



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

**September 1, 2010
9:00 CDT – 11:00 CDT
10:00 EDT – 12:00 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 the roll was called.

BOARD MEMBERS

Geir Friisoe, Minnesota, President	present
Gene Cross, North Carolina, Vice-President/Treasurer	present
Melody Walker, Wisconsin, Secretary	absent
Scott Frank, Illinois	present
Phil Marshall, Indiana	present
Tivon Feeley, Iowa	present
Carl Harper, Kentucky	present
Larry Nichols, Virginia	present
Gary Gibson, West Virginia	present

OTHERS PARTICIPATING IN THE MEETING

Lucy Hunt, Minnesota
Jamie Tukiendorf, Wisconsin
Celestine Irvin, West Virginia
Ed Holloman, Southeastern Association Services
Joe Beckwith, Julie Spaulding, USDA APHIS Eastern Region
Donna Leonard, 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

Minutes from the August meeting were not available for review at this meeting. Therefore, both sets of notes (Aug. and Sept.) will be approved on our next call.

STATUS UPDATES OF GRANT AGREEMENTS

2010 APHIS Regulatory Grant

There are pending disbursements to NC and IN totaling \$10,612.63. As of September 1, the current balance is \$121,217.04. Reports from all states are current.

2009 Forest Service Trapping and Treatment Grant and 2009 Foundation Expenditures



MN has a pending disbursement of \$46,070.33. Two states still have balances (KY - \$51.47 and IN - \$19,437.18) that will be deobligated. After the pending disbursement and deobligated monies clear, the balance left in the grant will be \$499,850.44. At that point Ed will be able to adjust some expenses that are currently charged against the 2010 grant back into the 2009 grant to bring the balance to zero and close out the grant. The only final report still needed is Michigan's.

2010 Forest Service Trapping and Treatment Grant

With the recent revision to increase funding by \$20,000 the total award is now \$7,489,768. The total amount disbursed to states is \$1,024,039.25. Foundations expenses total \$1,748,979.72 leaving a balance of \$4,716,749.03. All state reports are current.

2011 APHIS Regulatory Grant

Gene prepared a spreadsheet comparing the 2009 and 2010 requests for regulatory funding. In 2009, the Foundation was awarded a total of \$278,625, which included \$35,000 of non-STS pass through funds that went to WV. In 2010, the requests for regulatory funding total \$281,429 which again includes \$35,000 of non-STS pass through funds going to WV. Joe Beckwith indicated the increase of roughly \$3,000 should not pose any problems. However, the fact that no federal appropriations bill has been signed for FY 2011 means that we are likely to enter the new fiscal year under a continuing resolution (CR) and the federal budget will be released incrementally according to the CR schedule. Gene asked Joe to find out whether the Foundation should submit a 424 for the entire \$281,429 or wait until the CR is passed and submit a 424 for a portion of the total.

The need for an in-depth review of the STS regulatory program with recommendations for re-allocations/increased funding was discussed. A motion to include this topic on the February meeting agenda (with APHIS taking the lead) passed unanimously.

Joe also mentioned that the STS regulatory folks plan to meet at the Annual Gypsy Moth Review in Durham, NC the first week of November.

NPDES Permits and Pending Legislation (S. 3735 and H.R. 6087)

The Senate and House have (or are planning) to introduce bills to "fix" the FIFRA problem vis a vis the 6th Circuit Court's decision that pesticide applications are considered point source pollutants and as such require NPDES permits. Steve Covell (USFS) has raised the issue that the bill(s) as worded creates a catch 22 in that it addresses permits but not the underlying court decision. MN has drafted a letter to their congressional delegation urging them to support the pending legislation as is however the potential catch 22 is not addressed. The following action items came out of the rambling discussion that occurred on this issue.

- **ACTION:** Each STS member should try to discuss this issue with their Commissioner/Director prior to the NASDA meeting (Sept. 9 – 11). The goal is

to make sure they are aware of our concern about the catch 22 with the current wording in both bills and that STS is in sync with NASDA's position on support of the bills

- **ACTION:** Gene Cross will contact Amy Mann with NASDA to discuss our concern about the catch 22 and to find out whether or not this is (or should be) an issue.
- **ACTION:** Geir Friisoe will distribute the MN draft letter to other STS states as an example.
- **ACTION:** Once STS is in sync with NASDA's position on these bills (support as is or with additional language), each state should seek to send a letter to their congressional delegations.
- **ACTION:** The Foundation will send a letter to the authors of both bills.

STS Foundation Policy to Limit Indirect Costs on Grants

KY, WV and WI are the only states likely to be affected by a cap on indirect costs. Kentucky requested the cap thus it does not create an issue. Wisconsin would lose 1-2% of their current indirect costs if a 15% cap was implemented but Melody does not think this will create an issue. West Virginia grant folks have questioned the Foundation's authority to limit indirect costs but Gary does not have an issue with the small amount of funding that would be lost if a 15% cap were implemented. Discussion ensued about the proposed cap with the following action items:

- The policy would limit the indirect costs line item in project budgets to 15% of the total direct costs requested from the Foundation (even when the federally-approved rate is greater).
- The draft policy and a spreadsheet showing indirect costs on 2008-2010 grants (FS funded grants only) will be distributed by Geir with a motion to vote for approval of the policy.
- If the policy is approved, it will be posted on the Foundations web site under the grant page.
- Joe Beckwith will check to make sure the proposed policy is acceptable to APHIS.
- Ed Holloman will review the Foundation funded regulatory grants from 2008-2010 to see if any state requested funding where indirect costs exceeded 15% of the total direct costs.

Miscellaneous Items

- **Annual meeting:** This is planned for Wednesday, February 16, 2011 in Indianapolis, IN. Phil will secure a meeting room.

- **Accountants:** Gene mentioned that the fall is when there is increased activity with our accountants and got concurrence to stay with the same firm.
- **Liability Insurance:** The Foundation has maintained a liability policy for the Directors since our inception at a cost of about \$1,700 per year. General liability for the Foundation (i.e. its employees) would cost an additional \$500 per year. Gene is investigating the need for general liability.

Board Decision Made Via Email

Geir sent out the following policy for the Board to approve or reject. This policy limits the indirect rate state agencies, universities and others could charge to grants received from the Foundation.

IA, IL, MN, IN, KY, VA, WV and WI voted “Yes”. NC was unavailable for the vote.

Slow the Spread of Gypsy Moth Foundation, Inc Indirect Costs Policy for Applicants

Indirect Costs in Project Budgets

An organization may include indirect costs in their project budgets if they meet the following conditions:

1. the organization has a federally-approved indirect rate;
2. the organization submits documentation* of their federally-approved rate with their full proposal application;
3. the indirect costs line item in the project budget does not exceed or 15% of the total direct costs requested from the Foundation (even when the federally-approved rate is greater); and,
4. the project was approved no earlier than **October 1, 2010**.

**Documentation includes the Indirect Cost Negotiation Agreement or the notification from a Cognizant Agency to an organization formalizing the approval of a final or provisional indirect cost rate.*

Indirect costs as Matching Contributions

If an organization does not include indirect costs in their request from the Foundation, the organization and their project partners may include their full federally-approved indirect rate as matching contributions for a Foundation award.

If an organization’s federally-approved indirect rate exceeds 15% of the direct costs requested from the Foundation, they may include indirect costs up to 15% of the direct costs in their budget and use the balance of the indirect rate as matching contributions.

Effective date: The matching funds policy applies to all GM-STS Foundation, Inc projects funded after October 1, 2010.

Future Meetings

The next conference call is scheduled for October 6, 2010 at 9:00 AM CDT/10:00 AM EDT.

Meeting Adjourned

A motion was made, seconded and unanimously approved to adjourn the meeting.
The meeting was adjourned.

2010 STS Conference Call and Meeting Schedule

Conference calls are scheduled for the 1st Wednesday of each month at 9:00 CT/10:00 ET unless otherwise scheduled by the Board President. The call in number for the STS monthly conference calls in 2010 has changed to **404-347-7966**.

January 6	Conference Call	Cancelled
February 3	Conference Call	Cancelled
February 17	STS Annual Mtg	Held in Indianapolis, IN
March 3	Conference Call	Cancelled
April 7	Conference Call	Held
May 5	Conference Call	Held
June 2	Conference Call	Cancelled
July 7	Conference Call	Cancelled
August 4	Conference Call	Held
September 1	Conference Call	
October 6	Conference Call	
November 3	Conference Call	
December 1	Conference Call	

The foregoing motions and actions, by unanimous consent are to have full force and effect as of September 1, 2010, unless otherwise indicated by the Board.

Melody Walker, Secretary
STS Foundation