



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

**March 16, 2011  
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	absent
Gene Cross, North Carolina, Vice-President/Treasurer	present
Melody Walker, Wisconsin, Secretary	present
Scott Frank, Illinois	present
Phil Marshall, Indiana	present
Tivon Feeley, Iowa	absent
Carl Harper, Kentucky	present
Larry Nichols, Virginia	present
Gary Gibson, West Virginia	present

**OTHERS PARTICIPATING IN THE MEETING**

Dave Adkins, Ohio  
Lucy Hunt, Minnesota  
Jamie Tukiendorf, Chris Lettau, Wisconsin  
Butch Sayers, Sherry Hutchinson, Adam Champ, Tim Brown, Celestine Ervin, Jody Wilson, West Virginia  
Ed Holloman, Southeastern Association Services  
Joe Beckwith, Julie Spaulding, USDA APHIS Eastern Region  
Donna Leonard, Amy Hill, Noel Schneeberger, Patrick Tobin, 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**

A motion was made by Phil Marshall (IN) to approve the August 4, 2010 minutes with one change of “Manwell” to “Mangold” on page two. Carl Harper (KY) seconded the motion and the minutes were unanimously approved. A motion was made by Phil Marshall (IN) and seconded by Carl Harper (KY) to approve the September 1, 2010 minutes. The minutes were unanimously approved.



## **STATUS UPDATES OF GRANT AGREEMENTS**

### **2010 APHIS Regulatory Grant**

The 2010 regulatory agreements have all been submitted and the 2010 grant has been closed out.

### **2010 Forest Service Trapping and Treatment Grant**

Ed indicated the remaining balance of the grant funds available to states is \$939,332.61. A total of \$1,225.62 is pending and \$3,254,551.41 has been disbursed. A total of \$1,560,000 has been set aside for the purchase of racemic disparlure and the purchase of a computer accounts for the equipment purchase.

- *ACTION: Submit narrative reports by April 15, 2011*
- *ACTION: Notify Donna and Ed of intent to de-obligate funds by April 6, 2011.*

### **2011 APHIS Regulatory Grant**

Ed indicated he has two disbursement requests pending totaling \$27,773.98. He is now sending funding requests to APHIS on a monthly because it is more efficient and it requires less paperwork. The remaining balance is \$257,433.71.

### **FS 2011 Budget and Outlook for STS Allocation**

Donna said we should get a budget of some kind this Friday, March 18. Donna has asked for a release of \$4 million to get states started on trapping and treatment. Once a budget is approved it takes several weeks to release funds. Donna polled the states to see who could start without funds. Ohio and Indiana indicated they would be ok. Illinois and Wisconsin both need to know what funds will be available. Virginia and North Carolina both need funds to support contract trapping.

Donna said the mating disruption contract has been awarded and \$2.1 million has been obligated. Donna indicated 15% of the acreage could be cut if necessary. If there is a three week Continuing Resolution then Donna will ask the Forest Service to release as much as possible.

Gene said he would like to have the money at the Foundation level before sending out letters of cost incurrence.

States need to let Donna know this afternoon, if possible, how much money they need to start trapping contracts (NC, VA, IL) and Btk projects (VA, IL, WI, MN). Any remaining funds will be shared with other states. The FS could issue pre-award letters for funds to go from the

Washington office to the Northeastern Region in order to release the pre-award letter. The pre-award letter and the cost of incurrence letter make up the assurance that money is available.

While Ed and Donna are working on calculating funds that can go to the states, Patrick will work on trapping plans for how to cut traps with the least harm to the overall program.

### APHIS Survey and Control

Julie Spaulding indicated that control and survey funds were available to the states.

### Suppliers

The Japanese company had provided an update that the production of the mating disruption active ingredient was ahead of schedule before the earthquake. Donna reported the factory and the employees were ok, but there were problems with the logistics of shipping due to the transportation issues caused by the earthquake and the Tsunami. If the transportation problems persist, the production of pheromone flakes and SPLAT could be delayed.

Valent Biosciences needs to know how much Btk the states plan to use. The Btk is produced on demand.

### Miscellaneous Items

#### Audit

Gene Cross explained that the STS Foundation has a single audit each year. The audit costs about \$20,000 a year and Ed spends a week of his time working on the audit. Unfortunately, this is required by federal law. We cannot choose whether or not to have an annual versus a two or three year audit, but we can choose the company who performs the audit. Gene said we have good rapport with the current firm, Williams Overman Pierce, LLP. This firm has a good understanding of our needs and limitations and we have been satisfied with their work. We also understand what they need from us. There are not many accounting and consulting businesses performing audits for groups like ours, but there are a few and the Board could ask Gene to look into other companies if we feel it is necessary. None of the Board members indicated that Gene should look for a different audit firm.

Gene Cross gathered the pertinent information from Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations that documents the audit requirements for the STS Foundation. These are the excerpts that refer to the STS Foundation.

#### Audit requirements (Circular No. A-133)

(a) Audit required. Non-Federal entities that expend \$300,000 (*\$500,000 for fiscal years ending after December 31, 2003*) or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part. (Page 8)

#### Frequency of audits

Except for the provisions for biennial audits provided in paragraphs (a) and (b) of this section, audits required by this part shall be performed annually. (Page 12)

**Retirements and Replacements**

Gary Gibson will retire May 1, 2011. This was Gary’s last STS conference call. Butch Sayers or Tim Brown will represent West Virginia until someone is appointed to replace Gary on the STS Board. The Board does need to replace Gary on the Audit Committee.

**Future Meetings**

The next conference call is scheduled for April 6, 2011 at 9:00 AM CDT/10:00 AM EDT.

**Meeting Adjourned**

A motion was made by Gary Gibson (WV) to adjourn the meeting and seconded by Melody Walker (WI). The motion received unanimous approval and the meeting was adjourned.

**2011 STS Conference Call and Meeting Schedule**

Conference calls are scheduled for the 1<sup>st</sup> 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 2011 is **404-347-7966**.

<b>January 5</b>	<b>Conference Call</b>	<b>Held</b>
<b>February 2</b>	<b>Conference Call</b>	<b>Cancelled</b>
<b>February 16</b>	<b>STS Annual Mtg</b>	<b>Held</b>
<b>March 2</b>	<b>Conference Call</b>	<b>Held March 16</b>
<b>April 6</b>	<b>Conference Call</b>	
<b>May 4</b>	<b>Conference Call</b>	
<b>June 1</b>	<b>Conference Call</b>	
<b>July 6</b>	<b>Conference Call</b>	
<b>August 3</b>	<b>Conference Call</b>	
<b>September 7</b>	<b>Conference Call</b>	
<b>October 5</b>	<b>Conference Call</b>	
<b>November 2</b>	<b>Conference Call</b>	
<b>December 7</b>	<b>Conference Call</b>	

The foregoing motions and actions, by unanimous consent are to have full force and effect as of March 16, 2011, unless otherwise indicated by the Board.

Melody Walker, Secretary  
STS Foundation

**Board Action After the Conference Call**

The GM STS Foundation, Inc. held its bid opening on behalf of the NCDA&CS-Plant Industry Division for trapping contractors for the 2011 season last week. Gene Cross (NC) sent the bid award to all Board members for their votes. On April 3, 2011, the votes were tallied and the vote results were emailed out. There were enough states participating to provide us with a quorum. In regards to the GM STS Foundation, Inc. bid award on behalf of the NCDA&CS-Plant Industry Division, “yes” votes were received from the following states: MN, WI, IL, IA, KY, VA, WV. This bid award was approved.

DRAFT