



**Minutes of the Conference Call
Of the Board of Directors
Of
The Gypsy Moth Slow the Spread Foundation, Inc.**

**June 6, 2007
10:00 a.m. – 12:00 p.m. EDT**

Proper notice having been duly given to each Board member, a conference call of the Board of Directors was held on the above date.

President Geir Friisoe called the meeting to order and Secretary Frank Fulgham called the roll.

BOARD MEMBERS

Geir Friisoe, Minnesota, President	present
Gene Cross, North Carolina, Vice-President/Treasurer	present
Frank Fulgham, Virginia, Secretary	present
Scott Frank, Illinois	absent
Phil Marshall, Indiana	present
John Walkowiak, Iowa	present
Gary Gibson, West Virginia	present
Melody Walker, Wisconsin	absent

OTHERS PARTICIPATING IN THE MEETING

Clark Haynes and Celestine Irvin, West Virginia
Laurie Leuenberger, Illinois
Carl Harper, Kentucky
Lucy Hunt, Minnesota
Anne Selness, Minnesota
David Adkins, Ohio
Larry Nichols, Virginia
Ed Holloman, Southeastern Association Services
JoAnn Cruse, USDA APHIS
Donna Leonard, Mike Conner, Patrick Tobin, and Noel Schneeberger, USDA Forest Service

Whereas, the above noted directors constitute a quorum, and there is no objection to this proceeding, the following business was conducted:

APPROVAL OF THE MINUTES

The minutes of the Gypsy Moth Slow the Spread (STS) Foundation Board of Directors' Conference Call on May 2, 2007 were approved and ratified by unanimous vote and shall be filed in the Minute Book.



STS REGULATORY CONFERENCE CALL

JoAnn Cruse reported on the STS Regulatory Conference Call held in place of a previously scheduled meeting. Topics of major interest were Compliance Agreements and a standardized database. Unfortunately, states currently operate differently resulting in a disjointed focus on program activities. Security was an issue of concern with database coordination. A process to collect uniform data is needed before a meaningful annual report can be compiled.

Questions brought up during the regulatory call included:

- Who signs Agreements?
- Designation of active regulatory areas in states?
- Is change needed? Is the program working?
- Advantages vs disadvantages?
- Communications with SPHD?
- Forms?

An ongoing problem is that the regulatory program has lacked direction and guidance from APHIS. This has resulted in a situation where STS personnel are unsure of what expectations APHIS has for the program.

- **ACTION:** JoAnn will take a look at what states' are currently doing to implement regulatory programs by meeting with individual state regulatory personnel and SPHD.

What is APHIS' level of commitment to the regulatory program? Will the regulatory budget continue at the current 95% level or increase back to 100% for 2008?

The Board commended JoAnn on her commitment to the regulatory program and willingness to dedicate her time to try to improve its effectiveness.

2008 BUDGET ISSUES - NEXT STEPS?

Noel Schneeberger updated the Board on the Budget situation in Congress. The budget markup in the Interior Subcommittee of the House has been completed. No budget numbers, language or direction are known at this time. There is a rumor that the markup includes language dealing with gypsy moth STS and suppression, but do not know what the language may reflect. The house Appropriations Committee will vote on the markup on June 7, 2007. Next Thursday (6/7/07), the Senate sub-committees will meet to begin their work on a budget. The current amount budgeted for STS is \$6.9 million. STS needs \$10 million for full implementation.

The House committees received letters requesting \$10 million funding for STS. Noel suggested that language reflecting the addition of full support for suppression and eradication be sent to the Senate.

- **ACTION:** States should send out letters of support for full funding of gypsy moth programs to appropriate Senate committee members.

- **ACTION:** Donna will send out sample letters and documents by e-mail for Board members to utilize in supporting gypsy moth funding.

STATUS UPDATES OF GRANT AGREEMENTS

Ed Holloman discussed the current Grant Reporting Schedule and Donna Leonard discussed pending grant awards and expenditures.

2006 Forest Service Trapping & Treatment Grant

Donna indicated as of 06/04/07 there is a balance of \$32,532 in Foundation funds assuming that all state funding is drawn down to zero. Currently there are pending obligations totaling \$6,276 leaving a balance of \$26,256 remaining to be spent by closeout of the grant.

- **ACTION:** Current 2006 T&T Grant state reports that are **past due** are as follows:

04/15/07 FSR Report (10/01/06 thru 03/31/07) WV

- **ACTION:** Current 2006 T&T Grant state reports that **will be due** are as follows:

06/15/07 State 424 Deobligations IL, MN, NC & OH

07/01/07 Final Requests for Disbursements KY, IN & WV

07/15/07 FSR-Final Report (04/01/07 thru 06/01/07) All States

07/15/07 Final Grant Narrative Report All States

Note: Ed will check the Administrative Provisions to ensure that the 07/15/07 date is the correct due date.

2007 APHIS Regulatory Grant

- **ACTION:** Current 2007 Regulatory Grant state reports that are **past due** are as follows:

04/15/07 FSR Reports (10/01/06 thru 03/31/07) MN

Note: Ann Selness indicated that MN's FSR Report was mailed prior to the conference call.

2007 Forest Service Trapping & Treatment Grant

- **ACTION:** Current 2007 T&T Grant state reports that are **past due** are as follows:

04/15/07 FSR Reports (10/01/06 thru 03/31/07) KY, MN & VA (Received MI)

NOTE: Ed indicated that there has been some confusion over his correct e-mail and mailing address. Ed confirmed that he has been working from two e-mail addresses. Ed's preferred and alternate contact information is as follows:

Preferred E-mail Address: edhollom@bellsouth.net

Alternate E-mail Address: eholloman@nc.rr.com

Preferred Mailing Address: **GMSTS Foundation, Inc.**
 PO Box 58220
 Raleigh, N.C. 27658

Alternate Mailing Address: **GMSTS Foundation, Inc.**
 5111 A-15 Falls of the Neuse Road
 Raleigh, NC 27609

- **ACTION:** The Board requested that Ed send out his preferred contact information to all STS contacts and change to the preferred addresses when future grant administrative procedures are implemented.

AUDIT REPORT FOR 2006

Gene Cross updated the Board on the pending final audit report being prepared by Williams Overman Pierce, LLP, of the financial statements of the Foundation for the years ending September 30, 2006 and 2005. Although the audit was overall positive, Gene indicated that two Reportable Conditions in the Financial Statement Audit and one Finding in the Major Governmental Award Programs Audit were identified.

- The first Reportable Condition dealt with a transaction that was incorrectly posted with a recommendation to review postings more frequently which the Board will implement.
- The second Reportable Condition dealt with segregation of duties and recommended that additional duplicative oversight of officers and directors be provided to heighten internal controls over bank statements, drawdowns, and disbursements which the Board will implement.
- The only Finding dealt with the lack of review by a responsible Foundation party of audited financial statements and follow-up to determine that sub-recipients took appropriate and timely corrective action on all audit findings. The Board will implement this recommendation.

Gene and Ed also indicated that they would be looking a ways to utilize Quick Book directly to provide spreadsheets to Board members rather than using data to generate spreadsheets. This was recommended by the auditors to provide a higher level of accuracy and security of data.

The final audit will be distributed to Board members once the final document is received by the Foundation.

MISCELLANEOUS

Review of Southeastern Association Services (SEAS)

Geir Friisoe reported on the review committee composed of Scott Frank, Melody Walker, and himself and their review of SEAS as recommended at the last STS Meeting in Indianapolis. The review and final report was very complementary of Ed Holloman and SEAS. Two recommendations that came from the review were 1) an update of the overview of the work description, and 2) a formal annual evaluation of services received.

SPLAT

Donna Leonard, USDA, reported that a new mating disruptant, SPLAT, will be applied to 1,000 acres as a demonstration (without active ingredient) during the week of June 18th. Operational personnel from several states plan to attend the demonstration.

Economic Review Status Report

Patrick Tobin reported that the Economic Review is on the agenda for the 2007 Gypsy Moth Review to be held in Shepardstown on October 29-November 1. The Board will receive a summary of the presentation during our scheduled October 3rd conference call.

Illinois Trapping Coordinator

Laurie Leuenberger indicated that the Illinois trapping coordinator is now employed as a full-time position; therefore, STS funding will now go directly to the state rather than under a contract with STS.

2007 STS CONFERENCE CALL & MEETING SCHEDULE

Conference Calls scheduled for 1st Wednesday of each month at 10:00 a.m.

Call-in number for all Conference Calls: 404-347-7966

JAN 3	Conference Call	<i>Cancelled</i>
JAN 23-25	OP/REG Mtg	<i>Held in Memphis, TN</i>
FEB 7	Conference Call	<i>Cancelled</i>
FEB 21	STS Annual Mtg	<i>Held in Indianapolis, IN</i>
MAR 16	Conference Call	<i>Held at 10:00 a.m. EDT</i>
APR 4	Conference Call	<i>Cancelled</i>
MAY 2	Conference Call	<i>Held at 10:00 a.m. EDT</i>
JUN 6	Conference Call	<i>Held at 10:00 a.m. EDT</i>
JUL 11	Conference Call	<i>Scheduled for 10:00 a.m. EDT</i>
AUG 1	Conference Call	<i>Scheduled for 10:00 a.m. EDT</i>
SEP 5	Conference Call	<i>Scheduled for 10:00 a.m. EDT</i>
OCT 3	Conference Call	<i>Scheduled for 10:00 a.m. EDT</i>
NOV 7	Conference Call	<i>Scheduled for 10:00 a.m. EST</i>
DEC 5	Conference Call	<i>Scheduled for 10:00 a.m. EST</i>

The foregoing motions and actions, by unanimous consent, are to have full force and effect as of June 6, 2007, unless otherwise indicated by the Board.

The meeting adjourned at 11:37 a.m. Eastern Daylight Time.

Frank Fulgham, Secretary
STS Foundation