

Final as approved by
Board 7.30.13

MINUTES

Kansas Bioscience Authority

Audit Committee of the Board of Directors

Wednesday, April 10, 2013

1:30 p.m. – 2:30 p.m.

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 1:35 p.m. on April 10, 2013, by Committee Chairman Jerry Boettcher (by phone). The other Committee members present by phone were Mr. Bob Smith, Mr. Kenny Wilk, and Mr. Earl McVicker. KBA staff in attendance included Mr. Duane Cantrell, Mr. Paul Gardner, Ms. Ruth Saale, Ms. Julie Sailors, Ms. Marsh LoScalzo, and Mr. Tariq Abdullah. Also present by phone was Ms. Shelley Hammond of Allen Gibbs & Houlik (AGH).

Review and Approval of Minutes: Chairman Boettcher introduced the agenda item of approval of minutes of the October 15, 2012 Audit Committee meeting.

Motion: Upon motion by Mr. Smith and seconded by Mr. McVicker, the minutes of the October 15, 2012 Audit Committee meeting were unanimously approved.

Consideration of Engagement of Firm for FY2013 Financial Audit: The Chair introduced the agenda item of the consideration of engaging an audit firm to conduct the KBA's FY2013 financial audit. He introduced Ms. Hammond, whose firm has historically served as the KBA's auditors. Highlights included:

- Discussion of the proposed Engagement Letter, which has no substantive changes from past letters;
- Discussion of the Required Communications letter;
- Description of overall audit plan.

Executive Session:

Motion: Mr. Boettcher moved that the Audit Committee of the Kansas Bioscience Authority 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 Committee, would be harmful to the competitive position of the Authority if disclosed. The executive session will commence at 1:45 p.m. and continue for 10 minutes. The Committee will reconvene in open session at 1:55 p.m. in this conference room. Included in the executive session will be the members of the Audit Committee and Ms. Hammond. The motion was seconded by Mr. Wilk and unanimously approved.

Return to Open Session: Following Executive Session discussion regarding the engagement of AGH to conduct the KBA's FY2013 financial audit, the Audit Committee reconvened in open session at 1:50 p.m.

Motion: Mr. McVicker moved that the Audit Committee approve the engagement of AGH to conduct the KBA's FY2013 financial audit and recommend to the Board of Directors approval of the same. The motion was seconded by Mr. Smith and unanimously approved.

Adjournment: There being no further business, the meeting was adjourned at 1:52 p.m.