

Life Sciences Discovery Fund Authority
Draft Board Minutes
Seattle World Trade Center – Seattle, WA
Monday, September 25, 2006 | 8:30a-11:30a

Trustees Present: Lura Powell (chair), Jim Cook, Sen Jerome Delvin, Tony Hey, Gov Gary Locke, Rep Jeff Morris, Bruce Montgomery, Rep Skip Priest, Cheryl Scott

Trustees Absent: Rita Colwell, Sen Lisa Brown

Others Attending: Lee Huntsman, John Des Rosier, Marc Baldwin, Pamela Anderson, Shan Mullin, Brad Jurkovich, Bill Grinstein, Alden Jones, Kara Durbin, Lewis Rumppler, Ken Spitzer, Tom Okita, Karin Rodland, Steve Ross

MINUTES

Welcome and Introductions – Powell

Approval of Minutes – Board approved minutes from the July 18 and August 25 board meetings.

Information Updates – Various

- *Grants Administrator Recruitment* – Top candidate's references were stellar. Offer to be extended with proposed November 1 start date. Staff will notify board of response.
- *Facilities Search* – LSDF and WBBA intend to co-locate to office at 2324 Eastlake Ave E. WBBA would hold master lease and LSDF would execute sublease (mirroring master lease). Board authorized executive director to proceed with five-year sublease. Temporary space (during tenant improvements) for two new hires may be provided by WRF rent free.
- *Communications Consultant* – Pyramid Communications was selected to frame LSDF's communications strategy. Contract period is October – December 2006.
- *Fund Raising* – Private fundraising continues. Current thinking to allow more flexibility with types of partnerships LSDF can enter into.

Discussion Topics – Huntsman

Budget

- *Updated Forecasts for FY07 and FY08* - Huntsman met with OFM to discuss whether LSDF: 1) should submit a budget request this biennium; or 2) can deficit spend against the April 2008 \$35M tobacco bonus payment; or 3) would formulate a hybrid of the two. OFM to consider and advise.
- *Support for Huntsman and Jones* – Board authorized executive director to move a portion (as reflected in budget presented) of Huntsman's and Jones's salary from UW budgets to LSDF budgets effective October 1, 2006.
- *Budget Approval* – Staff presented revised 2007 and 2008 budgets with pro forma vs actual monthly expenses. Board approved 2007 and 2008 budgets.
- *Additional Approvals* - Board approved payment of \$50 per diem to non-legislative trustees retroactive to first LSDF meeting. Effective immediately, legislative trustees will cover their own travel expenses.

Executive Session

Program Development - DesRosier

- *Initial Grants* – Should substantial philanthropic funds allow LSDF to offer an initial grant competition, anticipated RFP release would be late 2006 or early 2007. Focus would be on ideas with the potential to provide more cost-effective health care in Washington State.
- *Subsequent Grants* – The board mentioned the following when considering future grants: stagger the program calendar; consider whether another entity should fund – support *unique* projects; find leverage points; keep in mind cost quality vs cost effectiveness; be aware of timescale for ROI – what legislature expects; matrix should be living document – revise as we progress; build in measuring process for ROI

from ground up; review panels should have both science and application expertise; watch for portfolio balance: quality of research with commercial outcomes.

State Life Sciences Strategy

- *Governor's Summit* – Baldwin described the Governor's Life Sciences Summit occurring later in the day at Bell Harbor Conference Center and introduced the draft Comprehensive Bioscience Strategy document, an in-depth analysis of research, technology commercialization, capital formation, the business climate and workforce/education/public understanding as it relates to the life sciences in Washington.

Meeting adjourned

*Respectfully submitted,
Lee Huntsman*