



IHMC Board of Directors Annual Meeting

Monday, June 20, 2011

8:30 a.m. Breakfast at IHMC

Roll Call

Chair Jim Reeves

Chair's Greetings

Chair Jim Reeves

Action Items

- | | |
|--|--------------------------|
| 1. Approval of April 11, 2011 Minutes | Chair Jim Reeves |
| 2. CEO Salary Increase Adjustment | Finance Chair Dick Baker |
| 3. Adopt Meeting Schedule for 2011-2012 | Chair Jim Reeves |
| 4. Adoption of Unsecured Credit Line | Chair Jim Reeves |
| 5. Adoption of Revisions to Tax Deferred Plans | Chair Jim Reeves |

Discussion Items

- | | |
|-------------------------------------|--------------------------|
| 1. Fiscal Update and External Audit | Finance Chair Dick Baker |
| 2. Fundraising Committee Update | Vice Chair Glenn Sturm |

Chief Executive Officer's Report

- | | |
|---------------------------|-----------------|
| 1. Legislative Update | Dr. Ken Ford |
| 2. Research Initiatives | Dr. Ken Ford |
| 3. Ocala Update | Dr. Row Rogacki |
| 4. Intellectual Property | Dr. Ken Ford |
| 5. Research Demonstration | Exoskeleton |

Other Items

Board Photograph

Lunch

Adjournment



Agenda item 1:

Florida Institute for Human and Machine Cognition, Inc.
June 20, 2011

Issue: Approve minutes of April 11, 2011

Proposed action: Approval of Minutes from Board of Directors meeting held
April 11, 2011

Background information: None

Attachments: April 11, 2011 Minutes

IHMC Board of Directors Meeting
Minutes
April 11, 2011
Ocala, Florida
8:30 a.m. Central Time

Roll Call	Chair Jim Reeves
Chair's Greetings	Chair Jim Reeves
1. Approval of January 21, 2011 Minutes	Chair Jim Reeves
2. Approval of Board Resolution to Continue J-1 Program	Chair Jim Reeves
Chief Executive Officer's Report	Dr. Ken Ford
1. Research Update	Dr. Ken Ford
2. Federal Legislative Update	Dr. Ken Ford
3. State Legislative Update	Brett and Matt Doster
4. Fundraising Update	Vice Chair Glenn Sturm
5. Ocala Building Update	Dr. Row Rogacki
Other Items	Chair Jim Reeves
Adjournment	Chair Jim Reeves

IHMC Director Carol Carlan called the meeting to order at 8:30 a.m. central time. Directors in attendance included: Dick Baker, Carol Carlan, K.C. Clark, Bill Dalton, Ron Ewers, Eugene Franklin, Chris Hart, Hal Hudson, Eric Nickelsen, Jim Reeves, Gordon Sprague, Glenn Sturm, and Hal White. Also in attendance were Ken Ford, Sharon Heise, Row Rogacki, Julie Sheppard, Alan Ordway, and Ronnie Armstrong.

Acting Chair Carlan welcomed the Board informing them that we had a quorum present to conduct business. Director Carlan explained that she was standing in for both Chair Reeves and Vice Chair Sturm who were both present on the phone but not in a position to chair the meeting. She thanked everyone who dialed into the meeting.

Acting Chair Carlan explained that there were only two action items so the meeting should be brief. She mentioned that she would also be calling on Finance and Audit Chair Dick Baker to discuss financials.

Acting Chair Carlan then asked for a motion to approve the January 21, 2011 Board minutes. Director Sprague made a motion and Director Baker seconded the motion and after no discussion, the motion to accept the January 21, 2011 minutes passed unanimously.

Acting Chair Carlan then explained that Item 2 had been added to the Agenda and involves the Board passing a resolution authorizing IHMC to take any and all actions necessary to maintain their re-designation as an Exchange Visitor Program. She explained that this is a simple resolution re-

quired to be submitted with the IHMC annual report and review of their J-1 Program that allows IHMC to bring short term scholar and interns into the United States to work and intern at the Institute. Acting Chair Carlan read the resolution into the minutes as follows:

WHEREAS, the immigration attorney for the Florida Institute For Human and Machine Cognition, Inc. ("IHMC") requested that a continuing resolution be adopted by the Board of Directors of IHMC authorizing IHMC to take any and all action(s) as necessary to maintain designation as an Exchange Visitor Program; NOW THEREFORE, BE IT RESOLVED, that the Board of Directors authorizes the General Counsel and Special Assistant to the Director, Julie Sheppard, to take any and all action(s) as necessary to maintain designation as an Exchange Visitor Program; IN WITNESS WHEREOF, this Resolution is adopted by the Board of Directors of IHMC on this 11th day of April, 2011 and shall be effective immediately.

Director Nickelsen moved to approve the resolution as read and Director Baker seconded the motion. After no discussion, the Motion to approve the resolution to Continue the J-1 Program passed unanimously.

Acting Chair Carlan then asked Director Baker to discuss the IHMC financials. Director Baker commented that he had been very impressed with the IHMC financials reporting that contract and grant revenue had grown 28% with corresponding expenses up only 16% leaving IHMC with a net gain and noting overall revenues have increased steadily from the same period last year. Director Baker explained the financials in some detail and concluded his remarks explaining how pleased he was to report that IHMC was doing very well on the revenue front. Acting Chair Carlan thanked Director Baker for his report.

Acting Chair Carlan then called on Dr. Ford to provide his report. Dr. Ford thanked everyone for participating in the IHMC Board Meeting and thanked Director Carlan for standing in as Chair and providing him the opportunity to update everyone on recent events. Dr. Ford thanked Chair Reeves for the opportunity to provide this report.

Dr. Ford began his remarks explaining that with all the tumult in D.C. and Tallahassee, 2011 has been interesting thus far for IHMC. He stated that it was his belief that innovation and excellence are the keys to IHMC's success now and in the future and that this is an age of innovation and collaboration in research structures and relationships. He continued on noting that toward that end, IHMC has built a number of important partnerships, relationships, and collaborations with Federal Agencies, corporations, and universities commenting that the new location in Ocala was selected partly for its ability to facilitate collaboration with Florida's research universities.

Dr. Ford mentioned that in addition to the four affiliated universities, IHMC is developing a number of collaborations with UF and USF and expects these nascent collaborations to grow. He explained that over the last few years we have also enjoyed an excellent partnership with the Moffitt Cancer Center in Tampa and that as was reported at the January Board meeting, IHMC hosted UCF researchers at IHMC for a "research day" aimed at identifying overlapping interests and potential collaborations. He added that on February 25th, IHMC hosted a research day for UF at IHMC-Ocala and that there would be a reciprocal follow-up meeting next month on May 17th in Gainesville. Dr. Ford

added that in addition to the aforementioned Florida collaborations, IHMC has also teamed with USRA, CMU, Penn State, ASU, and Ohio State University on a major proposal to NASA which is due May 1st and that this five-year proposal will be for about \$65 million, and that if funded, the IHMC share would be roughly \$13 million per year.

Dr. Ford informed the Board that since the last board meeting, in January, IHMC researchers have received approximately \$2 million in new research funding and that there are several other projects for which IHMC has been notified that funding will be forthcoming but has not yet officially arrived.

He mentioned that IHMC recently filed again for the NIST Construction grant program asking for \$8 million for a research facility to be built along Romana Street adding that we are one of 150 applications for three funded projects and that IHMC expects to hear on this project in late fall of 2011 and that while it remains a long shot, one never knows.

Dr. Ford then began to discuss issues in Washington adding that while all remains in flux, it is that time again when IHMC looks at new projects and partnerships, mentioning that Dr. Sharon Heise is again leading this effort for IHMC. Dr. Ford took a moment to acknowledge the support that IHMC received this past year from Representative Jeff Miller, Representative Cliff Stearns, and Senator Nelson. He added that we continue to be appreciative of their support for IHMC research initiatives and asked the IHMC Board of Directors, to convey their thanks if they should be talking to these legislators or their staff.

Dr. Ford then turned to the State Legislative topic mentioning that several of the IHMC staff have been spending time in Tallahassee this spring. He mentioned that he had provided a briefing on IHMC and its research to both the Senate and House as well as returning to follow up with some key legislators. He added that in spite of the state of the budget, IHMC was cautiously optimistic that it will retain its state funding to allow us to continue to grow and attract additional federal funding.

Dr. Ford then asked two members of the legislative affairs team, Jeff Hartley and Matt Doster, to give a more detailed briefing on the situation in Tallahassee. Jeff Hartley thanked Dr. Ford and mentioned that while initially IHMC, Moffitt and the private colleges and universities had been cut in the Governor's budget, that the House and Senate had been very supportive. He informed the Board that two weeks into session, IHMC had strong funding in House and a 40% cut in the Senate budget numbers.

Jeff explained that while there was lots more work to be accomplished, that the initial position was strong and that the team was meeting with the Committee Chairs and Budget leaders to solidify the IHMC position. He explained the schedule through the Easter recess and encouraged all the Board members when talking with legislators to stress the business and military benefits that IHMC brings to the State.

Dr. Ford thanked both Jeff and Matt for attending the meeting and the good work accomplished so far. He then mentioned that he would provide the fundraising update on behalf of Director Sturm, who had attended the initial part of the meeting but was currently teaching a class in Gainesville.

Dr. Ford told the Board that in February of 2011, IHMC had received a \$500,000 check from an out of state donor who wishes anonymity and that this donation is to be used to support the exoskeleton project, Project Mina. He explained that IHMC, on behalf of the Board, gratefully accepted this generous gift and that we are excited about the possibilities that improvements in the powered exoskeleton will have for paralyzed people. He mentioned to the Board that there had been some excitement generated by the Press Release on Project Mina and that IHMC received excellent coverage on both the national and international front including newspaper, television, and web coverage that has directed thousands of visitors to the IHMC website to learn more about Project Mina.

Dr. Ford also informed the Board that Andrew Young continues to be currently working on raising funds for IHMC on a national level adding that Andrew began his efforts in earnest over the holidays and is currently working on visits from potential funders. He mentioned that scheduled visitors include Blue Cross Blue Shield Executives who arrive later this month on April 29th, Delphi in mid May, and currently being scheduled are visits from the United Bank of Switzerland Chief Executive Officer. Dr. Ford mentioned that Bank of America Executive Christina Ruiz will visit IHMC this Wednesday adding that she is a Marketing Manager and Director of Corporate Responsibility and appears interested in funding opportunities at IHMC, possibly educational outreach programs. He concluded his report on fundraising mentioning a visit in the works with Jeff Greene, reminding the Board that this is Jeff Greene from the recent Florida elections and that in February 2011, Jeff Greene became a signatory of "The Giving Pledge", a campaign to encourage the wealthiest people in the United States to make a commitment to give most of their money to philanthropic causes.

Dr. Ford then turned the discussion to the Ocala facility and informed the Board that in mid March, IHMC was officially notified that the Ocala facility has been designated as LEED Gold. He explained that this designation is quite an honor for a renovation project and may be the only LEED Gold renovation project in Florida. Dr. Ford then turned to Dr. Row Rogacki to update everyone on the Ocala facility, regional collaborations, and community outreach efforts.

Row thanked Dr. Ford and commented to the Board that as they had just heard, the LEED Gold certification had been awarded to the Ocala facility explaining that this achievement was the result of a lot of hard work by a lot of people, and that a press release had been issued and was picked up by a number of print media news organizations as well as by the local Gainesville TV station. He informed the Board that there continue to be improvements at the IHMC Ocala facility, and that as many may recall noticing the construction work around the entryway at the January board meeting in Ocala. "I'm happy to report that the door project is now essentially complete".

Row continued his Ocala briefing explaining that IHMC is continuing to investigate a potential improvement to the air conditioning system, reminding everyone the A/C system is adequate for most of the time, but it is inadequate to meet the demand during the evening lectures, when 200 people are in attendance, and during the hottest months of the year. He explained that we are working with a local engineering firm to select a design that will meet the requirements for both effectiveness and aesthetics.

Row concluded his Ocala remarks by mentioning the projects on the ground floor of the facility and that equipment is being installed in the basement as part of the smart kitchen project and mention-

ing that if additional funding becomes available in the future, IHMC may consider expanding the kitchen in order to provide increased cooking capabilities for special events.

Dr. Ford thanked Row for his report and updated the Board on IHMC outreach activities. Dr. Ford informed the Board that IHMC has had a wonderful spring lecture series in both Ocala and Pensacola with excellent speakers and large enthusiastic audiences. He mentioned that there are two remaining lectures, Rob Spanier from Live Work Learn Play in Toronto Canada on May 12th in Pensacola and Chuck Carlson on that same evening in Ocala, his lecture generously sponsored by Carol Carlan. Dr. Ford thanked Director Carlan for her continued support of the IHMC lectures and stated that he is already working diligently on the fall lineup.

Dr. Ford mentioned that IHMC's Educational Outreach continues to be strong and explained that we are concluding another successful science Saturdays and I LOVE Science season in Pensacola and that there is also a Scratch club on Monday evenings at the Fricker center. He commented that we expect to have a similar program underway in Ocala this coming year and thanked Director Ron Ewers for his efforts in this regard.

Dr. Ford mentioned that on the IHMC Board, there is currently an opening for an SUS Board member and explained that he hopes to nominate an excellent potential candidate to the Board at the upcoming June meeting.

On administrative positions, Dr. Ford updated the Board that Diana Thacker recently joined IHMC as the Director of Grants and Contracts, mentioning that she received her B.S. in Business Management from the University of Maryland and her MBA from Wright State University. Dr. Ford stated that Diana's previous work experience includes a heavy concentration in contracts and financial analysis in the private sector, government contracting, and most recently the University of Florida's Research and Engineering Education Facility in Shalimar, Florida. Dr. Ford concluded this briefing mentioning that Diana is the wife of retired Air Force Colonel Tom Thacker, they have 2 children, a daughter in college and a son who currently lives in Germany working as an Electrical Engineer.

Dr. Ford then informed Acting Chair Carlan that this concluded his report and thanked her for the opportunity to update the Board.

Acting Chair Carlan thanked Dr. Ford and the staff and members of the Board for their participation and reminded the Board that the next Board meeting was scheduled for Sunday, June 19 and Monday, June 20 in Pensacola, Florida.

The Board meeting was adjourned at 9:30 am central time.

Respectfully submitted,

Julie Sheppard
Corporate Secretary

Florida Institute for Human and Machine Cognition, Inc.
June 20, 2011

Issue: CEO Compensation Adjustment

Proposed action: Implement third adjustment in CEO package approved June 2005 and implement increase to the CEO annual stipend

Background information: In June 2005, the IHMC Board of Directors approved a 5 year compensation adjustment schedule for Dr. Ford that included a plan to annually raise his salary to bring him into the top 20% pay range of a cohort group of university affiliated scientific peers selected by the Board. Due to financial constraints, Dr. Ford, in 2006, 2008, and again in 2010, requested that the Board delay these salary adjustments. Dr. Ford's first salary adjustment under the plan was made on June 3, 2007. The second salary adjustment was made October 1, 2009. This proposed compensation adjustment would represent the third salary increase in the 5-year plan and the increase originally anticipated for 2007.

Additionally, the Board approved a CEO stipend in 2005 that recognized uncompensated expenses related to travel, housing, spousal travel and retirement. The stipend has not been increased since 2009. In consideration of Dr. Ford's service on the many state, federal and international boards, expansion into Ocala and heavy travel schedule, the recommendation is to increase the annual stipend by \$10,000.

Attachments: None

Florida Institute for Human and Machine Cognition, Inc.
June 20, 2011

Issue: Schedule For Future Board Meetings

Proposed action: Approval of Meeting Schedule for 2011-2012 to include 4 scheduled meetings to be held as follows:

Teleconference 8:30 a.m. CST: Monday, October 18, 2011,

In Person Meeting: Thursday/Friday, January 19 – 20, 2012, Ocala

Teleconference 8:30 a.m. CST: Monday, April 16, 2012

In Person Meeting: Sunday/Monday, June 17 - 18, 2012, Pensacola

Background information:

Discussion regarding setting the schedule of meetings for the upcoming fiscal year of the Board of Directors of IHMC.

The bylaws provide in Article 11 that the Board of Directors will meet no fewer than four times per fiscal year, at a time and place designated by the Chair.

The bylaws further provide that the Board may use telephone conference calls and other communications media technology to conduct Board business in the same manner as if the proceeding were held in person.

Meetings of the Board are open to the public and all official acts will be taken at public meetings. The schedule of meetings is available on the Institute website at <http://www.ihmc.us>

Attachments: None

Florida Institute for Human and Machine Cognition, Inc.
June 20, 2011

Issue: Resolution for Adoption of an Unsecured Credit Line

Proposed action: Approval

Background information:

This is a request to approve a resolution for a banking line of credit with SunTrust Bank for \$2,000,000.00 at a prime rate of LIBOR plus 2.5% with a 3% floor (The minimum interest rate would be 3%).

This request is occasioned in an abundance of caution to allow IHMC to establish a credit line at its current bank. This credit line will assist in providing a six-month grace period should the federal government temporarily shut down as was envisioned this past April 2011.

The costs to IHMC of establishing this temporary line of credit will be approximately 20 basis points or approximately \$4,000. The resolution authorizes Board action to approve the line of credit and any related fees and authorizing Dr. Ken Ford, IHMC Chief Executive Officer or Ronnie Armstrong, IHMC Controller, and Julie Sheppard, General Counsel and Corporate Secretary to sign and execute all required documents for the credit line on behalf of the Board of Directors.

Attachments: Corporate Resolution -

Florida Institute for Human and Machine Cognition, Inc.
June 20, 2011

Issue: Revisions to IHMC Tax Deferred Annuity Plans

Proposed action: Adoption of Revisions to IHMC Tax Deferred Annuity Plans.

Background information:

IHMC has two tax deferred plans for retirement contributions, one is a 403b and one is a 457b. Both plans allow for voluntary contributions by employees and the 403b also has employer funded contributions.

The purpose of this agenda item is to update the plans for consistency and make changes that align the plans with summary description available to all employees. The plans have been reviewed by the firm Saltmarsh Cleveland & Gund and DJ Simonetti from the Birmingham office of Burr & Forman who specializes in Employee Benefit Plans and Tax Law.

The amendment changes include the following and other non-substantive changes to make the IHMC plans consistent:

1. Immediate vesting
 2. No age requirements for either plan
 3. Must be employed full-time at 30 hours per week (.75fte) to be eligible for the defined contribution plan (our 11%)
 4. No hourly/fte requirement for the voluntary deferral.
 5. No loans allowable for either component.
 6. The defined contribution (11%) only applies to base salary and does not include any fringe, taxable or not, or any other form of "compensation".
 7. The summary plan description mirrors the full-scope agreement.
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Attachments: The full plans are available for inspection upon request.



Corporate Borrowing Resolution And Certificate Of Incumbency

I, the undersigned, hereby certify that I am the _____ and custodian of the records of _____ (legal name of corporation), a corporation duly organized and existing under the laws of _____ with state identification number _____, (hereinafter "Corporation"); that the following is a true and correct copy of certain resolutions duly adopted by the _____, which is the governing body of the Corporation at a meeting duly held on _____, _____; and that the following resolutions have not since been rescinded or modified.

Resolved, that any _____ (number required) of the following corporate officers or officials:

Title _____	Title _____
Title _____	Title _____
Title _____	Title _____

be and are hereby authorized on behalf of the Corporation from time to time to borrow money, obtain credit and procure loans from SunTrust Bank, its successors and assigns (hereinafter, "SunTrust"), without limit as to amount; to sell or discount any notes, bills or account, acceptances or any other instruments to SunTrust; to assign, pledge, convey, transfer, mortgage or otherwise create a lien upon any real and/or personal property of the Corporation as security for the payment and performance of any and all indebtedness, liabilities and obligations of the Corporation to SunTrust, whether in the usual course of business or otherwise; to enter into any other agreement or transaction with SunTrust, including, but not limited to, promissory notes, security agreements, security deeds, mortgages, applications for letters of credit, credit card agreements, foreign exchange contracts, interest rate hedge and other derivative transaction agreements; by making, executing and delivering in the name of and on behalf of the Corporation, under its corporate seal or otherwise, from time to time such agreements, documents or instruments deemed reasonable or necessary;

Resolved Further, that all actions heretofore taken by the officer or officers named herein in obtaining loans or credits on behalf of the Corporation and in the exercise of the authority and powers herein granted are hereby ratified, adopted and confirmed; and that SunTrust is hereby authorized and directed to pay the proceeds of any such loans or credits as directed by said officers, whether for payment or credit to the account of the Corporation with SunTrust or with another financial institution, or to such officers, or any third person, or otherwise; and

Resolved Further, that the custodian of the records of the Corporation is authorized and directed to furnish SunTrust with a certified copy of these resolutions, which resolutions shall continue in full force and effect until written notice of the rescission or modification of the same has been received by SunTrust, and to furnish SunTrust the names and specimen signatures of the officer(s) named herein, and such persons from time to time holding the above positions, herewith and/or on SunTrust's usual form of signature card.

I hereby certify that the following are names and specimen signatures of the officer(s) listed above and that each presently holds the title indicated and has full authority for all acts noted herein.

Name _____	Title _____	Signature _____
Name _____	Title _____	Signature _____
Name _____	Title _____	Signature _____
Name _____	Title _____	Signature _____
Name _____	Title _____	Signature _____
Name _____	Title _____	Signature _____

In Witness Whereof, I have hereunto subscribed my name and affixed the seal of the Corporation and attest to the foregoing as of _____, _____.

(Corporate Seal)

Name and title, printed or typed