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BOARD OF DIRECTORS
of Connecticut Innovations, Incorporated
Minutes – Regular Meeting
Monday, February 23, 2015

A regular meeting of the **Board of Directors of Connecticut Innovations, Incorporated** (the "Board") was held on February 23, 2015 at Connecticut Innovations, 865 Brook Street, Rocky Hill, CT 06067.

1. Call to Order: Noting the presence of a quorum, Mr. Cantor, Chairperson of the Board, called the regular meeting to order at 9:35 a.m. Participating: Christopher Bandecchi; (by phone and in person); Michael Cantor; Mun Choi; Brion Johnson (by phone); Joseph Kaliko (by phone); Estela Lopez, Board of Regents of Higher Education; Richard Mulready; John Olsen; John Pavia; Alexander Pencu (by phone); Paul Pescatello (by phone); Jonathan Roth (by phone); Christine Shaw, State Treasurer's Office; David Siegel; Catherine Smith, Commissioner of the Department of Economic and Community Development; and Susan Weisselberg, representing the Office of Policy and Management.

Absent: Rafael Santiago.

Staff Attending: Heidi Bieber, Matthew Bloom, Whitney Harris Brown, Joseph Casparino, Margaret Cartiera, Peter Longo, Leslie Larson, Pauline Murphy, Antonio Roberto, Hil Scott, Phil Siuta, Glendowlyn Thames, Linda Wieleba, and Dave Wurzer.

Other Guests: Finn Hohenschwert, Ross Garber, Mike Chase.

2. Oath of Office and Introduction of New Board Members:

Mr. Cantor administered the oath of office to Mr. Pavia, Ms. Weisselberg and Dr. Lopez. Mr. Pavia, Ms. Weisselberg and Dr. Lopez spoke about their backgrounds and experience, and the Board welcomed them as members.

3. Approval of Minutes:

Mr. Cantor asked the members of the Board to consider the minutes from the November 17, 2014 meeting and the January 8, 2015 meeting.

Upon a motion made by Ms. Smith, seconded by Mr. Mulready, the Board members voted unanimously in favor of adopting

the minutes from the November 17, 2014 and the January 8, 2015 meetings as presented.

4. **Chairman's Remarks:**

Mr. Cantor stated that a CEO search firm had been selected. Going forward he asked for collaboration, strategy, leverage and collegiality amongst individuals and state agencies. Mr. Cantor complimented Mr. Siuta on his exceptionally good efforts as interim CEO.

5. **Operations Update:**

Mr. Siuta stated that he has met with all the business line leaders and stakeholders. He and Ms. Granato have met with the two new chairs and ranking members of the Commerce Committee that oversees all of Connecticut's economic development agencies and CI's legislative agenda.

6. **Action Items:**

a) Vice Chair Appointment

Upon a motion made by Mr. Mulready, seconded by Mr. Bandecchi the Board members voted unanimously in favor of appointing Catherine Smith as Vice Chair of the Board.

b) Approval of the Committee Charters

Upon a motion made by Ms. Smith, seconded by Ms. Shaw the Board members voted unanimously in favor of adopting the Audit, Compliance & Governance and the Finance Operations & Compensation Committee Charters.

c) Draft Resolution for the Eli Whitney Investment Committee

Upon a motion made by Mr. Mulready, seconded by Ms. Smith the Board members voted unanimously in favor of adopting the Resolution for the Eli Whitney Investment Committee.

d) Audit Chair Appointment

Upon a motion made by Ms. Smith, seconded by Mr. Choi the Board members voted unanimously in favor of appointing Mr. Pavia as chair of the Audit Committee.

- e) Finance, Operations & Compliance Committee Appointment

Upon a motion made by Mr. Choi, seconded by Mr. Siegel the Board members voted unanimously in favor of appointing Susan Weisselberg to the Finance, Operations & Compliance Committee.

7. **Business Line Update:**

Eli Whitney Investment Committee – Mr. Wurzer discussed venture activity year to date; approvals, funded investments, pending closings, venture returns and the pipeline. Updates were then provided on the State Small Business Credit Initiative. Mr. Wurzer highlighted the recent success of one of CI's portfolio company iDevices. There was a discussion about assisting CI portfolio companies with the help of DECD, to get on the state procurement list. Further discussion will take place at the retreat in April.

Mr. Wurzer noted accomplishments that included CI's executive-in-residence Mike Driscoll's successful turnaround engagement with Gilman Brothers in Gilman, CT, Peter Longo's Founders Award from the Crossroads Venture Group recognizing his 20 years of service to the venture community and CI's portfolio company networking event held at the UConn hockey game with approximately 40 people attending. It was requested that two slides added to the presentation on Connecticut venture capital activity from 2011-2014, along with a state-by-state comparative analysis, be forwarded to the Board after the meeting.

Loan Committee – Ms. Wieleba reviewed the lending activity for the six months ending December 31, 2014, highlighting approvals, funded, and projections through the end of the fiscal year.

Ms. Wieleba indicated that client visits and outreach are increasing again. The Chaston Auditing Group are in the process of conducting the annual loan review. Ms. Wieleba also discussed the success Executive-in-Residence, Mr. Driscoll achieved by mentoring the Gilman Brothers Company.

Small Business Innovation – Ms. Thames reported on SBI/CTNext activity and the strategic recommendations and discontinued programs since transitioning into her new role as director. Ms. Thames highlighted Metrocrops, which received funding through the SBIR Acceleration & Commercialization grant program. Metrocrops is an urban indoor sustainable farming initiative that using LED lighting technology to grow organic nutrient rich vegetables located in Bridgeport, CT. Ms. Thames provided an update on company milestone progress. She had announcements about a the CT New Venture Challenge Pilot Program, a CTNext Webinar Series, the March EIA Event and the CTNext Partnership Grants Wave 2 process set for April 2015.

Bioinnovation – Dr. Cartiera discussed the Regenerative Medicine Research Fund and the key changes that have been made since CI took over the fund late last year. She described the need to fill vacant committee seats and restructure the governance. She reviewed the RFP process and discussed the critical decision to use the AAAS for scientific review. Dr. Cartiera provided an update on the Connecticut Bioscience Innovation Fund “CBIF” for the first year that included the process, the types of applicants, strategic projects, lessons learned, outreach needed and challenges ahead.

Finance Operations and Compensation Committee – Mr. Siuta reviewed the financial statements for the six months ending December 31, 2014, highlighting the variances from actual versus budget for revenues, operating expenses, general and administrative expenses, program expenses and investment activities. He also discussed the projected revenues and expenses and cash flow for FY 2015.

8. **Remi Model Report:** Will be postponed to the Retreat.
9. **Executive Session:**

Upon a motion made by Mr. Mulready and seconded by Mr. Choi the Advisory Committee members voted unanimously in favor of going into executive session at 11:39 a.m. to discuss an audit situation within CI.

The executive session ended at 12:12 p.m., and the regular meeting was immediately reconvened.

10. **Other Business:** There was no other business.
11. **Adjournment:**

Upon a motion made by Mr. Mulready, seconded by Mr. Pavia, the Board voted unanimously in favor of adjourning the February 23, 2015 regular meeting at 12:13 p.m.

Respectfully submitted,



Michael Cantor
Chairperson of CI