BOBBY JINDAL
GOVERNOR

ANGELE DAVIS
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of Contractual Review

June 4, 2009

Ms. Chris Stewart
State Contracts/Grants Reviewer
Department of Economic Development
Post Office Box 94185
Baton Rouge, LA 70804-9185

Dear Ms. Stewart:

Enclosed are approved copies of the following amendment submitted to us and received in our office on May 15, 2009.

Department of Economic Development
OCR# 252-900826 AMENDMENT # 01 CFMS # 665587
New Orleans BioInnovation Center

We appreciate your continued cooperation.

Sincerely,

Sandra G. Gillen

Sandra G. Gillen, CPPB
Director

SGG/pl

Enclosure

RECEIVED
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CONTRACTS/GRANTS REVIEWER

#665587
252-900826 01

First Amendment

to

COOPERATIVE ENDEAVOR AGREEMENT BETWEEN THE STATE OF LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT AND New Orleans BioInnovation Center, Inc.

Be It Known, that effective as of the 1st day of **May, 2009**, the **Louisiana Department of Economic Development**, P. O. Box 94185, Capitol Annex Building, 1051 North 3rd Street, Baton Rouge, Louisiana 70804-9185 (hereinafter sometimes referred to as "**LED**" or "**State**"), and **New Orleans BioInnovation Center, Inc.** (hereinafter sometimes referred to as "**Contractor**"), do hereby enter into this First Amendment to **Contract CFMS# 665587, Cooperative Agreement OCR# 252-900826,** dated as of **July 1, 2008,** under the following terms and conditions.

PURPOSE: To amend Budget, Term, Attachment A, and Attachment B

SECTION AMENDED: I. Introduction

WHEREAS, an Act of the 2008 Regular Session of the Louisiana Legislature, which was adopted in accordance with Article VII, Section 10, of the Constitution of the State of Louisiana, which is the appropriation for the expenditure of State funds, contains an appropriation for the Department of Economic Development which includes funding for the support of the New Orleans BioInnovation Center, Inc., of which appropriation the sum of **SEVEN HUNDRED NINETY-NINE THOUSAND NINE HUNDRED TWENTY AND NO/100 ($799,920.00) DOLLARS** has been allocated for this project.

And in accordance with Article VII, Section 14 (c) of the Constitution of the State of Louisiana, in order to serve the public for the purposes hereinafter declared, the Louisiana Department of Economic Development and the New Orleans BioInnovation Center, Inc., have entered into this Cooperative Endeavor Agreement.

Vision 2020 is the Master Plan for Economic Development for the State of Louisiana; and in support of the goals of Vision 2020, the Contractor proposes to undertake the programs and projects as described under Section II, "Scope of Services" below.

The mission of the Contractor is to facilitate economic development throughout Louisiana from the development of a biotechnology research and development facility in the City of New Orleans.

This project has a public purpose, and is in the public interest of the State of Louisiana and its citizens.

SECTION AMENDED: II. Scope of Services

The **Goal** of this contract is to enable the Contractor to facilitate economic growth and development through the creation of new jobs, diversification of the local economy and revitalization of an economically depressed area of the City of New Orleans.

The **Objective** of this contract is to provide LED support and financial assistance to the Contractor, in order to facilitate and stimulate progress toward the accomplishment of the goals of the Contractor and this contract, as outlined above.

And in connection therewith, the Contractor shall provide the following services:

1. Contractor shall produce and provide to LED and the Legislative Auditor, a "Plan" showing activities, specific goals, objectives and measures of performance (attached hereto as "Attachment A"), and a comprehensive Budget showing anticipated uses of the appropriated funds (attached hereto as "Attachment B"), including line item expenditures ("Exhibit B-1").
2. With separate funds, include capital funding from LED, Contractor shall construct, develop and manage the facility that shall include a wet-lab incubator. Not withstanding any other provision in this agreement, it is understood that construction of this project will not be completed during the term of this contract.
3. Contractor shall create new jobs and economic development for the region in biomedical research.
4. Contractor shall increase national and international visibility for the state, its academic institutions, and its economic development efforts.
5. Contractor shall produce and submit to LED written semi-annual Progress Reports, not later than **December 31, 2008**, **June 30, 2009**, **December 31, 2009**, and **June 30, 2010** on work performed to date on this contract, providing a narrative description of the contractor's resources, initiatives, performance, activities, and achievement of specific goals and objectives consistent with the provisions, goals and objectives of its "Plan" and this Agreement.

SECTION AMENDED: III. Deliverables

Contractor will provide to LED: (1) a "Plan" showing activities, specific goals, objectives and performance measures, (attached to this Agreement as "Attachment A"); (2) a comprehensive Budget, showing anticipated uses of the appropriated funds (attached hereto as "Attachment B"), including line item expenditures ("Exhibit B-1"); (3) written semi-annual Progress Reports that provide a narrative description of the Contractor's activities, and outlines the progress of the Contractor's performance, activities and initiatives consistent with the provisions, goals and objectives of this Agreement; and (4) Cost Reports ("Attachment C") for reimbursements.

Contractor shall also submit to LED copies of all contracts with outside consultants and service providers relative to the performance of services under this Agreement, if any, after the final execution thereof.

"Exhibit B-1" reflects estimated line item expenditures for which individual items may be subject to a 25% variance within the total appropriation of **$799,920.00** provided for by Legislative Acts for the Fiscal Year 2008-09 and Fiscal Year 2009-10.

SECTION AMENDED: VII. Budget

The Budget for this project is incorporated herein as "Attachment B" and "B-1", which are attached hereto, incorporated herein and are made a part hereof by this reference. The total cost to LED for the operating budget for this fiscal year for the project contemplated by this Agreement will be not more **SEVEN HUNDRED NINETY-NINE THOUSAND NINE HUNDRED TWENTY AND NO/100 ($799,920.00) DOLLARS,** which sum shall be inclusive of all costs or expenses to be paid by LED in connection with the services and activities required by this Contract. The total billings for all services and expenses covered by this agreement shall not exceed the total amount stated above. This sum was allocated for this project out of the funds appropriated for the Department of Economic Development, which includes funding for support of the New Orleans BioInnovation Center, by an Act of the 2008 Regular Session of the Louisiana Legislature.

No state funds shall be paid for any one phase of this agreement that exceeds the expense categories shown on the Budget attached as "Attachment B" or "B-1", nor shall any new expense category or categories be created in the Budget by the Contractor, without the prior written approval of LED. Contractor may make written requests to LED for LED's approval to transfer funds between the categories listed in "Attachment B", and/or to create in the Budget any new expense category or categories, and after LED's written approval is obtained and LED's Fiscal Office is notified, such changes may be made.

SECTION AMENDED: VIII. Payment Terms

In consideration for the services and activities described above, payments to the Contractor shall be made by LED on a reimbursement basis, if Contractor's progress is to the reasonable satisfaction of LED, after receipt from Contractor and approval by LED of Cost Reports requesting reimbursement, and certifying that such expenses have been incurred and that provide documentation of the expenses. Contractor's submission of such Cost Reports shall constitute a certification that such expenses have been incurred and such reimbursement is now due. LED has provided the form for the Cost Reports which are to be completed and submitted by the Contractor, which form is attached hereto, incorporated herein, and is made a part hereof as "Attachment C". All original documentation supporting the Cost Reports shall be maintained by Contractor, and all of the same shall be subject to audit, as hereinafter stated. Contractor shall determine the time and frequency that such Cost Reports shall be submitted to LED, but such frequency shall not exceed one (1) Cost Report during any calendar month.

Upon execution of this Agreement and approval of the Division of Administration, Office of Contractual Review, an advance payment equal to ten (10%) percent of the aggregate appropriation shall be made to the Contractor. This advance payment will allow the Contractor sufficient working capital to begin to carry out and accomplish its goals and objectives. Should this contract be terminated prior to Contractor incurring costs which cover the advance, the Contractor shall be required to repay the advance payment within thirty (30) days of the termination. Additionally, if the expenses included on the final Cost Report do not fully cover the advance payment, the Contractor shall be required to repay any difference by August 1, 20010.

No payment shall be made to the Contractor, however, until the Contractor's "Plan" ("Attachment A") showing activities, specific goals and objectives (including performance measures), and comprehensive Budget ("Attachment B", including "Exhibit B-1") and are submitted by the Contractor to the Legislative Auditor (and a copy of Contractor's letter of transmittal furnished to LED), which "Plan" and comprehensive Budget are already attached to and form a part of this Agreement. If LED's Contract Monitor determines that the Contractor has failed to reasonably achieve its specific goals and objectives for the disbursement of funds, LED will withhold payment until such goals and objectives are met, unless approval to pay the funds is obtained from either the Secretary or the UnderSecretary of LED, or from the Division of Administration and the Joint Legislative Committee on the Budget.

Travel expenses, if any, shall be reimbursed only in the event that this agreement provides for such reimbursement, such travel expenses are shown in the Contractor's approved Budget, and then only in accordance with and as limited by Division of Administration Policy and Procedure Memorandum No. 49. Invoices and/or receipts for any reimbursable expenses or travel expenses must be provided to LED and attached to periodic Invoices for reimbursement.

SECTION AMENDED: IX. Contract Term

This Agreement shall begin as of **July 1, 2008**; the Contractor's services required hereunder and this project shall be completed as of **June 30, 2010;** and this agreement shall terminate on **July 31, 2010**, unless amended in writing and approved by all parties, including the Director of the Office of Contractual Review.

IN WITNESS WHEREOF, this First Amendment to Cooperative Endeavor Agreement has been signed by the undersigned duly authorized officer of Contractor, for the purposes, uses and benefits herein expressed, in the presence of the undersigned competent witnesses, at Baton Rouge, Louisiana, on 6 day of May, 2009, to be effective as of the date stated above, after a due reading of the whole document.

WITNESSES:

Page A. Young
Signature

Page A. Young
Printed Name

Signature

Justin A Levy
Printed Name

NEW ORLEANS BIOINNOVATION CENTER, INC.

By: _____
Aaron Miscenich, Executive Director

IN WITNESS WHEREOF, this First Amendment to Cooperative Endeavor Agreement has been signed by the undersigned duly authorized representatives of LED, for the purposes, uses and benefits herein expressed, in the presence of the undersigned competent witnesses, at Baton Rouge, Louisiana, on the 12 day of May, 2009, to be effective as of the date stated above, after a due reading of the whole document.

WITNESSES:

Kathy Blankenship
Signature

Kathy Blankenship
Printed Name

Joyce Davidson
Signature

Joyce Davidson
Printed Name

Signature

Printed Name: Bob Fudickar
LED Contract Monitor

LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT

By: _____
Steven Grissom, Deputy Secretary

APPROVED
Office of the Governor
Office of Contractual Review

JUN 04 2009

Sandra D Gillen
DIRECTOR

"Attachment A"

New Orleans BioInnovation Center, Inc.

"Plan", including Activities, Goals, Objectives, and Performance Measures

Our Goal is to facilitate economic growth and development through the creation of new jobs, diversification of the local economy and revitalization of an economically depressed area of the City of New Orleans.

Our Objective is to facilitate and stimulate progress toward the accomplishment of the goals, as outlined above.

NOBIC intends to accomplish all of the following:

1. The construction, development and management of a state-of-the-art wet-lab incubator.
2. Begin operation of a temporary bioscience business incubator to operate while permanent facility is designed and constructed.
3. The creation of new jobs and economic development for the region in biomedical research.
4. The increase of national and international visibility for the state, its academic institutions, and its economic development efforts through participation in local and national business development conferences.
5. Conduct a 'biotechnology inventory' of New Orleans area universities and help partners to access commercial potential of their inventories
6. Begin a business plan training program for bio-entrepreneurs

Performance Measures for services performed in this contract shall include the following:

1. Our timely scheduling and successful construction, development and management of the facility, including a wet-lab incubator, with construction to begin by September 30, 2009. It is understood that construction will not be completed during the term of this agreement.
2. Our successful performance of the following activities:
    a) Our services and activities on development of the facility into a state-of-the-art biotechnology research and development facility.
        i. Complete Programming and Building Design by October 31, 2008
        ii. Begin Construction by September 30, 2009
    b) Our contracting of services and activities to facilitate economic growth.

i. Provide 200 hours of business-consulting services to 12 different local bioscience entrepreneurs to assist in the development of business plans, commercialization strategies, licensing agreements, and other organizational and operational strategies.

c) Our services and activities to increase national and international visibility for the state, its academic institutions, and its economic development efforts.
   i. Market regional community through promotion of local bioscience assets through industry 4 national or international trade shows and conferences.
   ii. Market and coordinate local biosciences assets through publication of 4 quarterly email newsletters, four networking socials, and web site.

3. Opening of a temporary wet-lab business incubator that will operate until the permanent structure is complete. Provide office space, meeting and conference room space, clerical and office technology support, and networking opportunities.
   a) Anticipated Tenants by June 30, 2008: 4
   b) Total Employees in temporary facility by June 30, 2009: 12
4. Commencement of programming in the Greater New Orleans area in support of entrepreneurship within the bioscience community, including the coordination of a quarterly SBIR/STTR training series (with anticipated attendance of 25 to 50 attendees per session), and provision of quarterly networking sessions (with anticipated attendance of 50 to 100 persons per event).
5. Conduct an initial inventory of university-based biotechnologies of the Greater New Orleans area and prioritize these technologies for commercialization. Coordinate with LSUHSC, Tulane HSC, Xavier University and UNO to assess what assets are needed for their local commercialization and help in the provision of missing assets.

"Attachment B"

Budget (2008 – 2010)

New Orleans BioInnovation Center, Inc.

Expense Category	Amount
Personnel	$ 393,397.00
Consulting	47,000.00
Other Costs	338,523.00
Supplies	6,000.00
Equipment	15,000.00
Total	**$799,920.00**

Budget Explanation

Personnel

Personnel costs include base salaries, recruiting costs and fringe benefits estimated at 30% of salary. Personnel include an Executive Director, an Operations Assistant, and Clerical.

Consulting

Consulting Costs include those for legal and management support for development of cooperative agreements and tenant leases, accounting, auditing and marketing of the incubator to prospective tenants. Also included would be consulting affiliated with the development of a business/strategic plan.

Other Costs

Other Costs include insurance, janitorial, utilities, telephone, office equipment rental, travel and miscellaneous startup costs.

Supplies

Supplies include Office Supplies used in normal operations.

Equipment

Equipment is limited to office furniture and equipment.

"Attachment B-1"

Detailed Budget (2008 – 2010)
New Orleans BioInnovation Center, Inc.

Salaries & Benefits	
Executive Director	$206,000
Lab Manager	
Assistant Lab Manager	
Administrative Assistant	50,000
Operations Assistant	69,690
Benefits (30% of Payroll)	67,707
Total Salaries & Benefits	$393,397
Consulting	
Accounting	27,000
Legal	20,000
Other Consulting	
Total Consulting	$47,000
Other Costs	
Rent & Utilities	90,000
Communications	22,000
Insurance	30,000
Marketing	55,000
Memberships	10,000
Parking	6,000
Postage & Delivery	2,000
Travel & Conferences	50,000
Entertainment	-
Misc. expenses	73,523
Total Other Costs	$338,523
Supplies	
Office Supplies	6,000
Maintenance Supplies	-
Total Supplies	$6,000
Equipment	
Common Equipment	15,000
Total Equipment	-
Total Expenses	**$799,920**

"Attachment C"

Cost Report (and Request for Reimbursement)

Contractor Name: **New Orleans BioInnovation Center, Inc.**
Address: **134 LaSalle Street**
New Orleans, LA. 70112
Ph: (504) 680-2973

Cost Categories	Approved Grant Amount	Recent Allowable Expenditures Paid By Contractor	Year To Date Allowable Expenditures	Category Balance After Allowable Expenditures
Personnel	**$ 393,397.00**			
Consulting	**47,000.00**			
Other Costs	**338,523.00**			
Supplies	**6,000.00**			
Equipment	**15,000**			
Total	**$799,920.00**			

I hereby certify under penalty of law that the expense items contained in this Cost Report are true and correct, have actually been incurred, such reimbursement is now due, and this request for reimbursement is submitted in accordance with an Act of the 2008 Regular Session of the Louisiana Legislature, the agreement with LED, the Constitution of the Sate of Louisiana, and all other applicable Federal and Louisiana State laws, rules and regulations.

_____ _____

Aaron Miscenich, Executive Director **(Date)**