

Humanities Montana
Finance Committee Meeting Minutes
May 12, 2026

Present: Esther Beth Sullivan (Finance Chair), Sara Bruya, and Tim Wislon.

Excused: Ray Ekness (Board Chair)

Absent: David Cates

Staff: John Knight (Interim Executive Director)

The meeting convened at 11:02am

Beth Sullivan reviewed the agenda and asked for a motion to approve the agenda. **Tim Wilson made a motion to approve of the agenda, and Sara Bruya seconded. The motion to approve the agenda was unanimously approved by the finance committee.**

FY25 Audit Update

- John Knight provided an update on the FY25 audit timeline and noted that Humanities Montana has continued to meet requested documentation and response timelines throughout the audit process. He noted that a substantial portion of the remaining work involves revisions to the functional expense allocation review. Updated allocation materials were provided by the auditors in early April, with final direction to proceed communicated on May 8. As a result, the remaining revisions and review extended beyond the timeline required for inclusion in the May Board packet.
- The committee discussed the remaining allocation revisions that are now being completed by Humanities Montana's contract accountant and are expected to take approximately one to two weeks, followed by final auditor review and processing. John also noted that recent funding guidance appears to have resolved earlier "going concern" considerations connected to the audit review process.
- John noted that the audit is now considered to be in its final phase, with completion anticipated within the next few weeks pending final review and processing.
- John alerted the committee that, given the delay from the auditors, the committee would need to reconvene in early June to review the completed audit draft, followed by a special meeting of the Board in mid-to-late June for formal review and acceptance of the audit.
- John also noted that Humanities Montana must submit completed audit materials by July 31.

Financial Procedures and Policies Discussion and Review

- Beth led a discussion on the need to review the Financial Procedures and Policies Manual, including its history and the ways organizational roles have evolved over time.
- She noted the importance of creating a more readable matrix that clearly outlines how financial responsibilities are assigned between staff and the board, to ensure internal controls.

- The discussion focused on extracting crucial internal control check points from the narrative version, with its lengthy financial and audit language. A matrix format is hoped to provide a more efficient overview for staff and board members to see that internal controls are being observed. Beth noted that she and John still have a few edits to complete, but that the revised matrix more clearly defines staff responsibilities, board oversight roles, and internal controls.
- The Finance Committee discussed the extent to which many financial and procedural responsibilities currently fall to the Executive Director, following comments from Sara regarding the concentration of day-to-day financial oversight within the role. Committee members noted that staffing changes and reductions in administrative capacity over the past year contributed to the Executive Director assuming a broader range of financial management responsibilities than would typically be ideal for long-term organizational structure and internal controls.
- John explained that the revised matrix is intentionally designed to remain flexible as Humanities Montana's staffing capacity evolves, allowing procedures to be delegated as additional staff support and contractor assistance become available. He noted that the matrix is intended both to clarify current responsibilities and oversight structures and to serve as a planning tool for strengthening organizational capacity and separation of duties moving forward.
- Tim asked why the auditors had not identified the dense procedural language earlier. Beth explained that the manual was developed over several years in response to material findings related to Humanities Montana's financial procedures beginning in 2019, during a period of significant staffing and structural changes. John added that the matrix is intended to demonstrate to the auditors that Humanities Montana is actively identifying procedural gaps and working to strengthen internal control systems and oversight.

Beth asked for a motion to approve the Financial Procedures and Policies Manual, including the matrix addendum, for recommendation and review by the full board at the upcoming board meeting. **Sara made the motion, with Tim seconding. The motion passed unanimously at 12:32 p.m.**

The meeting adjourned at 12:34pm.