

MINUTES

KANSAS BIOSCIENCE AUTHORITY

**Audit Committee of the
Board of Directors**

Friday, April 18, 2014

10:00 a.m. – 11:30 a.m.

**Offices of the Kansas Bioscience Authority
Olathe, KS**

Call to Order: A quorum being present, a meeting of the Audit Committee of the Board of Directors of the Kansas Bioscience Authority was called to order at 10:03 a.m. on April 18, 2014 by Chairman Ken Buchele (by phone). Other members of the Committee present by phone were Mr. Earl McVicker, Mr. Robert Smith, and Mr. Jerry Boettcher. The staff of the Kansas Bioscience Authority (the “KBA”) in attendance included Mr. Duane Cantrell (by phone), Mr. Kevin Lockett (by phone), Ms. Ruth Saale, Ms. Julie Sailors and Mr. John Peryam.

Review and Approval of Minutes: The first order of business was Chairman Buchele’s introduction of the agenda item of approval of minutes of the January 23, 2014 Audit Committee meeting.

Motion: Upon motion by Mr. McVicker, being seconded by Mr. Boettcher, the minutes of the January 23, 2014 Audit Committee meeting were unanimously approved.

Policy Revisions: Mr. Cantrell and Mr. Lockett next outlined for the Committee various proposed changes to the following KBA policies: (i) Credit Card Policy; (ii) Impairment Analysis Policy; (iii) Purchasing and Signing Authority Policy; and (iv) the Vendor and Consultant Contract Management Policy. Following this overview, Mr. Lockett answered various questions raised by members of the Committee regarding such proposed changes.

Motion: Mr. Smith made a motion that the Audit Committee accept the recommendations of the KBA staff and approve changes to each of the KBA’s Credit Card Policy, Impairment Analysis Policy, Purchasing and Signing Authority Policy, and Vendor and Consultant Contract Management Policy, all as discussed by the Committee in this meeting. The motion was seconded by Mr. McVicker and unanimously approved.

Executive Session:

Motion: Mr. Boettcher moved that the Audit Committee recess into executive session pursuant to K.S.A. 74-99b07 to discuss financial and operational information and related material of the Authority as it relates to the marketing and operational strategies of the Authority which, in the opinion of the Board, would be harmful to the competitive position of the Authority if disclosed. The executive session will commence at 10:47 a.m. and continue for 25 minutes. The Committee will reconvene in open session at 11:12 a.m. in

this conference room. Included in the executive session will be the members of Committee, KBA staff present and whomsoever else the Chair invites. The motion was seconded by Mr. McVicker and unanimously approved.

Return to Open Session and Motion to Extend: The Audit Committee reconvened in open session at 11:12 a.m. at which time a motion was made by McVicker to extend the executive session until 11:20 a.m. The motion was seconded by Mr. Boettcher and unanimously approved.

Return to Open Session: The Board reconvened in open session at 11:20 a.m.

Approval of Audit Partner: Mr. Boettcher made a motion that the Audit Committee accept the recommendation of the KBA staff and recommend approval by the KBA's board of directors of Firm X as the KBA's audit partner for FY 2015, as identified and discussed in Executive Session. Such motion was seconded by Mr. Smith and unanimously approved.

Approval of KBA Budget for FY 2015: Mr. McVicker made a motion that the Audit Committee accept the recommendation of the KBA staff and recommend approval by the KBA's board of directors of the KBA's FY 2015 Annual Operating Plan as discussed in Executive Session. Such motion was seconded by Mr. Smith and unanimously approved.

Other Business: There was no other business brought before the meeting.

Adjournment: Upon motion by Mr. Smith, being seconded by Mr. Wilk and unanimously approved, the meeting was adjourned at 11:24 a.m.