

DRAFT

CTNEXT BOARD OF DIRECTORS
of CTNext, LLC
Minutes –Special Meeting
Thursday, October 13, 2016

A special meeting of the **Board of Directors of CTNext, LLC** (the “Board”) was held on October 13, 2016 at Connecticut Innovations, 865 Brook Street, Rocky Hill, CT 06067

1. **Call to Order:** Noting the presence of a quorum, Mr. McCooe, Chairperson of the Board, called the special meeting to order at 11:06 a.m. Participating: Michael Cantor; Oni Chuckwu (on phone); Todd Lavieri (on phone); George Mathanool and Catherine Smith.

Staff Attending: Chris Baisden, Lauren Carmody, Lisa Day, Jessica Dodge, Leslie Larson, Casey Pickett, Tracey Reardon, Phil Siuta, Glendowlyn Thames,

Other Guests: Scott Murphy

Mr. McCooe asked all the board members to introduce themselves and share their backgrounds. He introduced Mr. Siuta to take the Board through the resolutions. A discussion ensued, and Ms. Smith recommended the addition of leadership and soft communication skills to the Executive Director Job description. Further discussion arose about the selection process.

Noting that the CTNext Executive Director Selection process was not on the agenda, Attorney Murphy suggested the Board members consider an amendment to the agenda.

Upon a motion made by Ms. Smith, seconded by Mr. Cantor the Board members voted unanimously in favor of creating a search committee for the CTNext Executive Director’s position. Members would include all present members of the board.

Upon a motion made by Ms. Smith, seconded by Mr. Cantor the Board members voted unanimously in favor of a search committee for the CTNext Executive Director’s position that includes all present members of the board.

Mr. Siuta described each action item and asked the members to consider adopting the following resolutions:

2 Resolutions for the Organizational Meeting of the CTNext Board

WHEREAS, as authorized and directed by Section 1(a) of Public Act No. 16-3 (May Special Session) (the "Act"), Connecticut Innovations, Incorporated ("CI") formed a subsidiary pursuant to Section 32-11e of the General Statutes as a Connecticut limited liability company with CI as its sole member under the name CTNext LLC ("CTNext"); and

WHEREAS, the formation of CTNext was effected by the filing by CI with the Office of the Secretary of the State of Connecticut, on July 1, 2016, of the Articles of Organization of CTNext (the "Articles of Organization"); and

WHEREAS, CTNext is governed pursuant to an Operating Agreement dated as of July 1, 2016 (the "Operating Agreement") adopted by CI as its sole member, which Operating Agreement includes provisions called for by and consistent with the Act; and

WHEREAS, CTNext is managed by a Board of Directors (the "CTNext Board") of eleven (11) members appointed pursuant to Section 1(b) of the Act and the corresponding provisions of the Operating Agreement; and

WHEREAS, pursuant to Section 1(c) of the Act and the corresponding provisions of the Operating Agreement, the Chief Executive Officer of CI serves as Chairperson of the CTNext Board (the "Chairperson"), and has called the first meeting of the CTNext Board for October 13, 2016; and

WHEREAS, it is desirable that the CTNext Board adopt By-laws with respect to certain matters, including the conduct of meetings and the appointment of officers of the CTNext Board, which are not addressed in the Act or the Operating Agreement; and

WHEREAS, under authority of Section 1(e) of the Act, the Chairperson has proposed the appointment of Glendowlyn L.H. Thames as Executive Director of CTNext on an interim basis, subject to the approval of, and at a salary to be prescribed by, the CTNext Board, and has also proposed the appointment of other officers to have signature authority on behalf of CTNext; and

WHEREAS, Section 3 of the Act requires that the CTNext Board adopt written operating procedures for: (1) adopting an annual budget and plan of operations, including a requirement for approval of the CTNext Board before the budget or plan may take effect; (2) hiring, dismissing, promoting and compensating employees of CTNext, provided such procedures may be in accordance with those of CI and shall include an affirmative action policy and a requirement for approval of the CTNext Board before a position may be created or a vacancy filled; (3) acquiring personal property and personal services, including a requirement of board approval for any non-budgeted

expenditure in excess of an amount to be determined by the CTNext Board; (4) contracting for financial, legal and other professional services, including a requirement that CTNext solicit proposals at least once every three years for each such service which it uses; (5) awarding grants and other financial assistance, including eligibility criteria, the application process and the role played by the staff of CTNext and the CTNext Board; (6) the use of surplus funds to the extent authorized under the Act or other provisions of the General Statutes; and (7) the disclosure of conflicts of interest at board meetings.

WHEREAS, pursuant to Section 4 of the Act, CI acts as administrator of the CTNext Fund, which is to be used for grants-in-aid and the program activities of CTNext as provided in the Act, and for the purpose of paying the operating and administrative expenses of CTNext, including staff compensation; and

WHEREAS, pursuant to Section 4(f) of the Act, all expenditures from the CTNext Fund require the approval of the CTNext Board, which approval may be specific to an individual expenditure or for budgeted expenditures with such variations as the CTNext Board may authorize at the time of such budget approval; and

WHEREAS, in order to form CTNext, prepare for this first meeting of the CTNext Board, and prepare for and initiate certain program activities of CTNext pursuant to the requirements and timetable specified in the Act, it has been necessary for CI and CI staff to take certain actions, and incur certain expenses, for the account of, and as an advance against, the CTNext Fund; and

WHEREAS, CTNext does not yet have the staff, office space, systems and administrative support necessary to conduct its operations and carry out the program activities specified in the Act and therefore needs the continuing assistance of CI and CI staff for such purposes for an interim period; and

WHEREAS, it is therefore necessary and appropriate that at this first meeting of the CTNext Board the following matters be considered and acted upon: 1) the adoption of By-Laws; 2) the appointment pursuant to the By-Laws of a Vice Chairperson and Secretary of the CTNext Board; 3) the adoption of Operating Procedures, including an Affirmative Action Policy; 4) the approval of the appointment of an Executive Director and the establishment of the annual salary for such position; 5) the approval of an interim budget and plan of operations, including the approval of staff and other administrative expenses advanced by CI; and 6) the approval of a Memorandum of Understanding with CI for continuing operational and administrative support for an interim period.

NOW THEREFORE, BE IT

RESOLVED, that the By-Laws of CTNext in the form presented to this meeting be and are hereby approved.

RESOLVED, that the Operating Procedures and Affirmative Action Policy of CTNext in the form presented to this meeting be and are hereby approved (in the case of the Operating Procedures such approval to be for the purpose of the authorization of publication in the Connecticut Law Journal pursuant to Section 1-121 of the Connecticut General Statutes, with such Operating Procedures to become effective no earlier than thirty (30) days following such publication, after the consideration of any public comments thereon and upon final adoption by the CTNext Board).

RESOLVED, that the appointment by the Chairperson of Glendowlyn L.H. Thames as Executive Director of CTNext is hereby approved, and an annual salary of \$150,000 is hereby established for such position, such appointment to be effective on an interim basis..

RESOLVED, that Philip B. Siuta, Chief Financial Officer of CI, be and hereby is appointed to the additional position of Chief Financial Officer of CTNext, without additional salary, such appointment to be in furtherance of the exercise by CI of its duties and responsibilities as administrator of the CTNext Fund pursuant to the Act.

RESOLVED, that the Executive Director, the Chairperson and the Chief Financial Officer, and each of them individually, be and hereby is designated as an authorized signatory on all documents, agreements, instruments, certificates and other writings to be executed and delivered by CTNext.

RESOLVED, that (1) the interim budget and plan of operations for CTNext in the form presented to this meeting be and hereby is approved, and (2) the expenses set forth therein (including the expenses advanced by CI for administrative services and support from July 1, 2016 to the date of this meeting and included in such interim budget), with variations of up to five percent (5%) as to any line item if approved by the Executive Director and Chief Financial Officer of CTNext, be and hereby are approved as expenditures from the CTNext Fund pursuant to Section 4(f) of the Act; provided, however, that (a) each expenditure under a budget line item other than "Strategic Deployment" shall require the separate approval of the Board, (b) each expenditure under the budget line item "Strategic Deployment" which is either (i) in reimbursement to CI for administrative support and services pursuant to a Memorandum of Understanding approved by the Board or (ii) in an amount of Seventy-five Thousand Dollars (\$75,000) or less under any single contract or agreement within a single fiscal year, shall require the approval of the Executive Director and of either the Chairperson or the Chief Financial Officer, and (c) each other expenditure under the budget line item "Strategic Deployment" shall require the separate approval of the Board.

RESOLVED, that the Memorandum of Understanding between CTNext and CI with respect to administrative services and support in the form presented to this meeting be and hereby is approved, and the Executive Director of CTNext is authorized to execute and deliver such Memorandum of Understanding on behalf of CTNext.

The General Statutes require Quasi- Public Agencies to notify the Secretary of State the meeting dates for the upcoming year.

Mr. Lavieri left the meeting at 11:35.

Upon a motion by Ms. Smith, seconded by Mr. Mathanool, CTNext at a duly called meeting held on October 13, 2016, a quorum being present, voted in unanimously in favor of adopting the resolutions.

The appointments of the CTNext Board of Directors Vice-Chair and Secretary were tabled until the board has 11 members.

Ms. Thames provided the Board with a year in review summary sharing the amount of dollars deployed, companies funded and jobs supported. The accomplishments highlighted included winning two highly competitive federal grant awards, growing the network membership to 1,447 companies representing a 83% increase compared to FY15, mentoring 676 companies through the EIR program, launching the \$5MM Global Venture Challenge (VentureClash) and beginning implementation of the 2016 legislation for expanded CTNext programs statewide.

Ms. Thames introduced Mr. Pickett to describe the Innovation Places Program goal, process and timeframe. He shared the schedule of community outreach in the form of webinars and workshops, the planning team, the selection advisory committee member organizations and the grant review criteria. He put forth the Innovation Places Planning Grant Selection Advisory Committee recommendations for the Board's consideration, a discussion ensued.

Upon a motion by Ms. Smith, seconded by Mr. Cantor, CTNext at a duly called meeting held on October 13, 2016, a quorum being present, voted unanimously in favor to authorize the Executive Director to disperse Innovation Places Planning grants in amounts not to exceed \$500,000 in total and not to exceed \$50,000 to any individual applicant based on the recommendations put forth by the Planning Grant Selection Advisory Committee, and remaining funds to be dispersed with approval by staff for consideration of other eligible applicants.

Adjournment:

Upon a motion made by Mr. McCooe, seconded by Mr. Mathanool, the Board voted unanimously in favor of adjourning the October 13, 2016 special meeting at 1:20 p.m.

Respectfully submitted,

Matt McCooe
Chairperson of CTNext

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