

**Minutes of the Board for the
Pennsylvania Chapter
of The American Chestnut Foundation (PA-TACF)**
Saturday, July 31, 2004
Held at the Donegal Grange
Donegal, PA

The meeting was started at 10:15 am.

Those present at meeting: **Dave Armstrong**, PA-TACF Operations Coordinator, **Bob Summersgill**, PA-TACF President, **Tim Phelps**, PA-TACF Vice President, **Blair Carbaugh**, Board Member, **Chandis Klinger**, Board Member, **Tim Eck**, **Livy Eck**, **Bill Montague**, **Larry Patchel**, **Dean Nelson**, **Dave Lazor**, **Frank Brouse**, Board Member, **Tom Pugel**, **Jim Ross**, **Jim Walizer**, **Sara Fitzsimmons**.

Minutes were taken by Sara Fitzsimmons.

FINANCES

Mr. Armstrong, PA-TACF's Operations Coordinator and Treasurer, discussed the finances of the chapter. A handout had been e-mailed or mailed to board members detailing line by line the chapter's expenses. At the time of the meeting, the chapter was ahead ~\$5000 on income over expenses. The only item not mentioned on the handout was an expense of \$564 that went toward the holding of board elections.

Mr. Armstrong also detailed the grants that the chapter is actively pursuing. Currently, there are \$55,500 in grants that have been awarded to PA-TACF in 2004. Another ~\$250,000 in grants have been submitted and are awaiting approval through the end of 2004. Approximately half of those grants look to be promising.

Mr. Summersgill questioned the item referring to bucket trucks in the budget, wondering if those monies could be used for reimbursement of members who rented bucket trucks this past season. Mr. Armstrong explained that those funds had been granted to the chapter from Mr. Bernie Monahan. Several years ago, Mr. Monahan had donated a bucket truck to the chapter and continues to donate money for its upkeep and maintenance.

Continuing the discussion of the chapter's finances, Mr. Armstrong added that the chapter went over budget on breeding supplies because of fencing. Mr. Armstrong noted that he is hoping to receive additional funds to cover that amount from TACF.

Mr. Armstrong continued to elaborate with information concerning future grants. Of particular interest is a grant being pursued with a PA Rep. Smith through the Department of Community and Environmental Development. Mr. Montague thought it would be a

good idea for the board members to approach county delegates with similar projects as that being pursued with Rep. Smith. The Board was in agreement.

Regarding the final object on the grant's list, Mr. Armstrong detailed the Lenfest Foundation proposal. They are a group out of southeastern PA who gives out \$1000s of dollars for non-profits for environmental purposes. Beverly Lupfer had found an announcement of the organization in their local paper and sent it into the chapter for our information.

Mr. Walizer raised concern about wanting to put into writing a 5-7 year contract for the fenced areas where we are to plant trees with PA DCNR. What if you get a new director or something? He also noted that the PA DCNR has several 1-2 acre demonstration areas that are fenced within larger fenced in areas. Knowing that those areas should be around for a while, he wondered if we should pursue planting in those designated places.

Mr. Armstrong noted that there are 116 state parks in Pennsylvania. Part of the proposal to the DNCR was to plant a CMS planting next to the environmental center at a state park.

Update August 23, 2004 – Dave Armstrong

TACF Membership and Donations: We received a check from TACF for the 2nd Quarter 2004 membership in the amount of \$3,500. Our quarterly checks include a payment for each new and renewed member at \$15 per person. Also included are donated funds that members add to their membership for the PA Chapter. In the past I have only been showing these amounts in "TACF Membership" I have changed this for 2004 show the amount of these donations in "Individual Donations". Our financial report now shows that our Individual donations are \$5,260 and TACF Membership is \$11,620.

***Grants:** We received the contract for the \$50,000 PA Grant that Representative Sam Smith got for us. There will be a ceremony & newspaper photo session at Jefferson County (Stewart- Smith Farm) with Rep Smith, our local members, Bob S., Sara and me on Sept 9th. If you want to attend, let me know and I will provide details.*

HFF Grant: We are sending a grant request this week to thee Hardwood Forestry Fund, Reston VA requesting \$20,000 to plant CMS orchards on DCNR Bureau of Forestry reforestation plots.

Intern Costs: We had two interns this year. One from Duke University was paid \$4,000 from a Stanback Grant.

Another, Adam Karl, was paid \$2,000 plus travel expenses of \$871.50 out of a Dept of Ag, Hardwood Forest Council grant. The grant was for \$5,000.]

GRANTS COMMITTEE

Mr. Patchel began discussion of the grants committee and their work. He noted that he had recently downloaded a copy of the new guidelines for grants from the National Tree Trust (NTT). Mr. Patchel went on to mention that some of the guidelines have changed from in the past, for which reason he will soon be studying them carefully.

Mr. Armstrong proposed that the board establish a standing grants committee at the board level. He recommended that the vice president be the grants committee chair. Mr. Armstrong said that he would then like to put the experienced grant people on that committee. He noted that Larry Patchel could be the co-chair. Others who should be involved at this time are Tracey Coulter, Ann Leffel, Tim Eck and, possibly Judith Gallagher who is an editor (and neighbor to Mr. Summersgill's Pennsylvania farm in Stahlstown).

Mr. Patchel inquired as to whether the by-laws would need to be changed in order to create the standing committee. The board was in agreement that they did not need to be changed.

Dr. Blair Carbaugh made a motion to establish a standing grants committee in which the PA-TACF Vice President would serve as chair.

Mr. Chandis Klinger seconded the motion.

The motion was passed unanimously.

As an aside, Mr. Eck mentioned that Dr. Hebard asked for more aluminum flashing from Alcoa. Mr. Eck noted that, should the chapter deem it necessary, that he could probably supply the flashing for CMS plantings within DCNR's pre-fenced areas.

NEW TREASURER

Mr. Armstrong presented the board with his candidate for Treasurer, Mr. Tim Eck. He noted that he strongly supports Mr. Eck for the position, as both he and his wife, Livy, have been treasurers for other organizations. The Treasurer position is appointed by the board and a motion was necessary to establish Mr. Eck as the treasurer.

Mr. Summersgill noted that he would like to have a CPA review the chapter's finances every so often.

Mr. Armstrong replied that the chapter would probably have to start having a review done every year anyway. If a non-profit organization receives more than a certain amount (\$25,000) of their income through private donations, Pennsylvania requires that a review accompany and substantiate the organization's 990 report [*more below in discussion of 2004 review of chapter's finances - sff*].

As a candidate for treasurer, Mr. Eck noted that he would take it as an offense if a review were to be done only when the board deemed necessary.

Dr. Blair Carbaugh made a motion that PA-TACF is to have a yearly review of the chapter's finances prepared by a CPA in support for the 990 report sent to the state.

Mr. Chandis Klinger seconded the motion.

The motion was passed unanimously.

Mr. Chandis Klinger moved to appoint Mr. Tim Eck as Treasurer of PA-TACF.

Dr. Blair Carbaugh seconded the motion.

The motion was passed unanimously.

Mr. Armstrong recommended that the position be officially passed onto Mr. Eck in January when Mr. Armstrong takes on the position of PA-TACF Vice President. He worried that the bank that Mr. Armstrong uses for the chapter in Hanover may not be available in Lancaster, so that some investigation into a proper home for chapter funds would need to be found. Mr. Armstrong further noted that he and Mr. Eck would need to set up a money market account as soon as an investigation was completed. Those two accounts would be set up as soon as possible.

2004 REVIEW OF CHAPTER'S FINANCES

Mr. Summersgill reported that CPA Wendy had completed a professional review of the chapter's finances. In her official report, Ms. Spinner notes that the chapter has been performing its financial duties as it should; however, there was some concern raised about the chapter's 990's.

Mr. Armstrong explained Ms. Spinner's concerns. Every year, the chapter submits a 990 report to the IRS which shows income and expenses. In order to maintain the chapter's status as a publicly supported non-profit organization, 33 1/3% of our income needs to come from public supported donations including individuals, grants, and memberships. Currently, the chapter's donation percentage stands at about 97%, and the chapter has always had plenty of public support. Ms. Spinner's concerns stem primarily from the calculation of monies received from "disqualified persons". Although this should not raise undue alarm, should the IRS want an audit, such a miscalculation could come back to haunt the chapter.

Update August 23, 2004 – Dave Armstrong

[IRS Form 990EZ: The CPA review pointed out that we did not account for any "Disqualified Persons" when we calculated our Schedule A, 990 amounts. I reviewed the definitions of disqualified persons and it means that anyone who donates over \$5,000 to the chapter (over the last four years) or any board member or officer donations must be subtracted before calculating our % of public support. We have no donors over the \$5,000 amount but have some board members who have donated a total of \$1,500 in 2003. Even after subtracting this amount, our % of support does not change. We still maintain 97% of our income as public supported and only 33 1/3% is required.

This has nothing to do with any restrictions on the amounts these "non qualified individuals" donate. They still can apply all of these charitable donations to their individual taxes.]

Mr. Armstrong described the rest of the review as pretty straight forward. He mentioned that there were a couple of other notes, but that none of them required undue attention.

Mr. Walizer pointed out that the grant from Mr. Bernie Monahan for the bucket truck could be classified as a donation from a disqualified person. Mr. Armstrong thanked Mr. Walizer for the idea and agreed to check into it.

Mr. Armstrong mentioned that, at last meeting, the Board had approved \$400 for the review; however, the final tally came out to \$650. He noted that he was going to investigate the additional charges.

Update August 23, 2004 – Dave Armstrong

[Finances:

Financial Review: Our CPA Firm agreed to charge \$400 rather than \$650 after Bob S. and I reviewed our concerns with them. I mailed the \$400 check.

Mr. Walizer wondered if there was a CPA in the organization who could perform these annual reviews for the chapter; however, Mr. Eck noted that a review by a member may not be partial or independent enough.

FINANCING OF THE TREE BREEDING COORDINATOR (TBC) POSITION

[This section's minutes were taken by Livy Eck – sff]

Dave Armstrong told us the terms of the present two year contract that is now held between TACF and Penn State. TACF indicated that they were not going to renew the contract. He does not feel that our chapter can afford the whole thing ourselves.

Dave and Bob S. will be meeting with TACF on or about August 20th. Dave wanted the board to agree on a figure that we could afford to pay and hope that the other chapters from the other states that will use the services of the TBC would chip in to help pay the salary. Dave suggested that we offer to pay 30% of the salary and Blair Carbaugh thought it should be 50% as we anticipate using 50% of the TBC's time. No agreement was reached but Dave and Bob know how the board feels about it. Dave had hoped to open a Chestnut Center with some of the money if we could pay a smaller percentage.

Doctor Blair Carbaugh moved that we should pay a \$600 bonus to the TBC.

It was seconded by Tim Phelps and the motion was passed unanimously and the check was written and presented.

It was suggested in passing that maybe the TBC position would develop into being that of the Northern Science Coordinator Position sometime in the future.

Update August 23, 2004 – Dave Armstrong

[Sara's Tree Breeding Coordinator contract:

On Friday the 20th, Bob Summersgill, Tim Phelps, Tom Pugel, and Kim Steiner and I met with Herb Darling and Marshal Case and agreed to extend Sara's contract for three years more at the current levels with the normal PSU annual raises. SUCCESS!!

Sara will be providing additional time with the other northern chapters and they will pay any travel and lodging incurred with these visits. Marshal was generous with the other chapters and will not have them pay for Sara's time. It will be absorbed by TACF.]

BOARD ELECTIONS

Mr. Armstrong reported on the upcoming Board Elections. As we did last year, the chapter is holding the elections via mail. Last year, we got 40-50% of our members to participate. It does cost over \$500, but Mr. Armstrong noted his support, since it helps keep chapter members involved and keeps them in the membership.

Mr. Summersgill mentioned his reservations at running elections with numbers of candidates wherein there would be only one "loser". This time, there are six candidates for three positions, and the "losers" could lean on one another for support; but if there were four people for only three positions, that one person could feel very left out.

Mr. Klinger then summarized the actions of the nominating committee. He reported that interested people do exist, but that some to whom he spoke is not ready to commit to a position on the board; however, everyone said that they are still interested in continuing to work with the chapter and may run next time.

FALL MEETING

Mr. Patchel handed out a tentative agenda for the upcoming PA-TACF Fall Meeting. Speakers have not yet been nailed down. Mr. Eck recommended a fellow who would be speaking at another meeting earlier in the week of the scheduled fall meeting and agreed to inquire as to the speaker's willingness to present at the PA-TACF Fall Meeting.

Mr. Patchel reviewed each item. He also noted that it probably takes about 35-40 minutes to get from South Park to downtown Pittsburgh and recommended that this sort of information be reported in the upcoming newsletter, along with information regarding lodging information.

Mr. Armstrong noted that the agenda did not mention an auction. Mr. Patchel agreed to check into setting up an auction and sales area. Mr. Armstrong mentioned that he would be bringing merchandise from members Chris Ditlow and Gary Blevins, in addition to general TACF products. Mr. Armstrong also reminded the Board that he would be bringing a speaker system and wondered if Mr. Patchel could procure an A/V table for presentations. Mr. Patchel agreed to check into that.

Dr. Carbaugh inquired as to whether Dr. Kim Steiner from PSU would come to speak at the meeting. Mr. Phelps answered that he would check into Dr. Steiner's availability.

Mr. Summersgill wondered whether it would be a good idea to collect the fall's harvest during the fall meeting. Mr. Patchel agreed to set up an area in order to collect seed. Ms. Fitzsimmons agreed to head collection of seed and Mr. Pugel agreed to assist. A notice of seed collection during the fall meeting will be placed in the upcoming edition of the PA Chapter newsletter.

WORKING WITH COORDINATORS AROUND THE STATES

Mr. Phelps reported on working with volunteers and county/regional coordinators around PA and NJ. He noted that he liked the system of working with regional and county coordinators, but that he has had difficult experience in gathering volunteers together for events such as planting around State College or general orchard maintenance.

Mr. Eck, coordinator for Lancaster County, mentioned that he sends out letters to members in the area. He noted that by sending out a county-based letter, one receives more of a response than through a statewide letter

Mr. Phelps noted that most of his volunteers learn of opportunities through word of mouth, not necessarily through the chapter. He said that he would look into getting the word out to students through the listserv at PSU.

Mr. Armstrong described the current system of regional and county coordinators. He reported that the system didn't work perfectly since some wanted to perform the duties well, while some didn't quite care about their duties. Mr. Armstrong suggested that one develop a target audience for different activities, an audience that consists of members that have participated in similar activities in the past, and that one personally contacts those people. Give them a couple of weeks notice, develop a core, and then expand that core.

BREEDING PROGRAM and POLLINATION UPDATE

Ms. Fitzsimmons summarized current PA-TACF holdings and described how the 2004 pollination season went. Mr. Armstrong noted that this season was one of the best he's ever seen. Ms. Fitzsimmons agreed and reported that the chapter should have no lack of seed, in both the open-pollinated category and the control pollination category.

NUMBER OF TREES:					
Seed Type	Resistance	No Planted	No Dead	Inoculated	Selected
American		4589	1450		
BC1		961	378		
BC2		557	146	9	
BC2F2		1672	1021		
BC3	Clapper	4957	2268	509	59
BC3	Graves	3512	988	20	
BC3F2	Clapper	1108	40		
BC4	Clapper	71	24		
BC4	Graves	258	63		
Chinese		465	166		
European		25	21		
F1		1193	494		
Japanese		56	20		
Total		19424	7079	538	59

Number of Orchards:	104
Number of Geographic Locations:	79

Ms. Fitzsimmons further reported that seed is currently scheduled to be harvested in 20 counties (counting New Jersey as a county) and that a wide variety of generations will be available.

NJ UPDATE

Mr. Summersgill updated the board on the current status of breeding in New Jersey. He reported that we are currently working with two organizations, the New Jersey Conservation Foundation (NJCF) and the Morris County Parks Department. With each of those organizations, we have established 2 plantings.

Mr. Summersgill remarked upon his apprehension that the chapter may not currently have someone in place to maintain and care for plantings in New Jersey, particularly a potential B3F2 planting that is to be established with NJCF on the Jarboe property near Stockton.

Ms. Fitzsimmons discussed a recent meeting between Dr. John Kuser, retired Associate Professor of Forestry and Forest Genetics from Rutgers University, Jon Wager of NJCF, and Bob Summersgill, Les Nichols, Tom Pugel, and herself representing PA-TACF. She noted that Dr. Kuser was very interested in the efforts of PA-TACF and has been involved with the organization before, back in 1991, when he and students at Rutgers collected F1 and open pollinated American seed. She further reported that he was very willing to help in any way he could, and would support us in our efforts to establish a plantation at Rutgers University.

Mr. Summersgill noted that there are a lot of members in New Jersey, but nothing really to get them involved, yet. He mentioned that he is trying to get the Johnson family, of mega-corporation Johnson & Johnson, involved with the project. The family has an

incredible amount of acreage available across the region, mentioning that it would be in our interests to get the family and company involved with our cause.

Mr. Chandis Klinger made a motion for adjournment.

Mr. Tim Phelps seconded the motion.

The motion passed with one opposing vote.

The meeting was adjourned at 3:45 pm.