

DSO Status Under Review

By Rick Dantzler, CRDF chief operating officer



In 2009, when CRDF was founded, growers decided to become a Direct Support Organization (DSO) of the University of Florida (UF). Key to their decision was a meeting with state Senator J.D. Alexander and UF President Bernie Machen. They persuaded the growers that, by being a DSO, the university could assist with administrative costs and it would be easier for CRDF to receive research monies from governments.

There was one downside, however. By statute, DSOs are “organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of a state university in Florida...” Nevertheless, Machen, aware of the existential threat posed by HLB, assured growers this would be interpreted broadly and that CRDF would be free to go wherever it must to find a cure.

Based on this assurance, growers agreed to proceed with becoming a DSO, and it has worked well. The CRDF board has been free to fund the best proposals, including projects with universities from across the country and even the private sector, all to bring relief to growers struggling with HLB.

This determination of the board to fund projects believed to offer the best hope for the industry was the only position it could take, regardless of its status as a DSO. Bubbling beneath the surface, though, was potential conflict with the statute.

This conflict has come to a head. Increased legislative scrutiny of DSOs has caused UF to take a more literal interpretation of the statute, resulting in two potential changes to CRDF’s bylaws that the board has been told to expect. The first would require all research monies to be spent with the UF. While the UF Institute of Food and Agricultural Sciences has the most talented group of agricultural scientists in the world, there are great scientists in other places, too, and the board has no choice but to engage them in the struggle against HLB. The second change would require UF approval of all research projects the CRDF board decides to fund, making the board, essentially, advisory. The board will not accept either of these changes.

The desire of UF to bring DSOs in line with its interpretation of the statute is understandable. Nevertheless, it has forced CRDF to begin thinking of what happens next if it is told it must adopt the two changes referenced above. Departments of state government may have a DSO, so there are places to land. Still, CRDF has benefitted greatly by being associated with UF, so leaving should not be done lightly or impulsively.

We are in touch with UF officials to resolve this in a way that serves the interests of both institutions. My hope is that rational thinking will prevail. One thing is certain, though: CRDF will do whatever is best for citrus growers because they have taxed themselves to provide CRDF with research funding and are facing a struggle with a disease that threatens the commercial viability of the industry. Frankly, how could we do anything else?

