

RECOMMENDATIONS FOR COMBINING INELA AND NELAC OPERATIONS

By:

INELA/NELAC Partnership Planning Team (PPT)

Presented to:

*INELA Board of Directors
and
NELAC Board of Directors*

November 3, 2006

EXECUTIVE SUMMARY

This report provides background on the recommendations on the activities needed to combine the operations of the Institute for National Environmental Laboratory Accreditation (INELA) and the National Environmental Laboratory Accreditation Conference (NELAC). **The Partnership Planning Team (PPT) recommends the Board of Directors of both INELA and NELAC endorse the recommendations in this report and begin to take the steps necessary to combine operations.**

The report was prepared by the PPT in collaboration with the National Forensic Science and Technology Center (NFSTC), who served as a facilitator for the PPT. The report was developed to allow the Board of Directors of both INELA and NELAC to make an informed decision about combining operations. Ms. Lara Autry of the US Environmental Protection Agency (EPA) served as an ex officio advisor to the PPT. Carol Batterton, an INELA staff person, assisted NFSTC in their facilitation activities.

This report contains detailed discussion and recommendation on the following topics:

- Mission and Vision
- Programs
- Corporate Structure
- Governance
- Organization Staff
- Organization Name
- Bylaws
- Budget
- Publicity and Outreach
- Implementation Plan

The recommendations surrounding each of these topics are briefly summarized below. More details can be found in the body of the report and the attachments. All of the recommendations provided below were based on meetings of the PPT considering the many thoughtful comments provided by the stakeholder community.

The recommendations that follow are based on certain assumptions. The primary assumption is that the existing INELA infrastructure will be used to transform INELA, eliminating the need to file new articles of incorporation, and to take advantage of key INELA assets (e.g., recognition from the American National Standards Institute (ANSI) as a consensus standards organization and recognition from the Internal Revenue Service as a 501(c)(3) non-profit organization). Another key assumption was that NELAC's key asset, an operable accreditation system, must be retained.

Mission and Vision

The PPT developed the following mission and vision statements:

Mission Statement

The purpose of the organization is to foster the generation of environmental data of known and documented quality through an open, inclusive, and transparent process that is responsive to the needs of the community.

Vision Statement

All entities generating environmental data in the United States will be accredited to a national standard.

Programs

After a review of the services provided by both NELAC and INELA, and the future services the combined organization should provide, the PPT is proposing the following as programs:

1. Organization Administration
2. Advocacy Program
3. Consensus Standards Development Program
4. Laboratory Accreditation System Program
5. National Environmental Laboratory Accreditation Program
6. Policy Committee
7. Proficiency Testing Program
8. Technical Assistance Program

A proposed description of each of these programs is located in Attachment C. The PPT developed a series of recommendations that surround the implementation of these programs. One of the recommendations is that an individual designated as a Program Administrator be named for each program to assist with carrying out the objectives of the program. The PPT recommends that some of these positions be filled with contractors and others with volunteers.

Corporate Structure

The PPT believes the combined organization should be an incorporated 501(c)(3) non-profit organization that has members and is managed by a Board of Directors. In order to recognize the membership processes of both INELA and NELAC and to minimize the disruption that could be caused by creating a new membership process, the PPT believes current INELA members should be able to transfer their membership into the new organization and that NELAC members should be invited to join the combined organization with a temporary waiver of the membership fee.

Governance

As discussed above, the PPT believes the organization should be governed by a Board of Directors (Board). The initial Board of the new organization (i.e., the "Transition Board") can be formed by actions of the INELA Board of Directors and by amending the INELA Bylaws. A Transition Board with equal representation from both organizations is needed because the PPT believes the election of a new Board should not be held until after January 2007, due to the need to identify the voting membership and the logistics of arranging an election. The PPT believes the Transition Board should provide interim governance until an election is held to elect a new Board.

The PPT believes the Board should have no fewer than ten, or more than eighteen, Directors that are elected by the full membership by electronic ballot. Insofar as possible or practical, these Directors should represent the varied interests of the new organization, and as stated in the proposed Bylaws, "shall include: at least three NELAP Accrediting Authorities (AAs); three NELAP [National Environmental Laboratory Accreditation Program] accredited laboratories; and other stakeholder members such as non-NELAP states, federal agencies, Proficiency Test (PT) Providers and data users". With the exception of the first Board, the PPT believes Directors should serve staggered three-year terms with no limit on the number of terms.

After reviewing the Bylaws of a number of organizations and *Robert's Rules of Order*, the PPT believes the combined organization should have the following officers elected annually by the Board from its Directors: Chair, Vice-Chair, Secretary, and Treasurer. In addition, the most recent past Chair willing to serve would be designated as a fifth officer, the Past-Chair.

Organization Staff

The PPT is recommending the organization have an Executive Director and other administrative staff to support the day-to-day activities of the organization. The PPT believes that at this time, the organization is best served by having all such staff work as independent contractors and not as employees.

Organization Name

The PPT believes that the acronym “NELAC” can be used in the name of the new organization and that the name should reflect the heritage of both organizations. As a result, the PPT is proposing a name for the combined organization, *The NELAC Institute (TNI)*, which reflects the heritage and recognition of NELAC, while recognizing the consensus activities of INELA. The PPT also believes this new name is reflective of the fact that the combined organization will be a “new” organization. As part of this effort, the PPT will be proposing a new logo to the Transition Board for their adoption.

Bylaws

The PPT reviewed the Bylaws of both NELAC and INELA, the recommendations in *Robert’s Rules of Order*, and the Bylaws of eight other non-profit organizations, and then developed a set of proposed Bylaws. The PPT engaged professional assistance from an attorney and a registered parliamentarian to review the proposed Bylaws. The proposed Bylaws for TNI capture all of the recommendations described above and codify them in parliamentary language. In addition to the discussions on topics such as the Name, Mission, Board of Directors, Officers, Members, and Committees that have been described above, the proposed Bylaws contain some general provisions and a few other specific rules that have not been described above, including clauses on topics such as: business meetings, indemnification, electronic voting, and parliamentary authority. The Bylaws can only be amended by a two-thirds vote of the Board of Directors.

Budget

When The NELAC Institute (TNI) is formed, the PPT recommends the Transition Board quickly approve an interim operating budget for the remainder of 2006, until such time as a budget for 2007 can be developed by the Executive Director and presented to the Transition Board for their approval. This budget should include the additional costs associated with the new programs that TNI is planning to pursue. Based on a review of the current income from membership dues, meetings, cooperative agreements, and other sources, the PPT believes the organization has adequate resources to carry out the proposed programs for 2007. However, the PPT believes a high-priority for the Transition Board should be to conduct a strategic planning session as soon as practical to consider long-term plans.

Publicity and Outreach

The PPT believes TNI should rapidly embark on a major outreach campaign to provide information about the structure of the organization and the services it plans to provide to the stakeholder community. This campaign should involve communication using electronic media, outreach at meetings. Further, the PPT recommends a new website be established for TNI with features such as: document posting, membership renewal, a voting system, a member forum, document collaboration, a member database, and a members-only area.

Implementation Plan

The PPT has developed a series of specific activities that must be performed by a certain date to ensure the organization is fully operational by January 28, 2007, the date for the Forum on Laboratory Accreditation. A key date in this process is a planned meeting of the NELAC and INELA Boards of Directors, scheduled for November 6, 2006. The PPT is recommending that most of the critical decisions surrounding the formation of TNI begin on that day.

I. INTRODUCTION

The Institute for National Environmental Laboratory Accreditation (INELA) is a 501(c)(3) non-profit organization whose mission is to foster the generation of environmental laboratory data of known and documented quality through the development of performance standards for the accreditation of environmental laboratories and other organizations directly involved in the environmental sampling and measurement process. INELA also provides training and technical support to facilitate the implementation of a national accreditation program by accreditors (i.e., state agencies that accredit laboratories) and those entities pursuing accreditation (i.e., environmental laboratories).

The National Environmental Laboratory Accreditation Conference (NELAC) is a voluntary association of state and federal agencies, with full opportunity for input from the private sector, whose purpose is to adopt and promote mutually acceptable performance standards for the operation of environmental laboratories. NELAC has implemented a system for the accreditation of any environmental laboratory in the United States.

INELA and NELAC share a common vision for the future of a true national program where all entities involved in the generation of environmental data within the United States are accredited to one set of uniform, rigorous, and robust requirements that are implemented consistently nationwide, and focuses on the technical competence of the entity pursuing accreditation.

In 2005, NELAC formed the NELAC Self-Sufficiency Task Group (SSTG) to “provide recommendations to the NELAC Board of Directors regarding the development of a plan for the self-sufficiency of NELAC and the National Environmental Laboratory Accreditation Program (NELAP) and to ensure the continuation of NELAC and NELAP during the period of transition to the new self-sufficient organization”.

One option considered by the SSTG in their efforts was to identify other organizations that had:

1. common goals/mission;
2. similar constituencies;
3. experience with NELAC and the NELAP recognition program;
4. fiscal independence;
5. the value of their assets; and
6. the potential ‘fit’ with the new organization.

On June 6, 2006, the SSTG recommended to the NELAC Board of Directors that NELAC explore a potential partnership with INELA with the understanding that such a partnership could result in an organization that can develop accreditation standards, recognize accrediting authorities and proficiency test provider accreditors, maintain a national database of accredited laboratories, and provide technical assistance that combines the strengths of both organizations.

Process and Research

Based on the recommendation of the SSTG, in June 2006, a Memorandum of Understanding (MOU) to explore options for combining INELA and NELAC operations was affirmed by both the INELA and NELAC Board of Directors. Consequently, the INELA and NELAC Boards formed a Partnership Planning Team (PPT) to make recommendations regarding options for combining INELA and NELAC operations. Each Board appointed five members to the PPT.

APPOINTMENTS TO PARTNERSHIP PLANNING TEAM (PPT)

| INELA | | NELAC | |
|-------------------|---|------------------|--|
| Name | Affiliation | Name | Affiliation |
| Steve Arms | Florida Department of Health | Marcia Davies | US Army Corps of Engineers |
| Sharon Mertens | Milwaukee Metropolitan Sewerage District | Judy Duncan | Oklahoma Department of Environmental Protection |
| Jerry Parr | INELA | Richard Sheibley | Pennsylvania Department of Environmental Resources |
| Alfredo Sotomayor | Wisconsin Department of Natural Resources | Aurora Shields | Kansas Department of Health and Environment |
| Dave Speis | Accutest Laboratories | Karen Varnado | Louisiana Department of Environmental Quality |

The PPT was charged to develop recommendations on the following topics:

1. Timeline
2. Mission and Vision
3. Bylaws
4. Board of Directors
5. Executive Leadership
6. Budget
7. Organization Name
8. Corporate Structure
9. Programs
10. Publicity and Outreach
11. Implementation Issues

The PPT met via teleconference and face-to-face meetings supported and facilitated by the NFSTC through their cooperative agreement with the US Environmental Protection Agency (EPA). The PPT used an Issues Worksheet (Attachment A) to document the recommendations developed during this process. Please note that Attachment A contains several minor recommendations (e.g., financial accounting practices) that are not further discussed in this report but will be made available to the combined organization.

In addition, other mechanisms were used to solicit input about combining NELAC and INELA operations. During the Forum on Laboratory Accreditation in August 2006, breakout sessions were held in both the NELAC and INELA meetings to obtain comments and feedback from the attendees at these meetings. A summary report of those sessions is found in Attachment B. NELAC also appointed a Task Group on Laboratory Accreditation to provide input. The recommendations from that task group were considered in this report as well. Professional assistance and advice from a lawyer specializing in association law, a registered parliamentarian, and a certified public accountant were also obtained on specific topics related to their area of expertise.

The PPT based its recommendations on two primary assumptions and several other specific assumptions.

- One primary assumption was that the existing INELA infrastructure would be used to transform INELA, eliminating the need to file new articles of incorporation, and taking advantage of key INELA key assets (e.g., recognition from the American National Standards Institute [ANSI] as a consensus standards organization and from the Internal Revenue Service as a 501(c)(3) non-profit organization).
- The other primary assumption would be that NELAC's key asset, an operable accreditation system, must be retained.
- Other assumptions made by the PPT in formulating its recommendations are indicated in this report where applicable.

Although the PPT organized its efforts as outlined in the eleven topics above, this report is organized to show a series of recommendations that begin with broad issues that affect the basic organizational structure and end with very specific and detailed issues. Many of the recommendations have specific dates. These dates are based on a timeline discussed in the last section of this report that is predicated on the combined organization being fully operational on January 28, 2007, the scheduled date for the Forum on Laboratory Accreditation.

The recommendations that follow were developed with the following key attributes:

- A desire to retain successful aspects of both NELAC and INELA, while at the same time taking the opportunity to make beneficial changes;
- The best solution that directly relates to the mission and vision of the organization;
- Minimal disruption to the stakeholder community, and in particular, those most affected by this change: the Accrediting Authorities and the accredited laboratories;
- A consideration of the values that have been expressed in several recent meetings: of openness, inclusiveness, and transparency;
- A practical evaluation of available resources (e.g., financial and volunteer) to accomplish the desired goals; and
- The desires of the stakeholder community in terms of the services and programs the organization should provide.

II. RECOMMENDED MISSION AND VISION

The purpose of any organization, usually referred to as its mission and vision, is the underlying foundation. If INELA and NELAC did not have a similar purpose, or could not agree on a common purpose, there was no reason to go forward.

The PPT considered the mission of both NELAC and INELA in formulating its recommendation on a mission statement. The NELAC purpose, as stated in its mission statement, is to “foster the generation of environmental laboratory data of known and documented quality through the adoption of national performance standards for environmental laboratories accredited under the National Environmental Laboratory Accreditation Program (NELAP) and other entities directly involved in the environmental field measurement and sampling process”. As stated in its mission statement, “INELA exists to help maintain and promote a system for the accreditation of entities directly involved in the generation of environmental data by developing and promoting accreditation standards that can be accepted and implemented by the regulated and unregulated community”.

The PPT similarly considered the vision of both NELAC and INELA in formulating its recommendation on a vision statement. The NELAC vision is “All laboratories in the US would be accredited to one national standard with the key elements of proficiency testing, on-site assessment and a functional quality system.” The INELA vision “All entities generating environmental data in the United States will be accredited to a national standard.”

It is clear that both NELAC and INELA share a common mission and vision. After discussing the mission and vision for both organizations, the PPT developed recommended statements for the combined organization. These are:

Recommendation 1: Mission Statement

The purpose of the organization is to foster the generation of environmental data of known and documented quality through an open, inclusive, and transparent process that is responsive to the needs of the community.

Recommendation 2: Vision Statement

All entities generating environmental data in the United States will be accredited to a national standard.

III. RECOMMENDED PROGRAMS

After agreeing on the mission and vision, the PPT defined the services the organization should provide. These services are called programs. INELA and NELAC have existing programs.

INELA's programs are:

- consensus standards development,
- technical assistance, and
- administration.

NELAC's (including NELAP) programs are:

- recognition of Accrediting Authorities (AAs),
- approval of proficiency test provider accreditors,
- implementation of accreditation standards, and
- administration.

Given the two primary assumptions discussed previously, it became clear that all of the NELAC programs could not be migrated into another organization overnight. Therefore, two assumptions made by the PPT in the discussion of programs were:

- The NELAC Board should continue to oversee its programs (e.g., the AA recognition program, the PT Board) until such time as the combined organization has sufficient infrastructure in place to assume those responsibilities.
- The combined organization should take on all INELA programs (e.g., technical assistance, standards development, and administrative activities) immediately upon its formation.

After a review of the components of NELAC and INELA, the PPT proposes the following programs:

1. Organization Administration
2. Advocacy Program
3. Consensus Standards Development Program
4. Laboratory Accreditation System Program
5. National Environmental Laboratory Accreditation Program
6. Policy Committee
7. Proficiency Testing Program
8. Technical Assistance Program

A proposed description of each of these programs is found in Attachment C. The description includes the key assumptions, purpose, structure, duties of the staff, and an organizational chart for each program. There will be a number of subcommittees associated with these programs which also need to be established.

Because NELAC will need to continue to exist as an unincorporated organization until such time as the combined organization is fully ready to assume all NELAC activities, the PPT believes a Memorandum of Understanding (MOU) between the NELAC Board and the combined organization is needed to delineate the limits of NELAC's operation prior to the combined organization assuming any NELAC program.

Recommendation 3: Program Structure

The programs and structure described in Attachment C are the core programs and services of the combined organization.

Recommendation 4: Program Staff

The combined organization will appoint Program Administrators and Committee/Board Chairs to begin operation of all programs by November 8, 2006.

Recommendation 5: MOU

The NELAC Board and the Board of the combined organization will sign an MOU on November 6, 2006, to delineate the limits of NELAC's operation prior the combined organization assuming any NELAC program. A draft of this proposed MOU is located in Appendix D.

IV. RECOMMENDED CORPORATE STRUCTURE

The PPT considered several corporate models for the new organization:

- An incorporated or an unincorporated entity; or
- A for-profit organization or a non-profit organization composed of members, organizations or both.

After evaluating all of these options, the PPT believes that an incorporated non-profit 501(c)(3) organization with members, managed by a Board of Directors best serves the mission, vision and goals of the combined organization.

NELAC is an unincorporated voluntary association of state and federal officials. INELA is an incorporated, non-profit 501(c)(3) organization with members that is managed by a Board of Directors. Based on these two facts, the PPT believes the most efficient way to combine operations is to modify the INELA Articles of Incorporation, where necessary, to meet the needs of the combined organization.

INELA is a non-profit organization with individual members. These individuals may be people who have an interest in laboratory accreditation and pay a membership fee. NELAC also has individual members, who are defined as "officials who are in the employ of the Government of the United States, authorized representatives of Tribal Nations, and officials who are in the direct employ of the States, the Territories, the Possessions of the United States, or the District of Columbia, and who are actively engaged in environmental programs or accreditation of environmental laboratories". Appropriately, qualified individuals attending an official NELAC meeting are considered members for that meeting. After considering all the options, the PPT recommends the combined organization continue the INELA practices with respect to membership with the option to restrict membership participation in specific program areas (e.g., only representatives from Accrediting Authorities could serve on the NELAP Board).

In order to recognize the membership processes of both INELA and NELAC and to minimize the disruption that could be caused by creating a new membership process, the PPT recommends the following:

- Current INELA members should be able to transfer their memberships into the new organization.
- NELAC members, defined as any individual currently serving on a NELAC Committee or Board, or any federal or state official who attended the NELAC meeting in Kansas in August 2006, that is not an INELA member, be invited to join the combined organization with a temporary waiver of the membership fee until May 6, 2007.

Because some state or federal officials who are not included above may come to the NELAC meeting scheduled for January 28, 2007 in Denver without having knowledge of the proposed membership changes, the PPT recommends this temporary exemption of membership fees also be extended to those attendees.

In member organizations, members have the privilege of voting. NELAC voting is performed in a House of Representatives and a House of Delegates. INELA voting is accorded to individuals having membership privileges. The PPT recommends voting privileges in the new organization be afforded only to individual members. Additionally, an organizational member may not vote as an organization, such organizations are allowed a prescribed number of individual members who will have the same voting privileges as any other individual member. The specific criteria for voting are set out in the proposed Bylaws (Attachment F).

As a result of the recommendations by the PPT, there are a number of administrative issues that require review and potential action to protect the assets of both INELA and NELAC. The PPT believes that required changes to protect these assets should be identified and addressed as soon as possible after the establishment of the combined organization. Critical assets include:

- recognition from the IRS as a non-profit organization,
- recognition from ANSI as a consensus standards organization,
- continuation of assistance agreements from state and federal agencies, and
- approval of the American Association for Laboratory Accreditation (A2LA) as a Proficiency Test Provider Accreditor.

These issues, and a recommended plan for addressing each issue, are summarized in Attachment E.

Recommendation 6: Corporate Structure

The combined organization will have a corporate structure as summarized above and described in more detail in the proposed Bylaws (Attachment F), and the Transition Board (defined below) will direct the Executive Director to amend the INELA Articles of Incorporation to that affect.

Recommendation 7: Membership

The Transition Board (defined below) will approve the membership proposal above and then direct the Executive Director to send a notice to all members, as defined above, welcoming them to the new organization.

Recommendation 8: Administrative Issues

The Transition Board (defined below) will direct the Executive Director to implement all administrative changes needed to ensure the migration of all INELA and NELAC assets into the combined organization.

V. RECOMMENDED GOVERNANCE

The SSTG proposed an umbrella organizational structure where the organization would be managed by a Board of Directors. The current INELA and NELAC organizations are governed by a Board of Directors. Thus, the PPT concluded that the combined organization should be managed by a Board of Directors.

Most Board of Directors have an internal governance structure of officers who guide the day-to-day operations of the organization. The PPT believes the Board of the combined organization should have officers.

INELA is a legally identified entity incorporated in the state of Texas. The combined organization can be formed by amending the INELA Articles of Incorporation. Using the INELA structure will accelerate the formation of the new organization and allow the combined organization to take advantage of the assets and structure INELA has in place.

The current INELA Board of Directors consists of twelve (12) individuals (including one ex officio [non-voting] member) who represent many stakeholder interests, including federal agencies, Accrediting Authorities, states that are not Accrediting Authorities, commercial laboratories, municipal laboratories, data users, and other interests. The current NELAC Board of Directors consists of nine (9) individuals representing state and federal officials. The PPT recommends the formation of a Transition Board consisting of an equal number of individuals from both organizations, as this action would be the least disruptive to the stakeholder community during this transition period until such time as an elected Board can govern. Accordingly, as allowed for by the INELA Bylaws, the PPT recommends the INELA Board of Directors be reduced in size to be equal to the NELAC Board. Then, the INELA Board would elect new Directors from the NELAC Board. This new Board, the "Transition Board," is needed because the PPT recommends the election of a new Board not be held until after January 2007, due to the need to inform stakeholders of the new process, identify the voting membership, and implement an electronic ballot system.

Transition Board and Officers

In recommending the membership of the Transition Board, the PPT considered that EPA employees are prohibited from serving in a voting capacity as a Director of an organization where the Board has fiduciary responsibilities. Both the INELA and NELAC Boards have EPA employees on the Boards, therefore, the PPT believes the Transition Board should allow for up to two ex officio (i.e., non-voting) Directors.

After reviewing the Bylaws of a number of organizations and *Robert's Rules of Order*, in addition to seeking the advice of a parliamentarian, the PPT believes the combined organization should have the following officers elected annually by the Board from its Directors: Chair, Vice-Chair, Secretary, and Treasurer. The Chair is the presiding officer of the Board. The Vice-Chair will perform the duties of the Chair in his or her absence. The Secretary will be the recording officer and custodian of records. The Treasurer will be responsible for the funds of the new organization. The most recent past Chair willing to serve will also serve as an officer and sit on the Board in the role of Past-Chair. The Past-Chair may serve in a non-voting capacity, if the Past-Chair is not an elected Director.

For the Transition Board, since the combined organization will not have an elected person to serve as Past-Chair, the PPT recommends the most recent Past Chair of NELAC willing to serve be appointed to that position. The PPT suggests the Transition Board consider the following when electing its officers:

- The current INELA Chair and the current NELAC Chair be strongly considered for the positions of Chair and Vice-Chair.
- The Treasurer be a former INELA Director, recognizing the fact that the INELA Board has a tradition of adopting a budget and using that budget to assist with the management of the organization. The NELAC Board has no such tradition.
- The Secretary be a former NELAC Director to continue with the spirit of equal representation from each Board.

The PPT recommends that the Transition Board should, upon formation of the combined organization, establish such committees as described in the Bylaws or as needed to conduct the business of the organization. The Transition Board should establish the necessary committees as soon as possible, drawing from the current INELA and NELAC committees, as well as other resources to minimize disruption to the organization.

New Board

The PPT believes the Transition Board should provide interim governance until an election is held to elect Directors for a New Board. (In this document, the first elected Board by the members of the new organization, and all subsequent Boards, will be referred to as the New Board.) After considering a number of options, the PPT believes Directors should be elected by the full membership by electronic ballot. The PPT believes the election process should be based on recommendations developed by a Nominating Committee.

As discussed in more detail in the proposed Bylaws (Attachment F), the PPT believes the New Board should have no fewer than ten, and no more than eighteen, Directors. Insofar as possible or practical, these Directors should represent the varied interests of the new organization and, as stated in the proposed Bylaws, "...shall include: at least three NELAP Accrediting Authorities (AAs), three NELAP accredited laboratories, and other stakeholder members such as non-NELAP states, federal agencies, Proficiency Test (PT) Providers and data users". With the exception of the first New Board, the PPT believes Directors should serve staggered three-year terms with no limit on the number of terms.

Recommendation 9: Formation of Transition Board

The INELA Board will take the appropriate actions to form the Transition Board for the new organization.

Recommendation 10: Board and Officers

The Transition Board will approve the governance (Board and Officers) summarized above and described in more detail in the proposed Bylaws, Articles IV and V, and then elect Officers.

Recommendation 11: Committees

The Transition Board will establish all such committees, as are needed, to continue uninterrupted operations no later than November 8, 2006.

Recommendation 12: Election of New Board

The Transition Board will form a Nominating Committee in 2006, present the plan for election of the New Board to the membership at the Denver meeting, and then conduct an election as soon thereafter as practical.

VI. RECOMMENDATIONS FOR ORGANIZATION STAFF

In order to achieve its mission and vision, the combined organization will need staff to carry out many of the day-to-day activities. The heritage of both INELA and NELAC suggests that these staff could be volunteers, contractors, or permanent employees. INELA has operated using a core group of contractors and subcontractors, with no permanent employees, and has relied on the extensive use of volunteers. NELAC, up until recently, has had one EPA employee assigned on a part-time basis to provide staff support, has used some subcontractors, and has relied extensively on the use of volunteers.

In reviewing the practices of both organizations, budget constraints, and labor laws, the PPT recommends the combined organization continue to use a core group of contractors and subcontractors, not have permanent staff, and rely on the extensive use of volunteers. Because INELA has a number of contractual agreements in place, the PPT believes these agreements should be migrated into the new organization until such time as the New Board can re-evaluate these agreements.

Both NELAC and INELA had the staff position of Executive Director as a key position. The use of an Executive Director to carry out the directions of the Board for day-to-day administrative activities is a common practice in most non-profit organizations. The PPT believes the combined organization should have an Executive Director responsible for the day-to-day activities of the combined organization, including carrying out the organization's goals and Board policy. The Executive Director should be responsible for attending all Board meetings, reporting on the progress of the organization, answering questions of Board members, and carrying out other duties as designated by the Board. The Executive Director should be responsible for the organization's consistent achievement of its mission and financial objectives.

NELAC and INELA also have a significant amount of work being performed by volunteers. The Transition Board should begin business planning to prioritize the tasks to be done by volunteers and ensure adequate resources are available for these tasks. INELA also has policies (e.g., property management, procurement, travel, recording direct labor, reporting, conflicts of interest, etc.) which should continue as policies of the combined organization until such time as the New Board authorizes changes.

Recommendation 13: Executive Director

The Transition Board confirms the appointment of the INELA Executive Director as the Executive Director of the combined organization on November 6, 2006, and directs the Executive Director to immediately begin the process of carrying out all assigned tasks.

Recommendation 14: Personnel

The Transition Board will direct the Executive Director to migrate the current INELA personnel services contracts until it has an opportunity to examine the needs of the organization.

Recommendation 15: Business Planning

The Transition Board will begin business planning to prioritize tasks and the personnel resources needed to perform them.

VII. RECOMMENDATION FOR ORGANIZATION NAME

Although most new organizations have unlimited possibilities for choosing their own name when two organizations combine, the options are somewhat narrowed by legal considerations or the desire to retain some identity from the combining organizations in the chosen name. "NELAC" is nationally recognized as the name associated with this effort. "NELAC" appears in some federal and state regulations and statutes and on laboratory certificates. "NELAC" has also been seen by some as an EPA effort, when in fact this was never the case. In its short existence, "INELA" has developed some name recognition and has a legally incorporated name.

Extensive discussions on the name for the new organization were held both in PPT meetings and at the Kansas 2006 meeting. After considering all input, the PPT believes that that the acronym "NELAC" can be used in the name of the new organization and that the name should reflect the heritage of both organizations. As a result, the PPT is proposing a name for the combined organization, *The NELAC Institute (TNI)*, which reflects the heritage and recognition of NELAC while recognizing the consensus activities of INELA. The PPT also believes this new name is reflective of the fact that the combined organization will be a "new" organization. As part of this effort, the PPT a proposed logo will be presented to the Transition Board for their adoption.

A minor administrative action surrounding the name is the mailing address for the organization. INELA has existing office resources which could initially be used for the new organization. The PPT recommends the Transition Board have the Executive Director obtain a new mailing address (i.e., post office box) and a new telephone number to help signify the change.

The laws of the State of Texas regarding incorporation allow for an already incorporated organization to change its name by completing a form and paying a very modest administrative fee. INELA can thus modify the INELA Articles of Incorporation to incorporate the new name with minimal cost and disruption to the organization.

Recommendation 16: Name

*The combined organization will be named **The NELAC Institute** and will have an appropriate logo.*

Recommendation 17: Office

The Transition Board will direct the Executive Director to obtain a new mailing address, telephone number, and email address.

VIII. RECOMMENDATIONS ON BYLAWS

As discussed in *Robert's Rules of Order*, the Bylaws of an organization describe how the organization will function. The PPT reviewed the Bylaws of both NELAC and INELA, reviewed the recommendations in *Robert's Rules of Order*, looked at the Bylaws of eight other non-profit organizations, and then developed a set of proposed Bylaws. The PPT also engaged professional assistance from an attorney and a registered parliamentarian to review the proposed Bylaws. The proposed Bylaws for TNI capture all of the recommendations described above and codify them in parliamentary language. In addition to specifying the new organization's Name, Mission, Board of Directors, Officers, Members, and Committees that have been described above, the proposed Bylaws contain some general provisions and a few other specific rules that have not been described above, including clauses on topics such as: business meetings, indemnification, electronic voting, and parliamentary authority.

The PPT would like to bring attention to one section in the Bylaws, Article XI, concerning amendments to the Bylaws. As proposed, the Bylaws could only be amended by a two-thirds vote of the Board of Directors. The recommendation to have this clause be under the jurisdiction of the Board is to ensure that the fundamental governance of the organization is managed by a broad-based stakeholder group. The two-thirds vote is on recommendation from the parliamentarian.

The PPT would encourage all INELA and NELAC Directors to carefully review the proposed Bylaws.

Recommendation 18: Bylaws

The Transition Board will adopt the proposed Bylaws (Attachment F) and begin operating under these Bylaws on November 6, 2006.

IX. RECOMMENDATIONS ON BUDGET AND FISCAL SYSTEM

Currently, INELA's operating expenses are about \$30,000 a month. These expenses include all expenses within the administration of the organization, expenses for the two meetings held annually, and work under several cooperative agreements and grants. NELAC does not maintain a budget as, up until this time, the administrative support for NELAC has been provided by EPA.

When TNI is formed, one of the first items of business for the Transition Board should be to approve an interim operating budget for the remainder of 2006 until such time as a budget for TNI can be presented to the Board for their approval. This budget should include the additional costs associated with the new programs that TNI is planning to pursue.

INELA has used an independent accounting firm for all routine bookkeeping. However, the PPT notes that no independent audit has been performed of the INELA fiscal system and that a prudent course for the Transition Board should be to evaluate the financial health of the organization.

Recommendation 19: Budget

The Transition Board will adopt a modification to the INELA 2006 annual budget on November 6, 2006, to incorporate any new programs. The 2007 TNI annual budget will be adopted before January 1, 2007.

Recommendation 20: Financial Review

The Financial Audit Committee of TNI, which would be formed as a standing committee under the proposed structure, will review the 2005 INELA Form 990 and Accountants Compilation Report, review any available financial information for 2006, and provide a report to the Transition Board on the financial health of the organization no later than January 15, 2007.

XI. RECOMMENDATIONS ON PUBLICITY AND OUTREACH

The changes that are being proposed to both NELAC and INELA are far-reaching. The PPT believes TNI should embark on a major outreach campaign to provide as much information as possible to the stakeholder community. This campaign should involve many pathways and should occur rapidly.

Further, both INELA and NELAC currently maintain websites that provide information to their respective memberships and the public at large. The NELAC website will not be updated after late November 2007 and will not be supported by EPA after January 31, 2007. The INELA website contains such features as:

- document posting,
- membership renewal,
- voting,
- member forums,
- document collaboration,
- member database,
- mailing database, and
- a members-only area.

The PPT recommends a new website (with a different URL) be established for TNI with features similar to the INELA website.

The NELAC and INELA committees responsible for public outreach and the websites (e.g., the NELAC Membership and Outreach Committee, the INELA Website Committee, and the INELA Public Affairs Committee) have begun collaborative meetings to discuss options for the website and outreach. These groups have begun work on a communication plan that includes the steps to be taken to establish the TNI website as well as a series of notices and publications to provide information. This plan calls for a

stepwise approach – first establishing a basic website with minimal information, then migrating the INELA features over, then migrating the NELAC website, and finally a complete reorganization of the information.

Recommendation 21: Website

The Transition Board will approve the formation of a new website, www.nelac-institute.org, with features similar to the INELA website and direct the Website Committee to develop a plan for migrating key information from both the NELAC and INELA websites into this new website.

Recommendation 22: Outreach

The Transition Board will direct the Advocacy Committee to develop an outreach and publicity campaign to inform the stakeholders of The NELAC Institute.

Recommendation 23: Publicity

The NELAC and INELA Boards, on or around November 8, 2006, concurrently will publish and send to their constituencies a notice of the events that have occurred during the meetings of the two Boards scheduled for that week.

XI. RECOMMENDATIONS ON IMPLEMENTATION

The PPT developed a recommended transition plan (Attachment G). The recommended plan focuses on a series of steps, which need to be completed, to form TNI and get the organization operational in addition to the dates these steps need to be completed. The plan includes the following objectives:

- Create a report with recommendations on combining operations (this report);
- Establish a membership list;
- Establish Bylaws;
- Form a corporate structure;
- Establish a Transition Board;
- Form committees;
- Identify personnel;
- Establish a budget;
- Develop a plan for future business meetings;
- Recommend a name for the new organization;
- Develop a website plan; and
- Begin operations for key programs.

Most of the steps in the plan were for the PPT to use as an internal schedule. The key future dates that affect the Boards of INELA and NELAC, the Transition Board, and others are summarized in the table below. These dates are based on TNI being operational by January 28, 2007.

| On or Before... | the... | needs to... |
|-------------------|-----------------------------|---|
| October 20, 2006 | INELA Board | provide comments on this report. |
| October 20, 2006 | NELAC Board | provide comments on this report. |
| November 6, 2006 | INELA Board | modify the INELA Bylaws to allow for 18 members. |
| November 6, 2006 | INELA Board | reduce the INELA Board to 9 members. |
| November 6, 2006 | INELA Board | form the Transition Board. |
| November 6, 2006 | Transition Board | adopt a new name, approve new Bylaws, elect officers and begin operations (i.e., form TNI). |
| November 6, 2006 | NELAC and Transition Boards | sign the MOU. |
| November 8, 2006 | Transition Board | appoint committees, appoint committee chairs, and identify potential committee members. |
| November 8, 2006 | Transition Board | approve personnel and budget for the remainder of 2006. |
| November 8, 2006 | Transition Board | approve items that need to be changed by the Executive Director. |
| November 8, 2006 | Transition Board | approve programs and appoint program administrators. |
| December 15, 2006 | Transition Board | approve budget for CY 2007. |
| January 1, 2007 | Executive Director | implement all changes needed for the organization to be fully operational. |
| Spring 2007 | Membership | elect the New Board. |
| Spring 2007 | New Board | conduct strategic business planning meeting. |

Recommendation 24: Timeline

The Transition Board will approve the timeline summarized above and described in more detail in Attachment G.

XII. LIST OF ATTACHMENTS

Attachment A: PPT Issues Worksheet

Attachment B: Summary of Comments from the Kansas Meeting

Attachment C: Description of the NELAC Institute

Attachment D: Proposed Memorandum of Understanding between NELAC and TNI

Attachment E: Key Assets that Require Protection

Attachment F: Proposed Bylaws

Attachment G: Transition Plan

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**ATTACHMENT A
PPT Issues Worksheet**

| Issue | NELAC | INELA | Proposed Solution |
|----------------------------------|--|---|---|
| A. Organization Structure | | | |
| Business structure | Unincorporated voluntary association of state and federal officials. | Incorporated, non-profit umbrella organization with programs/sections organized according to function: Standards Development, Technical Assistance (includes training), and Administration (website, policies, etc.). | Incorporated, non-profit 501(c)(3) membership organization managed by a Board of Directors and consisting of an umbrella organization divided into programs. The potential exists to outsource any of the activities or functions of the corporation. |
| Who are the members? | Officials who are in the employ of the Government of the United States; authorized representatives of Tribal Nations; and officials who are in the direct employ of the States, the Territories, the Possessions of the United States, or the District of Columbia, and who are actively engaged in environmental programs or accreditation of environmental laboratories. | Anyone may be a member. | Anyone may be a member. Additional membership requirements may be required for participation in specific programs (e.g., accreditation). |
| Member types | House of Representatives House of Delegates | Only individuals have membership privileges. | Individual members may vote, serve on Committees and the Board, are entitled to member discounts, and have access to members-only area of the website. Organizational members may appoint individual members and receive recognition. They do not vote, serve on Committees or serve on the Board. |
| Member fees | None | Individual members pay \$50 annually and have voting privileges. Organizations may join and designate up to 10 individuals; fees for organizational memberships range from \$250 to \$2500. | Individual members pay \$50 annually and have voting privileges. Organizations may join and designate up to 10 individuals; fees for organizational memberships range from \$250 to \$2500. |

**ATTACHMENT A
PPT Issues Worksheet**

| Issue | NELAC | INELA | Proposed Solution |
|--------------------------------------|---|---|--|
| What do the members have to vote on? | All questions before a meeting of NELAC that are to be decided by a formal recorded vote of the Members. | Standards and other items as decided by Board. | Standards and other items as decided by Board. Any member may bring up any issue at the Annual Business meeting. |
| Mission | The purpose of the organization is to foster the generation of environmental laboratory data of known and documented quality through the adoption of national performance standards for environmental laboratories accredited under the National Environmental Laboratory Accreditation Program (NELAP) and other entities directly involved in the environmental field measurement and sampling process. | INELA exists to help maintain and promote a system for the accreditation of entities directly involved in the generation of environmental data. We do this by developing and promoting accreditation standards that can be accepted and implemented by the regulated and unregulated community. We believe accreditation will improve the quality of environmental data, all stakeholders should be involved in the development of the accreditation standards, and we can help both the organizations that generate environmental data and the entities that inspect them. | The purpose of the organization is to foster the generation of environmental data of known and documented quality through an open, inclusive and transparent process that is responsive to the needs of the community. |
| Vision | | All laboratories in the US would be accredited to one national standard with the key elements of proficiency testing, on-site assessment and a functional quality system. | All entities generating environmental data in the United States will be accredited to a national standard. |
| B. Corporate Structure | | | |
| Incorporation papers | None | INELA is incorporated as a 501(c)(3) research and scientific organization with members, and is managed by a Board. | Incorporate as a 501(c)(3) research and scientific organization with members, managed by a Board. |

**ATTACHMENT A
PPT Issues Worksheet**

| Issue | NELAC | INELA | Proposed Solution |
|---|--|--|---|
| Bylaws | Constitution: General Objectives Membership Officers Appointive Officials Meetings of NELAC Amendments to the Constitution Bylaws Bylaws: Application for Membership Members' Records Use of the Insignia Board of Directors Duties of the Officers Committees Voting System | Bylaws, contain the following Articles: Name, Organization, and Mission Membership Termination Fees, Dues and Assessments Meeting of Members Board of Directors Committees Officers Administration Budget Contract, Checks, and Bank Accounts Liability and Indemnification Dissolution Seal Amendments | Bylaws, contains the following Articles: Name Purpose Members Board of Directors Officers Committees Business Meetings Indemnification Parliamentary Authority General Provisions Amendments |
| Tax exempt letters (to include tax exempt status) | NA | Letter from IRS indicating recognition as a 501(c)(3). Letter from Texas showing tax-exempt status in Texas. | Letter from IRS indicating recognition as a 501(c)(3). Letter from Texas showing tax-exempt status in Texas. |
| Forms (990, state) | NA | Form 990 filed annually. Various state reports by accountants. Annual Indirect Cost proposal to DOI (current rate is 20%). Annual reports to grant offices as needed. | Form 990 filed annually. Various state reports by accountants. Annual Indirect Cost proposal to DOI (current rate is 20%). Annual reports to grant offices as needed. |
| Address, phone, fax, email | | PO Box 822 Weatherford, TX 76086 817-598-0458 xxxx@inela.org | PO Box xxx Weatherford, TX 76086 917-598-xxxx xxxx@nelac-institute.org |
| Name | National Environmental Laboratory Accreditation Conference (NELAC) | Institute for National Environmental Laboratory Accreditation | The NELAC Institute (TNI) |
| Logo | NELAC and NELAP | INELA | The NELAC Institute (TNI) |
| Effective date | 15-Feb-95 | 20-May-02 | 6-Nov-06 |

**ATTACHMENT A
PPT Issues Worksheet**

| Issue | NELAC | INELA | Proposed Solution |
|--|--|--|---|
| Liability insurance (e.g., Board coverage) | NA | Commercial General Liability of \$1,000,000 | Commercial General Liability of \$1,000,000 Officers and Directors insurance |
| C. Governance/Board Structure | | | |
| How is the Board selected? | Nominating Committee develops slate of candidates for election by members. | Nominating Committee of 2 Board members and at least one other INELA member develops nominations . INELA members may provide names. The Board then elects the new Board. At least 2/3 approval is required. | Transition Board will be a combination of existing Boards (9 members from each Board to be determined by the Chair of each Board). New Board will be elected as soon as possible. Nominating Committee develops slate. Election of New Board by ballot of all members. Write-ins allowed. |
| Terms? | Chair, Chair-Elect, and Past-Chair, shall serve for a term of two years or until their successors are respectively qualified and elected or appointed. After serving two years as Chair-Elect, the incumbent shall succeed to the office of NELAC Chair. The six Board of Directors' members-at-large shall serve initially for 3-year terms; two elected each year. | 2 years | 3-year terms First elected Board will have varying terms to create staggered terms for directors. |
| Renewable? | Any Board of Directors' member-at-large shall be eligible for nomination and re-election to a second consecutive 3-year term, but no member-at-large shall serve more than 6 years consecutively. | Yes No stipulation on the number of terms. | Yes No term limits. |

**ATTACHMENT A
PPT Issues Worksheet**

| Issue | NELAC | INELA | Proposed Solution |
|---|---|---|---|
| How are the officers selected? | Officers shall be elected during a designated session of the Annual Meeting by a formal recorded vote of the Members in attendance and eligible to vote on NELAC motions. | Election by Board | Election by Board |
| Terms? | Same as the Board | Same as the Board | Same as the Board |
| What are the offices? (e.g., President, Secretary, not the names of the officers) | Chair, Chair-Elect, Past-Chair | Chair, Vice-Chair, Secretary-Treasurer Must be Board members | Chair, Vice-Chair, Secretary-Treasurer Must be Board members Past-Chair may serve in ex officio capacity if not a Board Member. |
| What is the composition of the Board? (state, federal, AA, private, PT, etc.) | Chair, Chair-Elect, Past-Chair and 6 members-at-large, at least two of whom shall be officials of NELAP recognized accrediting authorities. | No less than 5 and no more than 15 individuals. Representation from all stakeholders, including representatives from Government, Laboratories, Regulated Entities and other interests. | Not less than 6, nor more than 18, Directors insofar as possible or practical. The Directors should represent the varied interests of the new organization and shall include: at least three NELAP Accrediting Authorities (AAs); three NELAP accredited laboratories; and other stakeholder members such as non-NELAP states, federal agencies, Proficiency Test (PT) Providers and data users. |
| List the Board members (give names) | Aurora Shields, Past-Chair Judy Duncan, Chair Kevin Coats Wayne Davis John Griggs Dave Mendenhall Richard Sheibley Scott Siders Karen Varnado | Dave Speis, Chair Alfredo Sotomayor, Vice-chair Tom McAninch, Treasurer Steve Arms Eddie Clemons Brooke Connor Ed Hartzog Ken Jackson Sharon Mertens Robert Pristas Ilona Taunton Barbara Finazzo, EPA Liaison | Steve Arms Eddie Clemons Kevin Coats Brooke Connor Wayne Davis Judy Duncan John Griggs Ken Jackson Tom McAninch Dave Mendenhall Sharon Mertens Richard Sheibley Aurora Shields Scott Siders Alfredo Sotomayor Dave Speis Ilona Taunton Karen Varnado |

ATTACHMENT A
PPT Issues Worksheet

| Issue | NELAC | INELA | Proposed Solution |
|---|--|--|---|
| List committees not directly associated with service/ program area (e.g., nominating) | Nominating Membership and Outreach | Executive Committee is officers plus Chair of Program Policy & Structure Committee; Nominating committee of 2 Board members and at least one other INELA members develops nominations. | Chair, Vice-Chair, Secretary, and Treasurer are elected. Most recent Past-chair willing to serve also designated as an officer. |
| D. Personnel | | | |
| List the duties of the Executive Director | The Director acts as the Chief Administrative Officer of NELAC. The Director is responsible for organizing and supporting meetings of the NELAC membership and meetings of the Board of Directors; responding to requests for information from the public; and performing other administrative duties necessary for the efficient and effective functioning of NELAC. The Director serves as a link to federal, state and tribal agencies involved in laboratory accreditation and environmental monitoring. | The Executive Director shall carry out the polices of the Institute; prepare the agenda for; attend or delegate another to attend all meetings of and record all proceedings; consult with the chairs of all committees; prepare and publish the programs of the meetings of the Institute; present an annual budget; pay all proper charges against the Institute; and prepare and submit financial documents in such frequency and detail as requested with a summary thereof to each member of the Board of Directors; have charge of the books and records of the Institute and make them available for a certified audit annually or as otherwise specified, and perform other such duties as may be specified elsewhere in these Bylaws or as may be assigned by the Board of Directors. | The Executive Director has day-to-day responsibility for The NELAC Institute, including carrying out The NELAC Institute's goals and Board policy. The Executive Director will attend all Board meetings, report on the progress of the NELAC Institute, answer questions of Board members and carry out other duties as designated by the Board. The Executive Director is an ex officio member of all committees. |
| Provide the name of the Executive Director | None | Jerry Parr | Jerry Parr |

**ATTACHMENT A
PPT Issues Worksheet**

| Issue | NELAC | INELA | Proposed Solution |
|--|---|---|--|
| List the duties of staff | None | <ol style="list-style-type: none"> 1. Meeting Planner: Conducts all activities associated with INELA meetings. 2. Project Manager: Manages efforts associated with the EPA cooperative agreement. 3. NEMC Project Leader: Manages efforts associated with the NEMC cooperative agreement. 4. Webmaster: Manages the INELA website. 5. Clerical Support: Provides professional desktop publishing and related support services. 6. Technical Support: Provides technical assistance. 7. Meeting Support: Provides help at INELA meetings. | <ol style="list-style-type: none"> 1. Program Administrators to help each key program (may be hired staff, contractor or volunteer). 2. Support staff for other functions. 3. INELA staff will continue on an interim basis. |
| Provide the name of any staff member | NA | <ol style="list-style-type: none"> 1. Kay Parr 2. Carol Batterton 3. Jerry Parr 4. John Applewhite 5. Janice Wlodarski 6. Tom McAninch and Marlene Moore 7. Suzanne Rachmanioff | <ol style="list-style-type: none"> 1. Kay Parr 2. Carol Batterton 3. Jerry Parr 4. John Applewhite 5. Janice Wlodarski 6. Tom McAninch and Marlene Moore 7. Suzanne Rachmanioff <p>Program Managers</p> |
| List the duties of volunteers (performing significant functions) | <p>Approval of PTOB/PTPA Codes for FOA Tables PT Criteria Tables Recognition of NELAP AAs ARB Review of NELAP Other administrative functions not covered by EPA contractors</p> | Coordination of INELA Expert Committees and standards generation. | TBD Transition Board, Fall 2006 |

**ATTACHMENT A
PPT Issues Worksheet**

| Issue | NELAC | INELA | Proposed Solution |
|---|---|--|--|
| Provide an estimate of volunteer FTEs or hours (by significant duty) | <p>Recognition of NELAP AAs:</p> <p>Average FTEs for Each Region = 0.75 GS12 Salary Estimated Cost = \$66,371 GS Salary Estimated Cost = \$78,926 Range of FTEs Across 10 Regions = 0.5 to 1.4 Range of GS12 Salary Estimated Cost = \$44,248 to \$123,893 Range of GS13 Salary Estimated Cost = \$52,618 to \$147,329</p> <p>Approval of PTOB/PTPA:</p> <p>Minimum of 5 weeks with 2 to 6 individuals involved per PTOB/PTPA.</p> <p>Acceptance Criteria Tables:</p> <p>Calls once every 2 weeks for 1 1/2 hours with 16 individuals involved. This task requires at least one statistician who has been volunteering services. Calculations ("number crunching") is done before the calls by volunteers.</p> | 0.2 | TBD Transition Board, Fall 2006 |
| Personnel policies (e.g., work rules that would normally be included in a personnel code) | None | Property Management, Procurement, Travel, Recording Direct Labor, Reporting, Conflicts of Interest | Property Management, Procurement, Travel, Recording Direct Labor, Reporting, Conflicts of Interest |
| E. Financial | | | |
| Income other than grants or meetings (e.g., dues) | NA | Membership dues, publications, training | Membership dues, publications, training, merchandise |
| Debt | NA | \$12,300 (2002 start-up costs) | 0 |

**ATTACHMENT A
PPT Issues Worksheet**

| Issue | NELAC | INELA | Proposed Solution |
|---|--|---|---|
| Fixed expenses | None | \$14,500 on an annual basis (excluding meetings & grants), including: ANSI: \$2500 Telephone: \$900 Accounting: \$2500 Insurance: \$4000 Travel: \$1000 Postage & Related: \$1000 | See Budget |
| Grants/cooperative agreements (include who, what, when, and how much) | 4. NFSTC Support; 2006-2010; \$500,000 | 1. EPA; standards development and technical assistance; 2005-2007; \$300,000 2. EPA; National Environmental Monitoring Conference; 2006-2011; \$300,000 3. Texas Commission on Environmental Quality; 2006 (renewable for 2 additional years); \$24,000 | 1. EPA; standards development and technical assistance; 2005-2007; \$300,000 2. EPA; National Environmental Monitoring Conference; 2006-2011; \$300,000 3. Texas Commission on Environmental Quality; 2006 (renewable for 2 additional years); \$24,000 4. NFSTC Support; 2006-2010; \$500,000 |
| Legal (e.g., outstanding anticipated or pending liabilities) | None | None | None |
| Accounting system | None | Cash; FY January 1 to December 31 | Cash; FY January 1 to December 31 |
| Banking | None | Compass Bank, Weatherford, Texas | Compass Bank, Weatherford, Texas |
| Most recent audit | None | None have occurred | None planned |
| Most recent budget | None | See Budget | See Budget |
| List of assets (copyrights) | None | None | None |
| Merchant Account | None | Visa, Mastercard, American Express | Visa, Mastercard, American Express |

**ATTACHMENT A
PPT Issues Worksheet**

| Issue | NELAC | INELA | Proposed Solution |
|---|---|---|---|
| <p>What are the key components of your business</p> | <p>A. Forum: To provide a national forum for the discussion of all questions related to standards for accreditation of laboratories and other entities directly involved in the environmental field measurement and sampling process.</p> <p>B. Mechanism: To provide a mechanism to establish policy and coordinate activities within NELAC on matters of national and international significance pertaining to standards for accreditation of environmental laboratories and other entities directly involved in the environmental field measurement and sampling process.</p> <p>C. Consensus: To establish a consensus on uniform standards for laboratory accreditation and implementation of those standards by the NELAP recognized accrediting authorities.</p> <p>D. Uniformity: To encourage and promote uniform standards of quality for assessment and accreditation requirements among the various accrediting authorities.</p> <p>E. Cooperation: To foster cooperation among environmental laboratory accrediting authorities and regulatory officials, and between them and other entities directly involved in the environmental field measurement and sampling process.</p> <p>F. Recognition of AAs</p> <p>G. Approval of PTOB/PTPA</p> | <ol style="list-style-type: none"> 1. Standards Development 2. Technical Assistance 3. Organizational Infrastructure | <ol style="list-style-type: none"> 1. Organization Administration 2. Advocacy Program 3. Consensus Standards Development Program 4. Laboratory Accreditation System Program 5. National Environmental Laboratory Accreditation Program 6. Policy Committee 7. Proficiency Testing Program 8. Technical Assistance Program |

**ATTACHMENT A
PPT Issues Worksheet**

| Issue | NELAC | INELA | Proposed Solution |
|---|--|---|--|
| Describe the services/ products you deliver under each key component area | | <ol style="list-style-type: none"> 1. Authoritative consensus standards for the accreditation of environmental laboratories. 2. Training, templates, tools, databases, etc. to assist with the implementation of the program. 3. Everything needed to ensure the organization is fiscally sound and responsive to its members. | TBD 2007 |
| Describe the infrastructure of each program (include relevant committees) | See NELAC C&B | <ol style="list-style-type: none"> 1. Six Expert Committees for standards development, accreditation by ANSI, Policy for standards development, voting system, license agreements with ANSI and ASTM. 2. Five administrative committees, contracts with training organizations, outreach and communication, and on-line forums. 3. Website, membership renewal process, newsletter, contracted staff support, and virtual office | See Program descriptions |
| Office | None | Home office in Weatherford; no cost to organization; all other support staff work in remote locations. | Home office in Weatherford; no cost to organization; all other support staff work in remote locations. |
| Web | www.epa.gov/nelac | www.inela.org Website Features: Post documents Membership renewal Voting Member forums Document collaboration Member database Mailing database Members only area | www.nelac-institute.org Website Features: Post documents Membership renewal Voting Member forums Document collaboration Member database Mailing database Members only area |

ATTACHMENT A
PPT Issues Worksheet

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Summary Report

NELAC Breakout Sessions

Overland Park, Kansas

August 14, 2006

Provided by:

National Forensic Science Technology Center (NFSTC)

August 28, 2006

ATTACHMENT B
Summary of Comments from the Kansas Meeting

Introduction

Facilitated discussions to obtain comments and feedback on the Self-Sufficiency Task Group (SSTG) and Partnership Planning Team (PPT) reports were held in three breakout sessions on Monday, August 14, from 1:30 pm to 5 pm. Facilitators, scribes and note takers were assigned to each session:

| Session | Facilitators | Scribe | Note taker |
|---------|---------------------------------------|---------------|-----------------|
| 1 | Silky Labie Steve Arms | Pat Hurr | Susan Johns |
| 2 | Judy Duncan Ann Marie Allen | David Speis | David Epstein |
| 3 | Richard Sheibley Alfredo Sotomayor | Karen Varnado | Carol Batterton |

To ensure consistency between breakout sessions, a brief meeting was held with the facilitators to review the outline for the breakout session discussions. The outline for the breakout sessions is found in Appendix I.

In addition to the NELAC breakout sessions held on Monday, INELA solicited comments on the SSTG and PPT reports from 8:00 a.m. – 10:00 a.m. on Wednesday, August 16, 2006. This comment session was facilitated by David Speis and modeled after the NELAC breakout sessions.

A summary section has been included in this report by the contractor to assist the Partnership Planning Team in identifying the major topics/issues brought forward during the breakout sessions.

The actual comments and suggestions (as recorded by the breakout session note takers and scribes) are included in the comment section of the report. These comments have been grouped together under topical headings selected by the contractor.

ATTACHMENT B
Summary of Comments from the Kansas Meeting

Summary of Issues

I. Organization

Suggestions to modify the proposed structure of the programs

There were several suggestions to modify the program structure:

- Outreach was seen as a member service.
- There was a suggestion that advocacy be a Board function.
- It was suggested that the technical assistance program be split into outreach and training.
- The annual meeting was seen as an administrative function.
- Setting ranges and limits for PT providers were seen as functions of the database (under administration).

Suggestions for the Laboratory Accreditation Program

There were many suggestions for the laboratory accreditation program (as defined in the PPT report). These included the following:

- Improve the program/standard.
- Address dispute resolution.
- Remove barriers to acceptance.
- Recognize non-state and private sector accrediting bodies.
- Use ISO 17011 as framework for AA recognition.
- Address mutual recognition for laboratory accreditations and accrediting authorities.
- Address consistency.
- Stability is needed in the laboratory accreditation program.
- Develop programs to meet a wider customer base (e.g., for non-water).

Standards Development

There were several suggestions to modify the standards development process. The major issue, however, was how the standards development and adoption functions were to be handled. There was no consensus on this issue.

Technical Assistance

There were suggestions about the technical assistance program, including:

- expanding outreach functions, and
- standardizing and expanding training.

Advocacy

There were suggestions about the advocacy program including:

- partnering with other organizations representing laboratories (e.g., small laboratories).
- reaching out to EPA offices.
- using advocacy to assist states during transition.

ATTACHMENT B
Summary of Comments from the Kansas Meeting

Participation

There were a number of suggestions about participation in the programs. These included:

- Get EPA involved.
- Get more states involved.
- There were many comments about having a broad, balanced participation but there were also concerns about state acceptance of such a model.
- There were suggestions that certain groups might participate in an advisory status versus participating as voting members.
- Define limits for government participation in a non-profit.
- Tap into unused resources.

II. Governance

Suggestions on the corporate structure/ Board of Directors

There were many comments suggesting that the interest groups and their representation on the Board needed to be reviewed. Along with this were suggestions on how the proposed Board structure could be modified to give these interest groups positions on the Board.

Membership

There were suggestions about:

- expanding outreach efforts to NELAC members.
- looking at a two-tiered membership (delegates, representatives) for the initial members.
- considering only organizations (rather than individuals) as members.

Personnel

There were suggestions and comments regarding:

- the use of staff versus volunteers.
- the authority of the Board (versus) the AAs.
- duties such as fiscal and maintaining the web site.
- the Executive Director, program directors and the organizational structure.

III. Continuation of Essential Functions

The Transition Plan

The issues identified during the discussion including:

- reviewing the plan for interim governance.
- addressing AA concerns about the continuation of the NELAP program.
- defining how things will work without the Director.
- providing legislative outreach to assist states to change laws.
- getting legal advice.
- amending rules and bylaws.
- accessing historical records.
- addressing fiscal issues.

ATTACHMENT B
Summary of Comments from the Kansas Meeting

Name

There were major concerns expressed about the impact of a name change. The issues to be addressed include:

- using a transition period for the name change.
- providing an explanation for the name change.
- providing the results of the advisory ballots.

Communication Plan

There were a number of suggestions for communicating updates during the transition period. The consensus was clear that an aggressive campaign to inform the membership needs to continue.

ATTACHMENT B
Summary of Comments from the Kansas Meeting

Comments from Participants

The comments received during the breakout sessions have been italicized to distinguish them from the topical headings added by the contractor. In some cases, a comment was included under multiple topical headings.

I. Organization

The organization chart was to be used to help guide the discussion. The discussion was to focus on the key program, the duties to be performed in each key program and who should participate in each key program.

Suggestions to modify the proposed structure of the programs

- *Move outreach to member services – it is more of a promotional thing.*
- *Delete Advocacy as a program – make it a function of the Board / Umbrella (to increase efficiency).*
- *Set ranges and limits for PT providers should be moved to administration (database).*
- *Move inspector and evaluator training from technical assistance to the lab accreditation program.*
- *Split technical assistance into two programs: outreach and training.*
- *Move the annual meeting to the administrative section.*

Suggestions for the Laboratory Accreditation Program:

- Improve the program/standard.
 - *Include project level planning, to include chemists in the project planning along with data users. NELAC standards could be expanded to include a requirement for project planning.*
 - *Remove barriers to acceptance by other groups such as those who wish to use performance approaches.*
 - *Need more focus and detail on services and goods to be sold (product development).*
 - *No sector breakout for laboratory accreditation – no function for field activities.*
 - *Field Activities: Tech Assistance/Advocacy — No mention of FMO in these areas. Needs to be addressed. They will not get involved if not included.*
 - *PT providers - how will ranges and limits be set?*
 - *Under contract lab program – talked about labs – what do I get for that – there is a presumption that the data has to be good because it is certified – or I got bad data, but the lab is certified – need to do caveat emptor – 2-way street – can have good/bad data under any circumstance – says you are capable for generating good data.*
 - *NELAC went off track – political issues – went to the lowest common denominator – NELAC-certified did not really get you anything – better long term strategy to go for a higher standard.*
 - *Raise standards of assessors and the on-site program.*
 - *Lab that makes the on-site audit should mean something.*
 - *Implementation of Standards need to be better quality – consistent high level implementation.*
 - *Standards need improvements – cannot revoke labs where should but the standard does not allow for it.*
 - *The goal is a national program to this level – hurt for the process is the 2-tier system in most of the states.*
 - *Conflict of interest could be avoided thru careful selection of assessors – use someone outside the state – could use trained assessors from other states – witness conduct of assessments – when assessment team proposed – ask the conflict of interest questions.*
 - *Everything is based on water chemistry – you are trying to shove non-chemistry into the chemistry model – work on those areas.*

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Summary of Comments from the Kansas Meeting

- *Need to build standards for data review and quality to see if the systems are actually working.*
- *Wants quality systems approach but also data review.*
- *Accommodate performance approach into field of accreditation.*
- **Address dispute resolution**
 - *Dispute resolution – at more than the AA level – also between AA and Labs.*
 - *Process for dispute resolution – under administration or under lab accreditation?*
- **Remove barriers to acceptance**
 - *Remove barriers to acceptance by other groups such as those who wish to use performance approaches.*
 - *Tug of war between private and states – large labs and small labs – could we have a grading system A to D – small labs could maybe get competency rather than fully range.*
- **Recognize non-state and private sector accrediting bodies**
 - *Other organizations (DOD, DOE, A2LA) performing accreditations should be involved and acceptable.*
 - *A2LA – like to see private sector accrediting bodies be considered.*
- **Use ISO 17011 as framework for AA recognition**
 - *ISO 17011 – be provided as framework for AA accreditation.*
 - *Have we considered becoming an ISO organization – affiliation with ISO.*
 - *We are moving closer to ISO without the benefits – we want an international standard.*
- **Address mutual recognition for laboratory accreditations and accrediting authorities**
 - *Reciprocity is not there right now. A merged organization will provide this.*
 - *Is the organization itself going to recognize the AAs? Someone has to recognize and then the other AAs have to say they recognize that recognition.*
- **Address consistency**
 - *Standards development – need to have a high level review process to assure internal consistency & coordination.*
 - *Is the Review Board going to hold the AAs to the core values?*
 - *That will start with consistency with on-site evaluations of the states.*
 - *Implementation of Standards need to be better quality – consistent high level implementation.*
 - *Standards need to be coordinated.*
- **Stability is needed in the laboratory accreditation program**
 - *Is this really what it is going to be – how do I know that by the time I get everything done, this will be where it is at – is it going to be stable. Stability is issue.*
 - *Frustration among AAs – how do we part of a moving target – AAs been doing this for about 5 years – had to allow them some times to get up to speed – did not have a stable standard for a while – having 2 organizations come back together in a quick efficient manner – will give credibility.*
 - *People are just getting used to the standards – process finally getting stability and familiarity – just starting to work now.*
- **Develop programs to meet a wider customer base (e.g., for non-water)**
 - *Very important to reach out to EPA offices – little buy in from other programs – office of water – good but work with other programs as well.*
 - *Tug of war between private and states – large labs and small labs – could we have a grading system A to D – small labs could maybe get competency rather than fully range.*
 - *Everything is based on water chemistry – you are trying to shove non- chemistry into the chemistry model – work on those areas.*

ATTACHMENT B

Summary of Comments from the Kansas Meeting

Standards Development

- Review the standards development process
 - *Use the INELA model.*
 - *Standards development - need to have a high level review process to assure internal consistency & coordination.*
 - *ASTM is a better model – serious due process problems with INELA – how they deal with negative problems – other things – committee structure works.*
 - *Broader scope of standards development than NELAC's scope.*
- Standards development versus standards adoption
 - *Is the adoption function required if there is a true consensus within the SDO group?*
 - *The adoption process should be within the SDO, and the adoption box should be replaced with consistency of application.*

Technical Assistance

- Expand outreach functions
 - *Include mentoring and outreach to data users.*
 - *Will this include assistance in standard interpretation?*
 - *Will this include assistance to laboratories?*
 - *Field Activities: Tech Assistance/Advocacy – No mention of FMO in these areas. Needs to be addressed. They will not get involved if not included.*
 - *Legislative outreach seems to be missing – might have to change state law.*
 - *Education of data users is needed – certification is not the be all and end all.*
- Standardize and expand training
 - *Approval process for training of third party assessors.*
 - *Curriculum approval, endorsement of training program.*
 - *Inspector or evaluator training - that is included under technical assistance – have that included the lab accreditation program – people implementing should have a hand in training the evaluators – will there be training for air inspectors, waste water training?*
 - *A2LA – international model – audited by peer evaluation teams – by international accrediting authorities – use 17011 – you need training for the peer evaluations so you are using well trained personnel.*

Advocacy

- Partner with other organizations representing laboratories (e.g., small laboratories)
 - *Partnership with other organization with the other labs. E.g. AMWA – does not support NELAP – need the partnership. – go under advocacy.*
 - *Add partnerships with other group – like those with small labs.*
- Reach out to EPA offices
 - *Very important to reach out to EPA offices – little buy in from other programs – office of water – good but work with other programs as well.*
 - *What we are trying to do is determine quality without data quality objectives – if you are trying to sell idea – promote data quality objectives to be adopted by EPA.*
- Use advocacy to assist states during transition
 - *Use the advocacy function to get the states to understand that this is based on the NTTAA and consensus standards rather than governmentally developed standards.*
 - *Advocacy: What about Public Relations? Previously came up against a wall with a lot of states. What kinds of efforts will be put towards PR? Are there funds available for this?*

ATTACHMENT B

Summary of Comments from the Kansas Meeting

- *Also outreach to conversion – because NELAP ceases and director ceases – might not have a program any more need legislation to speak to what to do when NELAP goes away.*
- *Problem with NELAP labs – if NELAP dissolved – investment needs to be considered – changing standards, letterhead – NELAP is recognized now – what happens when this goes away – transition plan for labs and data uses – things the same but name has changed – advocacy program to get the word out.*

Participation

- **Get EPA involved**
 - *State lab directors are concerned about statutory issues and if their states will allow membership in an NGO. The perception is that the states signed up because it was an EPA initiative and buy-in may fade without the EPA.*
 - *Key component – how can EPA participate?*
 - *CFR 142.10 – EPA is mandated to create a national program – until EPA creates a national program.*
 - *Very important to reach out to EPA offices – little buy in from other programs – office of water – good but work with other programs as well.*
 - *Reach out to program offices.*
- **Get more states involved**
 - *You are getting comments from the choir – you have other states – what are you going to do to solicit their ideas and get involved?*
 - *How are you going to get states to come in?*
 - *How do we get more states to participate? We started with 48 states – many of them gone.*
 - *Don't do it like you did before – at some point you stop listening to the other states – at some point AZ started to vote no – voted no because he wanted people to ask why – pay attention to them – states are on board – made it happen for them – the rest all left.*
 - *Want an open a process where implementing the standards – states want to be included and listened to.*
 - *What about the states that don't come anymore?*
- **Broad, balanced participation versus state acceptance**
 - *How can all parties be involved in all aspects of the laboratory accreditation program, such as the regulated community being involved in the process or AA recognition?*
 - *States might not be willing to accept the standards written by such a broad group.*
 - *Should the definition of AAs be expanded to include private and other governmental organizations?*
 - *An inclusive organization (as listed in the core values) cannot limit participation in certain areas.*
 - *Database is administrative – but it is a technical too – is there a way for others to participate?*
 - *Is implementation and decision making limited to government?*
 - *Value of org up to not – work together as peers – that would be a peer review – all important stakeholders – states and feds – not private labs.*
 - *When you say only government orgs in implementation etc is government only – I think private sector can bring something to the table even if they cannot vote – advantage to have people who are stakeholders but not regulators on the AA committee just for balance.*
 - *Agree that there should be an advisory group to AAs – decision making limited to government – think carefully about that – balanced Board making decisions that AAs have to follow – only AA authority is what is given to them by the state – that restricted to accreditation decisions. The only authority is the authority to accredit labs – that is only authority the states have – all other authority is from the Board.*
 - *Want an open a process where implementing the standards – states want to be included and listened to.*
 - *Why is there any box up there except the implementation of standards that is not open – open participation in all the boxes.*
 - *Peer review is fine but why can't we all participate?*

ATTACHMENT B

Summary of Comments from the Kansas Meeting

- *Government should be part of this and other federal agencies.*
- *Recognition of AAs may need to split up – homeland security might come in and accredit – there may be different levels – if we decided to go with open participation – there may be times when that might not be possible.*
- *See a conflict of interest with private sector evaluating the evaluators.*
- *Has to take the pieces and make them open – need an open PT Board.*
- *An inclusive organization (as listed in the core values) cannot limit participation in certain areas.*
- *What authority would the umbrella group have over the states?*
- *Involve other accrediting stakeholders.*
- *Involve third parties in laboratory accreditation.*
- *Adoption only works if the adoption is on the government side.*
- *Standard could get voted in that the AAs could not implement.*
- *AAs want regulatory control.*
- *Lab accreditation box must be completely open to all members.*
- *Small labs are not represented in adoption box.*
- **Advisory status versus voting participation**
 - *Agree that there should be an advisory group to AAs – decision making limited to government.*
 - *When you say only government orgs in implementation etc is government only – I think private sector can bring something to the table even if they cannot vote – advantage to have people who are stakeholders but not regulators on the AA committee just for balance.*
 - *Acceptable if advisory.*
 - *Veto power to the AAs implementing the program.*
 - *I will be comfortable paying fees and participating but not having a vote.*
- **Define limits for government participation in a non-profit**
 - *State lab directors are concerned about statutory issues and if their states will allow membership in an NGO. The perception is that the states signed up because it was an EPA initiative and buy-in may fade without the EPA.*
 - *Are governments allowed to integrally run non-profits?*
- **Tap into unused resources**
 - *PPT is too small a committee – don't be afraid to ask the private sector for help – with mailings, etc.*

II. Governance

- **Corporate structure/ Board of Directors**
 - *Define interest groups and their representation on the Board*
 - *Should the definition of AAs be expanded to include private and other governmental organizations?*
 - *Need a PT person as an "other".*
 - *Need more representation for labs in the Board makeup – balance is not evident.*
 - *No need for ex officio – either they should be on the Board or not.*
 - *Maybe more than 12 members, with some substructure of committees in the bylaws. (See special committee report).*
 - *Need better definition of the 4 categories of Board makeup.*
 - *Consider adding House of Delegates and House of Representatives in the initial membership of the new organization. Maybe go back to the meeting where the 2003 Standard was adopted to pick up more initial members (2001?).*
 - *New BOD: Need to set a maximum number of members for each section.*
 - *Saw proposal for the Board – need a balanced consensus group – define the interest groups – having defined them and make sure they are balanced.*

ATTACHMENT B

Summary of Comments from the Kansas Meeting

- *How are you defining AAs? AA may not fit so well in the organization – certifying authority – someone who is recognized into this organization – does not have to be the same as right now – use the ISO accrediting bodies – then define if NELAP AA or non NELAP AA.*
- *We have to define interest groups first – then do the process.*
 - *INELA groups might need to be expanded*
 - *Data users*
 - *Territories and tribes*
 - *It is possible to exclude state or government – may want to specify so you don't exclude*
 - *May want to have federal AA, state AA, 2nd party, etc*
 - *Federal lab, private lab – etc – meet requirements for different experience*
 - *Can the definition of a governmental organization be expanded beyond the conventional definition (county, municipal, tribes, etc.)?*
- *Want the Board to be inclusive of as many stakeholders.*
- *Labs should be more clearly defined.*
- *Establish what an AA body is – allow participation.*
- *Board structure*
 - *Consider rotating / changing composition of the Boards and committees that will be acting in the interim.*
 - *Do you have committees for the programs? The programs don't fit the committees.*
 - *Maybe more than 12 members, with some substructure of committees in the bylaws. (See special committee report)*
 - *Have liaison members – ex officio members.*
 - *On very first Board – no more than the first Board come from the current INELA and NELAC Boards.*
 - *Term limits? Should consider cross participation in committees – limit membership in committees – limit a person to one committee.*
 - *Liaisons with EPA program offices would be good.*
- **Membership**
 - *Membership outreach.*
 - *Consider adding a house of delegates and a house of representatives in the initial membership of the new organization. Maybe go back to the meeting where the 2003 Standard was adopted to pick up more initial members (2001?).*
 - *Include all attendees of all meetings.*
 - *Invite previous attendees.*
 - *Organizational membership – why? Money.*
 - *Data users, etc.*
 - *Pay for states to send a representative.*
 - *Put into state funds (EPA) to support meetings.*
 - *Entities require certification.*
 - *Include decision makers.*
 - *Consider no individual members – only corporations.*
- **Personnel**
 - *Staff versus volunteers.*
 - *Critical functions that occur frequently should be carried out by staff members – identify roles of proper direction. Website and database development and maintenance are critical.*
 - *Some program work waxes and wanes.*
 - *Standards development – probably needs a staff member to coordinate that effort and committees (could be ½ time).*
 - *Support staff to make the posting happen.*
 - *Could assessors be voluntary or part time?*

ATTACHMENT B
Summary of Comments from the Kansas Meeting

- *Authority – AA versus Board*
 - *What is Board authority over AAs?*
 - *Who controls the program?*
 - *Where do the AAs fit in?*
 - *What is the relationship of the recognition program to the Board?*
 - *Are AAs self governing for assessments?*
- *Duties.*
- *Immediate need for financial & budgeting duties.*
- *Website and database development and maintenance are critical.*
- *Executive Director.*
- *From SSTG report – job description based on current NELAP/NELAC Director. Was the intent to draft something that was currently being done or what she thought should be done?*
- *Program Directors.*
- *It would be nice to have a director to coordinate the committees so they know what is going on – will help with coordination and consistency particularly with standards development.*
- *Accreditation should be full time.*
- *Need someone who could devote half time or full time to the effort (accreditation).*
- *Identify roles.*
- *Organizational structure.*
- *Consider having program directors report to the executive director.*
- *Executive Director put in between the umbrella organization and programs.*

III. Continuation of Essential Functions

- **Transition plan**
 - *Review plan for interim governance.*
 - *Consider rotating / changing composition of the Boards and committees that will be acting in the interim.*
 - *Address AA concerns about the continuation of the NELAP program.*
 - *What will AAs put on certificates in the interim? When would a new name be applied?*
 - *The timeline is very compressed.*
 - *Credible recognition of AAs – EPA thru regions is recognizing the authority for a level field.*
 - *Is the organization itself going to recognize the AAs? Someone has to recognize and then the other AAs have to say they recognize that recognition.*
 - *Also outreach to conversion – because NELAP ceases and director ceases – might not have a program any more need legislation to speak to what to do when NELAP goes away.*
 - *Problem with NELAP labs – if NELAP dissolved – investment needs to be considered – changing standards, letterhead – NELAP is recognized now – what happens when this goes away – transition plan for labs and data uses – things the same but name has changed – advocacy program to get the word out.*
 - *Will a merged organization still be recognized as an ANSI?*
 - *What will AAs put on certificates in the interim? When would a new name be applied?*
 - *Are current NELAP AAs going to be grandfathered into the organization?*
 - *What happens to labs currently accredited by NELAP in January?*
 - *Are states going to offer NELAP accreditation in January? What will we do about new accreditations?*
 - *Is the recognition of new (or continuance of continuance) AAs implicit in the plan?*
 - *What role will the new organization have in the next round of accreditations?*
 - *Are there copyright issues with use of logos, etc?*

ATTACHMENT B
Summary of Comments from the Kansas Meeting

- *Concern renewing NELAP accreditation in a couple of months – if NELAP goes away – what is the new program – have to thought about if the program going to be similar.*
 - *Non-NELAC state – need in rules and statute re the program – if no direct, is the program still valid – could be losing labs when Lara leaves.*
 - *Define how things will work without the Director.*
 - *In past – regions did on site of AAs and made recommendations to Director.*
 - *What role will this new org, new Board, transition Board role, etc – have in the next round of AA evaluations starting in 2007? Since the current certificates have been extended 1 year – next round of evaluations will start in October 2007 – who will make up teams, chose teams, issue reports to?*
 - *Non-NELAC state – need in rules and statute re the program – if no direct, is the program still valid – could be losing labs when Lara leaves.*
 - *The constitution allows us to have a director who is not an EPA – state or other federal individual – the issue is appointing a director when we need one.*
 - *Rules talk about EPA administering the program.*
 - *Board come up with something in writing – to help NELAP and non NELAP states – also EPA – to say this is what the transition plan is – and there is something coming down the pike.*
 - *Provide legislative outreach to assist states to change laws.*
 - *Legislative outreach seems to be missing – might have to change state law.*
 - *Get legal advice.*
 - *Needs a legislative section – high profile – attorney needed.*
 - *When do we start talking about lawyers?*
 - *There is insurance available also for law suits.*
 - *Are there copyright issues with use of logos, etc?*
 - *You are getting close to retaining counsel to handle these issues*
 - *Amend rules and bylaws.*
 - *The constitution allows us to have a director who is not an EPA – state or other federal individual – the issue is appointing a director when we need one.*
 - *Rules talk about EPA administering the program.*
 - *Board come up with something in writing – to help NELAP and non NELAP states – also EPA – to say this is what the transition plan is – and there is something coming down the pike.*
 - *Access historical records.*
 - *Get access to NELAP/NELAC records.*
 - *Address fiscal issues.*
 - *INELA documents will be ISO documents, licensed, cannot be free as originally planned. Funding source but not large.*
 - *Immediate need for financial & budgeting duties.*
 - *Selling the Standard is part of the process.*
 - *Funding sources for INELA/NELAC organization a large question/issue?*
 - *Advocacy: What about Public Relations? Previously came up against a wall with a lot of states. What kinds of efforts will be put towards PR? Are there funds available for this?*
 - *Where will the money come from – was it coming from cooperative agreement?*
- **Name**
 - *Use a transition period for name change.*
 - *Use a transition period to handle the cost of a name change.*
 - *What will AAs put on certificates in the interim? When would a new name be applied?*
 - *When will the new name become effective.*
 - *There are lab costs with a name change – reports, education, clients, training.*
 - *States will have to change regulations, change certification.*

ATTACHMENT B

Summary of Comments from the Kansas Meeting

- *An explanation is needed for the name change.*
 - *Why do we have to do this – commercial labs have reams of paper already printed with NELAC.*
 - *Maybe the new organization could buy the name for \$1.*
 - *Is one name the best way to go?*
 - *Meet with EPA attorneys?*
- *Ballots*
 - *Using 2 names might make things easier in dealing with states and legislatures in showing that the recognition is controlled by the other states.*
 - *International should be used in place of national or American; i.e., NELAC International.*
 - *Use environmental measurement instead of laboratory in any name.*
 - *Obtain written ruling from EPA Office of general counsel about the use of the NELAC/NELAP name.*
 - *ANELA (5)*
 - *ASELA (9)*
 - *NELAA (33)*
 - *Write in*
 - *NELAC/NELAP (49)*
 - *NELA2*
 - *International Environmental Laboratory Accreditation Congress (INELAC) (2)*
 - *National Accreditation Program for Environmental Measurement (NAPEM) (2)*
 - *National Environmental Laboratory Association (NELA)(2)*
 - *National Environmental Laboratory Accreditation Consortium (NELAC)(2)*
 - *Accreditation Association for National Environmental Quality (AANEQ)*
 - *American Environmental Laboratory Accreditation Association (AELAA)*
 - *Association of Environmental Testing and Accreditation Organizations (AETAO)*
 - *American Society of Environmental Measurements (ASEM)*
 - *Environmental Laboratory Accreditation Program (ELAP)*
 - *International Association for Environmental Lab Accreditation (IAELA)*
 - *National Association for Environmental Laboratory Accreditation (NAELA)*
 - *NELA*
 - *National Environmental Laboratory Accreditation Commission (NELAC)*
 - *NELAC International*
 - *National Environmental Measurements Accreditation Association (NEMAA)*
 - *New Organization for Environmental Laboratories (NOEL)*
 - *National Organization of Testing Environmental Program Association (NOTEPA)*
 - *United States Environmental Laboratory Accreditation Board (USE LAB)*
 - *Anything that does not end in ELA*
 - *Anything but NELAC/NELAP*
- **Communication plan**
 - *Web cast worked well – continue to use the internet as much as possible.*
 - *The fear is that despite all the discussions held and the apparent openness, that the decisions have already been made, and that the timeframe is so aggressive, that this is it and we are going forward. Somehow all parties have to be convinced that their input is needed and desired.*
 - *Electronic newsletter to be sent out to every e-mail address on file since the 2001 NELAC meeting.*
 - *Try to use the AAs to communicate to their accredited labs.*
 - *Use a single POC to issue and receive e-mails so that spam filters do not eliminate the messages and messages can be routed properly.*
 - *ACIL and other trade association newsletters could be used.*
 - *Use regional or state societies such as FSEA.*
 - *Believing it is true – looking from the outside – it feels like we are in 1994 again because you might not believe it is not open participation to ask for input.*
 - *Don't do it like you did before – at some point you stop listening to the other states – at some point AZ started to vote no – voted no because he wanted people to ask why – pay attention to them – states are on board – made it happen for them – the rest all left.*

ATTACHMENT B
Summary of Comments from the Kansas Meeting

- *Want an open a process where implementing the standards – states want to be included and listened to.*
- *Is it possible that some of these committee meeting minutes could get posted on the web so everyone could get up to date?*
- *What about participation about conferences calls?*
- *A better web site.*
- *Support staff to make the posting happen.*
- *Allow for continued input.*
- *Use AAs as communication focal point for the accredited community.*
- *Use one source for information distribution and responses.*
- *Use trade association newsletters to distribute information.*
- *Use state lab associations.*

ATTACHMENT B
Summary of Comments from the Kansas Meeting

Attachment I
Outline for Breakout Sessions

Part 1: Introduction 15 minutes

The moderator of the breakout session should begin by going over the “rules” and purpose of the breakout sessions.

- This is a comment session to gather suggestions and obtain constructive feedback on the models presented
 - *All ideas will be “good” ideas – i.e., all speakers will be provided the courtesy of making their point without criticism*
 - *This should not be a debate – all comments should be directed to the model and not to another individual’s comment or idea*
- Questions will be part of the session but they should be for clarification on what was presented.
- For each model presented, focus the discussion on gaining suggestions:
 - *Ask for alternatives for the model*
 - *Ask for pros and cons for each model*
 - *There will be a projector in the room so slides of the PPT presentation can be shown to facilitate the discussion.*

Part 2: Organization 45 minutes

The organization chart should be used to help guide the discussion. The discussion will focus on the key programs, the duties to be performed in each key program, and who should participate in each key program.

- Key Programs
 - *Have all the key programs been identified?*
- Duties
- Are there additional tasks or duties that should be added to the program areas?
- Participation

You may address all the boxes on the chart, but there will probably be limited questions on some of them.

 - Umbrella

The model presented has open participation for the Umbrella. The major duties of the umbrella are: to elect the Board, confirm program areas and provide a mechanism for members to have discussions (i.e., a forum)
- Are there alternatives to open participation in the Umbrella Organization?
- If there are alternatives, what are the pros and cons to the alternatives?
- Accreditation

Explain this is essentially a blank box. We do not have a model developed yet. We do know it will include standards adoption, recognition if AAs, and the PT Program. NELAC will be forming task groups (States and PT) to further develop the model for this area. As a result, the objective is to identify issues for those groups to address
- What are the issues that have to be addressed when developing the model for standards adoption?
- What are the issues that have to be addressed when developing the model for the recognition program?

ATTACHMENT B
Summary of Comments from the Kansas Meeting

- What are the issues that have to be addressed when developing the model for the PT program?
 - Standards Development
Explain we are recommending the use of the INELA model
 - Are there any other alternative that should be considered?
 - If yes, what are the pros and cons to the alternatives?
-

Part 3: Governance 45 minutes

- Corporate structure
The facilitators will explain the proposed makeup of the Board.
 - *Are there groups that need to be considered for ex officio status on the Board?*
 - *Are there other models for Board membership that need to be considered?*
 - Membership
The facilitators will explain the proposal to combine the INELA and NELAC memberships.
 - *Are there any alternatives to this model?*
 - *If yes, what are the pros and cons to the alternatives?*
 - Personnel
The PPT agreed that the new Executive Director would be selected by the Board and that each key program could have a program director (staff, contract or volunteer). The Board will determine how to manage the program directors.
 - *Are there any alternatives to having program directors?*
 - *Are there any alternatives to having the Board select the program directors and having the program directors report to the Board?*
 - *If there are alternatives, what are the pros and cons to the alternatives?*
-

Part 4: Continuation of Essential Functions 45 minutes

- Functions
The PPT believes that all issues related to interim functioning of both organizations have been considered
Essential functions for both organizations include:
 - *NELAC Functions*
 - *AA mutual recognition*
 - *AA accreditation of labs to the national standard*
 - *A2LA continuing as PTOB*
 - *All EPA cooperative agreement work continues*
 - *INELA Functions*
 - *INELA standards development continues*
 - *INELA continues essential business operations*
 - *All EPA cooperative agreement work continues*
- Transition plan
The transition plan calls for forming a transition Board and then moving functions to the new organization in an orderly manner. We believe we have a plan to cover all alternatives. If there is an appeal of an accreditation decision, it will go to the state. If there is a complaint about an AA, the AARB will investigate within the constraints of policy

ATTACHMENT B
Summary of Comments from the Kansas Meeting

- *Are there any other transition issues the NELAC Board should consider?*
- *Is there an alternative to forming a transition Board and migrating the functions?*
- *If yes, what are the pros and cons to those alternatives?*

- **Name**

There are three options for the name of the new organization. Vote for one:

- *Association for National Environmental Laboratory Accreditation (ANELA)*
- *American Society for Environmental Laboratory Accreditation (ASELA)*
- *National Environmental Laboratory Accreditation Association (NELAA)*

- **Communication**

The presentation summarized our communication plan.

- *What other communication strategies do you suggest?*

DESCRIPTION OF THE NELAC INSTITUTE

Environmental Division

Introduction and Summary

This document describes the organizational structure, governance and operation of all Boards, committees, and related groups as well as summarizing the key programs and key staff.

The document is organized into the following sections:

1. Board of Directors
2. Organization Administration
3. Advocacy Program
4. Technical Assistance Program
5. National Environmental Laboratory Accreditation Program
6. Policy Committee
7. Laboratory Accreditation System Program
8. Proficiency Testing Program
9. Consensus Standards Development Program

For each section, this document provides key assumptions used in developing the governance for the particular activity described, provides the organizational structure and duties for the activity.

General Principles

The proposed organization consists of programs that are working together towards a common vision. Each program has the authority to establish policies and procedures for the program, make decisions, and operate somewhat independently, with the following restrictions:

- All policies will be reviewed by the Policy Committee to ensure policies from different programs are not in conflict with each other.
- All policies will be reviewed by the Board of Directors to ensure the policy does not create a program that cannot be funded or puts the organization at risk.
- The reviews above will be used to provide feedback to the program, and as appropriate, each program will address any issues raised by the Policy committee and the Board of Directors before implementing the policy.
- Each program will provide an annual report to the Board of Directors as to progress achieved towards the goal of the program. The Board of Directors will provide feedback to the program.

With this independence, there is however an expectation that the various groups described in this document will work together in areas of common interest. For example, the Consensus Standards Development Program is expected to work with the National Environmental Laboratory Accreditation Program (NELAP) to ensure that standards are being developed that can be used by NELAP.

The phrase “adopt” is used throughout this document to imply that a particular group has accepted the work product (e.g., a standard, a policy, a checklist, PT limits) from another program for use within their program. This language is not meant to imply that the group who did not develop the information has any authority to change the work product. Rather, it is meant to imply the group needing the work product would approve for adoption or remand back to the developing group with identification of specific issues that would preclude implementation. It would then be up to the group that developed this information to decide on the course of action.

ATTACHMENT C

Proposed Organizational Structure and Programs

In several places the term “balanced representation” is used. At a minimum, balance means that no stakeholder group is in a position of dominance. For the purposes of this document, the following stakeholder groups were identified:

- Accrediting authorities and other government agencies that operate environmental accreditation programs (federal or state),
- Accredited labs (commercial, municipal, state, & federal), and
- All others (consultants, PT providers, non-accredited labs, state & federal agencies that do not run environmental accreditation programs, etc.).

Ideally, the minimum requirement would provide a true balance of stakeholder interests, where representatives from these major groups as well as all of the sub-categories are equally represented. For example, a balanced committee of 8 individuals could have one individual from:

1. NELAP Accrediting Authority
2. State that is not a NELAP Accrediting Authority
3. Federal Agency
4. Commercial Laboratory
5. Municipal Laboratory
6. State Laboratory
7. PT Provider
8. Consultant

In this example, not only does no stakeholder group have dominance, all stakeholders are equally represented.

The descriptions that follow frequently use the term “ex officio.” In all cases this is meant to imply an individual that participates on the group in a non-voting capacity.

Note: The descriptions that follow are only a starting point for discussion. Further details about each program are to be established by the program upon formation of the group that is proposed after the organizations have combined.

ATTACHMENT C
Proposed Organizational Structure and Programs

Board of Directors

Key Assumptions

1. Open, inclusive, transparent
2. Representation of all affected stakeholders, with emphasis on those most affected:
 - Accreditors, and
 - Accredited laboratories

Description

The purpose of this group is to provide the overall direction and management of The NELAC Institute.

Structure

1. Board of Directors
2. Standing Committees
 - a. Nominating
 - b. Financial Audit
3. Executive Director, staff and administrative committees

Composition of the Board of Directors

The Board of Directors shall have ten (10) to eighteen (18) Directors with at least three (3) Directors representing NELAP-recognized Accrediting Authorities, at least three (3) Directors representing accredited laboratories, and other Directors representing other interests such as: non-NELAP states, federal agencies, Proficiency Test (PT) providers and data users.

Duties of the Board of Directors

The Board of Directors –

- supervises, controls and directs the business affairs of The NELAC Institute by:
 - actively pursuing its mission.
 - managing the budget.
 - adopting policies and rules.
 - appointing agents to assist with the above activities.
- performs the following activities to support each core program of the organization:
 - When appropriate, assigns a Program Administrator and determines the level of activity for this individual.
 - Reviews and approves an annual budget for the program.
 - Evaluate how well the program are achieving their goals.

Unless it is specifically stated otherwise in the PPT report, the Board of Directors will not direct the activities of any core program. For example, the Board of Directors will not change a consensus standard adopted by an Expert Committee, change an acceptance limit established by the PT Board, or overturn a decision by the NELAC Board.

ATTACHMENT C
Proposed Organizational Structure and Programs

Organization Administration

Key Assumptions

- Open, inclusive, transparent

Description

The purpose of this program is to provide administrative services to The NELAC Institute.

Structure

1. Executive Director, hired by the Board of Directors
2. Conference Planning Committee: Assist with the program, site selection, date, location, registration fees, etc for the Annual Meeting(s).
3. Staff, hired by the Executive Director
 - a. Meeting Planner
 - b. Project Leader
 - c. Webmaster
 - d. Clerical
 - e. Accounting (outsourced)
 - f. Other as needed and budgeted for (e.g., legal)

Duties of the Executive Director

Under the general direction of the Board of Directors, the Executive Director has day-to-day responsibility for The NELAC Institute, including carrying out The NELAC Institute's goals and Board policy. The Executive Director will attend all Board meetings, report on the progress of the NELAC Institute, answer questions of Board members and carry out other duties as designated by the Board. The Executive Director is responsible for the organization's consistent achievement of its mission and financial objectives.

In program development and administration, the Executive Director will:

1. Assure that the organization has a long-range strategy, which achieves its mission, and toward which it makes consistent and timely progress.
2. Provide leadership in developing program, organizational, and financial plans with the Board of Directors and staff, and carry out plans and policies authorized by the Board.
3. Promote active and broad participation by volunteers in all areas of the organization's work.
4. Maintain official records and documents, and ensure compliance with federal, state and local regulations.
5. Maintain a working knowledge of significant developments and trends in the field.

In communications, the Executive Director will:

1. See that the Board is kept fully informed on the condition of the organization and all important factors influencing it.
2. Publicize the activities of the organization, its programs, and goals.

ATTACHMENT C
Proposed Organizational Structure and Programs

3. Establish sound working relationships and cooperative arrangements with other interested groups and organizations.
4. Represent the programs and point of view of the organization to agencies, organizations and the general public.

In relations with staff, the Executive Director will:

1. Be responsible for staffing and staff management.
2. Ensure that job descriptions are developed, regular performance evaluations are held, and sound human resource practices are in place.
3. See that an effective management team, with appropriate provision for succession, is in place.
4. Encourage staff and volunteer development and education, and assist program staff in relating their specialized work to the total program of the organization.
5. Maintain a climate that attracts, keeps and motivates a diverse staff of top quality people.

In budget and finance, the Executive Director will:

1. Be responsible for developing and maintaining sound financial practices.
2. Work with the Board in preparing a budget and ensure that the organization operates within budget guidelines.
3. Ensure that adequate funds are available to permit the organization to carry out its work.
4. Jointly, with the Chair and Secretary of the Board of Directors, conduct official correspondence of the organization, and jointly, with designated officers, execute legal documents.

ATTACHMENT C
Proposed Organizational Structure and Programs

Advocacy Program

Key Assumptions

- Open, inclusive, transparent

Program Description

The purpose of this program is to promote a national program for the accreditation of environmental laboratories.

Structure

1. Advocacy Committee with sub-committees:
 - a. Speaker's Bureau
 - b. Other committees, task forces and ad-hoc groups as needed

Composition of the Advocacy Committee

The Vice-Chair of The NELAC Institute will chair this committee. At least two (2) other Directors shall be members of the committee.

Duties of the Advocacy Committee

- Establish relationships with other organizations (e.g., ACIL, AWWA, WEF) that have an interest in accreditation issues.
- Establish relationships with EPA program offices.

Duties of the Speakers' Bureau

- Develop presentations and papers to promote national accreditation.
- Develop presentations and papers to promote The NELAC Institute.
- Provide outreach at national, regional and local meetings.
- Assist with publication of the member newsletter.

ATTACHMENT C
Proposed Organizational Structure and Programs

Technical Assistance Program

Key Assumptions

- Open, inclusive, transparent

Program Description

The purpose of this program is to provide assistance to stakeholders, particularly those seeking accreditation and those who accredit.

Structure

1. Program Administrator, appointed by the Board
2. Technical Assistance Committee
 - a. Website Committee
 - b. Other subcommittees as needed

Composition of the Technical Assistance Committee

The Technical Assistance Committee is an unrestricted committee that has members who have the interest and skill set in working on this committee.

Duties of the Technical Assistance Committee

- Develop tools and templates to assist laboratories and accreditation bodies with implementing accreditation programs.
- Ensure that training programs relevant to the needs of the stakeholder community are provided.
- Ensure that laboratory assessors have a forum to discuss common issues.
- Develop a mentoring program to assist both laboratories and accreditation bodies with implementing accreditation programs.

Composition of the Website Committee

The Website Committee is an unrestricted committee that has members who have the interest and skill set in working on this committee.

Note: The Webmaster of The NELAC Institute shall be an ex officio member of the Website committee.

Duties of the Website Committee

- Provide recommendations as to the design and content of the website.

Duties of the Program Administrator

- Ensure that policies and decisions of The NELAC Institute as they relate to this program are implemented.
- Assist the Technical Assistance Committee and subcommittees in achieving their goals.

ATTACHMENT C
Proposed Organizational Structure and Programs

- Ensure publication of information relating to the program.
- Obtain input to be used for preparation of an annual budget for the program.
- Perform other such duties as may be assigned by the Board of Directors.

The Program Administrator shall be an ex officio member of all committees in this program area. If the Program Administrator is not a staffed position, these duties will be performed by a volunteer designated by the Board of Directors.

ATTACHMENT C
Proposed Organizational Structure and Programs

National Environmental Laboratory Accreditation Program (NELAP)

Key Assumptions

- Open and transparent
- Membership restricted to Accrediting Authorities

Description

The purpose of this program is to establish and implement a program for the accreditation of environmental laboratories. The primary components of this program are:

- The recognition of Accrediting Authorities,
- The adoption of acceptance limits for proficiency testing developed by the PT Board, and
- The adoption of the laboratory accreditation system developed by the Laboratory Accreditation Committee (LAC).

As such, the NELAP Board proposed for the management of this program would be responsible for ensuring the successful implementation of the program. To ensure that the program is implemented effectively and to address the needs of the stakeholder community, the NELAP Board is expected to work in cooperation with other key committees within TNI. Specifically, the NELAP Board:

- Will work with the Laboratory Accreditation Committee in the development of the laboratory accreditation system,
- Will work with the Consensus Standards Development Program to ensure that accreditation standards developed for use for this program are suitable for use, and
- Will work with the PT Board to ensure that the PT acceptance limits developed by the PT Board are suitable for use.

Structure

1. NELAP Board
2. Program Administrator, appointed by the Board of Directors
3. Committees, task forces and ad-hoc groups as needed

Composition of the NELAP Board

1. One Representative and one Alternate from each NELAP-recognized Accrediting Authority
2. Each Representative and Alternate is selected by the Accrediting Authority (AA)
3. A Chairperson selected by the Representatives of the NELAP Board

Duties of the NELAP Board

The NELAP Board shall have final authority for implementation of the program for the accreditation of environmental laboratories to include the following:

- Review and approve applications from prospective accreditation bodies to become NELAP-recognized AAs.
- Periodically review all NELAP-recognized AAs to ensure their conformance to the requirements for AAs established by this organization.

ATTACHMENT C

Proposed Organizational Structure and Programs

- Provide a recommendation to the TNI Board of Directors for a contractor to serve as an accreditor of PT Providers.
- Adopt acceptance limits for proficiency testing developed by the PT Board.
- Adopt the Laboratory Accreditation System for use in the program.
 - Review recommendations from the LAC to include new standards into the NELAP program and either approve for adoption or remand to the LAC with identification of specific issues that would preclude implementation of the standard as a result of incompatibility with existing statute or regulatory requirements that could not appropriately be changed before an AA implemented the standard.
 - Adopt policies and procedures for the Laboratory Accreditation System that are developed by the LAC.

Other duties and responsibilities are:

- Receive complaints and direct to proper body for action.
- Ensure consistency of application of the standard by NELAP AAs.
 - Receive complaints and direct to proper body for action.
 - Ensure consistency of application of the standard by NELAP AAs.

Duties of the Program Administrator

- Ensure that policies and decisions of The NELAC Institute as they relate to this program are implemented.
- Assist the NELAP Board and subcommittees in achieving their goals.
- Ensure publication of information relating to the program.
- Obtain input to be used for preparation of an annual budget for the program.
- Perform other such duties as may be assigned by the Board of Directors.

The Program Administrator shall be an ex officio member of all committees in this program area. If the Program Administrator is not a staffed position, these duties will be performed by a volunteer designated by the Board of Directors.

ATTACHMENT C
Proposed Organizational Structure and Programs

Policy Committee

Key Assumptions

- Open, inclusive, transparent
- Consensus process used

Description

Under the direction of the Board of Directors, the committee will serve as a resource for the development of policies.

Structure

1. Policy Committee
 - Other sub-committees, task forces, and ad-hoc groups as needed

Composition of the Policy Committee

The Policy Committee shall consist of one member from each program, one member of the Board of Directors and one at-large member.

Duties of the Policy Committee

- Serve as a resource for the development of policies.
- Review policies from all programs for conformity with respect to style and for consistency with one another and with the overall mission of The NELAC Institute. The Policy Committee may forward a program policy to the TNI Board or may return the program policy to the originating program for additional work.
- Develop general policies for The NELAC Institute (e.g., travel reimbursement, purchasing, conflict of interest, etc.).
- Review and evaluate requests for policies received from the membership and others and provide a recommendation to the Board.

Note: After review for organizational impact (e.g., legal, fiscal or credibility issues), the TNI Board will confirm all policies for final adoption and use by the program.

ATTACHMENT C
Proposed Organizational Structure and Programs

Laboratory Accreditation System Program

Key Assumptions

- Open, inclusive, transparent
- Consensus process used

Description

The purpose of this program is to develop a system for the accreditation of environmental laboratories that consists of the policies and procedures, interpretations, guidance documents, and any related tools (e.g., checklists and SOPs for assessments, etc.) used by accrediting authorities to implement a national environmental laboratory accreditation program.

To ensure that the program is implemented effectively and to address the needs of the stakeholder community, the Laboratory Accreditation Committee (LAC) is expected to work in cooperation with other key committees within TNI. Specifically, the LAC:

- Will work with the NELAP Board and the PT Board in the development of the laboratory accreditation system, and
- Will seek the assistance of the Expert Committees when developing guidance.

In addition to developing the laboratory accreditation system, this program is also responsible for establishing a national database of accredited laboratories.

Structure

1. Laboratory Accreditation Committee with balanced representation to include the following subcommittees:
 - a. National database subcommittee
 - b. Non-NELAP State subcommittee
 - c. Other sub-committees, task forces, and ad-hoc groups as needed.
2. Program Administrator appointed by the TNI Board

Composition of the Laboratory Accreditation Committee

- The Laboratory Accreditation Committee will consist of 7 to 15 members with balanced representation. In forming this committee the following stakeholder interests should be included:
 - NELAP-AA
 - NELAP accredited laboratory
 - Non-NELAP AA
 - EPA appointed representative
 - Non-EPA federal agency that is actively engaged in environmental programs
 - Non-NELAP accredited laboratory
 - PT Provider

Duties of Committee

- Working in cooperation with the NELAP Board and the PT Board, develop the Laboratory Accreditation System as defined above.
- Design and provide oversight of the national database of accredited laboratories.

ATTACHMENT C

Proposed Organizational Structure and Programs

The LAC, working closely with the other committees, will need to establish the specific details for how to accomplish these duties.

Duties of the Program Administrator

- Ensure that policies and decisions of The NELAC Institute, as they relate to this program, are implemented.
- Assist the Laboratory Accreditation Committee and subcommittees in achieving their goals.
- Ensure publication of information relating to the program.
- Obtain input to be used for preparation of an annual budget for the program.
- Perform other such duties as may be assigned by the Board of Directors.

The Program Administrator shall be an ex officio member of all committees in this program area. If the Program Administrator is not a staffed position, these duties will be performed by a volunteer designated by the Board of Directors.

ATTACHMENT C
Proposed Organizational Structure and Programs

Proficiency Test (PT) Program

Key Assumptions

- Open, inclusive, transparent

Description

The purpose is to ensure that an effective PT program exists to support a national environmental accreditation program.

Structure

1. PT Board
 - a. Other committees, task forces, and ad-hoc groups as needed
2. Program Administrator appointed by the Board of Directors

Composition of the PT Board:

The PT Board will consist of five (5) to ten (10) members with at least one representative from each of the following groups, insofar as practical/possible:

1. NELAP AAs
2. Non-NELAP state
3. At least one EPA appointed representative
4. At least one representative from a non-EPA federal agency who is actively engaged in environmental programs
5. Accredited Laboratory

Note: At least one member shall be a member of the Proficiency Testing expert committee.

Duties of the PT Board

- Provide assistance to the Board of Directors on the selection of PTOB/PTPA(s).
- Monitor the PTOB/PTPA(s) to assure that they are following the requirements set forth by the organization.
- Facilitate an annual caucus on proficiency testing.
- Review and evaluate PT data for the purpose of determining the appropriateness of proficiency test study limits.
- Provide recommendations to the NELAP Board as to acceptance limits.
- Form subcommittees as needed to perform these functions.

ATTACHMENT C
Proposed Organizational Structure and Programs

Duties of the Program Administrator

- Ensure that policies and decisions of The NELAC Institute as they relate to this program are implemented.
- Assist the PT Board and subcommittees in achieving their goals.
- Ensure publication of information relating to the program.
- Obtain input to be used for preparation of an annual budget for the program.
- Perform other such duties as may be assigned by the Board of Directors.

The Program Administrator shall be an ex officio member of all committees in this program area. If the Program Administrator is not a staffed position, these duties will be performed by a volunteer designated by the Board of Directors.

ATTACHMENT C
Proposed Organizational Structure and Programs

Consensus Standards Development Program

Key Assumptions

1. Open, inclusive, transparent
2. Consensus process used

Program Description

The purpose of this program is to develop standards for the accreditation of environmental laboratories. This group has a support role in assisting the Laboratory Accreditation Committee in developing the laboratory accreditation system.

Structure

1. Standards Development Coordination Committee
 - a. Accreditation Body
 - b. Field Activities
 - c. On-site Assessment
 - d. Proficiency Testing
 - e. Quality Systems
 - f. Other expert committees, subcommittees, task forces and ad-hoc groups as needed
2. Program Administrator appointed by the Board

Composition of the Standards Development Coordination Committee

The committee will consist of five (5) to ten (10) members with one representative from each Expert Committee plus additional At-Large members representing other interests. At least one member should be a member of a NELAP-recognized Accrediting Authority.

Duties of the Standards Development Coordination Committee

- Guide the program in its primary mission for developing and maintaining standards.
- Define roles and responsibilities, as appropriate, for the Expert Committees.
- Provide oversight of the Expert Committees.
- Authorize other task forces and study groups as necessary.
- Annually review the work of all committees.
- Ensure that the process for standards development and adoption conforms to the requirements established by The NELAC Institute.

Duties of the Program Administrator

- Ensure that policies and decisions of The NELAC Institute as they relate to this program are implemented.
- Assist the Standards Development Coordination Committee, Expert Committees and other subcommittees in achieving their goals.
- Ensure publication of information relating to the program.

ATTACHMENT C
Proposed Organizational Structure and Programs

- Obtain input to be used for preparation of an annual budget for the program.
- Perform other such duties as may be assigned by the Board of Directors.

The Program Administrator shall be an ex officio member of all committees in this program area. If the Program Administrator is not a staffed position, these duties will be performed by a volunteer designated by the Board of Directors.

ATTACHMENT C
Proposed Organizational Structure and Programs

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ATTACHMENT D
Proposed Memorandum of Understanding between NELAC and TNI

Memorandum of Understanding
November 6, 2006

The NELAC Institute

**National Environmental Laboratory
and Accreditation Conference (NELAC)**

Whereas, The NELAC Institute is a 501(c)(3) non-profit organization whose mission is to foster the generation of environmental data of known and documented quality through an open, inclusive and transparent process that is responsive to the needs of the community; and,

Whereas, NELAC is a voluntary association of State and Federal agencies with full opportunity for input from the private sector that has a vision for the future of a true national program where all entities involved in the generation of environmental measurement data within the United States are accredited to one set of uniform, rigorous, and robust requirements, that is implemented consistently nationwide and focuses on the technical competence of the entity pursuing accreditation; and,

Whereas, The NELAC Institute has agreed to assume the functions performed by NELAC (to include NELAP); and,

Whereas, NELAC expresses confidence that The NELAC Institute will be able to fully perform the activities of NELAC.

Therefore be it resolved:

The NELAC Institute will move as quickly as possible to ensure all activities needed by NELAC are being performed; and,

NELAC will suspend all activities except for those that are not being performed by The NELAC Institute and will fully cease operation whenever all of these activities are fully being performed by The NELAC Institute.

Until The NELAC Institute assumes all operations of NELAC, neither organization will make any material changes affecting its organization, its leadership, or financial commitments without fully informing the other in advance.

Ratified this 6th Day of November, 2006 by:

The NELAC Institute

NELAC

ATTACHMENT D
Proposed Memorandum of Understanding between NELAC and TNI

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ATTACHMENT E
Key Assets that Require Protection

| Asset | Recommended Approach |
|---|---------------------------------|
| INELA | |
| 1. Foundational Organizational Documents | |
| a) Texas Articles of Incorporation | Change name on TX SOS system |
| b) IRS recognition as a non-profit | Need legal advice |
| c) State of Texas recognition as a non-profit | Need legal advice |
| 2. Contracts and Grants | |
| a) EPA Cooperative Agreement for standards development | Talk to Lara and Grants Officer |
| b) EPA Cooperative Agreement for NEMC | Talk to Lara and Grants Officer |
| c) Texas grant for training workshops | Talk to Steve Stubbs |
| d) Personnel contracts | Jerry to make modifications |
| e) Agreements with subcontractors | Jerry to make modifications |
| f) Hotel contracts | Jerry to make modifications |
| 3. Banking | |
| a) Bank account number | Jerry talk to bank |
| b) Checks | Decision contingent on 3(a) |
| c) Merchant account (Visa, etc.) | Decision contingent on 3(a) |
| d) ACH (Automated Clearing House: a system the federal government uses for direct deposits) | Decision contingent on 3(a) |
| e) Direct deposits from state governments | Decision contingent on 3(a) |
| 4. Other Government Issues | |
| a) CCR (Central Contractor Registration: another federal government requirement) | Jerry to make modifications |
| b) State contractor registrations | Jerry to make modifications |
| c) Dun and Bradstreet number | Need legal advice |
| d) Indirect cost rate with the Department of Interior | Jerry notify Elena Chan |
| 5. Other | |
| a) ANSI accreditation | Jerry talk to ANSI |
| b) Insurance | Need help from NFSTC or others |
| c) Vendor agreements | Jerry to make modifications |
| d) FedEx account number | Jerry to make modifications |
| NELAC | |
| a) Recognition of A2LA as a PTOB | Sign MOU with A2LA |

ATTACHMENT E
Key Assets that Require Protection

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Assumptions and Approach Used in Developing Bylaws

This brief introduction summarizes the efforts of the PPT in developing the Bylaws that follow. All text in *italics* is from Robert's Rules of Order (RRO).

Hierarchy of Rules

An organized society requires certain rules to establish its basic structure and manner of operation. Experience has shown that some of the rules should be more difficult to change than others. RRO suggests a hierarchy of rules:

- Articles of Incorporation,
- Bylaws and
- Policies.

The TNI Articles of Incorporation have 3 basic rules:

1. The organization is a member organization.
2. The organization is managed by a Board of Directors.
3. Upon dissolution, any assets will be used for the public good.

The Bylaws cannot have anything in conflict with the three above rules.

Constitution and Bylaws: General

The Bylaws contain basic rules relating to the organization, rather than parliamentary procedure. It is now the recommended practice that all of the rules of this kind be combined into a single document call the bylaws. It was formerly a common practice to divide the rules into two documents in order that one of them, the constitution, might be made more difficult to amend. In such as case, the constitution would generally contain Name, Object, Members, Officers, and Meetings, leaving additional details to the bylaws. Unless the constitution is made more difficult to amend, no purpose is served by separating these two sets of rules. The bylaws contain whatever limitations are placed on the members.

Some rules can be in policies, as long as the bylaws give the Board or committee the authority to do so.

In reviewing RRO and a number of other non-profit bylaws, although an organization has considerable flexibility in the organization and content, the following sections (articles) are essentially required to exist:

- Name
- Object (also called Purpose, Mission)
- Members
- Board of Directors
- Officers
- Meetings
- Committees
- Parliamentary Authority
- Amendments

ATTACHMENT F
Proposed Bylaws

Other articles can be included as needed. The PPT included all of the articles above in the proposed TNI bylaws, and then added an Indemnification article and General Provisions article. These two articles were found in several of the other non-profit organization bylaws examined.

Limitations of Membership

As discussed in RRO, the primary purpose of Bylaws is to contain whatever limitations are placed on the members. The PPT, in the development of the Bylaws, decided that the following limitations should be placed on the membership as a whole:

- who the members are,
- the composition of Board of Directors,
- who the officers are and their duties, and
- what core programs would be provided by the organization.

Therefore, in the proposed Bylaws, these items have some level of detail and specificity.

Discussion of Proposed Bylaws by Article

Articles I and II: Name and Purpose

These two articles are the name and mission.

Article III: Members

This article is written to allow only Individual Members, defined as an individual interested in participating and who pays a membership fee, to vote, serve on committees, or serve on the Board. The Bylaws then allow organizations to participate and name a prescribed number of Individual Members who will have the same voting privileges as any other individual member. This article allows the Board to define categories of non-voting membership. This clause was added primarily to allow for the Affiliate Member of an Expert committee, a person who is not an Individual Member, but was asked to participate on the committee because of specialized knowledge. This article then contains some standard language relating to termination of membership.

Article IV: Board of Directors

The Board may have as few as 10 or as many as 18 Directors. This flexibility allow the Board to function in the case of Directors who resign, or if not enough candidates can be found. The PPT recommends that the Board contain 16-18 Directors at all times. The Bylaws are very specific in specifying that at least 3 Directors must be from those most directly affected, accrediting authorities and laboratories. Note that the Board may have more of each of these groups. Also, the word laboratory implies any accredited laboratory: commercial, municipal, state, or federal. For the other stakeholder groups (e.g., other states, EPA, DOD, PT Providers) the section does not have a requirement, as the PPT believes this would be too much specificity in the Bylaws and might result in a situation where a Director is required but none can be found to serve.

ATTACHMENT F Proposed Bylaws

Section 2 of this article confirms, as in the Articles of Incorporation, that the Board manages the organization. Section 3 discusses the election of Directors. A nominating committee will develop a slate of candidates for election and then every Individual Member would have the opportunity to vote. Write in candidates would be allowed.

This article contains a number of exceptions to allow for the formation of the proposed Transition Board. These exceptions are required because some items like election and terms could not occur as proposed.

Section 7 contains the requirement for a quorum. The PPT considered 50%, 75% and a majority of the Board as the requirement for a quorum. After seeking advice from the parliamentarian, the PPT is recommending the quorum be a majority of the Directors.

The other sections relate to the operation of the Board and were written to provide flexibility. Section 13 allows the organization to reimburse Directors for items such as travel expenses and also allows Directors to receive compensation for work performed for the organization that is not related to their role as a Director. For example this clause would allow for an individual who provides a training course under a subcontract agreement to also serve as a Director, provided the individual was not involved in the selection process.

Article V: Officers

Four officers would be elected each year, the Chair, Vice-Chair, Secretary and Treasurer. The Past-Chair, defined as the most recent past Chair willing to serve, would be a non-elected officer. Although elections will be held each year, a person could be re-elected to the same office. All officers must be Directors, except for the Past-Chair. This exception was needed in case the “most recent past Chair willing to serve” is not a Director. The PPT believes these officers should be elected by the Board as the Board may have knowledge that is generally available as to what Director is best suited for a particular position.

Article VI: Core Programs

This article was added to codify into the Bylaws the core programs described in Attachment C and the underlying principles surrounding those programs. This language ensures the continued existence of the programs as described in Attachment C unless overruled by a vote of 2/3 of the Board of Directors, something that could not be easily done, but could be if the need really developed.

Article VII: Committees

This article allows the Chair (with Board participation) to appoint any committee that is needed, and to appoint the members of the committee “unless otherwise specified.” This clause will allow the Chair to get every committee up and running quickly, and then policies can be used thereafter. Attachment G of the PPT report describes how these committee appointments would be made in the future.

This article does describe two standing committees, the Executive Committee and a Financial Audit committee. Because the proposed Bylaws allow for a large Board of Directors, a smaller group is needed to work with the Executive Director on managing the day-to-day issues of the organization. As proposed, this would be the 5 officers plus 2 other individuals.

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Although a third committee is discussed in the Bylaws, the Nominating Committee, it is not discussed here.

Articles VII: Business Meetings

This article is focused on meetings of the organization that are on the “business” of the organization. To ensure that this article did not get confused with the other meetings of TNI, the word “business” was added. The PPT believes the organization should have at least one such meeting a year, but the article has a provision to not require this to occur.

The last sentence in Section 1 of this article allows a member to make a motion on virtually any topic. That language, combined with the low quorum requirement, could allow a special interest group to try and make a significant change to the organization’s mission or governance. The PPT believes this language is needed to allow members the opportunity to fully participate and believes the language in Article XI is adequate to withstand a challenge from a special interest group. This language was discussed in detail with a registered parliamentarian.

Articles VIII: Indemnification

According to the attorney who reviewed the proposed language, this article is not needed because Texas law has excellent protection for Directors of non-profit organizations, but is useful to reassure potential Directors. In legal terms, this language protects Directors and Officers who perform their role appropriately (participate in meetings, read materials provided, and use judgment in making decisions), but does not require TNI to protect someone who breaks the law.

Article IX: Parliamentary Authority

This article references RRO for anything not specifically discussed. For example, the ballot procedure in Article IV is not discussed further. RRO allows different ways for the election of Directors, including the use of a ballot. By specifying the ballot procedure, then all of the other stipulations in RRO (e.g., allowing write-in candidates) are covered without having to restate them.

Article X: General Provisions

This article is a place to put anything else that did not fit elsewhere. Section 1 shows that the Executive Director works for the Board and performs administrative functions. Section 2 is language the Internal Revenue Service likes to see to ensure that Directors do not profit from their participation. Sections 3 and 4 are just to document some administrative details.

Article XI: Amendments

Because the Bylaws are the primary source of rules for the organization, and because these proposed Bylaws reflect the desires of a broad stakeholder group, the parliamentarian indicated they should be hard to change by any group, and especially a special interest group. Thus, as in most of the other non-profit organization bylaws reviewed, only the Board has the authority to amend the Bylaws.

**THE NELAC INSTITUTE
BYLAWS**

ARTICLE I — NAME

The name of this corporation is The NELAC Institute.

ARTICLE II — PURPOSE

The NELAC Institute is organized and shall be operated exclusively for scientific and research purposes as defined under section 501(c)3 of the Internal Revenue Code. More specifically, the purpose of The NELAC Institute is to foster the generation of environmental data of known and documented quality through an open, inclusive, and transparent process that is responsive to the needs of the community.

ARTICLE III — MEMBERSHIP

Section 1 – Membership:

Membership in The NELAC Institute is open to all individuals or organizations meeting the eligibility and membership application requirements of these Bylaws.

Section 2 – Categories:

There are three categories of membership:

- Individual (voting),
- Organizational (non-voting), and
- Non-voting.

Section 3 – Individual Membership:

(A) Eligibility

Individuals eligible for membership include any individual who has an interest in laboratory or other environmental accreditation issues in the private, public or academic sectors. The Board of Directors shall establish membership fees.

(B) Privileges

Individual Members are entitled to all the privileges of membership in The NELAC Institute. Individual Members may vote and serve on the Board of Directors and committees. Each Individual Member shall be entitled to one (1) vote on issues presented by the Board of Directors for membership vote.

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Section 4 – Organizational Membership:

(A) Eligibility

Organizations eligible for membership include any corporation, academic institution or governmental agency. The Board of Directors shall establish the levels of organizational membership and the number of Individual Members associated with each level.

(B) Privileges

An Organizational Member may name Individual Members (as defined in Article III, Section 3) based on the level of organizational participation.

Section 5 – Non-Voting Membership:

The Board of Directors shall have the authority to establish and define non-voting categories of membership.

Section 6 – Termination of Membership:

Failure of any member to pay the annual dues within such time, and after such notice as the Board of Directors may set, shall constitute a termination of membership.

Section 7 – Expulsion and Suspension:

The Board of Directors may, by the affirmative vote of not less than two-thirds of the Directors, expel any member who violated or refused to comply with any of the provisions of the Articles of Incorporation, the Bylaws, the Code of Ethics, or any other rules that have been adopted by the Board of Directors.

Any member so expelled shall have the right to appeal the expulsion to the Board in person or in writing at the next annual or special meeting of The NELAC Institute. Any individual so expelled may be reinstated by the affirmative vote of not less than three-fourths of the Board of Directors. The action of the Board of Directors with any such reinstatement shall be final.

ARTICLE IV — BOARD OF DIRECTORS

Section 1 – Composition:

Except for the initial Board, the Board of Directors shall consist of no fewer than ten (10) or more than eighteen (18) members. The Directors shall be chosen, insofar as possible, to represent the varied interests and areas of expertise and competency that are of concern to The NELAC Institute. At least three (3) Directors shall be representatives of recognized Accrediting Authorities and at least three (3) Directors shall be representatives of accredited laboratories. Other Directors may include representation, to the extent practical, from all relevant stakeholder groups such as: states that are not Accrediting Authorities, federal agencies, Proficiency Testing (PT) providers, and data users. Except for the initial Board, no one stakeholder group shall have a majority on the Board. Ex officio (non-voting) Directors may be appointed by the Board of Directors.

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Section 2 – Duties:

The Board of Directors shall have supervision, control, and direction of the affairs of The NELAC Institute; shall determine its policies or changes within the limits of the law or the Bylaws and Articles of Incorporation; shall actively pursue its mission; and shall have discretion in the disbursement of its funds. It may adopt such rules for the conduct of its business as shall be deemed advisable, and may, in the execution of the powers granted, appoint such agents as it may consider necessary. The Board of Directors shall not have authority to supersede the authority of core programs, where such authority is defined in Article VI of these bylaws.

Section 3 – Election:

The Board of Directors shall appoint a Nominating Committee of at least three (3) Individual Members, who are knowledgeable about the business of The NELAC Institute, to develop a slate of candidates for election. Except for the Past Chair, none of the Members shall be a member of the existing Board. Directors will be elected during the last three months of the Calendar Year by electronic ballot of all registered Individual Members, except that the initial elected Board will be elected as soon as practical after these Bylaws are adopted.

Section 4 – Terms:

Except for the initial Board of Directors of The NELAC Institute, Directors shall be elected for terms not to exceed three (3) years, or until their successors are elected. Directors may serve additional terms of office.

Section 5 – Meeting:

The Board of Directors shall meet upon the call of the Chair at such times and places as he or she may designate, and shall be called to meet upon demand of a majority of its members. The Board of Directors shall adopt its own rules as to call and notice of meetings and other operational procedures.

Section 6 – Vacancy:

In the event of a vacancy of a Director, as a result of resignation or for any reason, the Board of Directors, by a vote of the majority of the remaining Directors, may appoint a new Director to fill such vacancy for the remainder of the term. To the degree possible, the Director filling the vacancy shall represent the same constituency as the Director who created the vacancy.

Section 7 – Quorum:

A quorum at any meeting of the Board of Directors shall be a majority of the entire Board. Any lesser number shall recess or adjourn until a quorum is present.

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Section 8 – Resignation:

Any Director may resign at any time by giving written notice of resignation to the Executive Director of The NELAC Institute. Any such resignation shall take effect at the time specified therein, or if such time is not so specified, immediately upon receipt by The NELAC Institute.

Section 9 – Removal of Directors:

A Director may be removed from the Board of Directors for cause, upon the affirmative vote of two-thirds of the Board of Directors. Such removal shall be effective at such time as the Board may determine. The notice of any meeting at which such action is contemplated shall contain a notice of the proposed removal and the Director whose status is being challenged shall be notified thereof in writing by the Chair at least thirty (30) days prior to such meeting. Removal shall occur only after the Director has been given notice and a reasonable opportunity for defense has been afforded.

Section 10 – Voting:

Each Director shall be entitled to one (1) vote on each matter submitted to a vote of the Directors. Unless otherwise provided by these Bylaws, a motion, resolution, or other proposal in order to be passed must receive the affirmative vote of a majority of the Directors. Any Director who was not present at a teleconference meeting of the Board of Directors will be given the opportunity to cast a electronic vote within seven (7) days of the teleconference in which the vote occurred.

Section 11 – Conflict of Interest:

A conflict of interest may exist where a Director is directly or indirectly a party to a transaction if the other party to the transaction is an entity in which the Director has a material financial interest or of which the Director is an officer, director or general partner. No Director may vote upon a matter coming before that body in which he or she has a conflict of interest. Immediately upon becoming aware that such a conflict may exist, a Director must disclose the existence of the potential conflict to the remaining Directors, withdraw from further deliberation on the issue, and refrain from voting on the matter. Any such disclosure and withdrawal shall be fully documented in the minutes of the meeting in which such discussion occurred.

Section 12 – Compensation:

Directors, as such, may receive reasonable compensation for actual expenses incurred when authorized by the Board of Directors. Such authorization may prescribe procedures for approval and payment of such expenses by designated officers of The NELAC Institute. Nothing herein shall preclude a Director from serving The NELAC Institute in any other capacity and receiving compensation for such services.

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ARTICLE V — OFFICERS

Section 1 – Officers:

The Officers shall be a Chair, Past-Chair, Vice-Chair, Secretary and Treasurer. Other Officers may be established by the Board of Directors¹.

Section 2 – Election and Term:

The Officers, with exception of the Past-Chair, shall be elected annually at the first meeting of the newly elected Board of Directors, from among its members. Each Officer shall serve until his or her successor is elected and qualified or until his or her death, resignation or removal.

Section 3 – Vacancies:

Any vacancy may be filled for the unexpired portion of the term by the Board of Directors at any special or regular meeting of the Board.

Section 4 – Removal:

The Board of Directors may remove any Officer whenever, in its judgment, the best interests of the organization would be served thereby. The removal of an Officer shall be without prejudice to the contract rights, if any, of the Officer so removed.

Section 5 – Chair:

The Chair shall be the presiding Officer of the Board of Directors and the annual meeting. The Chair shall perform all duties and may exercise all rights as are customary to the office of Chair and such other duties as may be prescribed by the Board or these Bylaws.

Section 6 – Vice-Chair:

The Vice-Chair shall have all the powers and perform all the duties of the Chair in the absence or incapacity of the Chair and shall perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

Section 7 – Past Chair:

The most recent Past-Chair willing to serve shall serve on the Board of Directors, and perform other duties as assigned by the Chair. The Past-Chair may serve in an ex officio (non-voting) capacity, if his or her term as a Director has expired.

¹ Until the initial election of Directors, there may be Co-Chairs instead of a Chair and Vice-Chair.

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Section 8 – Secretary:

The Secretary shall be the recording Officer of the organization and the custodian of its records, except those specifically assigned to others. The Secretary shall perform all duties duly given in accordance with the provisions these Bylaws or as required by law, and shall perform such other duties as may be assigned to such office by the Board of Directors.

Section 9 – Treasurer:

The Treasurer is the Officer entrusted with the custody of The NELAC Institute’s funds. He or she shall make a financial report annually or at the request of the Board of Directors. The Treasurer shall assist in the preparation of the budget, help develop fundraising plans, and make financial information available to Board members and the public.

Section 10 – Resignation of Officers:

Any Officer may resign at any time by giving written notice of resignation to The NELAC Institute. Any such resignation shall be in effect at the time specified therein, or if such time is not so specified, immediately upon its receipt by The NELAC Institute.

ARTICLE VI — CORE PROGRAMS

Section 1 – Core Programs and Purpose

(A) National Environmental Laboratory Accreditation Program (NELAP)

The purpose of the National Environmental Laboratory Accreditation Program is to establish and implement a program for the accreditation of environmental laboratories. The primary components of this program are:

- The recognition of Accrediting Authorities,
- The adoption of acceptance limits for proficiency testing developed in the Proficiency Testing (PT) Program, and
- The adoption of the laboratory accreditation system developed in the Laboratory Accreditation System Program (LASP).

The NELAP Board has final authority for implementation of the program for the accreditation of environmental laboratories. It develops the policies and procedures that govern the operation of this program, and is responsible for ensuring the successful implementation of the program. To ensure that the program is implemented effectively and to address the needs of the stakeholder community, the NELAP Board will work in cooperation with other core programs and committees within The NELAC Institute. Specifically the NELAP Board:

- Will work with the LASP in the development of the laboratory accreditation system,
- Will work with the Consensus Standards Development Program to ensure that accreditation standards developed for this program are suitable for use, and
- Will work with the PT Board to ensure that PT acceptance limits developed by the PT Board are acceptable for use.

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(B) Laboratory Accreditation System Program

The purpose of Laboratory Accreditation System Program (LASP) is to develop a system for the accreditation of environmental laboratories that consists of the policies and procedures, interpretations, guidance documents, and any related tools used by the accrediting authorities to implement a national environmental laboratory accreditation program.

To ensure that the program is implemented effectively and to address the needs of the stakeholder community, the LASP will work in cooperation with other core program within The NELAC Institute. Specifically, the LASP:

- Will work with the NELAP Board and the PT Program in the development of the laboratory accreditation system,
- Will work with the Consensus Standard Development Program to ensure that accreditation standards developed for this program are suitable for use, and
- Will seek the assistance of Expert Committees when developing guidance.

In addition to developing the laboratory accreditation system, this program is also responsible for establishing a national database of accredited laboratories.

(C) Proficiency Testing Program

The purpose of the Proficiency Testing Program is to ensure that an effective proficiency testing system exists to support the accreditation of environmental laboratories.

(D) Consensus Standards Development Program

The purpose of the Consensus Standards Development Program is to develop standards for the accreditation of environmental laboratories. This core program has a support role in assisting the LASP in developing the laboratory accreditation system.

Section 2 – Principles Governing Core Programs

The core programs work in cooperation towards a common vision. Each core program has the authority to establish policies and procedures for the program, make decisions, and operate independently with the exception of the following restrictions:

- All policies will be reviewed by the Board of Directors to ensure the policy does not create a program that cannot be funded or puts the organization at risk.
- All policies will be reviewed by the Policy Committee to ensure policies from different core programs are not in conflict with each other.
- The reviews above will be used to provide feedback to the core programs and, as appropriate, each core program will address any issues raised by the Board of Directors or the Policy Committee before implementing the policy.
- Each core program will provide an annual report to the Board of Directors describing progress towards the goal of the program.

The word “adopt” means that a core program has accepted the work product of another core program for use within its program. A core program does not have authority to change the work product of another

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core program, but it may return the work product to the core program that developed it with recommendations for changes. It will then be the responsibility of the core program that developed the work product to decide on the course of action.

“Balanced representation” as used within The NELAC Institute means that no stakeholder group is in a position of dominance. The following stakeholder groups are defined:

- Accrediting authorities and other governmental agencies that operate environmental accreditation programs (federal or state).
- Accredited laboratories (commercial, municipal, state & federal) and
- All others (consultants, PT providers, non-accredited laboratories, state & federal agencies that do not run accrediting programs, etc.).

ARTICLE VII — COMMITTEES

Section 1 – Committees:

A majority of the Board of Directors may appoint or authorize the Chair to establish such standing or special committees as deemed necessary to further the objectives of The NELAC Institute. Unless otherwise specified, the Chair, with the approval of the Board, will make all committee appointments

Section 2 – Executive Committee:

The Executive Committee shall consist of the Officers of The NELAC Institute and two other Directors appointed by the Chair. The members of the Executive Committee shall be appointed at the organizational meeting of the Board of Directors and shall serve terms of one year. In the event of a vacancy of an Executive Committee position, the Chair shall appoint a Director to serve the unexpired term.

All Executive Committee meetings shall convene and meet at the call of the Chair or the call of a majority of the members of the Executive Committee. Three (3) members of the Executive Committee shall constitute a quorum for the transaction of business.

The Executive Committee shall advise and aid the Executive Director in all matters concerning The NELAC Institute’s interest and the management of The NELAC Institute’s business.

Section 3 – Financial Audit Committee:

The NELAC Institute shall have a Financial Audit Committee of three (3) Individual Members appointed by the Chair whose duty shall be to perform an annual financial audit and report the results to the Board of Directors.

ARTICLE VIII — BUSINESS MEETINGS

Section 1 – Annual Business Meeting:

The annual business meeting of The NELAC Institute shall be held at such time and place as shall be designated by the Board of Directors. Failure to hold an annual meeting shall not work as a forfeiture or dissolution of The NELAC Institute. All meetings of The NELAC Institute are open to the public. Individual members may by majority vote, adopt recommendations for consideration by the Board of Directors and transact any other business that may properly come before the meeting.

Section 2 – Special Business Meetings:

Special business meetings may be called by the Chair, the Executive Committee, the Board of Directors, or upon written request signed by at least twenty-five (25) percent of the voting members. It shall thereupon be the duty of the Chair to determine the time and place, and to cause notice of such meeting to be given. Written, printed, or electronic mail notice stating the place, day, and hour of any meeting, and the purpose or purposes for which the meeting is called, shall be announced not less than ten (10) days before the date of the meeting.

Section 3 – Notice of Other Business Meetings:

Written, printed, or electronic mail notice stating the place, day, and hour of any other meeting and the purpose or purposes for which the meeting is called, shall be announced not less than thirty (30) days before the date of the meeting.

Section 4 – Voting:

Only Individual Members of The NELAC Institute, as stated in Article III, are entitled to vote at meetings of The NELAC Institute, and each member is entitled to one vote.

Section 5 – Quorum:

Fifty (50) members shall constitute a quorum.

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ARTICLE IX — INDEMNIFICATION

Section 1 – Mandatory Indemnification:

The NELAC Institute shall indemnify any Director or Officer or former Director or Officer of The NELAC Institute, or any person who while a Director or Officer of The NELAC Institute against reasonable expenses incurred by such person in connection with a proceeding in which such person is a named defendant or respondent because such person is or was a Director or Officer if such person has been wholly successful, on the merits or otherwise, in the defense of the proceeding.

Section 2 – Permissive Indemnification:

The NELAC Institute may indemnify any Director or Officer or former Director or Officer of The NELAC Institute against expenses actually and necessarily incurred by such person in connection with the defense of any action, suit or proceeding, whether civil or criminal, in which such person is made a party by reason of being or having been such Director or Officer, to the maximum extent allowed by the Texas Non-Profit Corporation Act and other applicable law.

Section 3 – Expenses Advanced:

The NELAC Institute may pay in advance any expenses which may become subject to indemnification in the manner provided by the Texas Non-Profit Corporation Act.

ARTICLE X — PARLIAMENTARY AUTHORITY

The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern in all cases to which they are applicable and consistent with these Bylaws, Articles of Incorporation, or any special rules of order the Board may adopt.

ARTICLE XI — GENERAL PROVISIONS

Section 1 – Executive Director:

The Board of Directors may hire an Executive Director as needed. The Executive Director has day-to-day responsibility for The NELAC Institute, including carrying out The NELAC Institute's goals and Board policy. The Executive Director will attend all Board meetings, report on the progress of The NELAC Institute, answer questions of Board members, and carry out other duties as designated by the Board. The Executive Director is an ex officio (non-voting) member of all committees.

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Section 2 – Rights, Patents, and Copyrights:

All rights, patents, copyrights, and other such legal control over ownership of any and all materials and information created as a result of the regular operations and research undertaken by The NELAC Institute shall remain the property of The NELAC Institute. All income received from the sale, lease, or other such transactions relating to these assets shall be paid directly, in total, to The NELAC Institute.

Section 3 – Fiscal Year:

The fiscal year shall be from January 1 through December 31. An annual budget for each fiscal year shall be presented by the Treasurer to the Board of Directors for its adoption at a Board of Directors meeting held prior to the beginning of the next fiscal year. Thereafter, at any meeting of the Board of Directors, the Board of Directors may approve any supplemental budget that may be necessary. The Board of Directors may authorize expenditures in excess of such annual and supplemental budgets, as are properly approved by the Board of Directors.

Section 4 – Voting Means:

Voting on all matters, including the election of Directors, may be conducted by mail, electronic mail, facsimile transmission, chat software, video conferencing, or other similar verifiable means. Proxy voting shall not be allowed.

ARTICLE XII — AMENDMENTS

Upon proposal by the Board of Directors, these Bylaws may be amended, repealed, or altered, in whole or in part, by a two-thirds vote of the Board of Directors at any meeting of the Board of Directors provided that a copy of any amendment proposed for consideration shall be delivered to the last known and recorded address of each Director at least thirty (30) days prior to the date of the meeting. After any alteration, amendment, or repeal of these Bylaws has been adopted, all members of The NELAC Institute shall be notified of such action as soon as is conveniently possible.

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ATTACHMENT G

Transition Plan for the PPT

Please note: This document was created to guide the PPT in preparations for the November 2006 meeting in Chesapeake, Maryland, where the PPT report and recommendations will be considered by the INELA and NELAC Boards.

GOAL: ESTABLISH AN ORGANIZATION FOR NELAC SUSTAINABILITY

OBJECTIVE 1: PPT REPORT AND RECOMMENDATIONS

By October 10, 2006, the PPT will submit a report with recommendations to the INELA and NELAC Boards.

Actions:

- By September 20, 2006: NFSTC/INELA contractors will draft a PPT report and related spreadsheet and distribute to the PPT for review in Largo.
 - By September 25, 2006: the PPT will have completed the items on the spreadsheet necessary for the final PPT report.
 - By October 2, 2006: the NFSTC/INELA contractors will update the PPT spreadsheet to include the decisions made by the PPT.
 - By October 10, 2006: the PPT will finalize the PPT report and provide a copy of the report to the INELA and NELAC Boards.
 - By October 20, 2006: the INELA and NELAC Boards will review the report and provide comments.
 - By October 24, 2006: the PPT will modify the PPT report and provide a copy of the report to the INELA and NELAC Boards.
 - By November 1, 2006: the PPT will publish a copy of the report on the INELA and NELAC websites.
 - By November 3, 2006: the PPT will develop a presentation on the report and recommendations.
 - On November 6, 2006: the PPT will present the report and recommendations to the attendees at the Chesapeake Summit.
-

OBJECTIVE 2: MEMBERSHIP

By January 2006, the Executive Director (or designee) will establish and maintain a membership list for the new organization.

Assumptions:

- The INELA membership remains unchanged until some action is taken to change it.
- No action will be required for current INELA members to transfer membership to the new organization.
- Current INELA member types will continue until redefined.
- Membership fees will stay in effect until changed by the elected Board.
- Membership roles, responsibilities and privileges will remain as defined in the INELA Bylaws until changed.

Actions:

- By September 27, 2006: the PPT will develop recommendations on membership to be included in its report.
- By January 2007: the Executive Director will establish and maintain a membership list for the new organization.
- By January 2007: the Executive Director will notify NELAC members (who are not INELA members) they are members of the new organization.

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Transition Plan for the PPT

OBJECTIVE 3: BYLAWS

By November 6, 2006, the INELA Bylaws will be legally modified to form Bylaws that govern the new organization.

Assumptions:

- The INELA Bylaws will govern the corporation until amended for the new organization.

Actions:

- By September 27, 2006: the PPT will complete a draft set of Bylaws for the new organization.
 - By September 29, 2006: the INELA Executive Director will identify a parliamentarian to review the draft Bylaws.
 - By October 2, 2006: in accordance with the INELA requirement to meet a 30-day notice, the INELA Board will be informed of a potential change to the Bylaws.
 - By October 11, 2006: the proposed Bylaws will be sent to the NELAC and INELA Boards as an attachment to the PPT report.
 - By October 17, 2006: the PPT will provide the NELAC and INELA Boards the comments from the parliamentarian.
 - On November 6, 2006: the Transition Board will approve any necessary changes to the Bylaws.
-

OBJECTIVE 4: CORPORATE STRUCTURE

By January 2006, the INELA organization will be legally modified to form and govern the new organization.

Assumptions:

- The INELA structure will govern the corporation until amended for the new organization.
- The INELA Articles of Incorporation will be adapted to fit the purpose of the new organization.
- The INELA name, address and logo will be used until amended by the Transition Board.

Actions:

- By September 15, 2006, the Executive Director will identify corporation business topics for which legal advice/assistance may be necessary, such as:
 - Articles of Incorporation
 - Name
 - Office
 - Logo
 - Tax status
 - All contracts and cooperative agreements
 - Personnel
 - ANSI recognition
 - Insurance
- By September 29, 2006: the Executive Director will request legal advice about the business issues identified by the INELA.
- By October 11, 2006: the PPT will include recommendations on the business issues in its report.
- By November 7, 2006: the Executive Director will provide a summary of actions needed on these issues to the Transition Board, seeking Board authorization/approval where necessary.
- By November, 2006: the Transition Board will approve an implementation/transition plan (based on the PPT report and recommendations) and authorize the Executive Director to begin implementation.
- By December 2006: the Executive Director will file the appropriate paperwork to maintain the integrity of these business items for the new organization.

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Transition Plan for the PPT

OBJECTIVE 5: GOVERNANCE

On November 6, 2006, the INELA Board will begin operation as the Transition Board.

Assumptions:

- The INELA Board will be modified through resignations and elections/appointments to become the Transition Board

Actions: Transition Board

- By September 15, 2006: Carol Batterton will review the INELA Bylaws to determine what changes will have to be adopted by the INELA Board to form the Transition Board including:
 - Election/appointment of the 18 Transition Board members
 - Election of officers
- By October 2, 2006: the INELA Board Chair will identify Directors who will be asked to resign.
- By October 11, 2006: the PPT will make recommendations to the INELA and NELAC Boards for the formation of a Transition Board.
- By October 20, 2006: the INELA Board will adopt the necessary changes to its Bylaws to form the Transition Board.
- On November 6, 2006: the INELA Board will take the necessary action to become the Transition Board.
- On November 6, 2006: the Transition Board will meet and elect its officers.

OBJECTIVE 6: COMMITTEES

On November 7 and 8, 2006, the Transition Board will form such committees as needed, appoint committee chairs, and identify potential committee members that can begin to serve immediately.

Assumption:

- The INELA committees will be modified, where necessary, to meet the needs of the new organization.

Action: Establish Committees/Task Groups

- By September 15, 2006: the NELAC chair will appoint task groups to address issues relating to the structure and functions of NELAP to include:
 - A task group to address the laboratory accreditation program to include recognizing AAs
 - A task group to address the PT program
- By October 11, 2006: the PPT will make recommendations to the INELA and NELAC Boards on the essential committees to be appointed to include a statement of work for each committee.
- By November 8, 2006: the Transition Board will establish all committees for the new organization
- By November 8, 2006: the Board Chair will make committee appointments based on the PPT recommendations.

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Transition Plan for the PPT

OBJECTIVE 7: PERSONNEL

By November 8, 2006, the personnel of the new organization will be finalized.

Assumption:

- All personnel contracts for INELA will remain in effect until their expiration date or action is taken by the Transition Board. This will include the following:
 - Executive Director
 - Program Managers
 - Other staff
 - Webmaster
 - Meeting Planner
 - Clerical

Action: Review INELA Personnel Contracts

- By September 25, 2006: (the beginning of the Largo meeting), Jerry Parr will provide a copy of all INELA personnel contracts for the PPT to review.
- By September 27, 2006: the PPT will draft recommendations about the interim personnel needed for the new organization.
- By September 27, 2006: the PPT will develop recommendations for job descriptions for the interim personnel.
- By November 8, 2006: the Transition Board will confirm contracts for personnel.

OBJECTIVE 8: BUDGET

By November 8, 2006, the Transition Board will adopt a budget for 2007 for the new organization.

Assumption:

- The INELA budget will be in effect until a new budget is approved by the Transition Board.

Actions:

- By November 3, 2006: the INELA Executive Director will develop a budget for November and December of 2006, based on the assumption INELA and NELAC will combine operations. This budget will be presented to the Transition Board for approval.
- By November 8, 2006: the Transition Board will approve a budget modification for the remaining of 2006.
- By November 3, 2006: the Executive Director will prepare a 2007 budget for FY 2007.
- By November 8, 2006: the Transition Board will approve a 2007 budget for the new organization.

ATTACHMENT G

Transition Plan for the PPT

OBJECTIVE 9: BUSINESS MEETING

By January 2007, the Transition Board will present the implementation/transition plan to the membership of the new organization.

Assumption:

- The Winter NELAC/INELA meetings in Denver will continue as planned.
- All contracts already signed by INELA or its agent will remain in effect for additional meetings

Action: Begin Operation of the New Organization

- By October 2, 2006: the Executive Director will provide information to the PPT about future meeting plan/sites.
 - On November 7, 2006: the Transition Board will meet to discuss the Denver meeting.
 - By December 1, 2006: the Meeting Planning Committee will finalize the location and date for the 2007 and 2008 meetings.
 - By January 2007: in Denver, the Transition Board will present the schedule for future meetings.
-

OBJECTIVE 10: NAME

On November 6, 2006, the Transition Board will adopt a new name for the organization.

Assumption:

- The organization will be named INELA until the name is modified by the Transition Board.

Action: Decide on the New Name

- By October 2, 2006: the PPT will recommend a new name for the organization
- On November 6, 2006: the Transition Board will approve the new name
- By December 1, 2006: the Interim Executive Director will develop a logo for the new name.

ATTACHMENT G

Transition Plan for the PPT

OBJECTIVE 11: WEBSITE

By November 7, 2006, a new website will be operational.

Assumption:

- The INELA website will be modified to become the new website.
- The INELA webmaster will continue in this role.
- The content of the NELAC website will be copied into the new website.

Action: Implement a New Website

- By September 15, 2006: the INELA Website Committee will invite individuals on the NELAC Membership and Outreach Committee to join their committee as ex officio members.
 - By September 15, 2006: Judy Duncan will notify the NELAC Membership and Outreach Committee and Carol Batterton will notify the INELA Website Committee that they should coordinate their activities with respect to the web sites.
 - By September 25, 2006: the NELAC and INELA committees responsible for the websites will begin working with a webmaster on a migration plan to move INELA and NELAC information to the new website.
 - By October 24, 2006: the INELA Executive Director will secure a URL for the new organization.
 - On November 7, 2006: the new website will be operational, but with very limited information.
 - By November 8, 2006: the Transition Board will establish a website committee for the new organization.
 - By December 1, 2006: the INELA website content will be moved to the new website.
 - By January 1, 2007: the relevant NELAC information will be copied to the new website.
 - By January 28, 2007: (the Denver Meeting), the new website will be fully operational.
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OBJECTIVE 12: PROGRAMS

By January 2007, the key programs for the new organization will begin operation.

Assumption:

- The NELAC accreditation program will continue until such time as the new organization has a transition plan in place.
- The INELA technical assistance program will continue until such time as the new organization has a transition plan in place.
- The INELA standards development program will continue until such time as the new organization has a transition plan in place.
- The INELA administrative activities will continue until such time as the new organization has a transition plan in place.
- Other programs will be established as a new program as needed.

Action:

- By October 10, 2006: the PPT will recommend a plan for the governance, structure and operation of all key programs.
- By October 10, 2006: the PPT will develop job descriptions for the Executive Director and all Program Administrators.
- By October 24, 2006: the PPT will recommend Program Administrators
- By November 8, 2006: the Transition Board will appoint Program Administrators.
- On November 8, 2006: the Program Administrators will begin work.