

Humanities Montana

Finance & Audit Committee Meeting Minutes

September 2, 2026

Present: Esther Beth Sullivan (Finance Chair), Tim Wilson, David Cates, and Sara Bruya

Staff: John Knight (Executive Director)

Guest: Simon Windell (Fractional CFO)

The meeting convened at 11:00 a.m.

At 11:02 a.m., Esther Beth Sullivan called the meeting to order and asked for approval of the agenda. David Cates made a motion to approve the agenda, and Tim Wilson seconded. The agenda was approved unanimously.

Key Metrics and Budget Summary Review & Discussion

- Beth asked John Knight to introduce Simon Windell, Humanities Montana's Fractional CFO. John introduced Simon and provided context for his role with the organization. Simon shared additional background on his work as a fractional CFO and his role supporting Humanities Montana's financial management and planning.
- At 11:06 a.m., John walked the committee through the FY26 Key Metrics and Budget Summary. He reviewed the organization's current financial position, including cash on hand, monthly spending, FY26 operating activity, and the current NEH funding position.
- John also reviewed the status of Humanities Montana's FY26 NEH funding, including the outright award and bridge funding. He noted that NEH payments received after July 31 were not yet reflected in the July financial statements.
- David asked for clarification regarding NEH funds that had been drawn down and the amount expected to carry into Humanities Montana's FY27 fiscal year. John discussed the timing of NEH reimbursements and the relationship between available federal funding, current FY26 activity, and resources expected to remain available into FY27.

FY26 Budget-to-Actual, Profit and Loss, and Balance Sheet Review & Discussion

- John walked the committee through the FY26 Budget-to-Actual, Profit and Loss, and Balance Sheet documents through July 31.
- John reviewed FY26 operating revenue and expenses, noting that operating revenue through July totaled \$328,603.98 and expenses totaled \$336,147.85, resulting in a year-to-date operating deficit of \$7,543.87.
- The committee also reviewed the July 31 Balance Sheet, including \$543,268.84 held in checking and savings and total assets of \$659,492.81.

At 11:26 a.m., Beth asked for a motion to approve the FY26 Budget-to-Actual, Profit and Loss, and Balance Sheet. David made a motion to approve the documents, and Tim seconded. The motion was approved unanimously at 11:27 a.m.

Proposed FY27 Operating Budget Review & Discussion

- At 11:28 a.m., John and Simon introduced the proposed FY27 Operating Budget. Simon began by discussing carryover resources and then walked the committee through projected income sources. As part of the revenue discussion, Simon also reviewed the Grants Matrix and the mix of funding sources supporting the proposed budget.
- Sara Bruya asked whether comparative information is available regarding individual contributions at other state humanities councils. John noted that the Federation of State Humanities Councils is currently working with consultants to develop fundraising metrics across the council network, which should provide better comparative information.
- Simon moved into the expense portion of the budget and reviewed payroll, employee benefits, and related expense categories. John noted that the draft budget assumes potential salary and health benefit adjustments, subject to recommendations from the Executive Committee.
- Simon and John discussed proposed adjustments to fundraising and development expenses. Simon then reviewed marketing and communications assumptions, changes to finance consulting expenses, and dues and subscription costs. Simon noted that the operating expense portion of the proposed budget reflects an increase of approximately \$50,000 compared with FY26.
- John walked the committee through the proposed FY27 program budget. He discussed program assumptions in relation to staff capacity and anticipated funding available through private grants and NEH support. David commented positively on the proposed program budget.
- Sara asked whether the proposed development consultant would work on grant development in addition to individual contributions. John noted that the consultant is currently contracted to support the end-of-year fundraising campaign and that the arrangement will be reassessed for additional support in calendar year 2027. He noted that future work could include grant development and corporate sponsorship support. John further noted that while individual contributions remain relatively low, funds raised with development support may also contribute toward Humanities Montana's required cost-share associated with NEH funding.
- Beth asked about surplus funds currently held in Humanities Montana's bank accounts. Simon noted that financial cleanup during the next quarter will further clarify and allocate restricted and unrestricted funds.

At 11:54 a.m., Beth asked for a motion to recommend the proposed FY27 Operating Budget to the full Board. Tim made the motion, and Sara seconded. The motion was approved unanimously.

TY24 Form 990 Review & Discussion

- At 11:56 a.m., John reviewed Humanities Montana's TY24 Form 990 with the committee.
- John noted that the Form 990 was prepared by Humanities Montana's auditors and ties to the completed FY25 audit. He also noted that program and grant information reported in the return is consistent with information reported to NEH for Humanities Montana's FY25 period of performance.

- Beth reminded the committee that the review and approval process is consistent with the process used in the previous year.

Beth asked for a motion to approve the TY24 Form 990. David made the motion, and Tim seconded. The motion was approved unanimously at 11:59 a.m.

Finance Policy Addendum and RACI Matrix Review & Discussion

- Beth walked the committee through updates to the Finance Policy Addendum and RACI Matrix.
- Sara asked about the Compliance Officer role and whether the position still needs to be filled. Simon commented that Humanities Montana currently has the dual controls needed for financial processes.
- Beth noted that the Compliance Officer role was incorporated into organizational policy in response to staff issues in previous years and historically has not been specifically tied to the finance function. She noted that the Executive Committee will eventually need to address the Compliance Officer role.
- Beth clarified that the matrix is an operating document and does not require formal committee approval.

Following the matrix review, Beth and John briefly discussed the recent NEH site review and noted that the review had been positive.

The meeting adjourned at 12:05 p.m.