

2012 Board Packet

NATIONAL  Science Communication Institute

Dear Board Members,

This 2012 board packet contains all of nSCI's legal documents as well as 2011 year-end tax information and our 2011 annual report and progress notes. Reference materials on nonprofits and answers to some frequently asked questions about nSCI board service are also included here.

What's next? At your leisure over the next month or so, please take a look at this packet and make sure you understand what's expected of you as a board member (maybe start by reading the "FAQs" section). A signed contract is not required for you to serve, but as a board member you are expected to be familiar with the terms and conditions of your position.

Please feel free to contact me any time if you want to discuss issues, ideas, progress, needs, or anything else. I'm available seven days a week from about 9 a.m. to 7 p.m. (Pacific time) and am also usually checking email every night until about 10 p.m.

Thank you again for your important and valued contribution to this effort and organization.

Sincerely,

Glenn Hampson  
Executive Director  
National Science Communication Institute (nSCI)  
[ghampson@nationalscience.org](mailto:ghampson@nationalscience.org)  
(206) 417-3607

## Frequently Asked Questions

### WHAT ARE MY DUTIES?

The Nonprofit Resource Center ([www.nprcenter.org](http://www.nprcenter.org)) summarizes it nicely: “Unlike private businesses, nonprofit organizations are not ‘owned’ by anyone. Instead they are ‘owned’ by the community: chartered by the government to serve a public purpose. The board of directors represents the community’s interests. The board, acting as governors or trustees, is charged with protecting the nonprofit organization’s public purpose. Nonprofit boards and boards of private corporations are similar in that both are responsible for the organization’s success.”

Board members today are held to a much higher standard than in years past. [Click here](#) for a good overview of board members rights and duties. Other board duty resources include:

- [Boardsource](#)
- [Free Management Library](#)
- [SpencerStuart](#)

### WHAT CAN I DO TO HELP?

Stay tuned to the nSCI website and newsletter, keep up-to-date on nSCI activities, start or jump into discussions that interest you when you have the time, and block out 2-3 hours for December’s annual meeting (date/time tbd soon). There’s plenty more to do if you want, from writing articles to advising efforts to running committees and doing fundraising. Let me know if you’re interested in getting something going ([ghampson@nationalscience.org](mailto:ghampson@nationalscience.org)). Here are a few ideas to get started:

1. Help build our network of stakeholders (scientists, research organizations, science funding groups, and interested individuals)
2. Contribute your high-level perspective and guidance on science, writing, marketing, or other core nSCI issues
3. Identify other board members, vendors, and development partners who can help build this organization
4. Identify potential major sponsors and donors
5. Finding and help apply for federal and foundation grants

## HOW LONG IS MY TERM?

Two years—longer if you want, shorter if you need to leave (with notice). The first nSCI board was hand-picked by the interim executive director. Going forward (with mechanisms as yet to be developed), the board will be responsible for recruiting and confirming future board members.

## WHAT ABOUT LIABILITY?

Lawsuits against board members of nonprofit corporations are rare but not unknown. It is possible that members may find themselves sued by someone who has incurred personal injury or loss as a result of dealing with the nonprofit. To help protect board members and encourage people to serve, Washington state law cloaks members with qualified immunity (RCW 23B.17.030) and stipulates that they cannot be sued for negligent acts.

nSCI increases this protection by also indemnifying board members in its bylaws, and the corporation also carries general liability insurance to give injured persons an appropriate avenue of recourse.

A final airtight seal on liability is Director & Officers (D&O) insurance—a rider to standard insurance to pay legal fees for board members as needed. nSCI (like the vast majority of nonprofits) doesn't currently carry D&O for three reasons: (1) The jury is out on whether this coverage is needed. Unless what you're doing carries a high risk of liability (think banking or healthcare) and unless the case at hand involves a serious injury combined with a serious breach of responsibility (think illegal act), then the coverage isn't needed; (2) the coverage isn't effective if the board member has done something illegal; and (3) the coverage can be expensive. However, to give nSCI board members the broadest assurances possible, we will pick up this insurance as soon we can afford to do so at a cost of around \$200/mo.

# **Charity & Nonprofit BOARD SERVICE**

## **IN WASHINGTON STATE**

A QUICK GUIDE

**Presented by:**



**Washington State Office of the  
ATTORNEY GENERAL**

Revised February 14, 2011

# Guide for Charity or Nonprofit Board Service

Presented by  
The Office of the Secretary of State and the Attorney General's Office

**T**he Office of the Secretary of State and the Office of the Attorney General have prepared this *Quick Guide for Board Service* to help board members understand their responsibilities as stewards of their organizations. Under Washington law, board members of a Washington nonprofit organization are responsible for the management of the business and affairs of the organization. This does not mean that board members are required to manage the day-to-day activities of an organization or to act in the role of an Executive Director. It does mean that they must appoint officers and assign responsibilities to them so that the officers can effectively carry out the daily tasks of running the organization. It also means that board members must supervise and direct the officers and govern the organization's efforts in carrying out its mission. In carrying out their responsibilities, the law imposes on board members the fiduciary duties of care, loyalty and obedience to the law. Washington courts have held that the law imposes the highest standard of integrity on the bearers of these duties.

**T**his *Quick Guide for Board Service* is only a guide and is not meant to prescribe the exact manner that board members must act in all situations. It is not a substitute for legal advice. Each organization possesses a distinct composition and experiences different circumstances and outcomes. This guide is provided only as a reference tool to assist board members in performing their duties. It does not contain all of the provisions, exceptions, limitations and requirements of the law. For the exact requirements of the law, please refer to the source of the law itself. Many of the guidelines in this publication are taken from the [Washington State Nonprofit Corporation Act](#), located in the Revised Code of Washington (RCW), Chapter 24.03.

**B**oard members of Washington state nonprofit organizations must discharge their duties in good faith, in a manner the board reasonably believes to be in the best interests of the organization, and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. Good governance requires the board to balance its role as an oversight body with its role as a force supporting the organization.

Under well-established principles of nonprofit corporation law, a board director must meet certain standards of conduct and attention in carrying out his or her fiduciary responsibilities to the organization. Several states have statutes adopting some variation of these duties that a court of law would consider to determine whether a board director acted improperly. These standards are usually described as the Duty of Care, Duty of Loyalty and Duty of Obedience.

## Duty of Care:

The Duty of Care describes the level of competence that is expected of a board director, and is commonly expressed as the duty of "care that an ordinarily prudent person would exercise in a like position and under similar circumstances." (See [RCW 24.03.127](#)) This means that a board director owes the duty to exercise reasonable care when he or she makes a decision as a steward of the organization.

1. **Active Participation.** A director should actively participate in the management of the organization including setting direction, attending meetings of the board, evaluating reports, reading minutes, reviewing the performance and compensation of the executive director and so on. Persons who do not have the time to participate as required should not agree to serve on a board.
2. **Committees.** A board of directors may establish committees having the authority of the board and may rely on information, opinions or reports of these committees. Committees operate subject to the direction and control of the board members. As a result, board members are still responsible for the committees and should periodically scrutinize their work.
3. **Board Actions.** A board member who is present at a meeting when an action is approved by the entire board is presumed to have agreed to the action unless the member (1) objects to the meeting because it was not lawfully called or convened and doesn't otherwise participate in the meeting; (2) votes against the action; or (3) is prohibited from voting on the action because of a conflict of interest.
4. **Minutes of Meetings.** Written minutes should be taken at every board meeting, by someone other than the chair. The minutes should accurately reflect board discussions as well as actions taken at meetings. The minutes should be reviewed and approved by all board members by the next board meeting.

5. **Books and Records.** A board member should have general knowledge of the books and records of the organization as well as its general operation. The organization's articles, bylaws, accounting records, voting agreements and minutes must be made available to board members who wish to inspect them for a proper purpose.
6. **Accurate Record Keeping.** The board of directors should not only be familiar with the content of the books and records, but should also assure that the organization's records and accounts are accurate. This may mean the board might take steps to require regular audits by an independent certified public accountant. At the very least, the board should be aware of what the financial records disclose. The board is ultimately responsible to ensure that internal controls are adequate in order to help prevent fraud.
7. **Trust Property.** The board of directors has the duty to protect, preserve, invest and manage the corporation's property and to do so consistent with donor restrictions and legal requirements. Instituting proper internal controls will aid in the protection of assets and the prevention of fraud.
8. **Resources.** The board of directors should assist the organization in obtaining adequate resources to enable it to further its mission.
9. **Charitable Trusts.** A trustee of a charitable trust has a higher standard of care than a director of a nonprofit corporation. A trustee has the duty to exercise the care an ordinary person would employ in dealing with that person's own property. A trustee with a greater level of skill must use that higher skill in carrying out the trustee's duties.
10. **Investigation.** The board of directors has a duty to investigate warnings or reports of officer or employee theft or mismanagement. In some situations the board may have to report misconduct to the appropriate authorities, such as the police or the Attorney General. Where appropriate, a director should consult an attorney or other professional for assistance.

## Duty of Loyalty:

The duty of loyalty is a standard of faithfulness; a board member must give undivided allegiance when making decisions affecting the organization. This means that a board member can never use information obtained as a member for personal gain, but must act in the best interests of the organization.

1. **Conflicts of Interest.** Under certain circumstances, a contract or transaction between a nonprofit corporation and a board member or an organization in which a board member has a material financial interest is acceptable. However, if the transaction is challenged, the board member will have the burden of establishing that the contract or transactions was fair and reasonable, that there was full disclosure of the conflict and that the contract or transaction was approved by other board members in good faith.
2. **Written Policy.** Boards should establish a written policy on avoiding conflicts of interest.
3. **Loans.** Washington state law disfavors a nonprofit corporation making a loan to a board member or the board member's family members. If a loan is made, all officers and board members who participated in making the loan will be liable for the amount until the loan is repaid.
4. **Charitable Trust.** In charitable trusts, transactions which otherwise might constitute a conflict of interest are permissible if the conflict was clearly contemplated and allowed by the original settler of the trust.
5. **Corporate Opportunity.** Board members of business organizations are under a fiduciary obligation not to divert a corporate business opportunity for their personal gain. A board member of a nonprofit corporation is also subject to this duty. This duty means that a board member may not engage in or benefit from a business opportunity that is available to and suitable for the corporation unless the corporation decides not to engage in the business opportunity and conflict of interest procedure is followed.
6. **Internal Revenue Code.** Other prohibitions relating to the duty of loyalty are specified in the rules of the Internal Revenue Code regarding self-dealing. These rules apply to private foundations.

## Duty of Obedience:

The duty of obedience requires the board of directors to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public's trust that the organization will manage donated funds to fulfill the organization's mission.

1. **State and Federal Statutes.** Board members should be familiar with state and federal laws relating to nonprofit corporations, charitable solicitations, sales and uses taxes, FICA and income tax withholding, and unemployment and worker's compensation obligations. They should also be familiar with the requirements of the Internal Revenue Service. Directors should see to it that their organization's status with state and federal agencies is protected and current.
2. **Filing Requirements.** Board members must comply with deadlines for tax and financial reporting, for registering with the Secretary of State, for making Social Security payments, for income tax withholding and so on. Additionally, if an organization is incorporated under RCW Title 24, its directors have a duty to maintain its corporate status by submitting timely filings to the Office of the Secretary of State.
3. **Governing Documents.** Board members should be familiar with their organization's governing documents and should follow the provisions of those documents. Board members should be sure proper notice is given for meetings, that regular meetings are held and that members are properly appointed. They should also ensure that the organization's mission is being accomplished in accordance with the stated purpose in the organization's [articles of incorporation](#).
4. **Outside Help.** Where appropriate, board members should obtain opinions of legal counsel or accountants.

In addition to the three general fiduciary duties (Care, Loyalty and Obedience), there are a number of specific responsibilities that should be observed by the board of directors.

## Reducing the Risk of Liability

Although lawsuits against board members of nonprofit corporations occur less frequently than those against board members of for-profit business corporations, they are not unknown. Recent widespread publicity and, in some cases, criminal convictions have highlighted the fiduciary role of board members and officers of nonprofit organizations.

It is possible that board members of a charitable/nonprofit corporation will find themselves sued as personal defendants in a lawsuit filed by an “outside third party” that has incurred some personal injury or financial loss as a result of dealings with the organization. To encourage citizens to serve as board members for charities, the law cloaks volunteer board members with qualified immunity. (See [RCW 23B.17.030](#)) They cannot be sued for negligent acts. They may, however, be subject to lawsuits alleging that a loss was due to their gross negligence, willful or fraudulent acts.

NOTE – The [IRS](#) may also hold board members personally liable if the organization violates federal tax law. The most likely situation is the failure of the organization to perform mandatory payroll withholding.

Because there is some degree of risk, including the cost of defending a frivolous claim, board members should discuss with the organization’s legal counsel the prospect of purchasing [Directors and Officers \(D & O\) liability insurance](#), and/or including indemnification provisions in the organization’s governing documents.

The organization should carry insurance appropriate to its activities (including, for example, general liability, errors and omission, automobile or malpractice) in amounts to meet its needs. The absence of appropriate insurance may cause an injured person to seek recourse from board members. If adequate insurance is in force, an injured person is less likely to seek damages from a board member.

# Twelve Principles of Governance That Power Exceptional Boards

*Excerpted with permission from Boardsource*

Exceptional boards add significant value to their organizations, making a discernible difference in their advance on mission. Good governance requires the board to balance its role as an oversight body with its role as a force supporting the organization. The difference between *responsible* and *exceptional* boards lies in thoughtfulness and intentionality, action and engagement, knowledge and communication. The following twelve principles offer **chief executives** a description of an empowered board that is a strategic asset to be leveraged. They provide **board members** with a vision of what is possible and a way to add lasting value to the organization they lead.

## 1. CONSTRUCTIVE PARTNERSHIP

Exceptional boards govern in constructive partnership with the chief executive, recognizing that the effectiveness of the board and chief executive are interdependent. They build this partnership through trust, candor, respect, and honest communication.

## 2. MISSION DRIVEN

Exceptional boards shape and uphold the mission, articulate a compelling vision, and ensure the congruence between decisions and core values. They treat questions of mission, vision, and core values not as exercises to be done once, but as statements of crucial importance to be drilled down and folded into deliberations.

## 3. STRATEGIC THINKING

Exceptional boards allocate time to what matters most and continuously engage in strategic thinking to hone the organization's direction. They not only align agendas and goals with strategic priorities, but also use them for assessing the chief executive, driving meeting agendas, and shaping board recruitment.

## 4. CULTURE OF INQUIRY

Exceptional boards institutionalize a culture of inquiry, mutual respect, and constructive debate that leads to sound and shared decision making. They seek more information, question assumptions, and challenge conclusions so that they may advocate for solutions based on analysis.

## 5. INDEPENDENT-MINDEDNESS

Exceptional boards are independent-minded. They apply rigorous conflict-of-interest procedures, and their board members put the interests of the organization above all else when making decisions. They do not allow their votes to be unduly influenced by loyalty to the chief executive or by seniority, position, or reputation of fellow board members, staff, or donors.

## 6. ETHOS OF TRANSPARENCY

Exceptional boards promote an ethos of transparency by ensuring that donors, stakeholders, and interested members of the public have access to appropriate and accurate information regarding finances, operations, and results. They also extend transparency internally, ensuring that every board member has equal access to relevant materials when making decisions.

## **7. COMPLIANCE WITH INTEGRITY**

Exceptional boards promote strong ethical values and disciplined compliance by establishing appropriate mechanisms for active oversight. They use these mechanisms, such as independent audits, to ensure accountability and sufficient controls; to deepen their understanding of the organization; and to reduce the risk of waste, fraud, and abuse.

## **8. SUSTAINING RESOURCES**

Exceptional boards link bold visions and ambitious plans to financial support, expertise, and networks of influence. Linking budgeting to strategic planning, they approve activities that can be realistically financed with existing or attainable resources, while ensuring that the organization has the infrastructure and internal capacity it needs.

## **9. RESULTS-ORIENTED**

Exceptional boards are results-oriented. They measure the organization's progress towards mission and evaluate the performance of major programs and services. They gauge efficiency, effectiveness, and impact, while simultaneously assessing the quality of service delivery, integrating benchmarks against peers, and calculating return on investment.

## **10. INTENTIONAL BOARD PRACTICES**

Exceptional boards purposefully structure themselves to fulfill essential governance duties and to support organizational priorities. Making governance intentional, not incidental, exceptional boards invest in structures and practices that can be thoughtfully adapted to changing circumstances.

## **11. CONTINUOUS LEARNING**

Exceptional boards embrace the qualities of a continuous learning organization, evaluating their own performance and assessing the value they add to the organization. They embed learning opportunities into routine governance work and in activities outside of the boardroom.

## **12. REVITALIZATION**

Exceptional boards energize themselves through planned turnover, thoughtful recruitment, and inclusiveness. They see the correlation between mission, strategy, and board composition, and they understand the importance of fresh perspectives and the risks of closed groups. They revitalize themselves through diversity of experience and through continuous recruitment.

# # #

*Twelve Principles of Governance That Power Exceptional Boards* excerpted with permission from [www.boardsource.org](http://www.boardsource.org). BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, visit [www.boardsource.org](http://www.boardsource.org) or call 800-883-6262. BoardSource (c) 2010.

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## CONTACT INFORMATION FOR CHARITIES AND NONPROFITS

<b>Office of the Secretary of State Charities Program</b>	Financial information on registered charities or the registration of charities and commercial fundraisers	<b>Telephone:</b> (360) 725-0378 Toll-Free: (800) 332-GIVE (Washington only) <a href="http://www.sos.wa.gov/charities/">www.sos.wa.gov/charities/</a>
<b>Office of the Secretary of State Corporations Division</b>	Registration of profit and nonprofit organizations	<b>Telephone:</b> (360) 725-0377 <a href="http://www.sos.wa.gov/corps/">www.sos.wa.gov/corps/</a>
<b>Department of Licensing</b>	Master Licensing Service Business License	<b>Telephone:</b> (360) 664-1400 <a href="http://www.dol.wa.gov/business/">www.dol.wa.gov/business/</a>
<b>Department of Revenue</b>	Washington State taxpayer services (Annual Reporting, Exemptions, Excise, sales, B&O taxes, etc.)	<b>Telephone:</b> (800) 647-7706 <a href="http://www.dor.wa.gov">www.dor.wa.gov</a>
<b>Washington State Gambling Commission</b>	For those nonprofit organizations that hold raffles, bingo, casino or other games of chance.	<b>Telephone:</b> (360) 486-3440 <a href="http://www.wsgc.wa.gov/">www.wsgc.wa.gov/</a>
<b>Washington State Liquor Control Board</b>	For those nonprofit organizations seeking a special license to raffle or sell liquor at specified date, time and place.	<b>Telephone:</b> (360) 664-1600 <a href="http://www.liq.wa.gov/">www.liq.wa.gov/</a>
<b>Internal Revenue Service</b>	For Exempt Organization Division	<b>Telephone:</b> (877) 829-5500 <a href="http://www.irs.gov/charities">www.irs.gov/charities</a>
<b>Washington Attorneys Assisting Community Organizations (WAACO)</b>	For assistance in organizational capacity-building in Washington state	<b>Telephone:</b> (866) 288-9695 <a href="http://www.waaco.org/">www.waaco.org/</a>
<b>Washington Nonprofit Handbook (WAACO Publication)</b>	Handbook providing guidance on many legal issues facing nonprofit organizations in Washington state	<a href="#">Washington Nonprofit Handbook</a>

# Articles of Incorporation

## ARTICLE I: NAME/REGISTERED OFFICE

The name of this corporation shall be the National Science Communication Institute. The corporation's registered office is located at 2320 N 137<sup>th</sup> Street, Seattle WA 98133.

## ARTICLE II: PURPOSE

This corporation is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as now enacted or hereafter amended, including, for such purposes, the making of distributions to organizations that also qualify as Section 501(c)(3) exempt organizations. To this end, the corporation shall work toward improving the communication efforts of science research studies and other science-related programs nationwide, including but not limited to designing communication strategies for said studies and programs, design community outreach and education programs, manage participant enrollment programs, build websites, write ad copy, and other activities related to marketing and communications. The corporation will charge reasonable rates for these activities, subcontract as needed for these same services, and also raise funds to help lower the costs of said services or be able to provide them free of charge in some cases. All funds, whether income or principal, and whether acquired by service fee or contribution or otherwise, shall be devoted to said purposes.

## ARTICLE III: LIMITATIONS

At all times the following shall operate as conditions restricting the operations and activities of the corporation:

1. No part of the net earnings of the corporation shall inure to any member of the corporation not qualifying as exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as now enacted or hereafter amended, nor to any Director or officer of the corporation, nor to any other private persons, excepting solely such reasonable compensation that the corporation shall pay for services actually rendered to the corporation, or allowed by the corporation as a reasonable allowance for authorized expenditures incurred on behalf of the corporation;
2. No substantial part of the activities of the corporation shall constitute the carrying on of propaganda or otherwise attempting to influence legislation, or any initiative or referendum before the public, and the corporation shall not participate in, or intervene in (including by publication or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office; and
3. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax

under Section 501(c)(3) of the Internal Revenue Code of 1986, as now enacted or hereafter amended.

4. The corporation shall not lend any of its assets to any officer or director of this corporation or guarantee to any person the payment of a loan by an officer or director of this corporation.

#### **ARTICLE IV: DIRECTORS/MEMBERS**

The corporation may (but need not) have voting members, and such membership, if any, and classes thereof, shall be as defined in the corporation's bylaws. The management and affairs of the corporation shall be at all times under the direction of a Board of Directors, whose operations in governing the corporation shall be defined by statute and by the corporation's by-laws. No member or Director shall have any right, title, or interest in or to any property of the corporation.

#### **ARTICLE V: DEBT OBLIGATIONS AND PERSONAL LIABILITY**

No member, officer or Director of this corporation shall be personally liable for the debts or obligations of this corporation of any nature whatsoever, nor shall any of the property of the members, officers or Directors be subject to the payment of the debts or obligations of this corporation.

#### **ARTICLE VI: DISSOLUTION**

Upon the time of dissolution of the corporation, assets shall be distributed by the Board of Directors, after paying or making provisions for the payment of all debts, obligations, liabilities, costs and expenses of the corporation, for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

#### **ARTICLE VII: INCORPORATOR**

The incorporator of this corporation is Glenn Hampson, 2320 N 137<sup>th</sup> Street, Seattle WA 98133. The undersigned incorporator certifies both that he executes these Articles for the purposes herein stated, and that by such execution, he affirms the understanding that should any of the information in these Articles be intentionally or knowingly misstated, he is subject to criminal penalties for perjury.

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Signature

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Date

## Corporate Bylaws

### ARTICLE I: NAME AND PURPOSES

**Section 1.01. Name.** The name of the organization is the National Science Communication Institute

**Section 1.02. Purpose.** The Corporation is organized for the charitable, scientific, and educational purpose of improving the communication capabilities and capacity of research science and other science-related endeavors.

### ARTICLE II: QUALIFICATIONS, APPOINTMENT & DUES

**Section 2.01. Qualifications.** Membership on this board may be granted to any individual who supports the mission and purposes of the organization. All board members shall have voting rights.

**Section 2.02. Number, Selection, and Tenure.** The Board shall consist of not less than three (3) directors. Each director shall hold office for a term of two (2) years. Vacancies existing by reason of resignation, death, incapacity or removal before the expiration of his/her term shall be filled by a majority vote of the remaining directors. In the event of a tie vote, the President shall choose the succeeding director. Directors will elect their successors. A director elected to fill a vacancy shall be elected for the unexpired term of that director's predecessor in office.

**Section 2.03. Resignation.** Any member may resign by filing a written resignation with the Secretary; however, such resignation shall not relieve the member so resigning of the obligation to pay any charges theretofore accrued and unpaid. Resignations are effective upon receipt by the Secretary of the Corporation of written notification.

**Section 2.04. Termination of Membership.** The Board of Directors, by affirmative vote of two-thirds of all of the members of the Board, may suspend or expel a member, and may, by a majority vote or those present at any regularly constituted meeting, terminate the membership of any member who becomes ineligible for membership.

**Section 2.05. Dues.** There will be no dues for membership on the Board of Directors.

### ARTICLE III: AUTHORITY AND DUTIES OF ALL DIRECTORS

**Section 3.01. Authority of Directors.** The Board of Directors is the policy-making body and may exercise all the powers and authority granted to the Corporation by law.

**Section 3.02. Regular Meetings.** The Board of Directors shall hold at least one (1) regular meeting per calendar year. This meeting shall be at a date, time and place as the Board shall determine.

**Section 3.03. Special Meetings.** Special meetings may be called by the Chairperson or at the request of at least 10% of the members.

**Section 3.04. Notice.** Board member must receive notice of at least five (5) days before the scheduling of any meeting is finalized.

**Section 3.05. Quorum.** A quorum shall consist of a majority of the Board attending in person or through teleconferencing. All decisions will be by majority vote of those present at a meeting at which a quorum is present. If less than a majority of the directors is present at said meeting, a majority of the directors present may adjourn the meeting on occasion without further notice.

**Section 3.06. Action Without a Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors (including amendment of these Bylaws) or of any committee may be taken without a meeting if all the members of the Board or committee consent in writing to taking the action without a meeting and to approving the specific action. Such consents shall have the same force and effect as a unanimous vote of the Board or of the committee as the case may be.

**Section 3.07. Participation in Meeting by Conference Telephone.** Members of the Board may participate in a meeting through use of conference telephone, website, or similar communications equipment, so long as members participating in such meeting can hear one another or read each other's communications.

**Section 3.08. Committees.** The Board of Directors may, by resolution adopted by a majority of the Directors in office, establish committees of the Board composed of at least two (2) persons which, except for an Executive Committee, may include non-Board members. The Board may make such provisions for appointment of the chair of such committees, establish such procedures to govern their activities, and delegate thereto such authority as may be necessary or desirable for the efficient management of the property, affairs, business, activities of the Corporation.

**Section 3.09. Nominating Committee.** There shall be a Nominating Committee, composed of the President and at least two (2) other members of the Board of Directors. Each member of the committee shall have one (1) vote and decision shall be made by the majority.

**Section 3.10. Reimbursement.** Directors shall serve without compensation with the exception that expenses incurred in the furtherance of the Corporation's business are allowed to be reimbursed with documentation and prior approval. In addition, Directors serving the organization in any other capacity, such as staff, are allowed to receive compensation therefore.

**Section 3.11. Paid Staff.** The Board of Directors may hire such paid staff as they deem proper and necessary for the operations of the Corporation. The powers and duties of the paid staff shall be as assigned or as delegated to be assigned by the Board.

## **ARTICLE IV: AUTHORITY AND DUTIES OF BOARD OFFICERS**

**Section 4.01. Officers.** The officers of the Corporation shall be a President, a Vice-President, a Secretary/Treasurer, and such other officers as the Board of Directors may designate. Any two (2) or more offices may be held by the same person.

**Section 4.02. Appointment of Officers.** The officers of the Corporation shall be elected by the Board of Directors at regular meetings of the Board, or, in the case of vacancies, as soon thereafter as convenient.

**Section 4.03. Creation of New Officers.** New offices may be created and filled at any meeting of the Board of Directors.

**Section 4.04. Terms of Office.** Terms of office may be established by the Board of Directors, but shall not exceed two (2) years. Officers shall hold office until a successor is duly elected and qualified. Officers shall be eligible for reappointment.

**Section 4.05. President.** The President shall be a director of the Corporation and will preside at all meetings of the Board of Directors. The President shall perform all duties attendant to that office, subject, however, to the control of the Board of Directors, and shall perform such other duties as on occasion shall be assigned by the Board of Directors.

**Section 4.06. Vice-President.** The Vice-President shall be a director of the Corporation and will preside at meetings of the Board of Directors in the absence of or request of the President. The Vice-President shall perform other duties as requested and assigned by the President, subject to the control of the Board of Directors.

**Section 4.07. Secretary/Treasurer.** The Secretary/Treasurer shall be a director of the Corporation and shall keep the minutes of all meetings of the Board of Directors in the books proper for that purpose. The Secretary/Treasurer shall also report to the Board of Directors at each regular meeting on the status of the Council's finances. The Secretary/Treasurer shall work closely with any paid executive staff of the Corporation to ascertain that appropriate procedures are being followed in the financial affairs of the Corporation, and shall perform such other duties as occasionally may be assigned by the Board of Directors.

## **ARTICLE V: BOARD RISKS & PROTECTIONS**

**Section 5.01. Statutory Immunity.** No person who serves as a director, officer or trustee of this organization shall be liable for any damages solely by reason of such services for any act or omission resulting in damage or injury to another, if such person was acting in good faith and within the scope of his official functions and duties, unless such damage or injury was caused by willful or wanton misconduct. The limitations on liability provided by this section shall not apply to any cause or action arising out of said person's operation of a motor vehicle.

**Section 5.02. Indemnification.** The corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, or employee of the corporation against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the corporation; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at that time parties to the proceeding.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

This Article constitutes a contract between the corporation and the indemnified officers, directors, and employees. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified officer, director, or employee under this Article shall apply to such officer, director, or employee with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

## **ARTICLE VI: ADVISORY BOARDS AND COMMITTEES**

**Section 6.01. Establishment.** The Board of Directors may establish one or more Advisory Boards or Committees.

**Section 6.02. Size, Duration, and Responsibilities.** The size, duration, and responsibilities of such boards and committees shall be established by a majority vote of the Board of Directors.

## **ARTICLE VII: FINANCIAL ADMINISTRATION**

**Section 7.01. Fiscal Year.** The fiscal year of the Corporation shall be January 1 - December 31 but may be changed by resolution of the Board of Directors.

**Section 7.02. Checks, Drafts, Etc.** All checks, orders for the payment of money, bills of lading, warehouse receipts, obligations, bills of exchange, and insurance certificates shall be signed or endorsed by such officer or officers or agent or agents of the Corporation and in such manner as shall from time to

time be determined by resolution of the Board of Directors or of any committee to which such authority has been delegated by the Board.

**Section 7.03. Deposits and Accounts.** All funds of the Corporation, not otherwise employed, shall be deposited from time to time in general or special accounts in such banks, trust companies, or other depositories as the Board of Directors or any committee to which such authority has been delegated by the Board may select, or as may be selected by the President or by any other officer or officers or agent or agents of the Corporation, to whom such power may from time to time be delegated by the Board. For the purpose of deposit and for the purpose of collection for that account of the Corporation, checks, drafts, and other orders of the Corporation may be endorsed, assigned, and delivered on behalf of the Corporation by any officer or agent of the Corporation.

**Section 7.04. Investments.** The funds of the Corporation may be retained in whole or in part in cash or be invested and reinvested on occasion in such property, real, personal, or otherwise, or stock, bonds, or other securities, as the Board of Directors in its sole discretion may deem desirable, without regard to the limitations, if any, now imposed or which may hereafter be imposed by law regarding such investments, and which are permitted to organizations exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code.

## **ARTICLE VIII: BOOKS AND RECORDS**

Correct books of account of the activities and transactions of the Corporation shall be kept at the office of the Corporation. These shall include a minute book, which shall contain a copy of the Certificate of Incorporation, a copy of these Bylaws, and all minutes of meetings of the Board of Directors.

## **ARTICLE IX: AMENDMENT OF BYLAWS**

These Bylaws may be amended by a majority vote of the Board of Directors, provided prior notice is given of the proposed amendment in the notice of the meeting at which such action is taken, or provided all members of the Board waive such notice, or by unanimous consent in writing without a meeting pursuant to Section 3.08.

# CONFLICT OF INTEREST POLICY

MAY 2011 UPDATE

## ARTICLE I: PURPOSE

1. The purpose of this Board conflict of interest policy is to protect NSCI's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of an officer or director of NSCI or might result in a possible excess benefit transaction.
2. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.
3. This policy is also intended to identify "independent" directors.

## ARTICLE II: DEFINITIONS

1. Interested person -- Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
2. Financial interest -- A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
  - a. An ownership or investment interest in any entity with which NSCI has a transaction or arrangement,
  - b. A compensation arrangement with NSCI or with any entity or individual with which NSCI has a transaction or arrangement, or
  - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which NSCI is negotiating a transaction or arrangement.Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board or Executive Committee decides that a conflict of interest exists, in accordance with this policy.
3. Independent Director -- A director shall be considered "independent" for the purposes of this policy if he or she is "independent" as defined in the instructions for the IRS 990 form or, until such definition is available, the director --
  - a. is not, and has not been for a period of at least three years, an employee of NSCI or any entity in which NSCI has a financial interest;

- b. does not directly or indirectly have a significant business relationship with NSCI, which might affect independence in decision-making;
- c. is not employed as an executive of another corporation where any of NSCI's executive officers or employees serve on that corporation's compensation committee; and
- d. does not have an immediate family member who is an executive officer or employee of NSCI or who holds a position that has a significant financial relationship with NSCI.

### **ARTICLE III: PROCEDURES**

1. Duty to Disclose -- In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board or Executive Committee.
2. Recusal of Self – Any director may recuse himself or herself at any time from involvement in any decision or discussion in which the director believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.
3. Determining Whether a Conflict of Interest Exists -- After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or Executive Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Executive Committee members shall decide if a conflict of interest exists.
4. Procedures for Addressing the Conflict of Interest
  - a. An interested person may make a presentation at the Board or Executive Committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
  - b. The Chairperson of the Board or Executive Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
  - c. After exercising due diligence, the Board or Executive Committee shall determine whether NSCI can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
  - d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or Executive Committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in NSCI's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
5. Violations of the Conflicts of Interest Policy

- a. If the Board or Executive Committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or Executive Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

#### **ARTICLE IV: RECORDS OF PROCEEDINGS**

The minutes of the Board and all committees with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or Executive Committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

#### **ARTICLE V: COMPENSATION**

1. A voting member of the Board who receives compensation, directly or indirectly, from NSCI for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from NSCI for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from NSCI, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

#### **ARTICLE VI: ANNUAL STATEMENTS**

1. Each director, principal officer and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:
  - a. Has received a copy of the conflict of interest policy,
  - b. Has read and understands the policy,

- c. Has agreed to comply with the policy, and
  - d. Understands NSCI is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
- 2. Each voting member of the Board shall annually sign a statement which declares whether such person is an independent director.
- 3. If at any time during the year, the information in the annual statement changes materially, the director shall disclose such changes and revise the annual disclosure form.
- 4. The Executive Committee shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

### **ARTICLE VII: PERIODIC REVIEWS**

To ensure NSCI operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- 1. Whether compensation arrangements and benefits are reasonable, based on competent survey information (if reasonably available), and the result of arm's length bargaining.
- 2. Whether partnerships, joint ventures, and arrangements with management organizations, if any, conform to NSCI's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement or impermissible private benefit or in an excess benefit transaction.

### **ARTICLE VIII: USE OF OUTSIDE EXPERTS**

When conducting the periodic reviews as provided for in Article VII, NSCI may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

# EEO POLICY STATEMENT

MAY 2011 VERSION

## **POLICY**

It is the policy of the National Science Communication Institute (nSCI) to provide equal employment opportunity (EEO) to all persons regardless of age, color, national origin, citizenship status, physical or mental disability, race, religion, creed, gender, sex, sexual orientation, gender identity and/or expression, marital status, status with regard to public assistance, status as a disabled veteran, recently separated or other covered veteran, or any other characteristic protected by federal, state, or local law. In addition, nSCI will provide reasonable accommodations for qualified individuals with disabilities.

nSCI's programs are designed to comply with all applicable federal, state, and local laws, directives and regulations and cover all human resource actions including employment, compensation, benefits, training, education, tuition aid, transfers, promotions and social/recreational programs.

nSCI's executive director and senior leadership team have responsibility to monitor progress, reinforce policies and hold the organization accountable to meet objectives.

## **RESPONSIBILITY**

Glenn Hampson, MPA, nSCI's interim executive director, is responsible for leading nSCI's EEO efforts and ensuring that the principle of equal employment opportunity is understood and followed. In the future as nSCI expands, nSCI's HR head will be responsible for local EEO efforts. All members of management must be familiar with this policy, must fully support it, and are responsible for applying these principles in good faith. All employees are responsible for conduct consistent with nSCI's EEO Policy and are expected to demonstrate respect for all co-workers.

Once nSCI has an office location with employees, this statement and related notices will be posted to inform applicants and employees of nSCI's commitment to equal opportunity in employment. This policy will also be located in local HR offices and may be reviewed by applicants and employees on weekdays during normal working hours.

Glenn Hampson  
Interim Executive Director  
Statement last updated May 2011

Date of this notice: 01-28-2011

Employer Identification Number:  
27-4690007

Form: SS-4

Number of this notice: CP 575 A

NATIONAL SCIENCE COMMUNICATION  
INSTITUTE  
% GLENN HAMPSON  
2320 N 137TH ST  
SEATTLE, WA 98133

For assistance you may call us at:  
1-800-829-4933

IF YOU WRITE, ATTACH THE  
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 27-4690007. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 941	07/31/2011
Form 940	01/31/2012

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes*. If you need to make a deposit immediately, you will need to make arrangements with your Financial Institution to complete a wire transfer.



INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

NOV 21 2011

NATIONAL SCIENCE COMMUNICATION  
INSTITUTE  
2320 N 137TH ST  
SEATTLE, WA 98133

Employer Identification Number:  
27-4690007  
DLN:  
17053293313011  
Contact Person:  
JEFFERY A CULLEN ID# 31215  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Public Charity Status:  
170(b)(1)(A)(vi)  
Form 990 Required:  
Yes  
Effective Date of Exemption:  
January 28, 2011  
Contribution Deductibility:  
Yes  
Addendum Applies:  
No

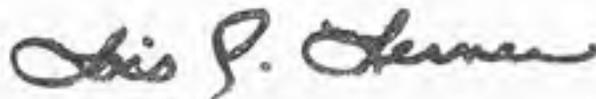
Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Lois G. Lerner  
Director, Exempt Organizations

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)



NATIONAL **SCI** Science Communication Institute

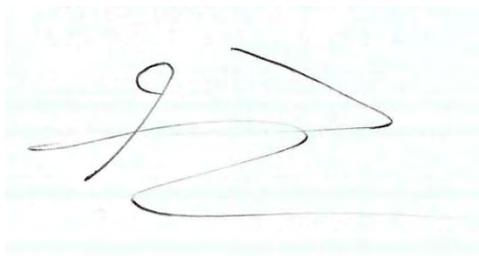
2011 Annual Report

## National Science Communication Institute (nSCI) 2001 Annual Report

**Date:** January 31, 2012

The National Science Communication Institute, a Seattle-based nonprofit specializing in science communications, is pleased to submit this annual report of its activities for 2011. Any questions about this document can be sent directly to me, Glenn Hampson, at [ghampson@nationalscience.org](mailto:ghampson@nationalscience.org). I can also be reached by telephone at 206-417-3607.

Sincerely,



Glenn Hampson  
Executive Director  
National Science Communication Institute

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**Section 3:** 2011 Financials..... 4

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## Section 1: Business Information

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- A. **Company name:** The National Science Communication Institute (nSCI)  
**Legal status:** 501(c)(3) nonprofit corporation, established in 2011  
**Telephone:** 206-417-3607

**Street address:**

National Science Communication Institute  
2320 N 137<sup>th</sup> Street  
Seattle, WA 98133

**Mailing address:**

Same as street address

- B. **Tax ID number:** 274690007  
**Washington UBI number:** 603081988

**Contact:**

Glenn Hampson, Executive Director  
National Science Communication Institute  
2320 N 137<sup>th</sup> Street  
Seattle, WA 98133  
Email: [ghampson@nationalscience.org](mailto:ghampson@nationalscience.org)  
Telephone: 206-417-3607

- C. **Mission statement:** The mission of the National Science Communication Institute (nSCI) is to improve science by improving science communication. nSCI provides a wide variety of value-added support to research activities, from marketing to outreach, enrollment, writing, community-building, and more.

## Section 2: 2011 Summary of Activities

---

Details of nSCI's 2011 activities were discussed at the company's December 2011 annual meeting. A summary of the minutes from this meeting is attached in the annex. The highlights of nSCI's 2011 activities are as follows:

1. Company established
2. Company websites constructed
3. Company's purpose and services portfolio formulated and revised
4. Company's market position researched
5. Board recruited
6. Key partnerships established
7. 501c3 tax-exempt status secured
8. Initial outreach made to several potential donors
9. Annual meeting held

2012 will mark the beginning of nSCI's active outreach to the science community and active fundraising efforts.

## Section 3: 2011 Financials

---

nSCI raised less than the minimum amount required in 2011 to trigger a full year-end tax filing with the IRS or with Washington state's regulatory agencies. For the IRS, a 990-N "e-Postcard" was filed instead, which simply requests that filers confirm the basics of company operations---that they raised less than a certain amount, are still in business, are still tax-exempt, and so on.

The following pages include the receipts from nSCI's 2011 tax filings, as well as full reports of profit/loss, assets/liabilities, and more, which were prepared for company records but not filed.

As an authorized officer of the National Science Communication Institute and legally on behalf of the Institute, I hereby attest that the information contained in this section is true and accurate to the best of my ability.

Signed,



Glenn Hampson  
Executive Director  
National Science Communication Institute  
Seattle, Washington

On this date, January 31, 2012

**From:** [epostcard@urban.org](mailto:epostcard@urban.org)  
**To:** [ghampson@nationalscience.org](mailto:ghampson@nationalscience.org)  
**Subject:** Form 990-N E-filing Receipt - IRS Status: Accepted  
**Date:** Wednesday, January 25, 2012 2:50:34 PM

---

Organization: NATIONAL SCIENCE COMMUNICATION INSTITUTE  
EIN: 27-4690007  
Submission Type: Form 990-N  
Year: 2011  
Submission ID: 7800582012025ed58822  
e-File Postmark: 1/25/2012 5:44:32 PM  
Accepted Date: 1/25/2012

The IRS has accepted the e-Postcard described above. Please save this receipt for your records.

Thank you for filing.

-----  
e-Postcard technical support  
Phone: 866-255-0654 (toll free)  
email: [ePostcard@urban.org](mailto:ePostcard@urban.org)  
-----

NATIONAL SCIENCE COMMUNICATION  
INSTITUTE  
2320 N 137th Street  
Seattle, WA 98133



**Nonprofit Corporation Annual Report  
 Form Submission Information**

Business Name NATIONAL SCIENCE COMMUNICATION INSTITUTE

UBI 603081988

Transaction Submitted Date 1/25/2012

Tracking ID 2248449

Validation ID 2108202-001

Document Type Annual Report

Corporation Type Non-Profit Corporation

Date of Incorporation 1/28/2011

Fee \$10.00

Place of Business Address 2320 N 137th Street  
 Seattle, WA 98133

**Registered Agent Information**

Name Glenn Hampson

Address 2320 N 137th Street  
 SEATTLE, WA 98133

Email gchampson@gmail.com

Mailing Address

WA

**Governing Person Information**

Name President Glenn Hampson

Address 2320 N 137th Street  
 Seattle, WA 98133

Name Secretary Drienna Holman

Address 2320 N 137th Street  
 SEATTLE, WA 98133

Name Director Keith Beach

Address c/o Jennifer Beach Foundation  
 PO Box 7036  
 COVINGTON, WA 98042

**Purpose**

to improve science by improving science communication. nSCI provides a wide variety of value-added support to research activities, from marketing to outreach, enrollment, writing, community-building, and more.

**Signed By**

Name President Glenn Hampson

Address 2320 N 137th Street  
 Seattle, WA 98133

Submitter Name Glenn Hampson

Submitter Email gchampson@nationalscience.org

**Cost**

**\$10.00**

**National Science Communication Institute**  
**Statement of Functional Expenses (990)**  
January through December 2011

	<u>Jan - Dec 11</u>
60900 · Business Expenses	1,020.00
65000 · Operations	444.18
65100 · Other Types of Expenses	228.59
68300 · Travel and Meetings	449.38
<b>TOTAL</b>	<b><u>2,142.15</u></b>

## National Science Communication Institute

### Statement of Financial Income and Expense

January through December 2011

	Jan - Dec 11
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
43400 · Direct Public Support	
43410 · Corporate Contributions	0.96
43450 · Individ, Business Contributions	1,259.50
<b>Total 43400 · Direct Public Support</b>	1,260.46
<b>Total Income</b>	1,260.46
<b>Gross Profit</b>	1,260.46
<b>Expense</b>	
60900 · Business Expenses	
60920 · Business Registration Fees	1,020.00
<b>Total 60900 · Business Expenses</b>	1,020.00
65000 · Operations	
65010 · Books, Subscriptions, Reference	1.00
65020 · Postage, Mailing Service	19.18
65040 · Supplies	66.00
65060 · Web templates & hosting fees	358.00
<b>Total 65000 · Operations</b>	444.18
65100 · Other Types of Expenses	
65125 · Insurance - Business policy	226.64
65150 · Memberships and Dues	1.95
<b>Total 65100 · Other Types of Expenses</b>	228.59
68300 · Travel and Meetings	
68305 · Annual meetings related	407.58
68330 · Business lunch	41.80
<b>Total 68300 · Travel and Meetings</b>	449.38
<b>Total Expense</b>	2,142.15
<b>Net Ordinary Income</b>	-881.69
<b>Net Income</b>	-881.69

**National Science Communication Institute**  
**Statement of Financial Position**  
 As of January 25, 2012

	<u>Jan 25, 12</u>	<u>Jan 25, 11</u>	<u>\$ Change</u>	<u>% Change</u>
<b>ASSETS</b>				
<b>Current Assets</b>				
<b>Checking/Savings</b>				
0002 · nSCI	9.28	0.00	9.28	100.0%
<b>Total Checking/Savings</b>	<u>9.28</u>	<u>0.00</u>	<u>9.28</u>	<u>100.0%</u>
<b>Total Current Assets</b>	<u>9.28</u>	<u>0.00</u>	<u>9.28</u>	<u>100.0%</u>
<b>TOTAL ASSETS</b>	<b><u>9.28</u></b>	<b><u>0.00</u></b>	<b><u>9.28</u></b>	<b><u>100.0%</u></b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>Current Liabilities</b>				
<b>Accounts Payable</b>				
20000 · Accounts Payable	-156.59	0.00	-156.59	-100.0%
<b>Total Accounts Payable</b>	<u>-156.59</u>	<u>0.00</u>	<u>-156.59</u>	<u>-100.0%</u>
<b>Total Current Liabilities</b>	<u>-156.59</u>	<u>0.00</u>	<u>-156.59</u>	<u>-100.0%</u>
<b>Total Liabilities</b>	<u>-156.59</u>	<u>0.00</u>	<u>-156.59</u>	<u>-100.0%</u>
<b>Equity</b>				
30000 · Opening Balance Equity	115.83	0.00	115.83	100.0%
32000 · Unrestricted Net Assets	-881.69	0.00	-881.69	-100.0%
33000 · Temp. loans from G. Hampson	931.73	0.00	931.73	100.0%
<b>Total Equity</b>	<u>165.87</u>	<u>0.00</u>	<u>165.87</u>	<u>100.0%</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>9.28</u></b>	<b><u>0.00</u></b>	<b><u>9.28</u></b>	<b><u>100.0%</u></b>

**National Science Communication Institute**  
**Donors/Grants Report**  
All Transactions

	<u>Dec 31, 11</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
43400 · Direct Public Support	
43410 · Corporate Contributions	0.25
43450 · Individ, Business Contributions	1,259.50
<b>Total 43400 · Direct Public Support</b>	<u>1,259.75</u>
<b>Total Income</b>	<u>1,259.75</u>
<b>Gross Profit</b>	1,259.75
<b>Expense</b>	
65100 · Other Types of Expenses	
65150 · Memberships and Dues	1.95
<b>Total 65100 · Other Types of Expenses</b>	<u>1.95</u>
<b>Total Expense</b>	<u>1.95</u>
<b>Net Ordinary Income</b>	<u>1,257.80</u>
<b>Net Income</b>	<u><u>1,257.80</u></u>

## **Annex 1: Minutes from 2011 Annual Meeting**

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The following document was circulated via email to nSCI board members on December 16th, 2011 following our December 9<sup>th</sup> annual meeting in Seattle, Washington.

# 2011 nSCI Annual Meeting Minutes

## Attendance

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A quorum of 18 of nSCI's 27 board members were able to attend all or part of this meeting. Attending in person were Glenn Hampson, Drienna Holman, Britt Piehler, Keith Beach, Sandra Wright, Isabelle Ragueneau-Majlessi, Karen Syrjala, Sherri Fuller, and Kymber Waltmunson. Attending by videoconference or phone were Russ Porter, John Rennie, Dick Gomulkiewicz, Ricardo Gomez, Mike Hampson, Jennifer Sterling, Jonathan Sullivan, Lori Weiman and Sharon Ritchey. Invited guest Keith Seinfeld also attended.

## Details

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1. Welcome

2. Introduction of board members

3. Overview, discussion and votes

### OVERVIEW

Our discussion began with a 10-minute presentation by Glenn of nSCI's goals and current status (see attached PowerPoint file).

### DISCUSSION

After the overview presentation, Mike Hampson asked that more tactical details be provided---more of the short-term, tactical steps that nSCI will deploy over the coming months. He also suggested latching onto a marquee project to help put nSCI on the map. Others agreed and added additional suggestions. Ricardo offered that there may a risk in taking too long to get big---that this organization needs to grow fast. Jonathan and John suggested that while getting a marquee project would be nice and should be

pursued---that such a project would help demonstrate the value of nSCI---just one such project may not cover all areas (education, marketing, etc.). Jennifer pointed out that “marquee” didn’t need to mean “huge budget,” though---that any good project could be properly positioned and marketed and that many large projects without professional marketing end up passing under the radar.

Lori added that while having a marquee project would help provide clarity, a better elevator pitch is also needed. She mentioned that the investors she has approached have been unclear about the value proposition of giving money to nSCI and that clarifying the need and nSCI’s objectives and tangible solutions will be important first steps for this organization. Russ said that he has had a similar reaction from the people he has approached and wondered whether a narrower focus might help.

Following along on this idea of a marquee project to add clarity, Jonathan wondered whether nSCI was a service provider organization or an organization whose mission was to set up examples and build models. Sherri suggested that maybe the right way to think about nSCI was not as a service provider but as a think-tank ---as an organization that brings together all the right people to talk about the issues and solutions related to science communication.

Kymer’s recommendation was to lay out nSCI’s key priorities in detail---what will come first, second, and third, and what links these priorities together. John and Russ agreed that more focus and priorities were necessary next steps, both for clarity and to help better understand whether there were any potential areas of conflict (where an initiative in one area might alienate an important constituency in another).

The group agreed that this topic deserved more thought and that this discussion could continue offline. Sherri suggested that a good approach would be to collaborate on writing a white paper laying out the challenges in science communication. Writing this paper would have several benefits: it would allow all board members to contribute their expert perspectives, it would help nSCI distill key issues, solutions, and messages, and it could be published (which could help raise the organization’s profile in science).

The next item on the agenda was whether nSCI should be a nonprofit or a for-profit organization. Glenn announced earlier in the meeting that nSCI’s tax-exempt nonprofit status had just been granted. The general consensus was that it was much easier to work for our primary constituents---research and academic institutions---as a nonprofit than as a for-profit. Britt, Keith and Isabelle also pointed out that nonprofits could spin off for-profit products or projects (with the proper accounting segregation).

## VOTES

The board voted unanimously in favor of approving the corporate organizing documents, postponing the election of board officers until a later date, and retaining Glenn as the Executive Director (removing the “interim” designation).

#### 4. New business

The board expressed an interest in forming three committees at this time: governance, fundraising, and vision. The governance committee will propose recommendations on the issues of Executive Director compensation and the admission of new board members. With regard to pay, Britt observed that a sliding scale won't work for grant applications---that a salary needs to be set and not changed over the course of the grant. With regard to board nominations, Glenn will be forwarding four names to the governance committee for consideration: American University professor Matthew Nisbet, former NASA astronaut and CEO Bonnie Dunbar, NPR science reporter Keith Seinfeld and patent attorney Kaye Fleming. Sherri also recommended University of Washington professors Judy Rayme (Technical Communications) and Ed Lasowski (Computer Science). Britt suggested that this committee also recommend whether the board should keep growing or be restructured as a having a certain number of board members and a certain number of advisory members.

The board also discussed the issue of D&O insurance. Glenn explained that the board members of Washington state corporations are immune from legal risk under state law, and are further indemnified in nSCI's corporate bylaws, but that D&O will still be carried as soon as revenues become available. (Note: A more detailed explanation of the D&O issue is posted on the board website at <http://nationalscience.org/board/2011/08/02/what-about-liability>).

#### 5. Action Items

- We need volunteers to chair and participate in three committees: Vision, fundraising, and governance. Most immediately, the governance committee will decide on the issues of executive director pay and board membership. Email Glenn if you are interested.
- Answers to the issues raised in the discussion---such as tactical details, priorities, and the search for a marquee project---need to be provided to board members. Glenn will work on these as part of the final annual report.
- The current website is pretty but doesn't explain our mission, goals, objectives, and priorities well enough yet. Based on feedback from the board, Glenn will redesign this site and its content over the coming months.
- Glenn and Sherri will discuss how to move forward with the white paper---stay tuned
- The final nSCI annual report is due to tax reporting agencies in end-January. A final report will be emailed to board members by around mid-January.
- See the "Ideas for Helping" slide in the attached presentation (the last slide). We didn't get to it in the meeting, but it contains a few additional ideas for how you might want to help nSCI grow.

## 6. ED Post-Meeting Feedback

First, thank you very much your belief and investment in nSCI and for taking time to prepare for and attend our first actual meeting. It was great to finally have a substantive discussion about this organization and what can be done to make it not only a viable entity but an effective one.

The next few months will be important ones for nSCI as we refine our message and image and begin reaching out to grant agencies, foundations, and member communities. We'll begin to see soon what's working and what's not, and how we can adjust things to get more traction and growth. As we move forward with the first task on the list---refining our message---I would like to propose three actions (or non-actions as the case may be) to the board. The first is that the vision of nSCI should remain broad and ambitious. The challenges ahead, as I think our white paper will demonstrate, are significant and not limited to just one area of study, one area of impact, or one profession. They are systemic, interrelated and institutional; indeed, one could argue that science communication has societal and cultural underpinnings harkening back to the days (and not only in Western civilization) when only certain sects and classes were the keepers of knowledge, and that our modern age of shared, open-access information is poised to change this arms-length relationship we have with science. I think it will be worth taking time to first see if we can wrap our brains around a new and improved vision statement, the common denominators in every research field's communication challenges, and our organization's priorities for action before we fall back on focusing our work too narrowly. I will work hard over the coming months to help state nSCI's case more clearly (and I would love to hear your ideas on this now), and I look forward to continuing to refine this case and proving our success over the coming years.

Second, with regard to board memberships, because this organization depends on both substantive and procedural input from so many different expert perspectives, I think it will be important to not arbitrarily limit this board to a certain number of members just yet. Ours is a larger than average board--some boards have many more members, some have many fewer---but it is still gelling. We're going to lose a few members over the coming year---people who have changed their mind about participating---and we're also not going to get 100% participation, so continuing to add the right people to our ranks will give us the expertise and perspective we need but will also help buffer us against the inevitable inattention and attrition that affects every working group.

Third and finally, with regard to our discussion about a marquee project, I agree that this would be nice to have in hand and I will continue to search for these kinds of projects through grant applications. Having said this, I think it's important to be open to the possibility---and this will become more apparent as we collaborate on vision statements, elevator pitches, and white papers---that this marquee project may not necessarily be an essential priority of our early success. There is a broad consensus in science that communication needs to be improved. Galvanizing and effectively expressing this sentiment may be just as impactful or more so than demonstrating this through a marquee project, which in any case will

probably be limited to only part of what nSCI does. We have eight main areas of focus---research design, science writing, science marketing, science education, informatics, information sharing and access, tech transfer, and public policy---and each of these eight areas are related and feed into the broader issue of how we deal with science communication. From the website right now, it looks like nSCI is mostly just a service organization, but in fact the vision here is that nSCI will also be community-builder, a discussion leader, a moderator, an awareness-building advocate, and a catalyst for change in science communication. You might say that our real mission is to make science more accessible for everyone, including scientists. Very little revenue will come from, say, developing an ad campaign for an important research study. In cases like this, the main focus of nSCI will be to provide researchers with best practices for advertising, to provide funding (through the appropriate subcontractors) for advertising work, and to demonstrate how effective advertising can result in better science (faster study enrollment, better retention, greater awareness, and greater effectiveness in the treatment arm). So, when we talk about finding a marquee project, I agree that this would be a nice starting point but I wouldn't want to see all of our hopes go into this basket as opposed to continuing to clarify our *raison d'être*, reaching out to others who feel the same way, building bridges to have important discussions about change, facilitating conversations, and then also finding and funding projects which will not only demonstrate the effectiveness of this philosophy but mark a real change in science communication as well.

What's the right starting point? Sherri noted---correctly I believe---that the mission of nSCI is much more akin to being a think tank than a service organization. In a conversation that Mike and I had yesterday, it may even be that a McKinsey-like consultancy group is even closer to the organization's ideal structure than a think tank ---a group that derives its legitimacy, reputation and income from providing tangible thought leadership, support and advice and not just analyses. Perhaps some hybrid will eventually develop where nSCI is a think tank that has a for-profit consultancy arm, but any starting point like this is a more accurate characterization of nSCI's mission and trajectory than a service organization (which, unfortunately, is the impression left by the current website).

## 7. More Information

The nSCI board website (<http://nationalscience.org/board/>) contains this document, the preliminary 2011 annual report (and later on the final report), and other corporate information. The board site also discussion spaces. Feel free to post articles here for review (email also works, of course).

Thank you again!



**2011 Progress Report**  
December 9, 2011 preview

# 2011 Milestones

- ▶ Defined the need (late 2010-early 2011)
- ▶ Created and set up company (January)
- ▶ Launched website (March)
- ▶ Recruited board (March-August)
- ▶ Established initial partnerships (April-July)
- ▶ Added new features (April-September)
- ▶ Applied for tax-exempt status (October)
- ▶ Organized initial annual meeting (November-December)

# Current Status

- ▶ General framework and content developed but no broach outreach yet (for memberships, partnerships, fellowships, etc.)
- ▶ Several beta features launched:
  - Job board
  - Cloud-based data sharing
  - Discussion board (members only)
  - Logo store
- ▶ Two divisions deployed but not active: Marketing (ScienceMarket.org ) and data sharing (ScienceRoundtable.org)
- ▶ No active work on grants or fee-for-service jobs

# Current nSCI Needs

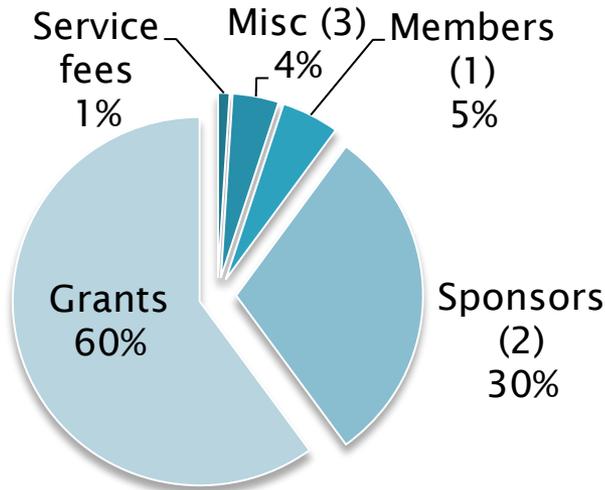
1. Get tax exempt status
2. Start applying for foundation grants
3. Complete first round of federal grant applications
4. Reach out for private investment for seed capital
5. Launch membership drive (after exempt status is granted)
6. Find major corporate sponsors to help support near-term growth plans
7. Hire three key people to help sustain growth (development officer, programmer, community-builder)
8. Roll out more divisions: Writing, Study design, informatics, education, public policy, and tech transfer

# 2-3 Year Growth Goal

- ▶ 10-member staff:
  - ED, fundraising director, marketing director, web development specialist, community-building specialist, 5 content specialists
- ▶ 2,500 members nationwide
- ▶ \$5 million annual budget:
  - Most revenue will be from federal and foundation grants
  - At least 20% of spending will be on grants to assist non-nSCI science communication projects

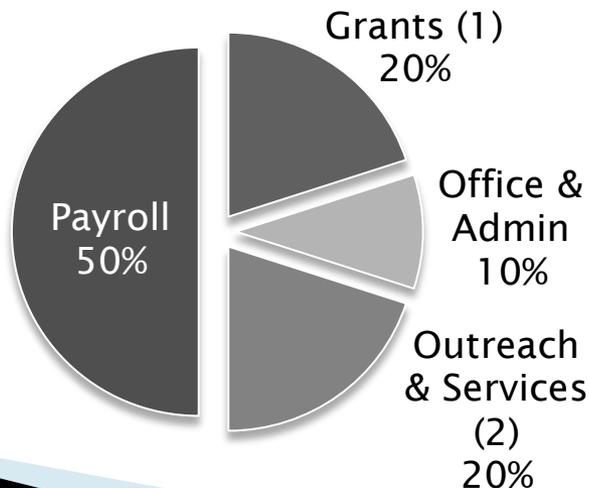
# 2014 Budget Goal

## REVENUE



- (1) 2500 members at \$100/yr avg
- (2) Sponsorships plus Division-boost and Adopt-A-Project
- (3) Includes job board fees, website advertising, logo store revenue, reprint fees and conference revenue (not likely)

## EXPENSES



- (1) Funding provided directly to applicants for science communication projects
- (2) Costs associated with community-building work, outreach, technical administration of service offerings (hosting, etc.), conferences, more

# 5-7 Year Goal

- ▶ 20 staff members
- ▶ \$20 million annual budget + \$50 million in catalyzed science communication spending
- ▶ Significant, stable, diverse revenue stream (memberships, grants, percentages, more)
- ▶ Nationwide major influence on science communication process and policy
  - Including hosting nation's first conference on science communication
- ▶ Demonstrated significant impact on science discovery, understanding, and possible cures
- ▶ ED who is national figure in science

# Sample of Future Deliverables

Client	Budget	Deliverables	nSCI resources
NIH	\$5 million	Nationwide campaign to increase awareness and utilization of resources for better NIH-funded research outreach and enrollment	3 FTE + \$250k
		Resource and data-sharing tools and databases; keep building out nSCI resources with primary focus on medical research field	3 FTE + \$250k
		Funding (\$1 million) of demonstration projects	2 FTE + \$1 million
		Published and printed book of best practices (made available for free)	2 FTE + \$100k
DARPA & Homeland Security	\$2 million	Create science and technology communicators network for sharing government science info resources	3 FTE + \$500k

# Ideas for Helping

- ▶ What can you do to help?
  - Continue to actively serve on the board (thank you!)
  - Spearhead a working group in your area of expertise
  - Lead a discussion among board members on key issues
  - Moderate a web discussion (in the future)
  - Write articles for the nSCI site
  - Help make connections (e.g., who might be interested in knowing about and/or helping with this effort in some way?)
  - Refer students, friends or colleagues who might want an internship or fellowship in science communication (marketing, writing, informatics, programming, and many other opportunities)

Thank you!