



## **Recommendation to ESCOP: Establishment of the agInnovation 501(c)3 Non-profit Organization**

**Presented by:** The ad hoc committee exploring the feasibility of establishing an agInnovation (formerly the Experiment Station Section) 501(c)3 non-profit organization.

**Membership included:** Chris Pritsos (chair, University of Nevada Reno), Marty Draper (Kansas State University), Gene Kelly (Colorado State University), Saied Mostaghimi (Virginia Tech), Puneet Srivastava (University of Maryland) and Jose Toledo (Southern University).

**Support provided by:** Bret Hess (WAAESD), Jennifer Tippetts (WAAESD), Alton Thompson (ARD), Gary Thompson (SAAESD), Cindy Morley (SAAESD), Jeanette Thurston (NCRA), Jeff Jacobsen (NCRA), Christina Hamilton (NCRA), Rick Rhodes (NERA), and David Leibovitz (NERA)

### **The charge:**

During the 2022 ESS Business Meeting, ESCOP Chair Chris Pritsos introduced to the Section a proposal for the formation of an ESS Foundation. (The presentation [Appendix 1, Experiment Station Concept, ppt] and the introductory document [Appendix 2, Experiment Station Foundation Concept] are attached to this recommendation.) An ad hoc committee was subsequently convened to “explore the establishment of a 501(c)3 non-profit organization (Foundation) to support national and regional activities of the Section’s members...” The ad hoc committee met numerous times during the past seven months and shares the following recommendations based on the findings summarized below.

### **The ad hoc committee recommends:**

- Establishment of an agInnovation 501(c)3 non-profit organization to be reviewed and evaluated after a period of 3 years of operation.
- The newly formed Finance Committee oversee the establishment of agInnovation’s 501(c)3 non-profit organization, with support provided by the regional association offices.
- Use of the agInnovation 501(c)3 non-profit organization to support and enhance current business practices at the national level (e.g., offset cost of professional development opportunities and accepting charitable donations) and to support regional association efforts (e.g., meeting contracts, payments, and accepting charitable donations).

- Approval by agInnovation of a funding amount to seed the 501(c)3 non-profit organization with carryover funds currently in the agInnovation operating account held by the APLU. Regional associations would not be expected to pay an assessment to support the agInnovation 501(c)3 non-profit organization.

**Process used by the ad hoc committee:**

The ad hoc committee was convened to explore the feasibility of establishing an agInnovation (formerly known as the Experiment Station Section or ESS and herein also called the Section) 501(c)3 non-profit organization. The rationale for establishing an agInnovation 501(c)3 non-profit organization was largely based on the lack of capacity of agInnovation (or ESCOP) to accept donations, sponsorships, and grants from entities that were seeking to make tax-deductible contributions. The ad hoc committee noted that there were not work-arounds for this lack of capacity. Foundations that are part of our Land-grant institutions were not interested in accepting funds for an entity (e.g., agInnovation or the regional associations) that was not directly part of a unit and/or initiative within their institution. Likewise, the APLU, a 501(c)3 non-profit, would not solicit or accept donations on behalf of agInnovation. Establishment of an agInnovation 501(c)3 non-profit organization would allow the Section to accept charitable donations, a philanthropic capacity that, at present, the Section does not have. (For example, the Section was unable to accept donations/sponsorships to support the 2021 annual meeting at Palisades Tahoe, as described in Appendix 2.)

In performing the due diligence for the Section, the ad hoc committee engaged in fact-finding by interviewing a series of non-profit organizations including the APLU, ACSESS (which oversees the American Society of Agronomy, Crop Science Society of America, Soil Science Society of America, Agronomic Science Foundation), and the Extension Foundation. The conversations with representatives from each of the organizations provided different takes on how the Section might proceed. The ad hoc committee also found that the APLU will provide conference services (e.g., contracting with a hotel and vendors, contracting with speakers, reimbursing speakers, etc.) for which the Section was not aware but as previously stated, would not solicit or accept donations on behalf of the Section. (These items are discussed later this document.)

In the deliberations of the ad hoc committee, a number of additional issues and challenges, that could be addressed by a non-profit organization were identified. The issues and challenges are described in Appendix 3, Update: Exploring the Establishment of an Experiment Station Section 501(c)3 Non-profit Organization/ Foundation – January 13, 2023. The ad hoc committee examined each of the issues/challenges and updated the document on May 30, 2023, to indicate whether an issue/challenge was resolved, partially resolved, or unresolved. As this document indicates, agInnovation lacks the capacity to execute a contract on its own behalf. This has become more apparent and an issue as the Section re-engages in face-to-face meetings and negotiates with hotels, conference centers, A/V contractors, food and beverage provisioners, and speakers. Likewise, the Section lacks the capacity of accept tax-deductible, charitable donations.

**Findings that support the recommendations:**

Historically, the Section had to depend on the conference services of an institution or more recently on the capacities of the WAAESD's 501(c)4. The ad hoc committee discovered during its conversations with the APLU, that the APLU can provide third-party conference services and execute contracts for agInnovation national meetings, but not regional meetings. The ad hoc committee concluded that the establishment of an independent 501(c)3 non-profit that could engage in the contract processes and assist with regional meeting negotiations did not unnecessarily duplicate capacities. The agInnovation 501(c)3 non-profit could assist regional efforts, efforts that the APLU's conference services would not cover, and that some institutions, especially our small- to mid-size universities might not have. Currently, serving as a conference host is a challenge for Directors at our institutions that do not have an accessible, in-house conference services team. Institutions are also reluctant to provide up front funding or commitment of funding for venues not in their specific area or state. Additionally, hosting a meeting is a disincentive for a director taking on a leadership position.

In continuing with challenges associated with agInnovation not being able to execute a contract on its own behalf, the ad hoc committee noted that either the APLU or an institutional host (e.g., the institution of the current agInnovation/ESCOP chair) would need to serve as the signatory. As previously noted, that subjects the Section to the policies and procedure posed by the APLU or institution. While both the APLU and institution pose options for signing contracts on behalf of the Section, that might not extend an optimal business strategy for agInnovation. The most frequently encountered obstacle is time for the complete execution of a contract. At many institutions this requires an evaluation by the office of the general counsel, a time-consuming step. The creation of an agInnovation 501(c)3 non-profit would allow representatives of the Section to execute contracts.

The ad hoc committee found that many of the challenges and obstacles observed at the national level were also prevalent at the regional level. Indeed, regional associations (ARD, NCRA, NERA, SAAESD, and WAAESD) are experiencing difficulties related to holding regional meetings. For instance, an institutional host for one of our regional associations won't allow pre-payment for hotels and conference centers. As we note in the supporting materials, the regional associations lack the capacity to reimburse travelers, speakers, or award winners on a timely basis. This is due to the constraints posed by the university host of a regional association event. (For example, a travel reimbursement for a leadership award winner was rejected by a university host because a traveler who was not from the hosting university had not sought prior approval for the travel to receive the award.) Further, with each change in regional association leadership, the regional associations have had to transfer funds and re-establish accounts and relationships with the new host institution, in addition to spending time learning new purchasing and accounts payable procedures that could be better spent conducting valuable association business. Moreover, each time the host institution changes business practices and systems, the regional office needs to be trained on these new institutional systems. For example, the NCRA Assistant Director has undergone several rounds of training for new

purchasing and invoicing systems throughout the past few years and will need to do so again as the University of Wisconsin transitions to WorkDay.

Over the past two years, both agInnovation and the regional associations have depended on the WAAESD 501(c)4 to pay bills when university hosts or the APLU were unable to make a payment in timely fashion. Establishment of an agInnovation 501(c)3 non-profit organization would reduce reliance on the WAAESD 501(c)4 and provide the Section and the regional associations with access to business processes that were timely, responsive, and efficient.

On a regional basis, the 5 associations that support agInnovation are each challenged to undertake the activities related to hosting regional association meetings. As noted previously, this requires contracting with hotels, conference centers, audio/visual contractors, food and beverage provisioners, and external speakers. Associated challenges are magnified at institutions that are reluctant to accept the responsibilities for hosting a regional meeting due to the lack of conference support capabilities and funding. The regional associations are limited by the regulations of their host institution. As a work-around, NERA has used the Northeast Extension Directors' host organization, Lighthouse Consulting Group, to assist in business practices in circumstances where NERA's host institution either limited an activity or posed onerous obstacles. All 5 regional associations have developed workarounds, which meet an outcome need, but don't address the inherent business inefficiencies.

Last, none of the regional associations, like agInnovation, have the capacity to accept donations that are a tax write-off to the donor. Establishment of a 501(c)3 could allow for the acceptance of charitable contributions on behalf of agInnovation and the regional associations.

**Conclusions:**

Establishing an agInnovation 501(c)3 non-profit organization would not unnecessarily duplicate capacities that are currently provided by the APLU, the host institutions of the regional associations, or the institutions of the membership of the Section. Alternatively, creating a 501(c)3 non-profit organization has the potential to streamline business services when needed and would complement current capacities as well as expand the ability to accept charitable donations.

At the time the agInnovation 501(c)3 organization was proposed, there was discussion of the establishment of a foundation. The ad hoc committee evaluating feasibility concludes that formation of a 501(c)3 non-profit organization is more likely to meet the needs of the Section versus formation of a 501(c)3 foundation. Typically, a 501(c)3 foundation is created to generate income which is then dispersed to individuals or other charities in accordance with the foundation's purpose. A 501(c)3 non-profit is an organization that is dedicated to a single cause (e.g., support of agricultural research stations), and that that cause is the target of all income of the non-profit.

We recommended that the Finance Committee undertake the formation of a 501(c)3 non-profit organization. Based on input to this ad hoc committee, we share the following suggestions for consideration by the Finance Committee.

- Choose an official name for the 501(c)3 non-profit: we'd suggest "agInnovation".
- Engage a law firm to assist in the application process.
- Form the board of directors of the non-profit organization.
  - agInnovation past chair, chair, incoming chair, and two at-large members, appointed by agInnovation and from a region not represented by agInnovation chair, incoming chair, and past chair, constitute the "founding" board members.
    - Founding board members will serve a three-year term to provide continuity during an initial period of the 501(c)3 non-profit organization.
  - The five regional Executive Directors would serve as "sustaining" board members.
  - The Board would be constituted of 10 members (5 founding, 5 sustaining).
    - It's commonly recommended that non-profits have between three and twenty-five board members.
  - The agInnovation past chair would serve as the President of the non-profit and the agInnovation chair would serve as the Vice President.
  - One of the sustaining members would serve as Treasurer and one would serve as Secretary, initially appointed by the President with approval of the board.
    - Each of these terms would be for three years with the opportunity to be re-appointed by the President with approval of the board.
  - Following the initial three-year period of the non-profit, the founding members would be replaced by a group of agInnovation directors including the agInnovation past chair, chair, incoming chair, and two at-large members, appointed by agInnovation and from a region not represented by agInnovation chair, incoming chair, and past chair.
    - The agInnovation past chair would serve as President of the non-profit, for a one-year term.
    - The rotation of the director membership of the non-profit would be consistent with the rotation of the leadership of agInnovation as defined in the current Rules of Operation (ARD-WAAESD-NERA-NCRA-SAAESD).
- By-laws are to be drafted by the initial board (as previously described).
  - The day-to-day operations of the 501(c)3 non-profit will be performed by the regional offices under the direction of the board and consistent with the bylaws of the 501(c)3 non-profit.
- Completion of SS-4 to secure EIN.
- File articles of incorporation.
- Apply for IRS tax exemption (complete form 1023, Application for Recognition of Exemption of 501(c)3) expected not to exceed \$5,000, including attorney fees and fees associated with filing articles of incorporation.

- Completion of the Form 1023 requires a \$600 filing fee. Nationally, the average cost for filing a Form 1023 is \$595.
- Apply for state tax exemption (if applicable).
- The annual cost of operating the 501(c)3 non-profit is the cost of auditing the account and filing of tax returns (estimated at \$2,000).

Initially, the 501(c)3 non-profit would be established with a three-year horizon to assess effectiveness. Effectiveness might be assessed quantitatively by comparing the number of business transactions, the value of the transactions, the number and value of charitable donations versus the cost of operating the 501(c)3 non-profit (accounting and tax returns). Likewise, a qualitative assessment could be made by evaluation of the efficiency provided by the 501(c)3 non-profit's business processes.

**Appendix 2, Experiment Station Foundation Concept**

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# EXPERIMENT STATION FOUNDATION CONCEPT

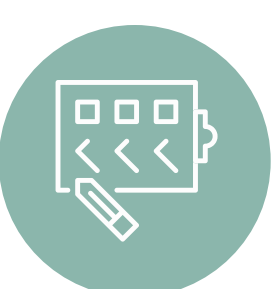
## Purpose

Explore the establishment of a 501(c)3 non-profit organization (Foundation) to support national and regional activities of the Experiment Station Section.



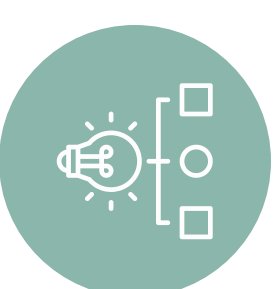


# Reasoning



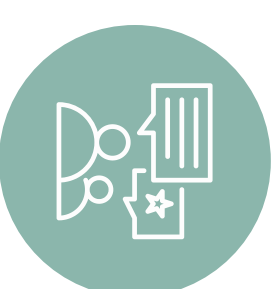
## **Eligibility to Accept Donations**

Offer the ability to accept donations, sponsorships, and grants from corporations, organizations, and grant makers seeking tax deductible charitable contributions.



## **Grant Donations**

There are also grant opportunities from entities seeking tax deductible charitable contributions in which eligibility is limited to 501(c)3 non-profit organizations.

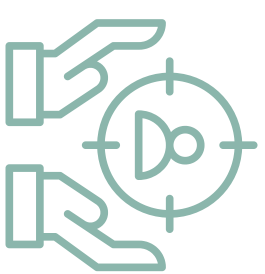


## **Flexibility**

Ability to enter into contracts and conduct business without University constraints or going through APPLU.

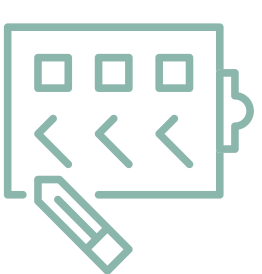
# OBJECTIVES

**Create a Foundation responsible for securing funds to support program services to benefit members of ESS.**



## Ability

The magnitude of funding will ultimately depend on the Foundation's ability to identify and persuade relevant sponsors to make charitable contributions.



## Context

The list generated when sponsorship was pursued for the 2021 ESS Annual Meeting had 124 possible sponsors offering donations ranging from \$500 to \$5,000.



## Sponsorship Levels

Sponsorship levels up to \$25,000 are possible for non-profits successful at raising funds.



# Program Services



## Primary Objective

To support educational and professional development opportunities through a variety of current and future events offered by ESS and the regional associations.



## Secondary Objective

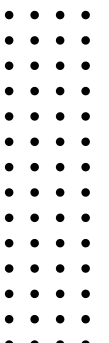
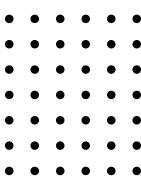
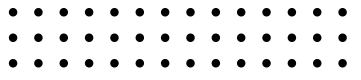
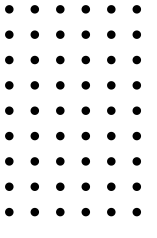
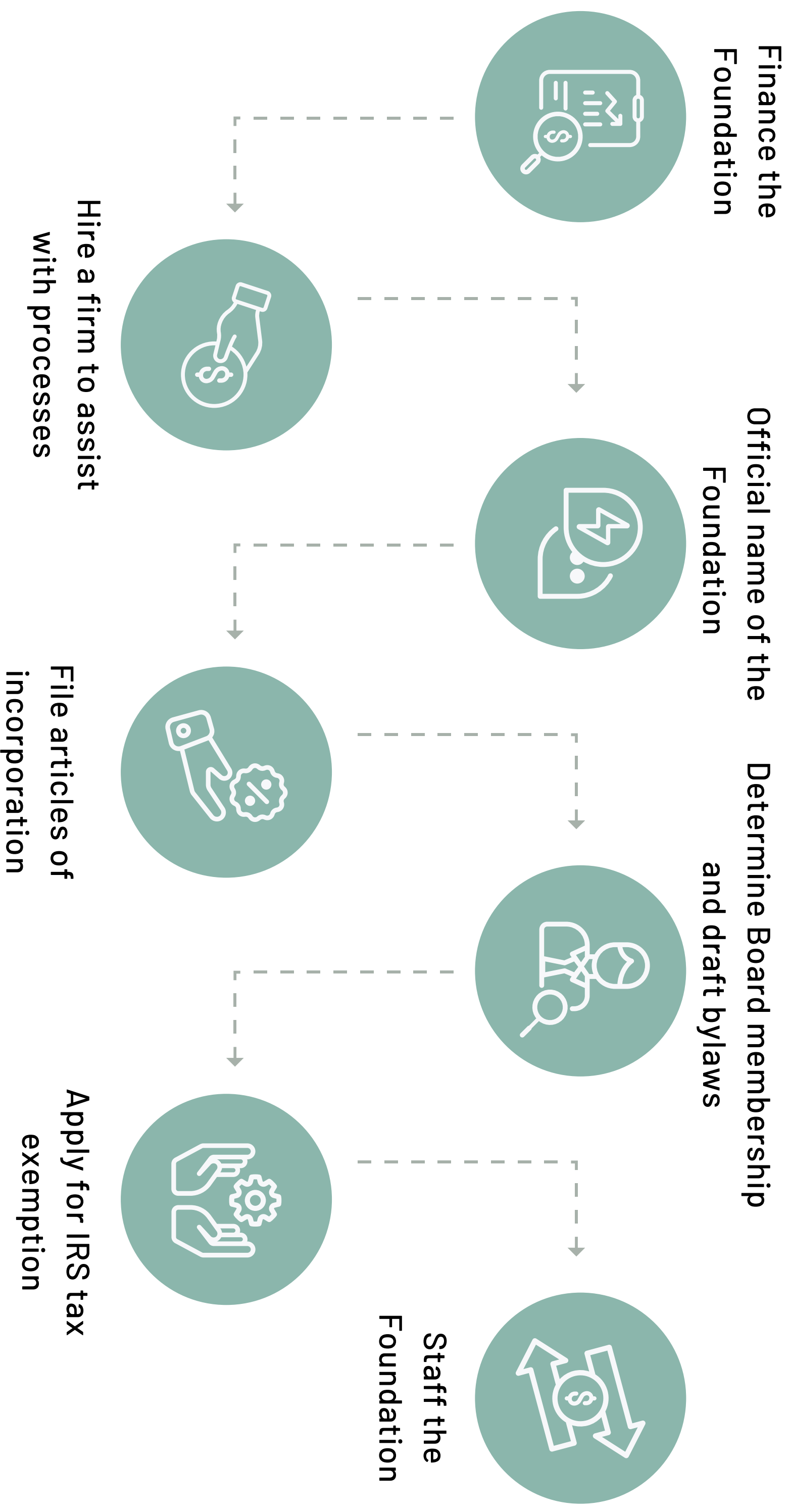
To expand overall capacity to support education and advocacy efforts which enhance the section's position as a global leader in agricultural and food systems research.



# Potential Board Members

- ESS Board Members
  - Past-Chair
  - Chair
  - Chair-elect
- Regional Association Board Members
  - Chair
  - Treasurer
  - Other appointed officers
- Sustaining Board Members
  - Regional Association Executive Directors

# Recommendations for Establishment



# Supporting Experiment

# Station Section Members!



## NERA

Northeastern Regional  
Association of State Agricultural  
Experiment Station Directors



## NCRA

North Central Regional  
Association of  
Agricultural Experiment  
Station Directors



## WAAESD

Western Association of  
Agricultural Experiment  
Station Directors



## SAAESD

Southern Association of  
Agricultural Experiment Station  
Directors



## ARD

Association of Research  
Directors

**Appendix 2, Experiment Station Foundation Concept**

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## Experiment Station Foundation Concept

**Purpose:** The Experiment Station Section (ESS), a unit of the Association of Public and Land-grant Universities (APLU) Commission on Food, Environment, and Renewable Resources (CFERR), Board on Agriculture Assembly (BAA) seeks to explore the establishment of a 501(c)3 non-profit organization (Foundation) to support national and regional activities of the section's members throughout the United States and U.S. protectorates.

**Reasoning:** Offer the ability to accept donations, sponsorships, and grants from corporations, organizations, and grant makers seeking tax deductible charitable contributions. For example, many corporations and organizations identified as potential sponsors for the 2021 ESS Annual Meeting did not provide sponsorships because their programs were restricted to making charitable contributions to 501(c)3 non-profit organizations. There are also grant opportunities from entities seeking tax deductible charitable contributions in which eligibility is limited to 501(c)3 non-profit organizations.

**Objective:** Create a Foundation responsible for securing funds to support program services to benefit members of ESS. The magnitude of funding will ultimately depend on the Foundation's ability to identify and persuade relevant sponsors to make charitable contributions. As a point of context, the list generated when sponsorship for the 2021 ESS Annual Meeting was pursued had 124 possible sponsors offering donations ranging from \$500 to \$5,000. Sponsorship levels up to \$25,000 are possible for non-profits successful at raising funds.

**Program Services:** The Foundation's primary benefit to members will be to support educational and professional development opportunities through a variety of current and future events offered by ESS and the regional associations, such as conferences, meetings, seminars, webinars, workshops, and other forms of training. A secondary benefit will be to expand overall capacity to support education and advocacy efforts which enhance the section's position as a global leader in agricultural and food systems research.

**Membership:** The Experiment Station Section is comprised of members who belong to one of five regional associations. Each 1862 land-grant agricultural experiment station director and 1890 land-grant research director participates in a regional association: Northeastern Regional Association of State Agricultural Experiment Station Directors (NERA), the official representative body of the



agricultural experiment station directors in the Northeast Region; North Central Regional Association of Agricultural Experiment Station Directors (NCRA), the official representative body of the agricultural experiment station directors in the North Central Region; Southern Association of Agricultural Experiment Station Directors (SAAESD), the official representative body of the agricultural experiment station directors in the Southern Region; Western Association of Agricultural Experiment Station Directors (WAAESD), the official representative body of the agricultural experiment station directors in the Western Region; and Association of Research Directors (ARD), the official representative body of the agricultural research administrators of the 1890 Land-grant institutions.

**Foundation Board Membership:** Board members are most likely to be hosting or otherwise planning the ESS annual meeting and annual meetings of regional association. Potential Board members for consideration may, for example, include the Past-Chair, Chair, and Chair-elect of ESS and the Chairs, Treasurers and/or other suitable elected officers appointed by each regional association as rotating board members. Sustaining board members should be the Executive Directors of the regional associations to maintain consistency and continuity across multiple years.

**Establishment:** ESS Chair Pritsos will introduce the concept to each regional association's Executive Committee. If the response is positive, Chair Pritsos will request approval from ESCOP to charge an *ad hoc* committee to develop recommendations for establishing the Foundation. In addition to considering the above information, the *ad hoc* committee will provide recommendations for the following next steps and required actions:

- Choosing an official name of the Foundation.
- Hiring and paying a firm to assist with the application processes.
- Determining the composition of the Foundation Board.
- Filing articles of incorporation.
- Applying for IRS tax exemption.
- Applying for state tax exemption if applicable.
- Drafting bylaws.
- Obtaining licenses and permits as applicable.
- Hiring and paying for appropriate staff to execute the functions of the Foundation.
- Financing the short-term and longer-term operations of the Foundation.

- Determine if an assessment should be utilized to support the start-up of the Foundation, and if so, the duration and amount of the assessment should be indicated.
- Evaluate the use of ESS accounts, including the annual operations account held at APLU and/or some ESS investment funds from the TD Wealth account to support the start-up of the Foundation.

**Appendix 3, Update: Exploring the Establishment of an Experiment  
Station Section 501(c)3 Non-profit Organization/ Foundation – January  
13, 2023, including resolved, partially resolved, and unresolved  
issues/challenges – May 30, 2023**

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## **Update: Exploring the Establishment of an Experiment Station Section 501(c)3 Non-profit Organization/ Foundation – January 13, 2023**

### **Resolved, partially resolved, and unresolved issues/challenges – May 30, 2023**

#### **Background:**

During the 2022 ESS Business Meeting, ESCOP Chair Chris Pritsos introduced to the section a proposal for the formation of an ESS Foundation. (The introductory document is attached.) An ad hoc committee was subsequently convened to “explore the establishment of a 501(c)3 non-profit organization (Foundation) to support national and regional activities of the section’s members...” That ad hoc has met multiple times and shares the following reflections.

#### **May 30, 2023, update:**

After examining each of the issues/challenges, the ad hoc provides thoughts on resolution of the issues/challenges. These are shown in italics for each of the issues and were not part of the original document on January 13, 2023.

#### **Original Reasoning for Establishing a Non-profit Organization:**

As presented in September, the reasoning behind forming the non-profit organization revolved around accepting donations, sponsorships, and grants to offset the costs of an annual meeting.

#### **Identification of Additional ESS and Regional Association Business-related Issues:**

As the subcommittee examined the establishment of an ESS non-profit organization, a number of ESS and regional association business-related challenges were identified as needing remediation. Below we describe the challenges for both the ESS and the regional associations.

### **Issues/Challenges**

#### **National-Experiment Station Section:**

- The ESS is experiencing difficulty in executing activities related to holding a national meeting. This frequently requires contracting with hotels, conference centers, audio/visual contractors, food, and beverage provisioners, and external speakers.
  - *Resolved: The APLU has the capacity to provide conference services similar to those provided by institutions. Establishment of an Experiment Station Section 501(c)3 non-profit organization would add capacity while not unnecessarily duplicating available services.*
- The ESS must rely on an institution or other entity’s conference/meeting services unit to fully support the execution of activities related to holding events.
  - *Resolved: Employing institutional conference services is one of two current means to support execution of event activities. The APLU has the capacity to also provide conference services. Establishment of an Experiment Station Section 501(c)3 non-profit*

*organization would add a third capacity while not unnecessarily duplicating available services.*

- The ESS lacks the capacity to make pre-payments to hotels and/or conference centers. This is a limitation posed by a university host of a regional association office.
  - *Resolved: The APLU has the capacity to provide such conference services. Establishment of an Experiment Station Section 501(c)3 non-profit organization would add capacity while not unnecessarily duplicating available services.*
- The ESS lacks the capacity to execute an independent contract. The ESS can engage in contracts through a university host or the APLU. In doing so, the ESS is subject to the policies and procedures posed by either the university or APLU. Depending on the city and state of venues/vendors with which ESS does business, the section may not be eligible for tax exemption, as the ESS is not a legally recognized organization.
  - *Resolved: While the APLU and institutional hosts may sign contracts on behalf of the Experiment Station Section, establishment of an Experiment Station Section 501(c)3 non-profit organization would add capacity while not unnecessarily duplicating available services.*
- The ESS lacks the capacity to reimburse travelers, speakers, or award winners on a timely basis. This is due to the constraints posed by either the university host of a regional association or the APLU.
  - *Unresolved: The speed of reimbursement reflects the burden of bureaucracy in both an institutional host and APLU. Establishment of an Experiment Station Section 501(c)3 non-profit organization would add capacity while not unnecessarily duplicating available services.*
- The ESS lacks the timely capacity to pay an invoice for which a competitive bid has not been secured. For example, the ESS has dedicated \$50,000 to support the establishment of AG-NGINE, a graduate student recruitment commons, hosted by the University of Florida. While the ESS approved the expenditure, we expect difficulty deploying the approved funds due to APLU's policies on contracting for services.
  - *Resolved: The APLU has paid the University of Florida as requested by the Section. Establishment of an Experiment Station Section 501(c)3 non-profit organization would add capacity while not unnecessarily duplicating available services.*
- The ESS lacks timely reporting on ESS funds held by the APLU. In essence, the ESS does not currently have access to regular financial reports on ESS operating accounts.
  - *Resolved: The Experiment Station Section has established a new standing committee, the Finance Committee, and that committee collaborates with the APLU to secure regular financial reports.*

- The ESS lacks timely payment of invoices submitted to the APLU, who in turn, pays the invoice. While the APLU is a 501(c)3 organization, their rules of operation frequently pose financial administrative burdens similar to those posed by university hosts. For example, WAAESD recently submitted some 100+ pages of documentation to support reimbursement of costs incurred while the chair of the ESS was from the west- the process was laborious and duplicative since ESS does not have direct access to its operating account.
  - *Partially resolved: The lack of timeliness of payment reflects burden of bureaucracy in the APLU. Establishment of an Experiment Station Section 501(c)3 non-profit organization would add capacity while not unnecessarily duplicating available services.*
  
- The ESS lacks an independent means to invest reserve funds. Currently, ESS has invested reserve funds through TD Wealth using the non-profit status and oversight by the APLU.
  - *Unresolved: As the Experiment Station Section is not an independent entity, the Section has no other means to invest reserve funds other than utilizing the non-profit status and oversight by the APLU. Establishment of an Experiment Station Section 501(c)3 non-profit organization would add capacity while not unnecessarily duplicating available services.*
  
- The ESS currently lacks a mechanism to accept donations, sponsorships, and grants from corporations, organizations, and grant makers seeking tax deductible charitable contributions. Many corporations and organizations interested in or mandated to making tax deductible charitable contributions can only contribute to 501(c)3 nonprofits.
  - *Unresolved: Neither the APLU nor institutional host will accept tax deductible, charitable donations on behalf of the Experiment Station Section. Establishment of an Experiment Station Section 501(c)3 non-profit organization would add this new capacity.*

### **Regional Experiment Station Organizations:**

Many of the challenges identified as “national” in nature are also faced by the regional associations. With the exception of WAAESD, a regional association that has an established 501(c)4 non-profit organization, the four remaining regions typically operate under the fiduciary authority of a hosting university (ARD-North Carolina A&T University/Tuskegee University, North Central-University of Wisconsin/Michigan State University/Kansas State University, Northeast-University of Rhode Island, South-University of Arkansas).

- The regional associations are experiencing difficulty in executing activities related to holding regional meetings. This frequently requires contracting with hotels, conference centers, audio/visual contractors, food, and beverage provisioners, and external speakers.
  - *Unresolved: Establishment of an Experiment Station Section 501(c)3 non-profit organization that served as an umbrella for the regional associations would add capacity.*

- The regional associations must rely on an institution or other entity's conference/meeting services unit to fully support the execution of activities related to holding events.
  - *Unresolved: Establishment of an Experiment Station Section 501(c)3 non-profit organization that served as an umbrella for the regional associations would add capacity.*
  
- The regional associations lack the capacity to execute an independent contract. The associations can engage in contracts through a university host. In doing so, the association is subject to the policies and procedures posed by the university host. Depending on the city and state of venues/vendors with which the regional associations do business, the associations may not be eligible for tax exemption.
  - *Unresolved: Establishment of an Experiment Station Section 501(c)3 non-profit organization that served as an umbrella for the regional associations would add capacity.*
  
- The regional associations lack the capacity to reimburse travelers, speakers, or award winners on a timely basis. This is due to the constraints posed by the university host of a regional association. (For example, a travel reimbursement for a leadership award winner was rejected by a university host because a traveler who was not from the hosting university had not sought prior approval for the travel to receive the award.)
  - *Unresolved: Establishment of an Experiment Station Section 501(c)3 non-profit organization that served as an umbrella for the regional associations would add capacity.*
  
- The regional associations lack the timely capacity to pay an invoice for which a competitive bid has not been secured. While the associations appreciate the value to competitive bidding, there are situations for which it's not practical (e.g., when a planning committee identifies a "known" speaker for their specific capabilities).
  - *Unresolved: Establishment of an Experiment Station Section 501(c)3 non-profit organization that served as an umbrella for the regional associations would add capacity.*
  
- The regional associations lack the capacity to make pre-payments to hotels and/or conference centers. This is a limitation posed by the university host of a regional association.
  - *Unresolved: Establishment of an Experiment Station Section 501(c)3 non-profit organization that served as an umbrella for the regional associations would add capacity.*
  
- The regional associations have depended on the WAAESD to pay bills when university hosts have blocked payments.
  - *Unresolved: The regions appreciate the largesse of WAAESD. Establishment of an Experiment Station Section 501(c)3 non-profit organization that served as an umbrella for the regional associations would add capacity.*

- The regional associations currently lack a mechanism to accept donations, sponsorships, and grants from corporations, organizations, and grant makers seeking tax deductible charitable contributions.
  - *Unresolved: Establishment of an Experiment Station Section 501(c)3 non-profit organization that served as an umbrella for the regional associations would add capacity.*
- With each change in regional association leadership, the regional associations have to transfer funds and re-establish accounts and relationships with the new host institution, in addition to spending time learning new purchasing and accounts payable procedures that could be better spent conducting valuable association business. Moreover, each time the host institution changes business practices and systems, the regional office needs to be trained on these new institutional systems. For example, the NCRA AD has undergone several rounds of training for new purchasing and invoicing systems throughout the past few years and will need to do so again when UW Madison transitions to WorkDay next year.
  - *Unresolved: Establishment of an Experiment Station Section 501(c)3 non-profit organization that served as an umbrella for the regional associations would add capacity.*
- Changes in upper administration and accounting systems pose a threat to retention of funds in accounts utilized by the regional associations. University officials may consider sweeping the accounts or redirecting the funds.
  - *Unresolved: Establishment of an Experiment Station Section 501(c)3 non-profit organization that served as an umbrella for the regional associations would add capacity.*

**Experiment Station Section/Regional Association Goals:**

- Gain operational efficiency, reduce administrative burden. Both the ESS and the regional associations have depended on the largesse of WAAESD to assist with remediating financial challenges.
- Have instantaneous access to ESS operating funds, which will reduce redundancy in executing financial transactions and improve efficiency of business operations.
- Seek financial independence to secure flexibility, accountability, and reasonable timeliness of payment of bills.
- Seek capacity to execute contracts and deploy funds as stipulated by contractors, including payment of deposits.
- Seek capacity to attract donations from organizations looking to contribute funds to non-profit organizations.
- Reduce the cost of meetings pass-ons to attendees.



- Protect ESS funds through good financial stewardship.
- Exploit the potential of a partnership among the regions with the ESS on a financial management strategy that works for all.
- Develop reasonable, timely, and responsible, strategies for hosting national and regional meetings.
- Reduce the burden on the region and institution of the ESS Chair for hosting national meetings and performing the tasks related to ESCOP priorities and the Chair's initiatives.