

Washington State Commission on Pesticide Registration

May 10, 2006

Summit Inn, Snoqualmie Pass

Commissioners present at the meeting were: Ann George, Andy Jensen, Dan Robinson, Doug Walsh, Byron Phillips, Gina McCauley, Bryan Sakuma, Erik Johansen, Art Losey, Kurt Volker, Bill Mason, Jay Schafer

WSCPR Liaison: Sandra Ristow

Staff present were Alan Schreiber and Laurie Wishkoski.

The meeting was called to order at 10:03 am by Chair Volker.

There were no visitors.

Introductions were made.

Minutes

Chair Volker asked for comments on the minutes. Gina McCauley gave two grammatical corrections. Erik Johansen gave correction for the wording regarding the discussion of a possible 24c. Kurt Volker said that he would give the corrections to Laurie Wishkoski.

Ann George moved to approve the minutes with corrections. Byron Phillips seconded the motion. The motion carried unanimously.

Financial Report

Alan Schreiber gave the financial report. The auditors' report on the Washington State Commission on Pesticide Registration was completed. The accountants had completed the report for the Washington Asparagus Commission and the findings included a report of theft of funds. It was ascertained that roughly \$66,000 had been taken from WAC with approximately \$30,000 being replaced with money stolen from Agriculture

Development Group. ADG had a large amount of money taken from it. The WSCPR had been spared-no funds were stolen from the Commission. Alan Schreiber read from a letter from Baker and Giles, the accounting firm handling the investigation, stating no funds were taken.

The books of the WSCPR have not been audited but they have now been reviewed for the last three years. The accounting firm had a very difficult time understanding the way that money moves through WSCPR.

Alan Schreiber asked Sandra Ristow who audits WSU. The State Auditors Office audits WSU. Ann George added that it was probably done every year due to the size of the institution. WSCPR will probably alter the way the reports are given to the Commissioners and the account will be audited every year.

Alan Schreiber said the audits that have been done would be paid for by him as well as the state audit that had been performed. Additionally, Alan Schreiber would be meeting with the state auditor on Friday.

An update was given on the status of the embezzler.

Alan Schreiber went over the financial report. The expenses are explained. No bill has been received from the Attorney General's office. It appears that the year's expenses will come in under budget. The travel and meeting costs are quite close to being on budget. Andy Jensen asked about the date notation and was told that the date was incorrect. The financials had been prepared the day before to make them as current as possible. Kurt Volker asked if it was possible that the financials reflect the percent expended rather than the percent remaining. Kurt Volker asked about the payments to PNN. Alan Schreiber explained the money that was remaining in the Pasco account. At one point in time there had been almost \$20,000 but that amount has been drawn down to compensate for cuts that have been made in money from WSU. Alan Schreiber continued to say that there would be few large expenses from this time until the end of the year. This is the last meeting of the year.

Gina McCauley asked how the hand written numbers fit into the overall report. Alan Schreiber explained that this account is an asset. The money originated from the running of the Tour. This account allows us to incur some minor costs that would not be covered by state funding.

Alan Schreiber gave an update on the biennial report. Approval to generate the biennial report had been given at a previous meeting. The cost of this report will possibly be less than it had been in previous years.

Andy Jensen asked if there were checks reported at the last meeting. There were not.

Andy Jensen moved to approve the financial report with the exception of the disbursements in the check detail. The disbursements will be taken up at the next meeting. Dan Robinson seconded the motion. The motion carried unanimously.

Alan Schreiber handed out the proposed budget with the request that it be looked at and the discussion would take place later in the meeting.

Administrators Report

Alan Schreiber handed out the amended Tour agenda. The suggestions that had been made have been incorporated into the agenda. The dates of the Tour have been changed. Andy Jensen will not be able to attend.

Monday for the Tour is a travel day for attendees and includes registration and reception. The focus on Tuesday is perennial crops. Berry crops have been suggested. Alan Schreiber asked how many acres of berries are now being grown on the East side of the state. There is now over a thousand acres of raspberries being grown in eastern Washington. Alan continues with Tour agenda. The correct term of the nursery is a propagation nursery. Doug Walsh will work to try to gain entrance to the carrot plant. Alan Schreiber asked Ann for input on container recycling stop. Doug Walsh was asked about onions. Bill Mason asked about presenting information from the PIRT panel report. Bill Mason will tailor the presentation to fit the time slot. Andy Jensen will orchestrate the potato stop even though he will not be in attendance. ADG will be a dinner stop in addition to information. One option for Wednesday afternoon will be the Pasco Lamb Weston french fry facility. The other option will be a jet boat tour up the Columbia.

Kurt Volker asked about the Qualls Ag Lab. There is a problem with the time that is needed to go to Qualls. It requires an hour up and an hour back. Kurt Volker asked about environmental issues such as salmon buffers. Kurt Volker voiced concern that the tour seemed to be lacking in regulatory stops. Doug Walsh suggested Jim Cowles could be contacted. Alan Schreiber said that Jim was going to be a part of the Tour. Erik Johansen asked if the information could be presented en route. Sandra Ristow asked if Alan wanted the Dean to show up? Alan Schreiber said to please ask the Dean to be on the Tour for sometime on Tuesday. It would be closer to have the Dean come to Dayton but generally there were fewer people on the Tour on Thursday. Alan Schreiber said that Tuesday lunch is generally when he gives the spiel on the WSCPR. Bill Mason added that the mosquito stop could be enhanced by DOH information on West Nile virus.

Andy Jensen asked about the rewrite of the High Plains Virus proposal. Andy Jensen also asked about the issue of term limits for commissioners. Alan Schreiber replied that the issue of term limits seemed to be of more concern to the previous administration. The best thing for the state and the commission is to nominate the best representative from the industry.

Kurt Volker asked Alan Schreiber to give a report on the role and function of the Commission.

Alan Schreiber explained that the Washington State Commission on Pesticide Registration is not pro-active. The WSCPR acts in response to existing problems that are brought before the Commission. An RFP is issued at the end of August and proposals are due 30 days prior to the funding meeting. Notebooks are sent out to the commissioners two weeks prior to the funding meeting. Award letters are sent out within 7 days of the meeting. The award letter goes to the requesting entities and to WSU. The last letters to go out are the rejection letters because they are sometimes quite difficult to word. After the project is approved and the letter is sent to Tucson Smith with WSU then the account is established for the project. WSU researchers' project accounts are set up very quickly. Researchers associated with other entities take longer because a contract must be written up and distributed. WSU researchers can invoice prior to the completion of the research. Non-WSU researchers must wait until the research is completed before the account can be invoiced. There are instances where the work cannot be completed within the designated year. In that case, a request for an extension must be submitted in writing to Alan Schreiber giving an explanation of the problem and the length of time that is needed to reach completion. It is conceivable that 25% of the projects will need an extension in time. Occasionally, the request for extension is denied. There are also instances where the project is requested to change and sometimes more information is needed in order to make the decision. Alan Schreiber and Kurt Volker gave examples of projects that had requested changes and the outcome of the requests.

Gina McCauley asked who the RFP was sent to. Alan Schreiber said that there is a list and that the list would be brought to the next meeting. The RFP is mailed out, it is put on the website, it is mailed electronically and is sent to WSU who also disseminates it. Kurt Volker added that a part of the next meeting would be going over the RFP to make any necessary changes.

Byron Phillips requested that examples of award letters and rejections be brought to the next meeting. Alan Schreiber said that a sample of letters would be brought including award letters and award letters with qualifications. Byron Phillips asked about a proposal that had been funded at a much reduced amount at the January funding meeting. Byron Phillips also asked if anyone had ever rejected an award. Alan Schreiber said that he could not remember any award being rejected. There had been no negative feedback from the project in question.

Gina McCauley asked if Alan Schreiber had any idea of what percentage of the projects that were funded were headed up by WSU researchers. Alan Schreiber responded that 75% of the projects this year went to WSU. In some years the number is as low as 60%. Kurt Volker asked if he knew what the money percentages were. Alan Schreiber replied that he did not know but that he could figure it out.

Kurt Volker asked Andy Jensen to speak about matching funds policies and possible trends.

Andy Jensen began by saying that when he had started on the Commission the source and the amount of the matching funds for any project were very critically evaluated. Projects were expected to address how the matching funds originated with the affected user group. Proposals were evaluated not only on the proposal itself but also on the amount and the source of the matching funds. The size of the entity making the request is taken into account. A large industry should not expect to have a large proposal funded without making a sizable commitment in the form of matching funds. Andy Jensen said that if the Commission was moving away from worrying about where the matching funds came from and how much was being committed then that statement should be made. A consistent position should be taken with regard to how proposals will be scored regarding their matching funds. The question of what constitutes a user group match. Is a federal grant to be considered a match? Consideration would always be made for funding from minor minor crops that do not have the ability to get money. The columns in the proposal forms indicate the amount of match but it does not indicate the source of that match or distinguish one form from another.

Doug Walsh commented that one of the benefits of documenting the matching funds was to indicate to the legislature how much more money their funding was generating. Doug Walsh said that he felt that it was important to continue this especially if the Commission was considering approaching the legislature with a request for more funding.

Alan Schreiber said that we were instructed at the beginning of the Commission to track matching funds both in funds and in-kind funding. There is merit in this and it should continue. Alan Schreiber felt that what Andy was concerned with is a different issue. At the beginning of the Commission there were no matching funds. Matching funds became a way to assess the level of concern within an industry or a level of worthiness. The increased types of matching funds that are taken into account came from an effort to capture all of the different types of funding that were going on. There are now many forms of matching funds being noted and it is difficult to assess the worthiness of the funding. Alan Schreiber agreed that there has been match appropriateness creep.

Kurt Volker asked if Andy Jensen had a policy for the Commission to look at. Andy Jensen said that he did not but wanted to make note of the issue to let the commissioners be aware of the problem. Alan Schreiber added that if a policy was to be adopted that it must be able to be put in writing. Everyone must be made aware of it and all proposals must be treated equally. Maybe it could be stated that more value would be put on user group money and less value would be put on general funds type money. What ever the decision is...it must be put in writing.

Kurt Volker offered that a blanket statement could be made to the effect that proposals would be evaluated in part on the appropriateness of the matching funds relative to the size of the affected industry.

Art Losey said that he would like the policy to allow for flexibility.

Doug Walsh added that he had seen wording in applications that read “matching funds and sources of matching funds will be considered in the proposal review process.” Alan Schreiber responded that if the Commission is going to make value judgements on the sources of matching funds then that needs to be communicated in writing. If the Commission is going to look more favorably on money from growers than on a researcher’s salary then that needs to be specified in writing to be fair to all who are submitting proposals.

Gina McCauley asked how the commodities that did not have assessments to commit to research would be able to receive funding if this is the policy. Doug Walsh and Ann George gave examples of small groups that have raised funds when confronted with issues that they deemed important. Discussion followed regarding possible language for consideration. Andy Jensen said that he would work out the language and email it for consideration.

Alan Schreiber, Ann George, Doug Walsh, Andy Jensen and Byron Phillips will all work together to establish language for inclusion into the RFP.

Lunch was served

Budget

Alan Schreiber begins with the budget. Sandra Ristow was asked whether or not the policy of forward allocation will continue. Sandra Ristow replied that she had asked Ralph Cavalieri and he had said that he would look into it. Sandra had investigated the history of the forward allocation. Sandra Ristow read from an email that outlined the initiation of the policy. The forward allocation was an attempt to deal with the differences between the fiscal year and the agricultural year which often dictated the timing of the research. There may be a change in this policy.

Alan Schreiber went over the budget allocations. Explanations and amounts are given for the AG’s office, operating expenses, tour expenses, personnel and PNN. The operations costs have remained fixed while the overall budget has declined.

Byron Phillips asked about the amount that would be available for proposal funding. Alan Schreiber replied that the amount available was dependent on whether or not there would be forward allocation.

Discussion took place regarding individual amounts in the budget. Andy Jensen asked if the large increase in the PNN budget would continue.

<p><i>Byron Phillips moved to approve the budget as written. Andy Jensen seconded the motion. The motion passed unanimously.</i></p>
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Letter of Agreement

Kurt Volker asked that the acronyms in the LOA be spelled out. Alan Schreiber said that if there were no policy changes then it was not necessary to have a vote of approval. Kurt Volker read over the letter and explained the LOA provisions. Kurt Volker announced his intention to sign the Letter of Agreement with Washington State University.

Art Losey moved to approve the Letter Of Agreement with Washington State University. Byron Phillips seconded the motion. The motion passed unanimously.

Byron Phillips brought up the issue of creating a formalized format that would be followed when submitting a progress report. It is already stipulated in the RFP that progress reports or final reports are due but the RFP does not stipulate a form. The reasoning is that if the researcher is already preparing a report for what ever entity has requested the research then that report should suffice for the report to WSCPR. Byron Phillips feels that it is important for the reports to come into WSCPR in a form that is functional for WSCPR and it's decision making processes even if that form is not one that would be useful to the commodity group. WSCPR often needs different information in order to make decisions. Not having the information available in readily harvestable fashion does not give the commissioners the ability to defend or explain decisions based on historical information. Byron Phillips would like to be able to track to see if objectives are being met, if there are changes in the direction of research, if so why, and how much money has been spent. This information could be an electronic form. Byron Phillips handed out formats and examples and asked for feedback.

Kurt Volker said that he thought that this was very important. Uniformity is good. It is important for the form of the proposals, for the evaluation of the proposals and for the information that the Commission is getting back.

There was a discussion that followed about whether or not there was an obligation to post the reports for public viewing. There is no obligation to post for public viewing research that is proprietary in nature. Alan Schreiber and Doug Walsh gave examples from the Washington Asparagus Commission and the California Strawberry Commission.

Alan Schreiber said that it is preferable to use the term annual report rather than progress report or final report. The research is funded only one year at a time.

Kurt Volker handed out another format. This is a simple form with a limited number of pages with bulleted information. There would also be a simple spreadsheet that would be available password protected to the commissioners. This spread sheet would give each project a project number that would allow tracking through time, to be able to link projects and to track changes in funding.

Alan Schreiber said that this could be as simple as filling in the blanks in a form on the website. Andy Jensen said that he would like to be able to see that on the website. Art Losey said that he would like to be able to see the reports. Alan Schreiber replied that in years past the commissioners did not want to see all of the reports in addition to the

proposals. It would be more easily accessed now because of the website. Kurt Volker said that he felt that this would be an issue of good stewardship of the public money.

Kurt Volker, Byron Phillips and Alan Schreiber will work together on this to establish the framework for review at the July meeting. Erik Johansen added that only one simple form would be better and that he would like to see what the progress is towards registration.

Presentation of Biennial Report

Alan Schreiber gave the history of the biennial report. The legislature originally asked for a report in 2003. It was decided by the Commission that it would be a good thing to give a report every two years even if there was no obligation to do so. It is important to remind the legislature and the legislators of all of the good things that the Commission accomplishes. Alan Schreiber showed the Commission a rough draft of the biennial report. This rough draft is gone through page by page. Included in the report are the reason for the existence of the Commission, the RCW's that deal with the Commission and the Executive Summary. The Commission has funded 123 projects. Alan Schreiber said that he would email out the biennial report to solicit comments. Alan Schreiber asked for input on success stories...possibly mummyberry, iris yellow spot, Xiao and the apple rot or Chris Grue's salmon work.

Alan Schreiber gives an update on the status of book sections. Andy Jensen asked for an information update on the contract between Alan Schreiber and the Commission for the book. Kurt Volker will handle the oversight of the contract. Andy Jensen asked if there was a way to enforce the quantity of sections completed during any period. The contract will have a 30 day severance clause at any meeting the issue of severance can be discussed. Alan Schreiber discussed how the crop discussions would be approached and what factors contributed to the order of completion. Gina McCauley asked if ornamentals was going to be included.

Kurt Volker asked if there was any other business.

Alan Schreiber said that there is asparagus to take home and reminded the commissioners that there were vouchers to be picked up if they needed.

The next meeting would be at Cave B in George on July 12 if it is available.

Jay Schafer made a motion to adjourn. Dan Robinson seconded the motion. The motion carried unanimously.

The meeting adjourned at 2:31 pm.

Kurt Volker, Chair

Alan Schreiber, Executive Director

