

Environment Council of Rhode Island



Membership Meeting, Dept. of Admin. Bldg., Conference Room B
May 6, 2019, 5:30 PM – 7:30 PM

Attendees:

Meg Kerr, Hank Webster, David Brunetti, Kenneth Filarski, Amelia Rose, Greg Gerritt, Jenifer Brown, Timmons Roberts, Kathleen Gannon, Paul Roselli, Polly Barey, Michelle Beaudin, Laura Landen, Kai Salem, Sue Korte, Mal Skowron, Katherine Gibson, Liberty Goodwin, Dana Goodman, Eugenia Marks, Priscilla DeLaCruz, Paul Beaudette, James Crowley, Barry Schiller, Paul Klinkman, Angie Koziara, Kufa Castro, Martin Lynn, John Flaherty, Peter Brassard

Agenda:

1. Welcome & Introductions
2. Approval of minutes
3. Office report (Greg Gerritt)
 - a. Raffle drawing
4. President's report (Meg Kerr)
 - a. Consideration of revised fiscal agency policies
5. Presentations on state transportation issues
 - a. John Flaherty and Peter Brassard, Grow Smart Rhode Island
 - b. Hank Webster, Acadia Center, on Transit Climate Initiative
6. Report on nominations and election of new officers
7. Reports
 - a. Pol Comm (John Berard)
8. Reports from ECRI fiscal agency projects
 - a. Green Infrastructure Coalition
 - b. Energize Coalition
9. Announcements (all)

Minutes

1. Welcome & Introductions

President Meg Kerr opened the meeting, followed by a round of introductions.

2. Approval of minutes

Approved with abstentions by those who were not at the meeting.

3. Office report (Greg Gerritt)

Information on annual meeting and the drawing of the raffle

Raffle Winners

Guitar: Zach C.

Science Kit: Ron E.

STB gift bag: Dana H.

ASRI gifts: Martin V

Bulbs: Karen J

Sandwich hut certificate: Eugenia M

Books: Gidget L, John M

4. President's report (Meg Kerr)

a. Fiscal Sponsorship rules update:

Paul Beaudette moves passage. Laura Landen seconds. Short discussion, mostly about do we need to amend bylaws or can this just be a procedures policy document. Consensus was that this does not have to be noted in bylaws.

Approved on voice vote.

New rules included below.

Environment Council of Rhode Island Education Fund Fiscal Sponsorship Policies and Procedures

Definitions^[1] :

The concept of “**fiscal agency**” references the arrangement of an established charity to act as the legal agent for a project conducted with another non-exempt organization. However, a fiscal agent does not retain the discretion and control that defines a fiscal sponsorship. Under agency law, the agent (tax-exempt organization) acts on behalf of the principal (project), who has the right and legal duty to direct and control the agent’s activities. The key difference between a fiscal sponsorship and a fiscal agency arrangement is that funds contributed to a non-exempt project that has a fiscal sponsor are tax deductible to the donor and those that are contributed to a project with a fiscal agent are not. Many organizations intend to form fiscal sponsorships so that they can raise tax-deductible contributions, but in most cases, their arrangement will fail to meet IRS criteria for a fiscal sponsorship.

[1] <https://www.investopedia.com/terms/f/fiscalagent.asp>

A fiscal sponsorship describes a relationship between a non-profit organization with 501(c)(3) tax exempt status and a project, conducted by a separate organization, group or individual that does not have 501(c)(3) status. Fiscal sponsorship permits the exempt sponsor to accept funds restricted for the sponsored project on the project's behalf. The sponsor, in turn, accepts the responsibility to ensure funds are properly spent to achieve the project goals. This arrangement is useful for new charitable endeavors that want to "test the waters" before deciding whether to form an independent entity or another temporary project or coalition looking for a neutral party to administer funds.

Section 1 - Purpose

1. The Environment Council of Rhode Island Education Fund (ECRI Ed Fund), a charitable corporation as defined by section 501(c)3 of the Internal Revenue Code, seeks to provide a wide range of support services to projects that are considered consistent with its mission and vision.
2. The environmental community of Rhode Island is comprised of organizations with a wide and varying degree of organizational capacities, and which at times seek charitable grants from funding sources that require the fiscal sponsorship of a corporation that is recognized under section 501(c)3 of the Internal Revenue Code.
3. ECRI Ed Fund finds that it is within its purpose and mission to serve as a fiscal sponsor to Rhode Island organizations that require this service.
4. It has regularly served as a fiscal sponsor to projects that result from partnership between organizational members of the Environment Council of Rhode Island and other aligned organizations.
5. These policies are intended to provide further direction to ECRI Ed Fund and fiscal projects on best practices to maintain best practice accounting procedures and proper compliance with regulated activities such as lobbying.

Section 2 - Restrictions

1. ECRI Ed Fund will use the following criteria to evaluate whether a project is appropriate to be sponsored:
 - a. Does the project foster positive environmental projects and advance the emergence of able, creative community leadership?
 - b. Does the project promote well-managed solutions and fiscal efficiency in addressing environmental problems or challenges in RI?
 - c. Does the project develop knowledge, skills and habits of organizational management?
 - d. Does the project strengthen the presence, voice and effectiveness of the environmental community in Rhode Island?
2. ECRI Ed Fund will NOT hire staff or retain contracted services on behalf of a fiscal sponsorship project. It will be the responsibility of the project to meet any staffing needs.
3. ECRI Ed Fund will NOT serve as fiscal sponsor for projects that are primarily directed at passing legislation.

Section 3 – Submitting Request for Sponsorship (a request must be made for every grant request submitted by the project)

1. Requests to the ECRI Ed Fund to provide fiscal sponsorship for a project shall be received in writing and distributed to all board members at least two (2) weeks prior to a regularly scheduled Ed Fund meeting. Such request shall be placed on the next meeting agenda for discussion.
2. Request shall contain, at a minimum:
 - a. A project summary;
 - b. A short descriptive narrative;
 - c. Resume, CV and/or biographies or key individuals who will be part of the project;
 - d. One-year budget including committed and potential funding sources and anticipated expenses;
 - e. Copy of available grant application(s) for which ECRI Ed Fund shall be fiscal sponsor.
3. A representative of the project shall attend the relevant Ed Fund board meeting to answer questions and engage in discussion as to whether the project should be sponsored.
4. Approval shall require a majority vote of disinterested board members.

Section 4 – Standard Documentation

1. ECRI Ed Fund will use a standardized contract for all fiscal sponsorship projects.
2. Every project must have an individual or individuals sign in their personal capacity as a guarantor of compliance with these policies and all other applicable rules or regulations that may govern the actions of the project.
3. In the event that the individual who is personally guaranteeing the sponsorship project changes, it shall be their responsibility to present a new agreement naming a new individual as personal guarantor of the project to the Board. Failure to do so may be grounds to terminate fiscal sponsorship.
4. ECRI Ed Fund recognizes that it may be liable for any and all action of its sponsorship projects. To reduce that liability, the standard agreement shall include an indemnification clause protecting ECRI Ed Fund from financial loss. The Ed Fund will hold the individual who signed the sponsorship project responsible for any collective action
5. ECRI Ed Fund will utilize a standard reporting form through which a project will keep the Ed Fund regularly apprised of the work of the project.

Section 5 – Fees

1. ECRI Ed Fund will charge projects a 7% sponsorship fee to be applied to all funds received by the Ed Fund on behalf of the project.
2. This fee may be modified only by a majority vote of the Ed Fund board in advance of (a) signing an initial contract with the sponsor, or (b) at the beginning of a subsequent Ed Fund fiscal year.

Section 6 – Regular Reporting

1. A representative of a sponsored project shall attend monthly Environment Council of Rhode Island and ECRI Ed Fund meetings. The representative shall be prepared to provide a brief oral report as to the status of the project.
2. In the event that a representative is not available, a brief written report shall be submitted to the Board President no less than three (3) business days before the meeting so it can be circulated in advance of the meeting.

Section 7 - Financial Procedures

1. ECRI Ed Fund shall maintain financial records for all fiscal sponsorship projects. An account will be created for the sponsorship project from which all expenses shall be paid on behalf of the project. Unless under specific agreement, no expense shall be paid if it would bring the sponsorship project's account to a negative balance.
2. Sub-grant agreements will include specific direction that funds received from ECRI Ed Fund shall not be used for activity that may be prohibited or restricted by the original source of funding.
3. In the event that a fiscal sponsorship project engages in lobbying activities, they shall institute management procedures sufficient to track lobbying activities and the method by which they are funded.
4. ECRI Ed Fund will not pay out any funds on behalf of the sponsorship project unless it includes itemized expenses and supporting documentation after review and approval by the executive of the sponsorship project.
5. Sponsored projects shall be responsible for the completion and submission of all grant applications and reports. Requests for financial information from ECRI Ed Fund shall provide a minimum of one (1) week notice.

Section 8 - Compliance

1. It is the responsibility of a fiscal sponsorship project to complete all grant reports in a timely fashion.
2. The fiscal sponsorship project shall provide to ECRI Ed Fund any and all reports made to funders and regulatory authorities and include the applicable methodology to determine what information was included on all reports. If possible, reports will be shared with ECRI at least 2 weeks prior to submittal.
3. It is the responsibility of a fiscal sponsorship project to comply with all applicable laws and regulations that govern their activities, including but not limited to disclosure of lobbying activities and restrictions on electoral advocacy.
4. To ensure consistent and timely project information sharing (i.e. memorandum agreements, budgets, applications to funders, etc.), the ECRI Ed Fund and a fiscal sponsorship project will agree to share and store documents on a mutually accessible system.

Adopted

These policies were adopted a meeting of the Board of Directors on May 6 2019.

Minutes, continued

5. Presentations on state transportation issues

a. John Flaherty and Peter Brassard, Grow Smart Rhode Island

John Flaherty and Peter Brassard presented materials on transportation in RI and how to get a clean 21st century system that will help the community rather than be ignored. Lots of information, reports were previously emailed to ECRI so not repeated here. Key idea is the NE corridor Amtrak line could be the backbone of a modern Hi speed rail RI system served by feeder buses from Pawtucket to Warwick and eventually Kingston. This rail system would also be the hubs for Transit oriented development that could expand to approx. 70,000 rental unit ,in the hubs. As state goes through various transportation planning processes, this idea should be part of the study, but state is hesitant. There are sign on letters available on line to encourage the State of RI to study this idea. Encouraging individual ECRI member groups to sign on. ECRI decided by consensus that we would have the Pol Comm make the decision as to whether or not ECRI signs on at its meeting on May 13.

b. Hank Webster, Acadia Center, on Transit Climate Initiative

The transportation sector emits more greenhouse gases than any other sector of the RI economy/society, more than electricity generation and more than heating homes and businesses. There is work on a `12 state compact to reduce greenhouse gas emissions in transportation somewhat similar to the compact to reduce greenhouse gases in electricity generation RGGI. Many details in handouts and materials that were sent around prior to the meeting. Discussion ensued, with many suggestions as to what to do and how to do it. Much of it will be heavy lifts at the RI legislature.

6. Report on nominations and election of new officers

Each May ECRI elects officers for the year. Nominating committee presented it's slate:

2019 - 2019 Nominee Slate	
Officer	2019 - 2020 Nominee Name
President	Priscilla De La Cruz
Past President/member of ExComm	Jerry Elmer
Past President/member of ExComm	Paul Beaudette
VP Communications	Susan Korte
VP Communications Co-chair	Malwina Skowron
VP Membership	Eugenia Marks
VP Policy	Jonathan Berard
VP Development	Kenneth Filarski
<i>Treasurer</i>	<i>Kenneth Filarski Still looking for a next Treasurer</i>
<i>Secretary</i>	<i>Judee Burr Still looking for a next Secretary</i>

NWF Rep	Greg Gerritt
NWF Alternate	Judee Burr
Nominating Committee Member 1	Nicole DiPaolo
Nominating Committee Member 2	Laura Landen

Slate as posted here, posted with changes made at the meeting, was approved by voice vote.

7. Reports

- a. Kai Salem for Pol Comm

Discussed a few issues. Motion to add Carbon Fee and dividend bill to legislative agenda. Approved. Plastic Bag bill, registered our need for no pre-emptions of local ordinances in state bill, but so far pre-emption is moving forward. Use of thick plastic versus bags with stitched handles is the issue.

8. Reports from ECRI fiscal agency projects

- a. Green Infrastructure Coalition

SNEP application made it through the preliminary round, so full application is coming.

- b. Energize Coalition

Energize/working hard on carbon fee and dividend bill, have support from committee chairs in both houses. Future is uncertain. MA may pass its bill this year.

9. Announcements (all)

10. Adjournment