

## AGENDA

January 19, 2005 9:00 a.m. Central Time

### FIHMC Board of Directors Conference Call Meeting

Roll Call	Chair Carol Carlan
Chair's Greetings	Chair Carol Carlan
Approval of November 8, 2004 Minutes	Chair Carol Carlan

#### ACTION ITEMS

1. Chief Executive Officer Compensation Package	Chair Carol Carlan
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#### DISCUSSION ITEMS

1. UWF Affiliation	Vice Chair Eric Nickelsen
2. Lobbying Initiatives	Chair Carol Carlan
3. FIHMC Board Meeting Schedule	Chair Carol Carlan

Chief Executive Officer's Report	Dr. Ken Ford
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OTHER ITEMS	Chair Carol Carlan
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ADJOURNMENT	Chair Carol Carlan
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**FIHMC Board of Directors  
Conference Call Meeting  
40 S. Alcaniz Street  
Pensacola, FL 32502  
November 8, 2004**

FIHMC Chair Carol Carlan called the meeting to order at 8:10 a.m. with a quorum of Directors being present. Directors in attendance included:

Carol Carlan, Sandra Flake, Eugene Franklin, Tim Goldfarb, Terry Hickey, Hal Hudson, Larry Lemanski, Collier Merrill, Eric Nickelsen, Jim Reeves, and Ray Russenberger

Also in Attendance:

Kenneth M. Ford (Director of IHMC), Albert Hartley (Chief Business Officer of IHMC), Robert Hansen (Associate Director of IHMC), Julie Sheppard (General Counsel and Special Assistant to the Director of IHMC), and Timothy W. Wright (Associate Director of IHMC)

**Agenda:**

Chair's Greetings	Chair Carol Carlan
Approval of June 25, 2004 Minutes	Chair Carol Carlan
Chief Executive Officer's Report	Dr. Ken Ford
Hurricane Brief	Dr. Ken Ford
Building Update	Julie Sheppard
Affiliation Agreements	Dr. Jack Hansen
Legislative Issues	VADM Tim Wright
Research Initiatives	Dr. Jack Hansen

**ACTION ITEMS**

1. Ratification of Scientific Advisory Counsel	Dr. Ken Ford
2. Approval of FIHMC 2004-2005 Operating Budget	Bert Hartley

**DISCUSSION ITEMS**

1. UWF Affiliation	Chair Carol Carlan
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**OTHER ITEMS**

Chair Carol Carlan

Chair Carlan opened the meeting by introducing the new Director Dr. Sandra Flake and providing a brief background regarding Dr. Flake's professional career. Dr. Flake recently came to UWF as Provost from the University of Northern Colorado where she served as Dean of the College of Arts and Sciences and Professor of English. Dr. Flake has also been employed with the University of Wisconsin-La Crosse and the University of Wisconsin-Milwaukee. Dr. Flake replaces President Cavanaugh who resigned from the Board in mid October and designated Dr. Flake as his replacement.

Chair Carlan also recognized Director Eugene Franklin, FIHMC CEO Ken Ford, and Gulf Power CEO Susan Story for their recent write-ups in Florida Trend Magazine representing Northwest Florida.

Chair Carlan also updated the Board on her progress on Dr. Ford's compensation package. Several meetings have taken place with an outside financial consultant and comparable salaries and packages are under review. Chair Carlan concluded her remarks proposing to report back to the Board on this matter at its next meeting.

A motion was made and seconded to adopt the minutes of the June 25, 2004 meeting. The motion carried unanimously.

Dr. Ford provided his report on the aftermath of Hurricane Ivan explaining in detail the damage to both the main building at 40 S. Alcaniz as well as the administrative building at 127 S. Alcaniz. Dr. Ford detailed the lost economic opportunities that resulted from the lack of power and facilities for several weeks as well as the considerable damage to homes of many IHMC employees. Dr. Ford mentioned that a significant lost opportunity was the inability to meet a time deadline by several key principal investigators who lost their homes and who were finalists on a competitive solicitation to NASA due in late September.

Dr. Ford called on General Counsel Julie Sheppard to discuss the building purchase. Ms. Sheppard explained that the anticipated closing on the 40 S. Alcaniz Building had been delayed from early September due to the surveyor not completing the survey. At this time, plans to close on the building will be postponed pending due diligence on the part of FIHMC to assess building damage and complete repairs. Ms. Sheppard reported that the UWF Foundation, the owner of the property, did not have flood insurance. Presently, IHMC is having the same commercial inspector, Fleet James, do a post hurricane estimate of damages. IHMC has a pre hurricane inspection of the building that was completed by Fleet James in August 2004.

Dr. Ford then asked IHMC Associate Director, Dr. Jack Hansen, to update the Board on the status of affiliations with other universities. Dr. Hansen explained that on October 20, 2004, an affiliation agreement had been signed with the Florida Atlantic University (FAU). IHMC attended the signing at the Boca Raton campus with numerous scientists who met with FAU faculty to explore joint research opportunities. Director Larry Lemanski agreed that there were many exciting projects being discussed between the two entities. Dr. Hansen also commented that an affiliation agreement was being finalized with the University of Central Florida (UCF) and was close to completion.

Dr. Ford introduced Associate Director Tim Wright to discuss legislative issues. Vice Admiral Wright spoke of Representative Jeff Miller's recent visit to IHMC, where he was updated on FIHMC's progress, as well as efforts to visit with Senator Nelson's staffers in Florida to increase support from his office and to open dialogue with Senator Martinez's new office. Vice Admiral Wright also commented on efforts to engage House Speaker

Allan Bense on IHMC's work with the Naval Surface Warfare Program based in Panama City, Florida.

Vice Admiral Wright also informed the Board of FIHMC's Request For Information (RFI) recently distributed for the purposes of securing federal lobbyists proposals for the upcoming year. Responses are expected from current lobbyists Congressional Strategies, and others. Vice Admiral Wright also mentioned his planned visit to Washington DC the following week to meet with Ed Edens of Homeland Security to discuss IHMC data mining and software storage initiatives that may be of interest to that organization.

Dr. Ford asked Associate Director, Dr. Jack Hansen, to discuss FIHMC research. Dr. Hansen commented on FIHMC's status as a soft money organization and the need to bring in research dollars to achieve success. At the current time, Dr. Hansen indicated that FIHMC has begun to solicit proposals directly for the new entity and there are presently proposals outstanding of over \$3 million dollars that includes large NASA proposals and several smaller initiatives with potential new sponsors. Dr. Hansen also updated the board regarding discussions with Tulane University regarding joint research activities.

#### **Action Item 1: Ratification of Scientific Advisory Council**

Chair Carlan turned to Dr. Ford to discuss the scientific advisory council. Dr. Ford discussed the educational and work background of each proposed member to the scientific advisory council and asked the Board for ratification of this esteemed group of scientists which includes: Rita Colwell — former Director of the National Science Foundation; Vice Admiral Alfred Harms, Jr. USN — Commander, Naval Education and Training Command; Scott Hubbard — Director, NASA Ames Research Center; Alexander Levis — former Chief Scientist of the Air Force, currently the University Professor of Electrical, Computer, and Systems Engineering at George Mason University; Bruce Melnick — former NASA astronaut & currently Vice President for Florida Operations, Boeing; JoAnn Morgan — former Director of External Relations and Business Development at Kennedy Space Center; Bill Mularie — CEO, Telework Consortium; Alain Rappaport — Founder & CEO, MedStory; Raj Reddy — Herbert Simon University Professor of Computer Science & Robotics, Carnegie Mellon University; Winston Scott — former NASA astronaut & currently Executive Director of the Florida Space Authority; William Smart — Former Senior Vice President of Abbott Laboratories; and Dave Waltz, Director, Center for Computational Learning Systems, Columbia University. Numerous Directors moved and seconded this list of scientists. The motion passed unanimously.

#### **Action Item 2: Approval of FIHMC 2004-2005 Operating Budget**

Chair Carlan introduced Associate Director Bert Hartley who discussed the proposed operating budget on pages 9 and 10 of the agenda. A motion to approve the 2004-2005 FIHMC Operating Budget was made and seconded and the motion carried unanimously.

### **Discussion Item 1: UWF Affiliation**

Chair Carlan began a discussion of the relationship between UWF and FIHMC and the economic value of the Institute to the Pensacola community. Discussion ensued on the pressing issues facing FIHMC including the need to capitalize the corporation by reaching agreement with UWF on amount of funding and subsequent transfer of funds into FIHMC, the ability for FIHMC to obtain exclusive assignments from UWF in order to commercialize technology invented at IHMC, and the need to develop a chargeback procedure with UWF to begin moving employees into FIHMC. Chair Carlan explained that she had charged Director Eric Nickelsen, as Chair of Finance and Audit for FIHMC, to work with UWF Chair of Finance and Audit, K.C. Clark on resolution of these issues.

Vice Chair Eric Nickelsen explained that he had met with Institute senior management and had been fully briefed on the issues and had engaged in discussions with K.C. Clark on a process to expedite resolution. Staff at both FIHMC and UWF had been selected to discuss nine outstanding issues and report back on any consensus for resolving these outstanding issues by Thanksgiving. At that point, the Chairs of the respective finance and audit committees would meet by the first week of December to address and resolve any outstanding issues.

Chair Carlan asked the Directors for any other issues or business before the Board and none being raised, the meeting of the FIHMC Board of Directors adjourned at 9:30 a.m.

Julie L. Sheppard, General Counsel and Corporate Secretary