

**Life Sciences Discovery Fund Authority**  
**Board Meeting Minutes**  
**Tuesday, July 17, 2007 | 10:00a-3:00p**  
**LSDF Office at 2324 Eastlake Ave E, Ste 501, Seattle WA**

**Trustees Present:** Lura Powell, Jim Cook, Sen Jerome Delvin, Rita Colwell, Rep Skip Priest, Tony Hey (via telecon), Cheryl Scott (in person and later via telecon), Rep Jeff Morris

**Trustees Absent:** Gov Gary Locke, Bruce Montgomery and Sen Lisa Brown

**Others Attending:** Lee Huntsman, John Des Rosier, Mark Hertle, Lisa Stewart, Alden Jones, Pamela Anderson, Shan Mullin, Brad Jurkovich, Sen Jeanne Kohl-Welles, Bill Grinstein, Mark Baldwin, Lee Cheatham, Harlan Patterson, Scott Richards, Kara Durbin, and Dennis Dyck

**MINUTES**

**Welcome and Approval of Minutes** – Board approved minutes from the May 8, 2007 board meeting.

**Progress Reports** (various)

- **Tobacco Settlement Update** (Huntsman and Anderson) – OFM recently advised that tobacco bonus payment of \$35M/year could be as low as \$29M (due primarily to change in manufacturer market share). Final amount may not be known until April 16, 2008 and not until mid-April in subsequent years. Trustees discussed the importance of giving applicants a reasonably firm number for how much money is to be awarded in a competition. Staff will continue to monitor Settlement activity and report to Board at subsequent meetings.
- **Fund Raising** (Grinstein) – Working prospect list of 30 biotech, pharma and service companies. Goal: raise \$500K by September 18.
- **Coalition** (Mullin) – Coalition to remain active through next legislative session (April 2008) and then will fold into WBBA. Have \$26K now and \$9K in asks outstanding.
- **Legislative Issues** (Jurkovich) – Working with staff on strategy to inform legislators about 07-01 awards and plans for Governor’s Summit in September.
- **Communications** (Huntsman) – LSDF to hire Brad Jurkovich part time for six months and tap his PR expertise with legislature and life sciences community. He will assist with: 2007 Technology Institute, 07-01 award announcement and Governor’s Summit. LSDF has received and responded to two formal public disclosure requests from the Associated Press and the *Tacoma News Tribune*. Disclosure process is time consuming, so staff is proactively developing policies and procedures, automating where possible, and posting selected information to website for public access.
- **Programs** (DesRosier) – 07-01 proposal statistics were reviewed. AAAS now conducting expert review of 07-01 proposals, results expected mid-August. RFP for LSDF 07-02 programmatic competition “Innovative Programs to Advance Health Research” posted on website with LOIs due August 8. Thirty-six formal public information sessions (as well as several individual meetings) for 07-02 held around the state.
- **Grants Administration** (Stewart) – Successful transfer of 07-01 data to AAAS for expert review. 07-02 Letter of Intent live and proposal application system going live on July 25. Facilitating public disclosure requests by developing policies and procedures, automating reports, posting non-exempt proposal information on website. Reconnaissance to WTC and CTED re financial disbursement systems and procedures. Draft 07-01 grant award agreement by end of July.
- **Operations** (Jones) – Housekeeping issues: signed COI and Confidentiality forms requested, reminder L-5 lobbying report due July 31, generic business cards available to trustees.

## Financial Report (Huntsman)

- **2007 Actual Budget** – Carrying over \$338K to 2008. Approximately \$12K in tenant improvements still pending.
- **2008 Proforma Budget** – Recall LSDF will deficit spend. 2008 budget includes postponing new hires until spring, an estimated 5% staff salary increase for eligible employees, and revised AAAS review estimate. Trustees comfortable with minor modifications, but any substantial changes to 2008 budget would need to be reviewed by Board.

## Executive Session – Personnel

### Programs Discussion (DesRosier)

- **September 18<sup>th</sup> Meeting** – DesRosier outlined advance materials and reviewed detailed agenda, specifically the activities related to executive session. Board agreed to do an initial rating of highly recommended proposals in advance of meeting. Staff will then hand out consensus rating at the meeting as a starting point for further review and discussion.
- **LSDF 07-02 Peer Review Plan** – DesRosier presented options for the 07-02 AAAS peer review. After discussion, the Board advocated the following process: **1) primary review** – based on LSDF core goals and scientific/technical merit, AAAS will rate proposals according to a recommendation of whether they should proceed to interview stage, **2) interview** – research teams meet with 5-6 member panel comprised of expert reviewers and Board members, intended to provide additional insight into teams' capabilities and give Board enough information to make final award decision. Board advocated the following process: 1) AAAS reviews and pre-ranks into three categories (like 07-01); 2) Board convenes and develops short list to interview; 3) team interviews scheduled with trustees (all invited to participate) and subject area experts; 4) Board reconvenes and rank-orders for awards. The difficulty of scheduling interviews during the legislative session (January 14-March 13) was highlighted.
- **LSDF 07-02 COI Feedback from LOI** – After Aug 8 (LOI deadline) staff to send Board spreadsheet to declare potential conflicts.
- **LSDF 07-03 Theme Options** – Competition to fund "project" proposals. Funding depends on bonus check received, but anticipate \$8M-\$10M pool. After much discussion, the Board did not support development of a specific theme, but rather suggested having the competition focus on broad, interdisciplinary, creative science with encouragement to early career investigators.

### Communications (Huntsman as Murphy in Nicaragua)

- **Draft Strategy Document** – LSDF communications strategy organized around matrix consisting of: confluence of audiences and triggering events, messages and messengers, and specific upcoming opportunities (LSDF 07-01 awards, Technology Institute on September 24-26, and Governor's Life Sciences Summit on September 27). Re message: shift in focus from LSDF to grantees and their projects and measurable results. Intention is to equip others to communicate impacts, including involving researchers in outreach. For LSDF 07-01 award announcement, plan is to coordinate with Governor's staff and legislators; do advance work with key audiences (target media); organize press release and one page summary for legislators; include donors in announcement and Governor's Summit; and sustain momentum with follow-up outreach. Board suggested hiring agency to help manage all the moving pieces.

*Respectfully submitted,  
Lee Huntsman*

