

**BOARD OF DIRECTORS**

Friday, October 11, 2019

8:30 a.m. – 11:00 a.m.

Board Chair Patrick Joyce

Thomson Reuters  
610 Opperman Drive, Eagan, MN 55123

**AGENDA**

- |   |               |
|---|---------------|
| 1. Call to Order (Patrick Joyce)                                | 8:30          |
| 2. Introductions (All)  | 8:30 – 8:35   |
| 3. Approval of Meeting Minutes (Patrick Joyce) *                | 8:35 – 8:40   |
| • September 6 <sup>th</sup> , 2019                              |               |
| 4. Financial Update (Ed Foppe)                                  | 8:40 – 8:45   |
| 5. President Update (Jeff Tollefson)                            | 8:45 – 8:55   |
| 2019 ACE Presentations  | 9:00 -10:35   |
| 1. Supporting Mental Health Startups                            |               |
| 2. Strengthening Minnesota’s High Tech Identity                 |               |
| 3. Shining a Light on Unintended Employee Discrimination        |               |
| 4. Diversity and Inclusion in the Workplace                     |               |
| 5. Entry Level Hiring   |               |
| 6. Presentation of ACE Graduation Certificates (Jeff Tollefson) | 10:40 – 10:45 |
| 7. Other Business/General Discussion (All)                      | 10:45 – 10:55 |
| 8. Adjourn  | 11:00         |

\*Denotes item with Board Action

**Next MHTA Board Meeting:**  
December 6<sup>th</sup>, 2019 7:30 am – 12:00 pm  
Location: Unisys, 3199 Pilot Knob Road, St. Paul, MN 55123

## **Upcoming Events Listing**

### **2019**

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#### **October**

22 Women Leading in Technology

#### **November**

8 MHTA Executive Committee Meeting

14 CIO Forum

20 Tekne Awards

#### **December**

6 MHTA Board of Directors Meeting

10 CIO Panel

13 MHTA Executive Committee Meeting

## Board of Directors Minutes

Lisa Schlosser Presiding for Scott Singer

8:30 am to 10:30 am

Friday, September 6<sup>th</sup>, 2019

Associated Benefits & Risk Consulting  
6000 Clearwater Dr., Minnetonka, MN 55343

**Present:** Matthew Bailey, Kevin Boeckenstedt, Doug Carnival, Trent Clausen, Amy Fisher, Todd Hauschildt, Karen Hudson, Patrick Joyce, Sridhar Koneru, Jake Krings, Rick Krueger, Michael Lacey, Sandy Lee, Charles Lefebvre, Mac Lewis, Paul Mattia, Ty Middleton, Samuel Prabhakar, Matthew Reck, Christopher Rence, Patrick Ryan, Lisa Schlosser, Vinny Silva, Dee Thibodeau **Absent:** Brian Burns, Jacquelyn Crowhurst, Ed Foppe, David Frazee, Bob Hirsch, Joy Lindsay, David Minkinen, Cyrus Morton, Rakhi Purohit, Scott Singer, Paul Weirtz **Staff:** Lonni Ranallo

### 1. Call to Order

Lisa Schlosser called the meeting to order.

### 2. Introductions

### 3. Approval of June 21<sup>st</sup>, 2019 Meeting Minutes

Michael Lacey moved to approve the June 21<sup>st</sup> meeting minutes, Doug Carnival seconded the motion, the motion carried and the minutes were approved.

### 4. Financial Update

Lonni Ranallo gave a financial update. Overall membership running behind plan by 88K. Events all running close to plan, with Scitech and SBIR running at plan with Scitech slightly ahead of plan as far as timing. Expenses generally running at plan. Discussion and questions took place in regard to the end of year projections.

### 5. Presidents Report

Jeff Tollefson gave a presentation on his insights and discoveries in his first 30 days.

### 6. Strategic Plan

Jeff gave an overview on the need for beginning the strategic planning process. Jeff proposed establishing a Strategic Planning Committee to build the framework and guide the process. We will plan a longer Board meeting in December, at that meeting we will begin the planning of creating a three year plan.

### 7. Board / Governance

Michael Lacey made a motion to nominate Patrick Joyce as Chair of the Board, and Cy Morton as Vice Chair, Mac Lewis seconded the motion.

The motion carried and Patrick Joyce was elected Chair of the Board, and Cy Morton Vice Chair.

Discussion took place about the Directors of the MHTA Board, and also making sure that the MHTA Board has the engagement of its officers. Diversity of the Board of Directors was also discussed.

**8. Other Business**

Jeff explained a proposal from HMG, discussion took place about event partnerships and commitments.

**9. Adjourn**

Lisa Schlosser thanked Jeff for his presentation to the Board. Dee Thibodeau made a motion to adjourn, Doug Carnival seconded the motion, the motion carried and the meeting was adjourned.

### MHTA P&L vs Budget Jan-Sept 2019

	Jan - Sep 19	YTD Budget	Projected YE	Annual Budget	\$ Over Budget
<b>Total Membership</b>	479,674	551,447	493,227	565,000	(71,773)
<b>Total Promotion / Events</b>	198,046	213,699	283,678	302,331	(18,653)
<b>Total STEM Programs</b>	329,772	325,703	458,956	457,604	1,352
<b>Sub Total</b>	1,007,492	1,090,848	1,235,861	1,324,935	(89,074)
<b>Operate MHTA &amp; Public Policy</b>	992,437	994,915	1,322,473	1,323,551	(1,078)
<b>Net Income</b>	15,055	95,933	(86,612)	1,384	(87,995)

	Jan - Sep 19	YTD Budget	Projected YE	Annual Budget	\$ Over Budget
<b>Income</b>					
<b>Total Membership</b>	479,674	551,447	493,227	565,000	(71,773)
<b>Total Promotion / Events</b>	360,899	462,313	623,612	728,025	(104,413)
<b>Total STEM Programs</b>	1,254,400	1,255,884	1,616,592	1,683,142	(66,550)
<b>Total Other Income*Sales &amp; Marketing</b>	15,574	15,400	16,774	18,000	(1,226)
<b>Total Income</b>	2,110,547	2,285,043	2,750,205	2,994,167	(243,962)
<b>Expense</b>					
<b>Total Administration</b>	141,683	141,730	187,510	187,557	(47)
<b>Total 5000 · Association Staffing</b>	820,997	816,785	1,090,607	1,086,395	4,212
<b>Total 5400 · Sales &amp; Marketing</b>	10,830	17,300	15,130	21,600	(6,470)
<b>Total Promotion / Event Expenses</b>	162,853	248,614	339,933	425,694	(85,761)
<b>Total STEM Program expense</b>	924,628	930,181	1,157,636	1,225,538	(67,902)
<b>Total Public Policy</b>	34,500	34,500	46,000	46,000	0
<b>Total Expense</b>	2,095,492	2,189,110	2,836,816	2,992,783	(155,967)
<b>Net Income</b>	<b>15,055</b>	<b>95,933</b>	<b>(86,612)</b>	<b>1,384</b>	<b>(87,995)</b>

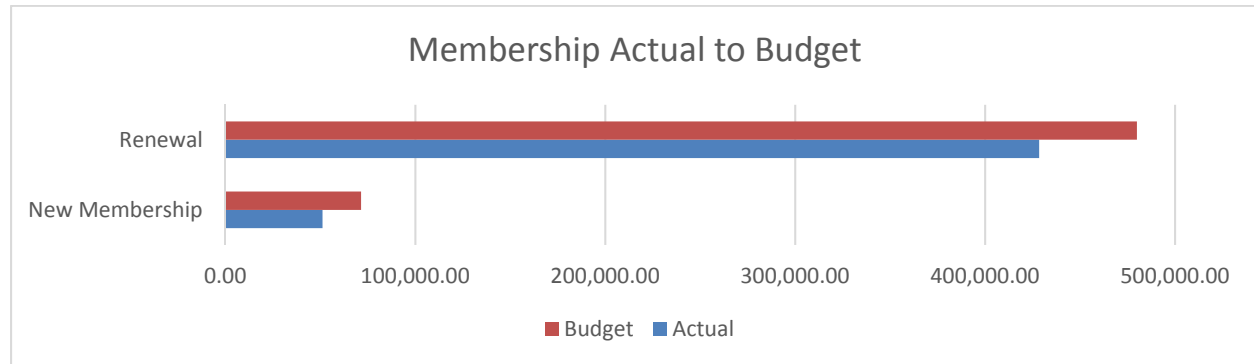
## MHTA STAFF REPORT

### September - October 2019

#### MEMBERSHIP - (Ray Hoover)

New Members:

Caring Bridge	Anaplan
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#### **Renewals**

Renewal budget : 490,000  
 Renewal PTG: 428,503

#### **New Membership**

New membership budget: 75,000  
 New membership PTG: 51,170

#### Assessment

Membership continues to struggle as we work to provide value for member companies. Anecdotally, member companies who have cancelled cite decreased value for membership in two categories:

1. An increased focus on IT sector issues at the expense of other industries
2. A decrease in event attendance or other engagement, which has led to the assertion that there is little benefit outside of event discounting.

Despite staying in more constant contact than in years past by expanding renewal contact attempts and creating monthly membership emails with opportunities and discounts, members who do not attend events are much more likely to drop. Among the cancelled memberships, many have had contact at least once a month from MHTA but have not attended an event all year.

MHTA has experienced a third reason for membership cancellation, which has been a point of emphasis dating back to last year:

3. MHTA has one champion at the company, or few employees utilizing MHTA services.

Collateral has been created to emphasize how employees across the organization can benefit from utilizing MHTA resources, and on-boarding meetings have been amended to encourage large groups to attend. Still, when an employee who has been MHTA's largest advocate leaves it creates a void that is difficult to fill when it comes time to renew, especially if companies do not engage with MHTA in different ways. MHTA lacks current contacts in our database to continue the membership discussion. Honeywell is currently the best example of this.

### **Membership Initiatives**

- New membership discussions are ongoing with 50 companies, more than half of which are with companies whose annual membership would exceed \$10,000. As many of the conversations Ray is having are with business development leads interested in an ROI for those purposes, Jeff's work developing relationship with C-suite employees can help move the conversations along or circumvent them entirely. This will help enormously with practitioners and large companies utilizing technology interested in the health of the sector.
- Jeff and Ray have developed a plan to bring in companies through a series of emails, meetings and targeted call time to potential members.
- Collateral created at the beginning of the year to capture achievements in 2018 have been updated to reflect progress in 2019. This piece of collateral helps tell MHTA's story and is a persuasive part of recruitment strategies.
- An opportunity to lead on the creation of a Minnesota Innovate book will be utilized as an opportunity for members and a recruitment tool for new members. MHTA will lead in creating the content, and the book will be produced at no cost to the organization. Communication to member companies will begin in October.

### **Current Major Open Renewals**

Honeywell, Patterson, Ecolab, Pearson VUE

### **Potential Cancellations/Reductions**

Genesis10, Science Museum of Minnesota, 3M

### **Sponsorship**

Sponsorship continues to perform well. WLIT has now sold 6 event sponsorships for the October event, and Bids and Bytes met its goal.

Current efforts are being focused on the Tekne Awards, where we are 62% to goal with 7 weeks to go. Past sponsors have all been reached out to multiple times, in addition to finalist companies, vendors, and Board companies.

Please consider whether your organization can sponsor the Tekne Awards this year.

### **OUTREACH & EVENTS - (Patty Carruth)**

#### **ACE:**

- 24 participants
- Final presentations to the Board are on Friday, October 11<sup>th</sup>.
- Celebratory happy hour will be TBD November/December

### **Bids & Bytes – Wed, 9/25/19 – Preliminary Recap**

**STEM wins big!!**

<b>Income Component</b>	<b>Goal</b>	<b>Actual</b>
Sponsorship	\$24,500	\$24,500
Registration	\$5,000	\$5,675
Live Auction	\$28,600	\$45,000
Giving Moment	\$15,000	\$28,500
Silent Auction	-	\$3,255
<b>Total Income</b>	<b>\$73,100</b>	<b>\$106,930</b>

Expenses – Total is pending. Most elements are coming in at budget or below.

### **WLIT – Tues, 10/22/19**

#### Attendance

- 155 registered with 10 days to go. Goal is 180. Will meet or exceed.
- Registration fees at \$4370. Goal \$5400.

#### Sponsors

- Annual: Comcast Business, Computex, Mayo, Nutanix.
- 100% of annual sponsor goal.
- Event: Amazon, Best Buy, Microsoft, NetApp, Prime Therapeutics
  - 100% of Q4 event sponsorship goal

### **CIO Forum – Thursday, 11/14/19**

Topic: What's happening with the Cloud?

Hosted by Schwan's Food Company

Registration opening soon

#### Speakers:

- Haseen Alam, CIO, SMART 1 Solutions
- Mark Gingrich, CIO, Surescripts
- Ryan Masanz, CTO, Self Esteem Brands
- Matt Pammer, CIO, Prime Therapeutics

CIO Forum sponsorships for 2019 are sold out

Sponsors for this quarter: Computex and Microsoft

### **Premier Screening of *Solid State: Minnesota's High Tech History* – Tues, 10/8/19**

TPT Studio, St. Paul. 3-6 p.m.

- 125 people in attendance + MHTA
- Event costs covered by 3 sponsors: Accenture, Unisys and Steven Lundberg
- On air Sunday, Oct 13 at 8 a.m. and 7 p.m.
- Opportunity for viewing parties

### **Tekne Awards – Wed, 11/20/19**

- Sponsorship: \$65k to date. \$105k goal. 62% attainment
  - Presenting sponsors: Optum and Thomson Reuters
  - Gold sponsors: Best Buy, Padilla, Twin Cities Business
  - Silver sponsors: AT&T, Comcast, Robins Kaplan
  - Bronze sponsor: Accenture, Target, Xcel
- Ticket/table sales
  - Goal: \$100,100



- Actual to date: \$40,755
- 41% attainment
- Approximately 43 tables to date. Goal 74. 58% attainment

### **SciTechsperience Internship Program - (Becky Siekmeier)**

- The new SciTech program year began on September 1.
- We will place at least 200 students in the 2020PY. As of October 8, 13 students have already been hired.
- Staff have been and will continue to communicate the need for employers to plan ahead (due to the reduction in funding from the 2019 legislative session), that funding is available on a first come, first hire basis. We expect to allocate all wage matches around mid-April.
- Fall career fairs are in full swing. Staff are working with student groups that represent women and students of color as our priority for campus and classroom visits, and will continue to attend all the major career fairs. We hope to exceed our excellent recruiting numbers last year, where we 57% of applicants were women and students of color.
- The SciTech team is looking at ways to increase employer readiness for hosting interns. Staff will be attending a number of events during TCSW that are related to diversity and inclusion in the workplace, and will be on the lookout for potential webinar presenters. Outreach to the Center for Economic Inclusion to partner with SciTech on presenters is also underway.
- DEED has approved our proposal for a Student Ambassador Program (SciTech Campus Champions). Our goal is to train at least 10 students at targeted colleges to help spread the word about SciTech with women and students of color. We hope to launch the program in January.
- Staff will be launching the SciTech Champions program this week with employers. The program provides materials to people who are excited about SciTech, making it easy for them to share information with their networks.
- Work has begun on the 2019PY annual report. Stay tuned for more on this.
- Staff are wrapping up reimbursements for the 2019PY; there are roughly 30-35 outstanding claims to date.

### **Public Policy – (John Dukich)**

The Legislature is in recess until February 2020. MHTA's Government Affairs Committee will begin meeting this fall to plan for the 2020 Legislative Session.

### **MNSBIR – (Pat Dillon)**

MHTA is the Governor's designated resource to bridge the gap between Minnesota's next generation technology firms and SBIR/STTR funding.

Our new program year started September 30, 2019.

### **Funding**

- MNSBIR will seek educational funding from Launch Minnesota to satisfy its cash match requirement, per the SBA cooperative agreement.
- Launch Minnesota is a new initiative spearheaded by Minnesota's Department of Employment and Economic Development (DEED). Designed in consultation with legislators from both parties,

and alongside dozens of private sector leaders, the program exists to help grow Minnesota's startup ecosystem.

- The director assisted DEED and Launch Minnesota with its SBIR/STTR Phase II Matching Program application. The funding is only available to first time Phase II recipients.

### **Programmatic**

- Launched the SBIR/STTR Accelerator to win \$3-5 million in funding to support the next generation of products and services. Success metrics include: 120 companies; 10 cohorts; 75 proposals; and ~\$20M in requests.
- The director updated the MNSBIR website content to reflect the new SBA FAST program year.
- The director will present as part of the Twin Cities Startup Week Healthcare Track scheduled for October 14<sup>th</sup>.
- The director reviewed four proposals as a member of the University of Minnesota, College of Biological Sciences (CBS), ICE (Innovation, Collaborate, Entrepreneurship); a CBS Biotechnology Initiative.
- The director was not selected to serve on the Launch Minnesota Advisory Board.

### **Awards – FY19 - \$57M**

- FY19 National Institutes of Health SBIR/STTR Funding — \$39M
- FY19 Department of Defense SBIR/STTR Funding – Estimated to be \$18M
- There are other agencies that funded R&D in Minnesota companies. The full report will be available at the Tekne Awards.

### **Mentoring**

MNSBIR provided business and technical assistance to 69 firms along with numerous interactions with people and organizations in the startup ecosystem.

**Updated** - *THIS PROJECT WAS NOT SELECTED FOR FUNDING. VERY DISAPPOINTING!* \$1.4M National Institutes of Health SBIR Phase II project. The project included six clinical sites around the country to demonstrate the effectiveness of a new therapy for GERD (Gastroesophageal reflux disease) – acid reflux.

### **OPERATIONS & FINANCIAL- (Lonni Ranallo)**

September financials are complete. Net income is \$15,055 vs a budget of \$95,932 running \$86K behind budget. Membership is running \$72K behind plan. SBIR final quarter receivable is entered, along with the Business Development Grant receivable also entered. SciTechsperience is running close to plan, although internship reimbursements will be below what was budgeted. This does not affect the bottom line. We are projecting year end net income at -88K.