

Contact: Anthony Girardi

UNIVERSITIES' GROW IOWA VALUES FUND REPORTS

Action Requested: Receive the reports.

Executive Summary: The universities have provided early reports of progress on initiatives funded by the Grow Iowa Values Fund. The reports describe substantial first steps. Complete institutional reports are included in the Regents Exhibit Book and are posted on the Board of Regents web site with the electronic version of this memo.

Background:

The 2005 Iowa General Assembly's House File 809 appropriated \$5 million annually through FY 2015 to the Board of Regents through a reconstituted Grow Iowa Values Fund. In September, 2005, the Board of Regents approved the Regent universities' plans for how each would direct a share of these appropriations in FY 2005-2006. The universities received FY 05-06 funds in November, 2005.

With the approval of the Board of Regents, this report and complete institutional reports will be forwarded to the Governor and the General Assembly. The first annual report to the Governor and the General Assembly, however, is not required until after the current fiscal year has ended.

Summaries of Institutional Progress Reports

A brief summary of institutional reports follows. The universities' complete reports include information on matching funds sources, available data on metrics for evaluating results, and revenues and expenditures.

University of Iowa – Total Budget \$1,925,000

The university reports that it has committed \$1.586 million (plus equivalent matching funds) of the FY 05-06 award of \$1.925 million.

1. **Phase I Program: ISTART - Iowa Startup and Entrepreneurship Fund (\$1,400,000).**
The university's September, 2005 proposal indicated this program will support a competitive RFP process to identify and support commercialization projects. The university's progress report describes work on seven activities related to this program; many of these activities were identified in the university's proposal as examples of projects qualifying for support.
 - A. The university has begun evaluating new UI research projects for commercialization potential and anticipates being able to seed some of these projects to "proof of concept" in the Spring of 2006.
 - B. The university has done architectural planning for renovated wet lab space in the BioTIC to address the requirements of a new biotech tenant. Renovations are expected to begin in spring of 2006.
 - C. The university has committed support to student startup company Bio::Neos for its transition to corporate status in the Technology Innovation Center.
 - D. The university has begun renovation of conference and reception space in the Technology Innovation Center.
 - E. The university has committed support to the Office of Corporate Partnerships for marketing, publicity, and corporate support programs as well as for creation of new space for the *Iowa Centers for Enterprise*. The *Iowa Centers for Enterprise* will consolidate all SUI economic development and technology programs into one location.
 - F. The Office of the Vice President for Research has established a college liaison function to help mine intellectual property opportunities and startup prospects.

G. The university has budgeted support for the John Pappajohn Entrepreneurial Center to add consultation services in new business development and faculty entrepreneurship assistance.

2. Phase II Program: IGROW - Iowa Growth and Development Fund (\$525,000)

The purpose of this program is to fund investment for long-term growth of Iowa-based businesses. The university's progress report indicates that the University of Iowa has recruited an eminent researcher and administrator to direct the Center for Biocatalysis and Bioprocessing.

Iowa State University – Total Budget \$1,925,000

The university reports that it has not yet expended any FY 05-06 GIVF money.

1. Commercialization Infrastructure and Campus-Wide Entrepreneurial Culture (\$600,000)

This share of GIVF funding is intended to strengthen important elements of the existing commercialization infrastructure. The university reports that affected units have developed expenditure plans and budgets.

2. Commercialization Program (\$825,000)

This share of GIVF funding supports a biannual request-for-proposals (RFP) process on campus to solicit new commercialization opportunities. The university's complete progress report describes actions to date. These include, among others:

- A. A university-wide competitive RFP process was initiated on October 26th, 2005.
- B. Proposals were submitted to their respective college or the Vice Provost for Research by December 1. Forty-seven proposals were received from faculty across campus.
- C. Economic Development staff have reviewed all proposals and provided funding recommendations.
- D. The university's Proposal Review Committee will consist of representatives from the Council of Deans, the Office of the Vice Provost for Research, the Office of the Director of the Institute for Physical Research and Technology, the Office of the President of the ISU Research Park/Pappajohn Center, an Iowa venture capitalist and the state Technology Officer. The Proposal Review Committee will meet January 20th to review the proposals and make final funding recommendations to the President and Provost.

3. Specific short-term projects for Year 1 funding (\$500,000)

This share of GIVF funding is intended to fund immediate commercialization opportunities. Companies have submitted written proposals that include project descriptions, economic impact estimates and budgets including matching funds. Companies are currently reviewing funding contracts.

University of Northern Iowa – Total Budget \$950,000

The University of Northern Iowa proposed funding for five project areas. A summary of the university's report on progress in each area follows. The university reports GIVF expenditures at \$250,000 plus \$886,000 in matching support.

1. Technology Transfer and Business Incubation (\$310,000)

University accomplishments in this area include the following examples:

- A. The Office of Intellectual Property has been reorganized and expanded.
- B. The Office of Sponsored Programs has been created to improve grant-seeking and grants administration.
- C. In October, 2005, the university conducted a campus-wide conference on commercializing creative endeavors.
- D. The university has initiated a competitive faculty research incentive grants program, with awards to be made by March 1, 2006.

2. Rural Entrepreneurship (\$155,000)

UNI's existing MyEntreNet program provides capital, training, and networking opportunities for rural entrepreneurs. Work began in July to launch MyEntreNet's entrepreneurial development system in Clayton, Delaware, and Fayette counties. Between July and December 2005, twenty-three events were hosted both online and onsite in NE Iowa. A statewide call for proposals for prospective new MyEntreNet regions received nine applications from across Iowa. An applications review team includes representatives of the Iowa Department of Economic Development and ISU Extension.

3. Market Research (\$120,000)

This share of GIVF funding assists Strategic Marketing Services in providing market research for Iowa businesses. The university's report names 15 completed projects and five potential new projects in market research, planning and assessment, and technology transfer assistance.

4. Capacity Building and Implementation for Regional Development (\$140,000)

This share of GIVF funding provides support to the Institute for Decision Making (IDM) in its efforts to assist county and community leadership to establish regional economic development organizations or programs. Specific project objectives include facilitating the formation or advancement of economic regions. Activities in this category include regional projects in Southwest Iowa, Northeast Iowa, Western Iowa, North Central Iowa, and Southern Iowa.

5. National Ag-Based Lubricants (NABL) Center (\$225,000)

GIVF funding is intended to expand the center's technical capability and staff resources. The center has begun acquisition of new laboratory equipment. Equipment manufacturers have tested and calibrated existing laboratory equipment. In addition, NABL scientists have completed manufacturers' on-site training in the use of numerous instruments. Standard operating procedures have been established and documented for about half of the center's laboratory equipment and processes.