**To: BSA Board of Directors**

**From: Lucinda McDade, Treasurer**

**Date: 28 FEB 2020**

**Re: Proposal to nix virtual partitions of BSA Investment Portfolio in favor of Board policies**

***Background.*** At some time in the past (either before I got involved in BSA leadership OR in the gap between my Council Chair and Treasurer gigs), the Board made decisions to express policy regarding funding priorities for the BSA as ‘virtual partitions’ (V-partitions) of the investment portfolio. Basically, this amounts to virtual ear-marks of the larger fund, with the idea being that a draw or the proceeds on that ‘partition’ or ‘ear-mark’ would be used to fund that purpose. *Please note that these ear-marks are in addition to all of those section and award accounts that we’ve been dealing with for the last couple or three years.*

***What are these purposes?***

PLANTS (diversifying attendance at *Botany 20xx; externally funded at present*)

Emerging Leader award (award given annual; individual attends and gives special talk at Botany 20xx)

Public Policy awards (i.e., two grads to Washington DC for the AIBS training in public policy impact)

Graduate student research awards

PlantingScience (i.e., Education/Outreach: Planting Science endeavors; *has been largely externally funded*)

***What has happened in practice?***

First, these priority areas have been funded through the operating budget consistently and without going into the red. That is, we have not tapped into the investment portfolio whether in general or into these specific partitions or ear-marks.

Second, it has occasionally required some head scratching / record diving to call to mind what all of these V-partitions are for.

Third, these V-partitions / ear-marks create quite a bit of accounting work in that, at least annually, the growth (decrease) in the investment portfolio must be apportioned across all accounts, whether real or virtual.

**Board policy statements would be better.**

Having a series of board policies on spending priorities would achieve the first point just mentioned (i.e., funding those priorities), while taking away the threat of loss of institutional memory (i.e., the second point mentioned above), while also not requiring the accounting work that is described in point three above. In effect, these being board policies, they would be re-evaluated on an annual basis as we review the proposed budget in the sense that the staff will memorialize board policies in the budget.

Thus, I respectfully request that we sunset the V-partitions in the investment portfolio and adopt the following policy statements:

1. The BSA Board wishes to devote $20k per annum to the PLANTS program which brings colleagues of under-represented groups to the Botany 20xx conference. External funding will be sought for this purpose but it is the intention of the Board to fund the program even if it requires use of core dollars.
2. The BSA Board wishes to send two students (based on applications) to the AIBS public policy training program in Washington DC each year (ca. $3k per annum).
3. The BSA Board wishes to fund the “Emerging Leader” award each year. This involves the cost of travel to attend the meeting and give a lecture, a 5-year gift membership in BSA, and a cash prize for a total of about $5k per annum.
4. The BSA Board recognizes that funding research awards to graduate students is of very high priority. The Board will evaluate both the number and amount of these awards, as well as funding mechanisms on at least an annual basis. (currently $30,000 for 20 students per annum)
5. The BSA Board endorses the PlantingScience umbrella of educational / outreach efforts. This program has been largely funded externally but it must be recognized that there will be likely be gaps in funding. The BSA Board agrees to review such gaps in a pro-active manner and is prepared to make funding commitments so that key staff have employment security and that proposal pressure can be kept up.

Of these, 1-3 seem quite straightforward; 4 is a topic that we consider almost every year and will want to continue to do so; 5 requires more discussion and we will do so late in our meeting on SAT morning.