

## **Agenda Item: ESCOP Actions Report**

**Presenter: George Hopper**

At their recent meeting in DC on March 2, 2020, ESCOP took action on the following items.

### **1. Investing ESCOP Reserve Funds on Deposit at APLU's Bank, TD Wealth**

A Finance Task Force was formed at the ESCOP Executive Committee meeting in San Diego, CA with the charge to invest ESS reserves. The Task Force completed their charge to: create a proposal for an investment policy for ESS, propose committee membership and ESCOP organizational relationships, outline management practices and articulate any other policy concepts. This was to be completed for discussion and action at the ESCOP meeting during CARET/AHS. Task Force membership was Deb Hamernik (Chair, Past ESCOP Chair), Ernie Minton (ESCOP BLC Chair), Moses Kairo (Incoming ESCOP Chair) and Gary Thompson (at large) with support from Jeff Jacobsen (ESCOP BLC Vice-Chair), Eric Young (ESCOP Executive Vice-Chair) and Alton Thompson (Incoming Executive Vice-Chair). Work was conducted via email and several Zoom meetings. Throughout the process the Finance Task Force kept APLU informed via Doug Steele (VP FANR), Emily Van Loon (past CFO) and Scott Powell (new CFO). In addition, we worked with TD Wealth via their TD Private Client Group, since APLU has all their accounts with TD Private Client Group, with Suzanne Moran (VP Institutional Relationship Manager) and Matt Kappa (VP Investment Advisor).

The Task Force modified the Board on Human Sciences recently completed Investment Policy to reflect ESS goals, structure and future needs. Prior to engaging with any investment advisors, a formal Investment Policy for ESS must be created to engage investment advisors. The ESS Investment Policy, is recommended by the Finance Task Force for approval by ESCOP.

Based upon this Investment Policy, TD Private Client Group provided a proposal for consideration by the Finance Task Force reflecting our Investment Policy and their recommendations. This presentation can be found at: [http://escop.info/wp-content/uploads/2020/02/ESCOP\\_Finance\\_TDWeathPresentation\\_20200114.pdf](http://escop.info/wp-content/uploads/2020/02/ESCOP_Finance_TDWeathPresentation_20200114.pdf). Note that the first 13 pages of 77 pages are the core facets of the proposal. The remaining pages provide more in-depth performance and policy information. Following the presentation, general discussion and Task Force (only) discussion, the Finance Task Force recommended approval of TD Private Client Group as our investment firm.

With these approvals and per our ESCOP Rules of Operation, an electronic vote by ESS/ARD must approve this 'expenditure of funds' by direct vote and simple majority. If approved, APLU will then begin the process to establish this ESS account and provide instructions for fund transfers to TD Private Client Group.

**ACTION 1:** ESCOP approved the Investment Policies of the Experiment Station Section document.

**ACTION 2:** ESCOP approved TD Private Client Group, part of TD Wealth, to be our investment firm and assist in investing ESS reserves.

**ACTION 3:** ESCOP Chair will conduct a national vote of AES Directors to approve this 'expenditure' by investing ESS reserves.

### **2. Moving Forward Infrastructure Funding**

ESCOP approved a request that our Policy Board representative, Gary Thompson, report to the PBD that ESCOP wants to raise the level of effort to seek infrastructure funding in appropriations. Gary made the points below to the PBD on March 3. Also, Ernie Minton agreed to draft a letter from ESCOP to the PBD outlining our position.

- The primary issue that the members of ESCOP would like to bring to the board is the need to continue focusing on the “infrastructure” needs of the system. This issue is of particular importance to conducting research at our institutions, but also impacts both our academic and Extension missions.
- The 2015 Sightlines survey of capital infrastructure on our campuses estimated a need of \$8.4B, which has likely risen to \$9-10B today as shortages of labor and materials are increasing costs. We believe that significant opportunities exist for federal and state matching funds. A figure of \$100M per year of federal funding in addition to state matching funds would provide a significant beginning to address this expanding issue.
- What is the best way forward to advocate for these funds? According to Vernie Hubert, the Infrastructure Facilities Act in the Farm Bill provides existing authorization language; however, significant funds have yet to be appropriated. Furthermore, the system should be prepared to vigorously participate in infrastructure bills as they arise.
- ESCOP is requesting that the BAA engage the academic heads, provosts, and university presidents to advocate for the infrastructure needs of the system. A letter from ESCOP will be sent to the PBD in the upcoming weeks.

### **3. Strategic Realignment Implementation Committee**

The Policy Board of Directors Chair, Orlando McMeans, is forming a Strategic Realignment Implementation Committee to how the NIFA budget realignment proposal will be implemented in our lobbying efforts next year. He asked for each Section to appoint one representative to serve on this committee. Ernie Minton (KSU), who was the chair of the previous Strategic Realignment Committee, has agreed to serve as ESCOP’s rep.

### **4. ECOP and ESCOP Chairs Meetings in DC**

On March 3 and 4, the ECOP Chair and National ED, Mark Latimore and Rick Klemme, and George Hopper and Eric Young held meetings with the following people or groups to discuss priorities and enhance collaborations.

- APLU - Doug Steele, Caron Gala
- Ag and Professional Societies
  - American Society of Nutrition - Sarah Ohlhurst
  - National Sustainable Ag Coalition - Julie Obudzinski, Nichelle Harriott, Eric Deeble
  - Entomological Society of America - Erin Cadwalader
  - NCFAR - Tom Van Arsdall
  - American Soybean Association - Bev Paul
  - Tri-Societies - Karl Anderson, Elizabeth Stulberg
- ERS - John Pender
- NASDA - Barb Glenn
- AIHEC - Carrie Billie
- ARS - Chavondra Jacobs-Young
- NRCS - Michael Lohr
- National Science Liaisons – Brad Reins and Eric Norland
- NIFA - Scott Angle and Bill Hoffman