

04/18/2011 - From Dale Rodman
At KBA office

Criteria for Kansas Bioscience Authority (KBA) Forensic Audit Engagement

Independence

1. The forensic audit team will be approved by the Governor's representative
2. Progress reports will be submitted only to the Governor's representative
3. The Governor's representative will authorize expansions of scope as he/she deems necessary to fulfill the mission of restoring public confidence in the business operations of KBA
4. KBA will providing funding for expansions of scope at request of the Governor's representative
5. Any allegations of criminal activity including but not limited to fraud, misappropriation of funds and influence peddling will be referred directly by the Governor's representative to the appropriate authorities without notice to KBA Board members or management

Initial Scope of Examination

1. KBA expenditures from inception to the present related to the current and past management and employees of KBA including but not limited to compensation, travel and entertainment
2. Payments and contractual arrangements with all contracted entities engaged by KBA from inception to the present
3. Payments by outside entities from inception to the present including but not limited to compensation, travel and entertainment received by current and past KBA management, employees, and Board of Director members with voting rights
4. Potential conflicts of interest by current and past KBA management, employees, and Board of Director members with voting rights including but not limited to the KansasBio and Kansas Technology Enterprise Corporation
5. Potential conflicts of interest in regards to the awarding of funding from inception to the present from KBA to recipient companies including but not limited to contributors and board members of KansasBio, and employees and board members of Kansas Technology Enterprise Corporation
6. Analysis of funding by KBA of out of state ventures in conflict with KBA's enabling statutory language

Final Report

1. The Governor's representative will approve the point of conclusion of the forensic audit and the resulting final report of the forensic audit and submit it to the KBA board and Governor upon completion. This report will be a public document open to inspection after approval of the Governor's representative.