

**Minutes**  
**Missouri Technology Corporation Audit and Finance Committee**  
**Tuesday, January 23, 2018**

The Audit and Finance Committee (the “Audit Committee”) of the Board of Directors of the Missouri Technology Corporation (the “MTC”) met on Tuesday, January 23, 2018, beginning at 3:30 p.m. The meeting was held via conference call.

Members Participating:

Dr. Jim Baker	Chair
Jason Hall	Member (Departed at 3:50 p.m.)
Erv Switzer	Member
Mike O’Connell	Member

Staff and Legal Counsel Participating:

Bill Anderson	MTC Executive Director
Dan Kaemmerer	MTC Staff
Bill Vega	MTC Staff
Amy Steinman	MTC Staff
Tom Litz	Thompson Coburn LLP

**WELCOME AND CALL TO ORDER:**

Chair Baker called the meeting to order at 3:32 p.m. and declared a quorum to be present with four members of the Audit Committee participating, including Mr. Switzer, Mr. Hall, Mr. O’Connell and Chair Baker.

**APPROVAL OF MINUTES:**

Chair Baker asked if there were any comments on the draft minutes of the Audit Committee’s meeting held August 28, 2017, which had been made available to the Audit Committee prior to the meeting. On motion by Mr. O’Connell, seconded by Chair Baker, the following resolution was unanimously approved:

**RESOLVED**, the Audit Committee hereby approves the minutes of its meeting held August 28, 2017, as submitted.

Mr. Switzer abstained, due to not be on the committee at the time of this meeting.

**REVIEW EXPENSE REPORT FOR APPROVAL:**

Chair Baker asked Director Anderson to review a request for reimbursement for Mr. Anderson for travel expenses incurred in November 2017. A copy of the expense report had been made available to the Committee prior to the meeting. Per MTC’s Travel Policy, adopted on October 26, 2012, the Audit Committee must approve any expenses claimed for travel that occurred more than 30 days prior to submission for reimbursement.

On motion by Mr. O’Connell, seconded by Mr. Switzer, the following resolution was unanimously approved:

**RESOLVED**, the Audit Committee hereby approves the November 2017 expense report for Bill Anderson as submitted, pursuant to the Audit Committee’s authority as set forth in the MTC Travel Policy adopted on October 26, 2012.

**REVIEW SHORT-TERM INVESTMENTS:**

Chair Baker asked Director Anderson to review MTC’s short-term cash investments. Director Anderson stated this meeting served as the regular Audit Committee review of the Short-Term Investment Policy.

Ms. Steinman presented a scenario illustrating the advantages of investing in U.S. Treasury or Agency Notes vs the current overnight repurchase agreement. With the current market conditions it is advisable for the MTC to pursue the short-term investment strategy to earn additional interest without incremental investment risk. Director Anderson advised that, based on a \$10,000,000 assumed investment, MTC would have ample cash balances for its requirement to fund planned awards and investments, as well as ordinary course operations.

On motion by Mr. O'Connell, seconded by Mr. Switzer, the following resolutions were unanimously approved:

**RESOLVED**, the Audit Committee on behalf of the MTC Board hereby authorizes the purchase of United States Treasury and Agency Securities through Central Bank in the amount of \$10,000,000 of funds held by the MTC; and

**FURTHER RESOLVED**, the Audit Committee hereby authorizes the Executive Director on behalf of the MTC to execute and deliver all documents relating to such investments.

**REVIEW OF Q2 TREASURER'S REPORT:**

Director Anderson reviewed the Second Quarter Treasurer's Report. Director Anderson stated all reports had been uploaded to BoardPaq for review prior to the meeting.

**CLOSED SESSION**

On motion by Chair Baker, seconded by Mr. O'Connell, the following resolution was approved by roll call vote as follows:

**RESOLVED**, the Audit Committee hereby approves entering into Closed Session at 3:44 p.m. pursuant to Sections 610.021 (1), (14) and (17) RSMo.

Chair Baker     aye  
Mr. Switzer     aye  
Mr. Hall         aye  
Mr. O'Connell   aye

3:50 p.m. Mr. Hall dropped of the call.

On motion by Chair Baker, seconded by Mr. O'Connell, the following resolution was approved by roll call vote as follows:

**RESOLVED**, the Audit Committee hereby reconvenes from Closed Session at 3:52 p.m.

Chair Baker     aye  
Mr. Switzer     aye  
Mr. O'Connell   aye

Chair Baker reported that the Audit Committee took no action in Closed Session after a discussion confined to the matters stated above. The Audit Committee continued its discussion in Open Session.

**DISCUSS MTC INVESTMENT VALUATION POLICY:**

Director Anderson presented the committee with three valuation policies from other companies similar to MTC. Director Anderson explained that a policy needs to be composed to have the fair value of our investments and notes on our balance sheet. The draft policy will be discussed further at the January 25, 2018 board meeting.

**ADJOURNMENT:**

Having no further business on the agenda to discuss, a motion was made by Chair Baker and seconded by Mr. Switzer to adjourn the meeting. The Audit Committee hereby adjourns at 3:56 p.m.