

IODP-MI Board of Governors

Thursday June 18, 2009

Beacon Hotel
Washington, DC

Attending:

Christopher Harrison	University of Miami
Susan Humphris	Woods Hole Oceanographic Institution
John Ludden	British Geological Survey
Ryo Matsumoto	University of Tokyo
Daniel Prieur	European Institute for Marine Studies (IUEM)
Eli Silver	University of California, Santa Cruz
Paul Stoffa	University of Texas at Austin
Kiyoshi Suyehiro	IODP Management International
Noriyuki Suzuki	Hokkaido University
Kozo Takahashi	Kyushu University
Yoshiyuki Tatsumi	JAMSTEC/IFREE
Brian Taylor	University of Hawaii
Hans R. Thierstein	ETH, Geological Institute and ScNAT
Iwao Watanabe	Kochi University

Observers:

Mike Coffin	National Oceanography Centre, Southampton
Olav Eldholm	University of Bergen
Jackie Gosby	IODP Management International
Therese Lowe	IODP Management International
Pinxian Wang	Tongji University

Welcome and Logistics

Suyehiro opens the meeting at 9:00am and reminds everyone to complete the Conflict of Interest statement provided. Governors must note any conflict on their form and if they are a direct recipient of funds then they must abstain from voting on APP approval.

Agenda approved by Ryo Matsumoto

Approval of December 2008 Board of Governor Minutes

Changes to be made: Paul Stoffa was in attendance.

Regarding the discussion in the minutes on approval of IODP-MI Members travel reimbursement no limit was finalized. Board agrees on a cap of \$2,000 from 2010.

Motion to approve minutes with changes: Brian Taylor

Seconded: Chris Harrison

Vote: 11 in favor

Abstain: 3 (Suzuki, Prieur and Humphris not in attendance)

Election of Executive Committee

US members: one change

Susan Humphris nominated to replace Bjorn Kjerfve

Japanese members: one change

Toshihiko Kanazawa to replace Ryo Matsumoto

Yoshi Tatsumi nominated as vice-chair

Motion to approve: Ryo Matsumoto

Seconded: Chris Harrison second

Vote: All in favor

Board members for SASEC

The Board nominates Susan Humphris to serve as Board member on SASEC.

Yoshi Tatsumi to remain as Japanese representative on SASEC.

Motion to approve: Brian Taylor

Seconded: Ryo Matsumoto

Vote: All in favor

New board members as voted on Members Meeting June 17, 2009:

US:

Peter Flemings, University of Texas at Austin to replace Paul Stoffa, University of Texas at Austin

Susan Humphris, Woods Hole Oceanographic Institution to replace John Orcutt, University of California, San Diego

Chris Harrison, University of Miami to replace Bjorn Kjerfve, Texas A&M University

Japan

Noriyuki Suzuki, Hokkaido University to replace Toru Takeshita, Hokkaido University

Toshihiko Kanazawa, University of Tokyo to replace Ryo Matsumoto, University of Tokyo

ECORD

Gerold Wefer, University of Bremen to replace Daniel Prieur, European Institute for Marine Studies (IUEM)

Officers:

Chris Harrison nominated to remain as Treasurer

Eli Silver volunteers as secretary

Update on by-laws changes

The board accepts the changes to wording on two of the Bylaw changes as voted in previous day's meeting. The changes are as follows:

Appendix 2: 'Both/and' replaced by 'either/or'

Appendix 3: Change from \$10m to \$2m

ODC Proposal Update:

The proposal deadline was June 14 and apart from two or three emails from scientists and companies there was no official response to the proposal. After some discussion the following consensus was reached:

Consensus: Acquire a formal response from industry to establish the status of ODC and transition the responsibility to the Consortium for Ocean Leadership.

President's report

- JOIDES Resolution will operate for 8 months for the coming 2 years; still awaiting contract from a Korean deal.
- Contracts with AGR and DeepStar are successful ventures and with reference to Greg Myers's presentation at IODP Day there is interest from CDEX for deep water drilling and mud circulation technology.

Discussion follows on NSF's definition of contract vs. non-contract. As it stands now DeepStar work is considered non-contract but its technology will affect all industry including IODP projects and platform costs.

CONSENSUS: Need a broader explanation from NSF about what is non-contract for working on projects like DeepStar whose work is in support of IODP work.

- Stresses need for long lead items. Importance of long range planning to allow the establishment of observatories currently limited by annual budgetary constraints. Suyehiro hopes to work with funders more closely and sees the need to produce biannual plans.
- Following advice from the triennial review there will be an office consolidation from two offices to one. The changes in bylaws will allow having one office outside the US. Major changes include key personnel reduced from 4 to 2. The MEXT liaison (Takao Kato will depart) and within the FY2010 plan the VPs will be reduced from 2 to 1.

As explained in Members meeting the new office will be in Tokyo on the campus of Marine Science and Technology (University of Tokyo) with a contract starting Oct 1, 2009 (until 2013). The October to January time frame will be one of transition for the DC and Sapporo offices with the aim to retain all functions of IODP-MI.

- What happens after 2013 is now being discussed in IWG+

Budget Matters (Harrison)

On review of the corporate budget for the year of 2008 - \$73,000 was spent on salaries & benefits for work carried out on the ODC as it is outside the NSF contract. Approximately \$50,000 of this should see its way back into the corporate funds in 2010. The Board is reminded that the aim for the corporate funds is to reach \$1m, as it stands IODP-MI is under capitalized as a corporation.

Members' fee: 32 members at \$5,000 each. For members who have not paid a reminder will be sent out.

No office expenses come out of corporate funds and NSF has provided for a one time cost for office relocation so corporate funds will not be affected by the move.

Ethics Policy

At the previous day's meeting the Members recommend drafting an ethics policy for a high level Investment Policy to the Investment Committee who in turn will advise the Board. The committee welcomes suggestions and ideas but are reminded to be careful of wording and to not single out one company which may form part of an ETF that could eliminate many ETF options for investments.

Current Investment Committee:
John Ludden and Chris Harrison
Noriyuki Suzuki volunteers to serve.

Audit Report (Ludden)

Two recommendations were made by the Auditors: first, segregation of staff duties in regards to payroll, and secondly, incidents of late compliance for reporting to NSF. Both issues now solved.

John Ludden recommends Board to accept the Audit.
Motion to approve: Brian Taylor
Seconded: Chris Harrison
Vote: All in favor

Recommendation: The Board advises the Corporation to change Auditors and to find a company with offices in both the US and Japan.

Final recommendation: Final signed Audit Report to be sent to all members by mail.

Audit Committee
John Ludden (chair) and new member Noriyuki Suzuki

APP approval

Discussed and approved by SASEC Tuesday, June 16, 2009. By NSF contract two approvals are required: one by SASEC and one by the Board. Note that the budget guidance from the funding agencies came later than originally planned and it resulted in a shorter timeframe for preparing the document. The budget is prepared with the IOs cooperation, along with SASEC budget subcommittee and the Treasurer of the Board. The total budget as on the table on page 8 is \$120,076,070.

NSF has agreed to include the one-time cost of the move of two offices in the overall budget. The budget; however, is not yet included in this Program Plan.

The operation schedule for FY2010 is described on page 16. Note that *JR* schedule is yet to be fixed beyond March 2010. *Chikyu* will not operate for IODP for about 11 months. There will be a MSP expedition in the Great Barrier Reef.

Suyehiro believes a three-year rolling plan must be possible and is critical at his time of the program. The Board agrees it is a SASEC matter.

RECOMMENDATION: Ask SASEC to come up with a 3 year plan (FY11 to FY13) for the rest of the program with SPC to work out the details. The Board requests this by June 2010.

Motion approved by: John Ludden
Seconded by: Hans Thierstein
Vote: All in favor

Motion to approve the Annual program Plan for FY2010: Eli Silver
Seconded: Brian Taylor
Vote: All in favor

Any Other Business

The question is raised about whether the Board needs to have a position on how to interact with IWG. Brian Taylor explains that the IWG+ is a creation of the funding agencies and as such the Board can't mandate anything but request to have a liaison. Paul Stoffa brings up that there could be a conflict and therefore it is in the Board's interest not to formalize it. IODP-MI and Chair of Board have been invited as observers.

A question on the relationship between BoG, SASEC and SPC is explained to separate the corporation and science planning (as laid out in the NSF contract). SASEC acts as the link between the Board and the Science Advisory Structure.

In the short term SASEC has a major role in INVEST and should have a new science plan to exit by late 2011. IWG is putting an implementation plan together to marry the science plan being set up by SASEC with INVEST.

Next meeting

A full Board meeting should be planned to meet for half a day during the AGU Fall Meeting (Dec 14-18, 2009) in San Francisco. Tuesday morning December 15, 2009. To be confirmed.

Meeting adjourned for lunch and reconvened at 12.45 with an executive session.

**IODP Management International, Inc.
Bylaw Changes
Approved by the IODP-MI Members
(June 17, 2009)**

APPENDIX 1

<i>Purpose</i>	<i>Current Bylaws</i>	<i>Proposed Change</i>	<i>Discussion</i>
Change the purpose of the organization.	<p>Article I, Section 2</p> <p><u>SECTION 2. Purpose.</u> The purpose of the Corporation is to provide centralized, independent, unbiased, and cost-effective management, operations, and related activities for the Integrated Ocean Drilling Program (IODP) and to oversee, support, and approve the science plan of IODP.</p>	<p><u>SECTION 2. Purpose.</u> The purpose of the Corporation is to provide centralized, independent, unbiased, and cost-effective management, operations, and related activities for the Integrated Ocean Drilling Program (IODP) and to oversee, support, and approve the science plan of IODP and other related activities.</p>	<p>Other related activities added to incorporate industry funding.</p>

APPENDIX 2

<p>Change of location.</p>	<p>Article I, Section 3</p> <p><u>SECTION 3. Location.</u> In addition to the Corporation's Registered Office in Delaware, the principal office of the Corporation will be in the United States of America. A second office will be located in Japan and its principal function will be to provide for science support and planning. Other offices may be located in other IODP member countries, as necessary, to support the Integrated Ocean Drilling Program.</p>	<p><u>SECTION 3. Location.</u> In addition to the Corporation's Registered Office in Delaware, the Corporation may have other offices, either within or outside the United States and Japan, as the Board of Governors deems necessary or appropriate, to support the Integrated Ocean Drilling program and other activities.</p>	<p>The change anticipates there may be a single Corporate office, and it may be located in an IODP member country - outside the US.</p>
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APPENDIX 3

<p>Change the powers of the Board of Governors.</p>	<p>Article IV, Section 1</p> <p><u>SECTION 1. Powers.</u> There shall be a Board of Governors in which shall be vested the governance and general management of the affairs, funds, and property of the Corporation and all its powers, except as otherwise provided by law or by these By-Laws. To this end and without limitation of the foregoing or of its powers expressly conferred by these By-Laws, it shall have power to authorize such action on behalf of the Corporation, make such rules and regulations for its management, create such additional offices or special committees and select, employ or remove such of its agents or employees as it shall deem best. The Board shall have the power to fill vacancies in, and change the membership of, such committees as are constituted by it. The Board has responsibility for the approval and implementation of the annual IODP plan and budget. The Board must approve all grants and contracts. The Corporation shall not accept any contract, grant or other external commitment unless the Board receives notification that liability matters are covered beyond the limited liability of the Corporation.</p>	<p><u>SECTION 1. Powers.</u> There shall be a Board of Governors in which shall be vested the governance and general management of the affairs, funds, and property of the Corporation and all its powers, except as otherwise provided by law or by these By-Laws. To this end and without limitation of the foregoing or of its powers expressly conferred by these By-Laws, it shall have power to authorize such action on behalf of the Corporation, make such rules and regulations for its management, create such additional offices or special committees and select, employ or remove such of its agents or employees as it shall deem best. The Board shall have the power to fill vacancies in, and change the membership of, such committees as are constituted by it. The Board has responsibility for the approval and implementation of the annual IODP plan and budget. The Board must approve all grants, contracts, commitments and expenditures in excess of \$2 million dollars. The Corporation shall not accept any contract, grant or other external commitment unless the Board receives notification that liability matters are covered beyond the limited liability of the Corporation.</p>	<p>The purpose for this change is to clarify that approval is needed from the Board only for grants and proposals in excess of \$2 million. (Anticipates contracts for industry or other funding less than \$10 million can be approved and signed by the President).</p>
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APPENDIX 4

<i>Purpose</i>	<i>Current Bylaws</i>	<i>Proposed Change</i>	<i>Discussion</i>
<p>Change in who assigns Vice-Presidents duties.</p>	<p>Article VI, Section 5</p> <p><u>SECTION 5. Vice Presidents.</u> There may be one or more Vice Presidents who shall perform such duties and exercise such powers as shall from time to time be assigned by the Board of Governors.</p>	<p><u>SECTION 5. Vice Presidents.</u> There may be one or more Vice Presidents who shall perform such duties and exercise such powers as shall from time to time be assigned by the President.</p>	<p>The purpose is to delegate the administration of staff duties, including those of the Vice President(s), to the President.</p>