changed to: Agenda Item 4</b>  <b>*Action item</b></p> <p><b>Agenda Item 1 – <u>Call to Order and Confirmation of Quorum</u>, changed to: Agenda Item 5</b>  <b>*Action item</b></p> <p><b>Agenda Item 2– <u>Approval of Minutes</u> changed to: Agenda Item 6</b>  <b>*Action item</b></p> <p><b>Agenda Item 7 – <u>Finance Committee report</u> changed to: Agenda Item 7</b>  <b>*Action item</b></p> <p><b>Agenda Item 8 – <u>Co-Investment Task Force Presentation on BennuBio</u>, changed to: Agenda Item 8</b>  <b>*Information item</b></p>
--	--	---

		<p><b>Agenda Item 9 – <u>Executive Committee Report</u>, changed to: Agenda Item 9</b> <b>*Information item</b></p> <p><b>Agenda Item 10– <u>Mission Accomplishment Committee Report</u>, remained Agenda Item 10</b> <b>*Action item</b></p> <p><b>Agenda Item 12 – <u>Adjourn</u>, changed to: Agenda Item 11</b> <b>*Action item</b></p> <p>Following the modification of the agenda the Chair began his report with the following announcements:</p> <p><b>The University of New Mexico Business and Economic Summit: Entrepreneurship in New Mexico Wednesday, October 26<sup>th</sup> 2022</b> – The Chair will participate in a panel discussion with members from the New Mexico Economic Development Department (EDD). The discussion will be moderated by John Clark, Assistant Secretary of the New Mexico EDD, focusing on building a more robust ecosystem in which the Chair will be advocating for strategic investments in bioscience and some of the other clusters cited in the state’s economic development strategy that was released in October of 2021. The Chair emphasized that the state needs to make strategic investments in the STEM (Science, Technology, Engineering, and Math) based economic development clusters to grow both the educated workforce and businesses in these industries.</p> <p><b>UNM Bioventure Partnership Friday, November 11, 2022</b> – The Bioventure Partnership creates an opportunity for innovators from both the University of New Mexico’s Health Sciences Center (HSC) and the local biotech business community who are interested in developing partnerships to expand health care innovation in the state. The event is free and will be held in person and online via Zoom communications. The Chair said he will look into participating in the event by</p>
--	--	--

		possibly purchasing a promotional table for the BSA once more information is available.
2.	Executive Director's Report	<p>Executive Director Tofighi provided an update on the following developments:</p> <p><b>Annual Report</b> – The 2022 Annual report has been completed and distributed to the Science Technology &amp; Telecommunications Committee, Governor's Office for the State of New Mexico and the New Mexico Legislative Council.</p> <p><b>IRS 2021 Form 990</b> – The Finance Committee has reviewed the latest iteration of the completed 990 forms which will be explained further in the Finance Committee's report Tofighi said.</p> <p><b>Collaboration with Los Alamos National labs</b> – ED Tofighi announced that she has had the opportunity to collaborate with Los Alamos National Labs (LANL) in which they have identified the BSA as a key resource for New Mexico's Bioscience industry. The BSA has been able to participate in some events that were relevant for the BSA as being the voice for championing bioscience in New Mexico. One example is the potential arrival of venture capital firm coming to New Mexico in which Julia Wise introduced the BSA to the firm to assist them with understanding what's happening in the state's bioscience landscape. Wise has been the person the BSA has made a connection with as she invited the BSA to participate in the panel review for one of their TRGR programs with ProSel Biosciences as well as connecting the BSA to the representative from the prospective investment firm looking to relocate to New Mexico.</p> <p>ED Tofighi concluded the Executive Director Report following her update on the items of interest for the month of October</p>
3.	Presentation on Nature's Toolbox (NTx)	Chair Dekker welcomed Nature's Toolbox co-founders, CEO Dr. Alex Koglin and CTO Dr. Michael Humbert to provide an overview of their company and an update on the work being done since a group of the board

		<p>members was able to visit their facility in Rio Rancho in July.</p> <p>Dr. Koglin began his update by explaining to the Board that NTx has continued to grow their team since July and now has 35 people employed with the median annual salary being between \$85k-\$95k. He shared that the majority of these employees live with their families in the state of New Mexico. He then went on to describe the direction of the company which is to develop a good manufacturing practice (GMP) environment that will facilitate the transition into contract manufacturing organizations (CMOs) that can provide clinical material. He completed the update by reminding the Board that the company will be moving forward with expanding their current facility next year from ~25,000 ft<sup>2</sup> to ~40,000 ft<sup>2</sup> which will provide employment for up to 90 people within the facility. The focus of this expansion will be on the research development of an in vitro transcription and in vitro translation system to help partners to develop and produce pre-clinical material on site for RNA vaccines, RNA therapeutics, and protein therapeutics. Dr. Koglin shared that this work will be primarily funded by a grant recently awarded to NTx by the Defense Advanced Research Projects Agency (DARPA). This technology offers quicker, less costly manufacturing of vaccines and therapeutics compared to conventional methods and provides more control over the proteins that are produced.</p> <p>ED Tofighi thanked Dr. Koglin for his update and then asked him to share a brief overview of the company with the Board members who were not able to join the visit to the facility back in July. Dr. Koglin went on to explain that his background is in biophysics and structural biology from Frankfurt, Germany with a postdoc from Harvard Medical School. He first came to New Mexico as an Oppenheimer Fellow in the Los Alamos National Laboratory. In 2015, he took an entrepreneurial leave of absence from the lab to begin NTx with his colleague from the Harvard Medical School, Dr. Michael Humbert to develop systems for in vitro translation and transcription where enzymes are fully utilized to produce</p>
--	--	--

		<p>materials in the system that are compatible with the needs of GMP and clinical materials.</p> <p>Chair Dekker thanked Dr. Koglin for his overview and welcomed questions from the Board members. Chair Dekker began the discussion by asking if NTx was able to attract employees from outside the state. Dr. Koglin responded that yes, they are able to attract employees from outside the state and one organization that helps with that mission is STEM Boomerang which has helped them find New Mexicans outside the state interested in moving back. In addition, NTx uses a number of job advertising platforms within the country and internationally. He noted that NTx is well connected over the entire United States and is able to recruit employees from a number of opportunities. Chair Dekker expressed his enthusiasm regarding Dr. Koglin’s response and called attention to the additional four jobs that are created in the economy with each new bioscience related job that is developed per the Department of Labor, so the 90 people that NTx will employ will actually account for 360 additional jobs in the economy.</p> <p>Director Laur congratulated Dr. Koglin on the success of NTx and asked if he had any requests or needs that could be addressed in this upcoming legislative cycle. Dr. Koglin responded that it is crucial for the state to make an effort to advertise itself in a way that not only promotes its travel and tourism but also its capacity to make money in other industries like biosciences and manufacturing and to emphasize the work/life balance that is a staple of the New Mexican culture. He noted that this type of directed advertising of the employment and commercial benefits of the state could be a valuable addition to any company trying to recruit employees to move here. Dr. Koglin also expressed his excitement regarding the prospective modification to the way the New Mexico Finance Authority manages its investment in start up companies to allow for direct investment in said companies. He congratulated the state on this decision and shared his anticipation that the process would be finalized soon and that it would be managed in perpetuity. He compared the current state of biosciences</p>
--	--	--

		<p>in New Mexico to Boulder, CO pointing out that it took many years for the biotech hub there to develop and that the same would be needed in terms of time and patience here to reach the same outcome but that he was confident that the right pieces were in place to make that happen and that it makes sense to continue moving our agenda forward.</p> <p>Director McLaughlin thanked Dr. Koglin for his message and asked for a link to the NTx website. He then shared his experience talking with the Department of Tourism about being more business and job oriented in their advertising efforts through New Mexico Magazine, and he noted their disinterest. Director McLaughlin shared his disappointment and stressed that when presenting to the Legislature and Governor, it will be important for everyone to stress the importance of marketing every benefit New Mexico has to offer including its work/life balance. Dr. Koglin conveyed his appreciation of the statement and expressed his belief that a unified presentation to the legislature may be beneficial. ED Tofighi interjected that it may be beneficial for all parties to have Dr. Koglin join the NMBSA's presentation to the Science, Technology, and Telecommunications Committee in November to iterate this point and support the efforts of the co-investment program request.</p> <p>Director Tiase moved on to ask for additional detail regarding the New Mexico Finance Authority's direct investment mentioned by Dr. Koglin earlier. Dr. Koglin went on to share that the Finance Authority is now authorized to make direct investments which was not possible in the past. He described this change in protocol as having the capacity to significantly reduce the burden of New Mexico's startups. He shared his expectation that the state can learn from what other investors are doing in terms of investing in companies in the state to grow companies within a reasonable timeframe. Director Tiase followed up by asking what kind of competition NTx has in the state of New Mexico. Dr. Koglin responded that he would value competition which is why he supports the work being done by the NMBSA to increase the amount of bioscience in the state. He noted</p>
--	--	--

		<p>that competition and communication lead to improvement on all sides, and that at this time, the lack of competition feels isolating and a broad spectrum of companies would be helpful. Director Tiasse then asked what kind of competition NTx has throughout the country or internationally. Dr. Koglin responded by sharing some companies working on topics related to in vitro translation including Celgene, Greenlight Biosciences, and Roche. NTx has an advantage over the companies because of their fully defined system in contrast to other companies that utilize cell extraction. This feature allows them to predict the outcomes and have better control over the results. Dr. Koglin explained NTx is in line with the mission of what is being termed “Pharma 4.0” which is the inclusion of process controls to monitor the product while it is produced. The RNA production competition includes companies like Trilink, Devlon, and Danaher. Dr. Koglin noted that NTx has the advantage of having a more efficient system that produces higher quality RNA. The difficulty is in effectively communicating themselves to their partners and customers.</p> <p>Chair Dekker thanked Dr. Koglin for his presentation and wished him and NTx success in their development. He conveyed that if there was anything that the NMBSA or its board members could do to help with that success to please ask.</p>
4.	<p>Legislative Funding Task Force Report</p> <ul style="list-style-type: none"> <li>• State Legislator Connection Discussion &amp; Recommendation</li> </ul>	<p>The Chair announced the Task Force met recently to develop a strategy going forward relative to the co-investment fund request from the legislature which will be available in draft form once finalized. The legislation that the task force is proposing is based on a request made in 2020 along with the comments the BOD received. From the comments, the Chair reiterated that the BOD and the task force are to be committed in supporting this effort to the legislature with board members being called upon to attend hearings as appropriate at the legislature during the legislative session. Also, once the legislative strategy is drafted, the task force will generate a list of legislators to meet with before the formal fund request to educate them on the</p>

		<p>bioscience co-investment fund and to answers any questions the legislators might have. The Chair asked Director Greg Byrnes, who has prior experience communicating with legislators if he had anything to add to the task force report as he attended the recent legislative task force meeting. ED Tofighi called on Director Byrnes and Director Paul Laur, who also attended the task force meeting for their input.</p> <p><b><u>Director Greg Byrnes</u></b></p> <p>Director Byrnes stated that NMBio will hold its annual ‘Knowledge Fair’ in January of 2023 at the start of the legislative session and he hopes to have ED Tofighi and Chair Dale Dekker to be one of the speakers at the event. Byrnes also confirmed that some key legislators will be invited to speak or will be in attendance to learn about the co-investment fund.</p> <p>President Larson arrived at 12:00 PM</p> <p><b><u>Director Paul Laur</u></b></p> <p>Director Laur added the task force meeting was great and that they needed to create a presentation to make to the legislative committees about what the BSA’s request is and to educate the representatives what is occurring and what the potential is for the state in terms of economic development and diversification. Laur said one of the action items discussed is working with the City of Santa Fe to coordinate with them in creating a biotech hub in Santa Fe. There was some property in Santa Fe by the airport that could be used for a bioresearch park according to Director Sarah Boivert, Laur said. With Boisvert’s confirmation on the property, Laur has contacted Santa Fe Economic Development Department Director Rich Brown to set up a meeting in late October to discuss potential plans. Laur said the project on the property stalled and it is something the BSA can present to companies like Natures Toolbox who were looking for residency in Santa Fe but set up operations in Rio Rancho because the facilities they were looking for did not exist in Santa Fe. Laur also proposed performing lobbying</p>
--	--	--

		<p>activities as he has reached out to Michelle Henrie. Laur said it is something to consider in terms of budget allocation for more professional representation. Director Prisca Tiasse asked Director Laur a question concerning the research park near the Santa Fe business incubator. Tiasse asked what size facility Laur envisions. Laur responded by saying there is a need for large scale production with a 40,000 to 100,000 square foot range if you consider going vertically into manufacturing as well as research.</p> <p>Before the conclusion of the Legislative Funding Task Force Report, the Chair asked ED Tofighi if there were any other items to discuss. ED Tofighi said one item of importance is generating a list of legislators that the BOD is familiar with to see who would be most receptive to the BSA’s proposed co-investment program and who would need to be educated so that the task force can review the resources that are available and to possibly meet with different legislators from their jurisdictions.</p> <p>The Chair concluded the Legislative Funding Task Force Report following responses from ED Tofighi, and task force members Director Byrnes and Director Laur.</p>
5.	Call to order and Confirmation of Quorum	<p>With enough board members present following the Legislative Funding Task Force Report, the Chair called the meeting to order at 12:07 PM. A quorum was confirmed.</p>
6.	<p>Approval of Minutes:</p> <ul style="list-style-type: none"> <li>• September 22<sup>nd</sup> BOD Meeting</li> </ul>	<p>The Chair called a motion to approve the September 22<sup>nd</sup>, 2022, BOD meeting minutes.</p> <p>Before a motion to approve, Director Prisca Tiasse requested to amend the minutes in the <b><u>Executive Committee Report</u></b> for the <b><i>Discussion on Possible Federal Plant Biostimulant Act Endorsement:</i></b></p> <p>In the response for Director Paul Laur, the statement by Tiasse questioning Pebble labs business is incorrect. Tiasse clarified that she was questioning the clarity of the nature of the regulation that was proposed and questioning the need for a law that would regulate such a broad range of products. The Chair agreed to amend the minutes by removing the statement of Tiasse</p>

		<p>questioning Pebble Lab’s business intentions and replace with language that reflects Tiasse’s perspective in questioning the clarity of the nature of the regulation proposed and the need for legislation regulating a broad range of products.</p> <p>The Chair called for an amendment to the minutes as requested by Director Tiasse.</p> <p>A motion was made by Greg Byrnes with a second from Tanner Schaub.</p> <p>A Roll call vote of all board members was called with six in the affirmative, none in opposition, none in abstention and seven absent. The vote was as follows:</p> <p>Arvizu-Absent, Boisvert-Absent, Byrnes-Affirm, Christodoulou-Absent, Dekker-Affirm, Gifford-Absent, Greenberg-Absent, Kieft-Absent, Larson-Affirm, Laur-Affirm, McLaughlin-Affirm, Schaub-Affirm, Tiasse-Affirm</p>
7.	<p>Finance Committee Report</p> <ul style="list-style-type: none"> <li>• IRS 2021 990 Approval</li> </ul>	<p>Executive Director Stephanie Tofighi presented the Finance Committee report in place of Finance Chair Alex Greenberg and Strategy and Policy Director Ryan Cangiolosi who were not in attendance to review the 2021 IRS 990 Filing and the September 2022 Monthly Financial Statement.</p> <p>ED Tofighi explained that the 990-EZ was submitted last year for the year 2020, however she received notice from the IRS that the BSA was no longer eligible to submit the 990-EZ but needed to submit the form 990. As a result of the changes, the BSA needed to submit amendments to the 2020 and 2019 filings that had been submitted the year before to now be submitted on the appropriate form. The amended forms were shared with the executive committee and submitted. After submission of the amended forms, the BSA received an additional letter from the IRS stating that the 990 form has to be submitted electronically using one of the approved IRS vendors according to 2019 guidelines. Tofighi said this required the BSA to resubmit the 2019 and 2020 filings electronically and that they have now</p>

		<p>been so processed, reviewed and approved by the IRS. Currently, the 2021 filing is requested. Although the form 990 is electronic, Tofighi informed the board that she transferred all of the information to a paper copy via screen share for the BOD's reference. Tofighi said what is displayed on the screen won't be submitted physically to the IRS because the electronic version is different, however all of the information is the same she said. The form 990 is not a statement of taxes but it is instead a declaration to the IRS of what the business of the non-profit has been; (New Mexico Bioscience Authority) comparing the prior year's activity to the current one as the IRS looks for changes to see how the cash flow is changing and adjusting to revenue generated vs expenses incurred.</p> <p>ED Tofighi provided detail via screen share on the most pertinent items to be considered by the Board members for a cursory understanding of the Form 990 reporting process. The three 990 forms presented to the board were:</p> <ol style="list-style-type: none"> <li>1) Form 990 2021 Return of Organization Exempt From Income Tax</li> <li>2) Form 990 2021 Schedule A</li> <li>3) Form 990 2021 Schedule O</li> </ol> <p><b>1) Form 990 Return of Organization Exempt From Income Tax</b></p> <p>In Part I Summary – Activities &amp; Governance, Revenue, Expenses, Net Assets or Fund Balances, ED Tofighi reported that for Revenue there was a reduced amount because of a reduced contribution based on the budget. All of the RPSP's across the state had a 4% reduction. The Expenses increased because of a full 2.2 staff members on board with additional expenses. There was a deficit compared to what was bought in for this given year compared to what has been paid out. There was money in reserve brought in which the Finance Committee can confirm in the Financial Statement. Net Assets or Fund Balances states the total assets at the end of the year.</p>
--	--	--

		<p>In Part III - Statement of Program Service Accomplishments: The section talks about the mission, changes in management or the organization in which the BSA did not incur any changes.</p> <p>In Part IV – Checklist of Required Schedules: The 990 form asks questions related to the requirements of a 501c3 compared to other Non-Profits. Based on the information submitted, the BSA does not have any additional requirements compared to other non-profits. However, once the BSA begins investing, some of the requirements will change in which a majority of questions left unanswered will require an answer. Tofighi encouraged the BOD to contact her if they had any questions about the section.</p> <p>In Part IV – Governance, Management, and Disclosure:</p> <p><b>Section A. Governing Body and Management</b> Asks of the number of voting members of the board in which there are 13. The section also asks:</p> <p><b>Section B. Policies</b></p> <p><i>-Did the organization delegates control over management over management duties? Answer: ‘Yes’</i> <b>The BSA is administratively attached to UNM. UNM oversees fiscal, human resources and administrative duties.</b></p> <p><i>-Did the organization contemporaneously document the meetings held...? Answer: ‘Yes’</i> <b>Minutes are kept for all of the board and committee meetings along with agendas. BOD minutes are online. Committee Meeting minutes are on file and are available upon request</b></p> <p><i>-Has the organization provided a complete copy of this Form 990 to all members of its governing body...? Answer: ‘Yes’</i> Tofighi said the sharing of the form 990 is routine as the amendments were discussed with the executive</p>
--	--	--

		<p>committee which is the leadership representation of the full BOD.</p> <p>-Did the organization have a written conflict of interest (COI) policy? Answer: 'Yes The BOD complete a COI form annually</p> <p>-Did the organization have a written whistle blower policy? Answer: 'Yes The policy is reflective of being admiratively attached to UNM to which the BSA adheres to.</p> <p>-Did the organization have a written document retention and destruction policy? Answer: 'Yes The policy is reflective of being admiratively attached to UNM to which the BSA adheres to. The BSA files with the state of New Mexico, all documents which includes financial statements are available upon request.</p> <p><b>Section C. Disclosure</b></p> <p>State the name of the person who possesses the organization's books and records &gt; <b>Michelle Parra</b></p> <p>In Part VII - Compensation of officers, Directors</p> <p>Section A. Officers, Directors, Trustees, Key Employees</p> <p>Details list of board members and average hours per week. All board members volunteer their time and are not compensated for their time</p> <p><b>Section C. Independent Contractors</b></p> <p>No contractors are listed</p> <p><b>In Part VIII - Statement of Revenue:</b> For Fiscal year 23 the BSA did not receive any additional revenue besides the RPSP which would be the state funding that originates at the University of New Mexico.</p> <p><b>In Part VIII - Statement of Functional Expenses:</b> The current Form 990 statement of expenses is comprised of:</p>
--	--	---

		<p>Total Expenses (A)          Program Services expenses (B)          Management and general expenses (C)          Fundraising expenses (D)</p> <p>As explained in the BSA’s previous 990 filings the program expenses is performed by the BSA Staff: Executive Director Stephanie Tofighi, Strategy and Policy Director Ryan Cangioli and Program Specialist Sterling Nichols in which the expenses are categorized in Management and general expenses (C) as opposed to program and service expenses. The Primary Services expenses are Travel in which the staff traveled to various events such as presenting to the state’s legislative committees, presenting to municipalities on the community readiness program or to participate in the various conferences and programs In State/Out of State. ED Tofighi traveled to San Diego to participate at the BIO International conference and the New Mexico Tech Inventors and Entrepreneur’s Workshop in Socorro, NM. The UNM Fiscal Agent fee is included which is reflective of the Accounting, Human Resources, and Administrative services they provide. The UNM Legal is also included.</p> <p>In Part X – Balance sheet, Assets, Liabilities, Net Assets or Fund Balances: Is comprised of two categories Beginning of Year (A) and End of Year (B).</p> <p>The End of the year is tabulated through the accounting by taking the amount that was bought into the fiscal year added to the additional amount that was given by the state and taking away the expenses.</p> <p>The Total Liabilities and assets equals the amount in the BSA’s balance at the end of the year.</p> <p><b>2) Form 990 2021 Schedule A Public Charity Status and Public Support</b></p> <p>In Part II – Support schedule for Organizations Section A. Public support, Section B Total Support:</p>
--	--	---

	<ul style="list-style-type: none"> <li>• Monthly Financial Statement Review (September)</li> </ul>	<p>Section A. Public support Details the revenue for the last four years; 2018, 2019, 2020, and 2021. The BSA has been in existence for five years, therefore no funding was reported for the first year – 2017. ED Tofighi emphasized that next year the BSA will have existed for six years, and that more information will be required.</p> <p><b>3) Form 990 2021 Schedule O</b></p> <p>Provides an extra narrative that’s added on to explain anything that’s included in the form 990 that may need additional information such as being administratively attached to UNM and as such the authority does not manage the W2 for the staff that work for the BSA; Stephanie Tofighi, Ryan Cangiolosi and Sterling Nichols. Schedule O also contains information on current BSA policies</p> <p>Following the review for the IRS 2021 990 Approval, ED Tofighi called for a motion to approve.</p> <p>A motion was made by Greg Byrnes with a second from Paul Laur.</p> <p>A Roll call vote of all board members was called with six in the affirmative, none in opposition, none in abstention and seven absent. The vote was as follows:</p> <p>Arvizu-Absent, Boisvert-Absent, Byrnes-Affirm, Christodoulou-Absent, Dekker-Affirm, Gifford-Absent, Greenberg-Absent, Kieft-Absent, Larson-Absent, Laur-Affirm, McLaughlin-Affirm, Schaub-Affirm, Tiasse-Affirm</p> <p>ED informed the BOD that there were two new expenses included in the September statement. Strategy and Policy Director Ryan Cangiolosi explained what the expenses would be during the September 22<sup>nd</sup> Board meeting.</p> <p><b>1. 2019 &amp; 2020 IRS 990 Filings</b></p>
--	--	---

		<p>The 990 expense was for the electronic filing of the 2019 and 2020 IRS 990 forms.</p> <p><b>2. Crunchbase Subscription</b> – Tofighi purchased a subscription to Crunchbase.com which is a prospecting platform that allows users to search companies using criteria such as funding, location, and industry.</p> <p>ED Tofighi also reported that there were no significant changes to the budget except for the standard monthly expenses such as staff salaries, legal fees, facility rent and equipment rent.</p> <p>Following review of the September Financial statement, ED Tofighi called for a motion to approve.</p> <p>A motion was made by Greg Byrnes with a second from Paul Laur.</p> <p>A roll call vote of all board members was called with six in the affirmative, none in opposition, none in abstention and seven absent. The vote was as follows:</p> <p>Arvizu-Absent, Boisvert-Absent, Byrnes-Affirm, Christodoulou-Absent, Dekker-Affirm, Gifford-Absent, Greenberg-Absent, Kieft-Absent, Larson-Absent, Laur-Affirm, McLaughlin-Affirm, Schaub-Affirm, Tiasse-Affirm</p>
8.	Co-Investment Task Force Presentation on BennuBio	<p>Director Tanner Schaub, Acting Chair of the NMBSA Co-Investment Task Force shared his presentation on BennuBio via Screen Share:</p> <p><b>BennuBio – Overview</b></p> <p><b>Year Founded:</b> 2018  <b>Office Locations:</b> Albuquerque, NM  <b>Employees:</b> 25  <b>Product Overview:</b> The Velocity uses a multi-node acoustic standing wave technology to as many as ten particle streams at a higher flow rate, with sampling speed up to 100x faster than single-stream cytometers  <b>Pre-Money Valuation:</b> Approx \$17 million on fully diluted shares of 9,925,267</p>

		<p><b>Current Deal Type:</b> Series B extension for \$2 Million. \$1.8 Million raised as of May, 2022</p> <p><b>Use of Funds:</b> Bridge to revenues and sales</p> <p>Director Schaub added that BennuBio is the company that the NMBSA Co-Investment Task Force were in favor of pairing with the New Mexico Angels to co-fund. Their basic technology is a flow cytometry system that uses a standing wave to make a multi-channel detection effect. BennuBio’s evaluation of funding a proposal is shown with the information on the Overview slide.</p> <p><b>Assessment Criteria</b></p> <p>The Task Force met multiple times to discuss the investment firms to partner with. The task force heard from Drew Tulchin from the New Mexico Angels in which he brought BennuBio to the task force and reviewed their status as a company. Based on the presentation of BennuBio, the task force filled out the assessment form in which there were three overarching categories:</p> <ol style="list-style-type: none"> <li>1. Overall Assessment of Bioscience. Company-70 Possible points</li> <li>2. Perceived Financial Benefit and Economic Impact-40 Possible Points</li> <li>3. Perceived Social Impact of Investment-20 Possible Points</li> </ol> <p>The Perceived Financial Benefit and Economic was in response to some of the state priorities listed (Projected Sales, Projected number of NM Based employees after one year etc.) as well as The Perceived Social Impact of the Investment; (Business owned by a woman, member of an underrepresented minority group, person with a disability). The task force received due diligence material from the New Mexico Angels which was presented to the board and the evaluation criteria was developed by ED Tofighi who used information collected by the earlier iteration of the co-investment program and research on angel investing criteria. The assessment criteria was</p>
--	--	---

		<p>reviewed by the Executive Committee prior to being used by the task force.</p> <p><b>Assessment of Bennubio</b></p> <p>NMBSA Evaluation: The scoring matrix details the criteria for some of the scores from task force members; Richard Larson, Tanner Schaub, and Christos Christodoulou.</p> <p>The Criteria was:</p> <ol style="list-style-type: none"> <li>1. Overall Assessment of the Company-70 possible points</li> <li>2. Perceived Financial Benefit and Economic Impact-40 Possible Points</li> <li>3. Perceived Social Impact of Investment-20 Possible Points</li> </ol> <p>Director Schaub said the scores gave a good opportunity to evaluate the company in terms of what are the positives and negatives of the investment.</p> <p>NM Angels Evaluation</p> <ul style="list-style-type: none"> <li>• NM Vintage Fund funded company at \$100,000</li> <li>• BennuBio is targeting market valued at \$4 Billion by 2026</li> <li>• Technology protected by numerous patents</li> <li>• Company raised \$6.5+M over last two rounds Series A and B from leading NM VCs Cottonwood, Tramway, Sun Mountain</li> <li>• Initial product expected to generate traction; first sales planned by end 2022. Remainder of the product line will be released gradually over next 2-3 years</li> <li>• Leadership team is strong. 80+ years experience in cellular analysis, particle analysis, flow cytometry, product development</li> <li>• Risk and mitigation plan addressed with BennuBio management</li> <li>• Company's focus on getting to market</li> <li>• Solid exit scenario for investors, including a 'Plan B'</li> </ul>
--	--	--

		<p>There is a 2:1 matching scenario for the co-investment funds where the BSA contributes \$50K and the NM Angels contributes \$100K. Before confirmation of the matching funds, the Angels invested an additional \$50K for a total of \$150K. Director Schaub said the BSA has committed to \$50K with an extra \$25K available to go to \$75K. Director Schaub said the purpose of the discussion today is to decide if the board wants to go forward with the investment.</p> <p>Director Schaub said the task force evaluated other investment firms to partner with such as Anzu partners in which the requested level of buy-in from the BSA was a higher amount than what the BSA possessed.</p> <p><b>Financial Projections</b></p> <p>Provides quarterly information on BennuBio’s Instrument sales from 2022-2024</p> <p>Summary Financial Snapshot – Projects revenue, Growth, Cost of services, Gross income, Gross Margin, Net Income, Net profit, Margin in \$1,000’s from 2022-2026.</p> <p>Recurring Revenue is based upon the following criterion: Service, Software, Reagents and Consumables</p> <p><b>Social Impact</b></p> <p>Consists of Current Diversity, Hiring, and Social Responsibility Plan.</p> <p>Director Schaub opened the floor for discussion. Director Prisca Tiasse asked if the product is commercialized in which Director Schaub responded that it has but could not confirm the status on the exact stage of commercialization or what sales have been made. ED Tofighi said the product has been launched and it is ready to buy on the BennuBio website in which it is being marketed where the main target market is to find buyers. Director Tiasse asked if the money would be used for marketing. Ed Tofighi confirmed that the money would be used for marketing and salaries. Director Tiasse</p>
--	--	---

		<p>also asked a question about the scoring in the Assessment Criteria slide. She asked if extra points were awarded for being in a Community Readiness Zone. ED Tofighi said that points can be awarded for being in a community readiness zone.</p> <p>Task Force Chair Tanner Schaub concluded his presentation.</p>
9.	Executive Committee Report	<p>Following Co-Investment Task Force Presentation on BennuBio, BSA Chair Dekker asked for a motion to move forward with the co-investment with the NM Angels and to increase the amount the BSA will invest to \$75,000 in response to the \$150,000 invested by NM Angels for the 2:1 match.</p> <p>Before a motion could be made, Director Tiasse asked if there was a list of companies that were considered to partner with. ED Tofighi stated that in terms of the co-investment an RFP was posted for the investment firms to partner with, which happened last year. The task force reviewed the applications, and they recommended moving forward with partnerships with both NM Angels and Anzu Partners. Once the partnerships are made, the task force waits for investment recommendations from the partners and then the task force is able to evaluate the companies. Tofighi said at this time, BennuBio is the first company to be presented to the BSA as a potential co-investment company from one of our approved partners. Director Paul Laur added that it is important to be active in investing and be seen to make good investments. A lot of the vetting has been done by the NM Angels. Laur then asked Task Force Chair Tanner Schaub if the Angels brought in any expertise to review the technology. ED Tofighi said they completed their due diligence form which was shared with the BOD. Chair Schaub explained that the Angels did not go into much detail for the technology of the cytometry system and the market parameters. Laur followed by stating that it's not a huge investment, but it is important to get some experience. Chair Dekker agreed with Laur's comments suggesting for every business quarter or every second or third board meeting, the Angels could report to the board on the progress of the BennuBio investment for</p>

		<p>further edification. Chair Dekker asked ED Tofighi if Drew Tulchin from the NM Angels could report to the BOD every second board meeting or every quarter. ED Tofighi said she can follow up with Tulchin on reporting to the board. Tofighi said she would verify with Tulchin on when he would like to report to the board.</p> <p>The Chair called for a motion to approve \$75K for the BSA’s portion of the co-investment fund to match the \$150K from the NM Angels.</p> <p>A motion was made by Tanner Schaub with a second from Paul Laur.</p> <p>A roll call vote of all board members was called with six in the affirmative, none in opposition, one in abstention and eight absent. The vote was as follows:</p> <p>Arvizu-Absent, Boisvert-Absent, Byrnes-Absent, Christodoulou-Absent, Dekker-Affirm, Gifford-Absent, Greenberg-Absent, Kieft-Absent, Larson-Absent, Laur-Affirm, McLaughlin-Affirm, Schaub-Affirm, Tiasse-Abstain</p>
10.	<p>Mission Accomplishment Committee</p> <ul style="list-style-type: none"> <li>Letter to Federal Legislative Staffers Regarding the Bioscience Executive Order Discussion</li> </ul>	<p>The Chair mentioned that at the Mission Accomplishment Committee Meeting they reviewed some of the comments that related to the executive order put forth by the President in regard to the biosciences and the committee agreed it would be a good opportunity to educate our federal congressional delegation senators and US Representatives about the BSA. ED Tofighi drafted a letter to be sent which was included in the October 20<sup>th</sup> BOD Meeting packet. ED Tofighi added the letter was in response to the executive order because these are the individuals who will be helping to frame the US budget that will reflect this executive order. Tofighi said the Mission Accomplishment Committee thought it was imperative to ensure that the BSA is in their sights in terms of familiarity. In the letter, the BSA is introducing themselves to inform them that the BSA represents the bioscience sector in the state and we are happy to help them in any possible way while they work through the budget and agency programs.</p>

		<p>The Chair thanked ED Tofighi for the draft and Director Prisca Tiasse for her input providing content for the letter.</p> <p>The Chair called for a motion to approve in sending the letter.</p> <p>A motion was made by Paul Laur with a second from Tanner Schaub</p> <p>A roll call vote of all board members was called with four in the affirmative, none in opposition, none in abstention and nine absent. The vote was as follows:</p> <p>Arvizu-Absent, Boisvert-Absent, Byrnes-Absent, Christodoulou-Absent, Dekker-Affirm, Gifford-Absent, Greenberg-Absent, Kieft-Absent, Larson-Absent, Laur-Affirm, McLaughlin-Absent, Schaub-Affirm, Tiasse-Affirm</p>
11.	Adjourn	<p>The Chair called for a motion to adjourn the meeting</p> <p>A motion was made by Paul Laur with a second from Prisca Tiasse.</p> <p>The Chair adjourned the meeting at 1:07 PM.</p>

Respectfully submitted by Sterling Nichols and Stephanie Tofighi