

**ILLINOIS VENTURES, LLC  
BOARD OF MANAGERS  
MEETING MINUTES  
October 11, 2022  
11:01 a.m. – 2:12 p.m. CDT**

**EnterpriseWorks – McMillan Meeting Room  
60 Hazelwood Drive  
Champaign, IL 61820**

**Call to Order**

Chair McMillan called the meeting to order at 11:01 a.m. CDT and asked Secretary Suseelan Pookote to take attendance. Secretary Pookote took roll and confirmed that there was a quorum of voting members. Present and participating were:

**Voting Members**

Ed McMillan  
Mike Tokarz (via Zoom)  
Dennis Hesch  
Guy Padbury (via Zoom)  
Sarah Phalen (via Zoom, left around 1:58 pm)  
Debbie Paul  
Todd Lillibridge  
Joanna Groden (left around 1:00 p.m.)  
Susan Martinis  
Nate Hoffmann  
Suseelan Pookote  
Jeff Brown

**Non-Voting Members**

Jay Walsh  
Nancy Sullivan

**Others Present**

Andrea Schneider  
Andrew Allen  
Tom Parkinson  
Nancy Harvey  
Patrick Casey  
Christopher Valera

**Action Item: Approve Minutes of the July 12, 2022 Meeting of the Illinois Ventures, LLC**

**Board of Managers**

No issues or corrections were noted regarding the minutes of the July 12, 2022 meeting of the Illinois Ventures, LLC Board of Managers. **Chair McMillan accepted a motion to approve the minutes of the July 12, 2022 meeting of the Illinois Ventures Board of**

**Managers. The motion was made by Dr. Brown, seconded by Mr. Lillibrisge, and approved unanimously.**

**Action Item: Board Elections**

Chair McMillan informed the Board that he would be stepping down as Chair, leaving a vacancy in the role. Per the Illinois Ventures Operating Agreement, Section 6.5 states that “The Chair shall be elected by the Managers”. The Chair shall preside at all meetings of the Managers and shall perform all such other duties as are properly required by the Managers. The Chair will also be added to the Executive Committee by virtue of the position. Chair McMillan opened the floor to nominations.

**Mr. Hesch nominated Mr. Tokarz for the position of Chair. The nomination was seconded by Dr. Brown. There were no other nominations.**

**Secretary Pookote took a vote to elect Mr. Tokarz as Chair. The Board unanimously elected Mr. Tokarz as Chair of the Illinois Ventures Board of Managers.**

Both Ms. Sullivan and Mr. Tokarz thanked Mr. McMillan for his hard work and unwavering support of Illinois Ventures.

Through Mr. Tokarz’s election as Chair, there was a vacancy on the Executive Committee. Per the Illinois Ventures Operating Agreement, Section 7.2 states that “The Executive Committee shall have the authority to exercise the powers of the Board of Managers, as delegated by the Board of Managers from time to time, and in addition, shall exercise the authority of the Board of Managers at such times that action is necessary and it is impractical to convene a meeting of the Board of Managers or to seek written consent of the Board of Managers.” Chair Tokarz opened the floor to nominations.

**Dr. Martinis nominated Mr. McMillan. The nomination was seconded by Dr. Brown. There were no other nominations.**

**Secretary Pookote took a vote to elect Mr. McMillan to the Executive Committee. The Board unanimously elected Mr. McMillan as a member of the Executive Committee of the Illinois Ventures Board of Managers.**

**Discussion Item: Report for the Compensation Committee**

Mr. Lillibridge, Chair of the Compensation Committee, informed the Board that the Committee met on September 13<sup>th</sup> to: review and approve the FY23 Incentive Compensation metrics, review the Committee's activities for FY22, complete Committee and self-assessments, review executive session minutes for potential release (of which no minutes were released), and review and approve FY23 employee bonus targets.

**Discussion Item: Confirmation of Appointment to the Finance and Audit Committee**

Chair Tokarz informed the Board that the Charter of the Finance and Audit Committee states that “the members of the Finance and Audit Committee shall be appointed by the Chair of the Board of Managers”. On Wednesday, August 3rd, Ed McMillan, who was Board Chair at the time, informed Ms. Sullivan via email that he would be appointing Paul Ellinger as a member of the Finance and Audit Committee. The members of the Committee are as follows: Mike Tokarz as Chair of the Committee, Dennis Hesch, and Paul Ellinger.

**Discussion Item: Report from the Finance and Audit Committee**

As Chair Tokarz was having microphone issues, Ms. Sullivan provided an update report from the Committee. The Committee met on September 13 to: discuss the FY22 Year End

Actual vs. Budget financials, discuss the FY22 Audit Process, discuss the preliminary FY23 Operating Budget, discuss the FY23 Actual vs. Budget Financials through July 2022, review the Committee Charter, review the Committee's activities for FY22, complete Committee and self-assessments, approve the CY2023 Meeting Schedule, and review and approve executive session minutes for potential release (of which the minutes from the June 16, 2021 meeting were released).

Copies of the FY22 Year End Actual vs. Budget financials, and FY23 Actual vs. Budget financials through July 2022 were included in the packets for review.

**Discussion Item: FY23 Operating Budget**

Ms. Sullivan reminded the Board that FY23 Requests were set at the FY22 Appropriation amount plus: 1) a 3.5% raise to be covered by the Office of the Vice President and Chief Financial Officer, 2) a one-time \$150,000 to support the launch of the Angel Network; approval by the University received on June 30<sup>th</sup>, and 3) a one-time top-off of the Evergreen Fund per the MOU which was received on August 31.

The University Operating Budget was approved during the September Board of Trustees meeting on September 22, and the Operating Group was seeking approval from the Board of Managers for the FY23 Budget. No changes have been made to the Budget numbers since last presented in July and the Budget had been reviewed by the Finance and Audit committee.

**Action Item: FY23 Budget**

**A motion to approve the FY23 Budget was made by Mr. Tokarz, seconded by Mr. Lillibridge, and approved unanimously.**

### **Discussion Item: Economic Impact Update**

Mr. Valera led a discussion on Illinois Ventures portfolio companies' economic impact. As of June 30, 2022, Illinois Ventures and Illinois Emerging Technologies Funds portfolio companies, both active and inactive, have raised \$2.70B in third-party investments since the inception of Illinois Ventures. Illinois Ventures and the Illinois Emerging Technologies Funds, also since inception, has invested over \$59M in 107 companies. For every \$1 invested by Illinois Ventures and Illinois Emerging Technologies Funds, approximately \$46 of funding was invested by others to advance the company development, which in some instances preceded Illinois Ventures and Illinois Emerging Technologies Funds investment. In terms of job data, companies reported 408 jobs in Illinois as of June 30, 2022.

Discussion regarding the data occurred throughout the presentation.

### **Discussion Item: Strategic Planning Discussion: Board Discussion and Education**

Ms. Sullivan gave a presentation reviewing the history of Illinois Ventures including its original creation, the mission and vision of the organization, and the various programs it has run over the years.

Then, Andrew Allen, Assistant Dean of Strategic Engagement & Experience in the Gies College of Business, led the Board in a discussion and activity. Responses from the activity, which listed out things the participants “like, wonder, and wish” for Illinois Ventures, would be used to help shape the initial stage of the Strategic Planning process.

### **Executive Session**

**Chair Tokarz accepted a motion to move into Executive Session to: (i) discuss and approve Executive Session minutes of the last meeting; (ii) discuss and review prior**

Executive Session minutes for potential release; (iii) discuss investment, business, marketing and other confidential financial information and strategies pertaining to the Illini Angel Network which, if disclosed, would cause competitive harm; and (iv) discuss matters pertaining to the sale or purchase of securities, investments or investment contracts and confidential financial and proprietary information of companies currently in Illinois Ventures's portfolio, managed by Illinois Ventures, or in its pipeline which, if disclosed, would cause competitive harm. In addition, only the members and officers of Illinois Ventures and others who are directly involved in the matter which is the basis for the closed meeting may attend the meeting.

The motion was made by Dr. Pookote, seconded by Dr. Paul, and approved unanimously.

Chair Tokarz suspended the meeting at 1:58 p.m. CDT to move into Executive Session.

#### **Reconvene/Roll call**

Open Session was reconvened at 2:09 p.m. Secretary Pookote took attendance and confirmed that there was a quorum.

#### **Action Item: Approval of Executive Session Minutes for Release**

Chair Tokarz accepted a motion to continue to withhold the release of executive session minutes that have not been released to date. It was so moved by Dr. Pookote, seconded by Mr. Lillibridge, and approved unanimously.

**Action Item: Approval of Buyout Offer**

Due to timing, the vote on the buyout offer had been deferred to an email vote.

**Public Comment**

The Board allows for a public comment session during each meeting. Requests to appear before the Board to make comments must be received by the Secretary no later than three business days before the Board meeting at which the individual wishes to speak. The Secretary received no requests for this meeting.

**Adjourn**

**There being no new or old business, Chair Tokarz accepted a motion to adjourn the meeting of the Illinois Ventures, LLC Board of Managers. It was so moved by Dr. Pookote, seconded by Mr. Lillibrige, and approved unanimously.**

**The meeting was adjourned at 2:12 p.m. CDT.**

Respectfully submitted,

Christopher Valera

*On behalf of Suseelan Pookote, Board Secretary*