

Colorado CCA News

Colorado Certified Crop Adviser Newsletter



**CERTIFIED
CROP ADVISER**

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Greetings from you CCA Board

This will be my last message in this newsletter as Chair of your CCA advisory board. At our recent board meeting I declined to serve for 2007. Lanny Huston will be the Colorado board chair for 2007. I will continue to serve on the board through 2007, but since after 2007 I will be "term-limited" out, I decided it would make for a smoother transition if someone else took over the reins now. I have appreciated the opportunity to work with the other board members. I have a narrow technical background as a "herbicide" specialist, and continue to be impressed by the breadth of knowledge required to be a CCA.

Since Lanny will be Colorado CCA chair, Gary Schaneman will take over as committee chair for the standards and ethics committee.

The really significant change is the imminent departure of Betsy Buffington, as she is moving to South Dakota. Betsy is the driving force between putting together this

newsletter and getting it out the door. We are not sure when, how, or even if we will be managing this newsletter without her! Good Luck, Betsy!! You will be missed!

This newsletter also includes a review of the changes that are being contemplated regarding the organization and tax status of ICCA, and it's relationship to ASA. The discussion involves intimidating terms such as IRS "private letter" rulings, 501(c)3 status and 501(c)6 status. Regardless of the discussions among accountants, auditors, and legal counsel, my take on this is that ASA is a parent, which conceived and nurtured the CCA program in it's early years. The CCA program is now grown up and ready to leave the nest. As with any teenager or young adult, the ICCA organization may even sometimes develop different opinions from the parent!

**Laura Quakenbush, Chair,
Colorado Certified Advisers Board**

ICCA Proposing New Structure for Program

Situation

The ICCA Program started in the early 90's to certify individuals who advise farmers on their agronomic practices. The program grew to approximately 13,500 CCAs in

2006 with an annual budget of \$1.2 million. Due to its success it was recommended by legal counsel and independent consultant (Michael Hamm Report) that the ICCA

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ICCA Proposed Changes (Continued)



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Program should be structured into an affiliated 501(c)6 corporation in order to protect the 501(c)3 tax status of the American Society of Agronomy (ASA).

Background

The ICCA Program is not a separate legal entity as it is a program of the ASA. ASA is a 501(c)3 not-for-profit corporation, predominantly organized and conducting charitable, educational purposes as a scientific society. Typical services and activities allowing for the 501(c)3 status include educational programs such as the ASA annual meeting and publishing of peer-reviewed, educational materials (i.e., Agronomy Journal and symposia proceedings). As a 501(c)3, ASA can provide and receive educational grants (pursuant to its mission) as well as receive charitable donations that provide the donor with a tax benefit. The 501(c)6 tax status is predominantly to serve the interests of a specific profession or to further a common business interest of a specific group of people. Typical organizations having such a tax status are business or professional associations providing services and activities such as advocacy, lobbying, certification programs, presentation of educational events and publishing of educational materials.

Over the last few years, IRS has taken a differing view of certification programs and where

they best fit (pertaining to tax status). In a private letter ruling, IRS has indicated that certification programs do not fit in the mission and purpose of a 501(c)3 organization. While some may argue that a certification program is educational, it primarily benefits the individual. The ICCA certification program could also be considered to be serving a public good or reducing the burden of government but in both cases, ICCA was told that it would not satisfy those tests. There is a financial level at which IRS will become more interested or view the certification program's activities as "material" or reaching a level of significance requiring change. This financial range is 20 to 60% of the 501(c)3's annual operating revenue. The ICCA Program currently represents about 33% of the annual operating revenue of ASA and about 28% of the expenses, thereby crossing the IRS threshold.

Due to the changes in the way IRS views the activities of a certification program and the relative size of the ICCA Program, the ICCA Executive Committee was asked in June by the ASA Board to develop a proposal and present it to the ASA Board for consideration.

The ICCA Executive Committee evaluated options and other certification organizations as listed on the American National Standards Institute (ANSI) web site. Having a certification program structured as a 501(c)6 not-for-profit

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ICCA Proposed Changes (Continued)

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corporation is not uncommon. It is also common for the certification program to have a strong relationship or affiliation with a 501 (c)3 organization.

The objectives of the ICCA Executive Committee, supported by the ICCA Board, were to continue to strengthen the strong affiliation with ASA. The proposed new structure will both preserve and build the relationship with ASA while satisfying the IRS requirements. The ICCA leadership wants the new structure to be nimble for present and future certificant needs and to focus on value adding opportunities. The structure is expected to retain the national framework with local implementation, as is the current structure of the ICCA Program.

Transitioning from the current structure to the newly proposed structure will require some changes regarding financial disbursements. Legally, lump sums cannot be transferred directly from a c3 to a c6 organization as such a transfer is not viewed by the IRS to be in pursuit of the mission of a c3 (i.e., a public charity). However, funds can be transferred from a c3 to other organizations (including c6's) as grant funds for specific activities that support the c3's educational mission. For the latter to occur, specific guidelines and review processes would be

implemented to provide adequate tracking of funds in accordance with IRS/auditor requirements. Currently, the ICCA Program has approximately \$1.7 million as ASA Board designated reserve funds. These funds have grown over time from ICCA Program exam fees and renewal fees and are being used for the furtherance of the program.

Proposal

A presentation was given to the ICCA Advisory Council and Board at their meeting on September 25 and 26, 2006. During this meeting, the ICCA Board voted to recommend the following proposal to the ASA Board:

- The ICCA Board recommends to the ASA Board that the ASA Board form an affiliated 501(c)6 organization for the ICCA Program (ICCA, Inc.). The ICCA Board also proposes that ASA partner with ICCA to form a joint council, tentatively called the "Crop Adviser Educational Fund", that will provide oversight of distribution of the ICCA Program reserve funds for educational purposes in support of ICCA activities.

If agreed to, the result will be two distinct but affiliated organizations satisfying the IRS requirements, allowing designated ICCA Program reserve funds to be used for CCA educational purposes and protecting ASA's tax status.

CEU Requirements Streamlined

Modified from original article by Luther Smith, Ag Professional April 2006.



Significant changes have been made by the ICCA board to streamline the continuing education process for all CCAs. Beginning January 1st, 2006, the CEU requirement for all CCAs are a total minimum of 40 CEUs every two years with at least five in each of the four categories and of this 40 total, at least 20 must be board approved. The Professional Development category of five CEUs was removed so there is no limit on professional development CEUs as long as the other CEU minimums are met. There is still a

maximum of 20 board-approved self study CEUs. Self-study CEUs have to be board approved, so this is not a change. There is no limit on self-reported CEUs as long as the other minimums are met.

Another change is that all local boards (including the Colorado board) must accept all board-approved CEUs. Under the new rules, if you want to attend an educational event that is held outside of Colorado, it is no longer an issue; it will count toward your CCA CEUs. As long as a CCA board reviews the application and grants CEUs, regardless of where it is held, it will count for all CCAs.

Look for a CCA Booth Near You



Colorado CCA will be represented at several upcoming meetings. These meetings include:

- Colorado Agricultural Aviation Association Annual Convention
- Rocky Mountain Agribusiness Association Convention and Trade Show
- CCTA High Plains No-Till Conference

The Colorado Board is hoping to promote the CCA program by:

- Increasing the awareness of the CCA program in Colorado
 - Increasing the value of using a Colorado CCA
 - Answering questions regarding why growers should use CCAs
- We need your help! We would like to have you help host the booth. If you are interested, please contact Erin Kress at 303-692-3523. Any volunteers will receive a free hat!

Newsletter Delivery May be Interrupted



Due to the departure of Betsy Buffington, Assistant Editor of this newsletter, the next issue of the CCA newsletter may be interrupted

or delayed. For the most current listing of CEU opportunities, please go to the Colorado CCA website, located at www.coloradocca.org.

CCA Exam Study Material Available

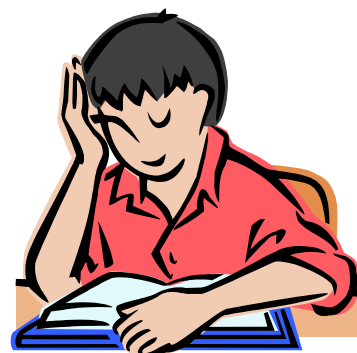
The next CCA exam will be held on Friday, February 2, 2007. The registration deadline is Friday, December 15, 2006.

For registration forms, call Lorene Peterson at (608)268-4955 or email her at: lpeterson@agronomy.org. Registration forms can also be downloaded from: http://www.agronomy.org/cca/exam_registration.html.

For other information on the exam, including study materials, workshops,

local performance objectives, and ICCA performance objectives, please visit <http://www.agronomy.org/cca/exams.html>.

Colorado Study Guides, based on the Colorado CCA performance objectives, are available at the following address (hurry, there are only 5 left!):
Gary Leeper
11166 Huron Street, Suite 27
Denver, CO 80234
Phone: 800-243-1233 or 303-433-4446
Email: info@rmagbiz.org



Calendar of Upcoming CEUs

Date and Location	Course Title	CEU's	For more information contact:
11/13/06 Hotel Colorado, Glenwood Springs	Noxious Weeds—A Silent Thief	3.5 PM	Kristi Gay 719-765-4676
11/15/06-11/17/06 Sheraton, Colorado Springs	Colorado Agricultural Aviation Association Annual Convention	1.0 PM	Dolle Lehrkamp 719-768-3367
12/12/06-12/13/06 Northeastern Junior College, Sterling	Alfalfa & Forages Crop Clinic	4.0 CM 3.0 PM 4.0 NM 4.0 SW	Bruce Bosley 970-522-3200
1/9/07—1/10/07 Holiday Inn-DIA, Denver	Rocky Mountain Agri-Business Association Convention and Trade Show	2.0 CM 3.0 PM 2.0 NM 2.0 SW	Gary Leeper 303-433-4446
1/30/07 - 1/31/07 Island Grove Regional Park Event Center, Greeley	CCTA High Plains No-Till Conference	CEU application will be submitted	Kathy Rickart 970-576-8970

Other meetings for continuing education credits will be announced in future CCA newsletters or can be found on the Colorado CCA website at <http://www.coloradocca.org/calendar.htm>.

Colorado Certified Crop Adviser Newsletter

Colorado Certified Crop Adviser Program
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Colorado State University
Fort Collins, CO 80523-1170



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Web Sites Worth A Look

Colorado CCA website

<http://www.coloradoccca.org>

Calendar of upcoming CEUs, current and past CCA newsletters, links to Colorado and National sites, information on board and committee members, and much more!

CSU Agriculture & Business Management

<http://www.coopext.colostate.edu/ABM/>

Provides extension/outreach information including principles and concepts of production economics; financing methods and analysis investment analysis; legal regulations on business activities; and concepts of marketing and price determination

Commodity Market Reports

<http://www.ext.colostate.edu/links/linkmkts.html>

Commodity reports of particular interest to Colorado producers.

Cooperative Extension Water Quality Programs

www.csuwater.info

CSU Cooperative Extension provide technical information, publications and training in best management practices, irrigation, salinity, and water quality. State and regional water quality specialists provide unbiased, research-based information to address a variety of water issues in Colorado.

Colorado Disaster Help

<http://coloradodisasterhelp.colostate.edu/>
Extension Disaster Education Network (EDEN) is the information network from which land-grant universities and federal agencies assist communities in becoming more disaster "resilient" by implementing preparedness, mitigation, response and recovery to both natural and manmade disasters.

