Humanities
MONTANA

AGENDA
Board of Directors Meeting
Bozeman, Montana
February 21-22, 2025

OUR MISSION: Humanities Montana serves multicultural communities through stories and conversation. We offer experiences that nurture imagination and ideas by speaking to Montanans' diverse history, literature, and philosophy.

- **STRATEGIC PRIORITY ONE [SP1]: RE-ENERGIZE GRANTMAKING**
- **STRATEGIC PRIORITY TWO [SP2]: REALIGN PROGRAMS**
- **STRATEGIC PRIORITY THREE [SP3]: REFINE OUTREACH AND DEVELOPMENT**
- **STRATEGIC PRIORITY FOUR [SP4]: ENRICH ORGANIZATIONAL AND BOARD CULTURE**

Board of Directors: Glory Blue Earth, Carol Bradley, Jeremy Carl, Ray Ekness, Jeanette Fregulia (Vice Chairperson), Lynda Grande, Mary Hernandez, Lathie Poole, Arian Randall, Karen Reiff, Esther Beth Sullivan (Chairperson), Clark Whitehorn, Tim Wilson
Excused: David Cates, Jennifer Corning
Staff: Jill Baker, Executive Director; Bailey Clarke, Development and Communications Associate; Jon Clarenbach, Fiscal Operations Director; Megan Hill Sundy, Grants and Evaluation Director; John Knight, Programs Director

FRIDAY, February 21st, 2025
Hotel: Hilton Garden Inn, 2023 Commerce Way, Bozeman, MT 59715

1:30 PM	Meet at Hilton Garden Inn to carpool to MSU (15-minute drive)
2:00 PM	Tour of MSU's American Indian Hall *Located at 6th & Garfield South on the MSU campus*
3:00 PM	**Board Working Session: Strategic Planning Discussion for 2025** ***Collaboration Room at MSU's American Indian Hall***
5:00 PM	Hotel Check-In
6:30 PM	Dinner on your own

SATURDAY, February 22, 2025
(Buffet Breakfast is available at the hotel for a fee. Coffee, tea and other beverages will be offered during the meeting.)

HM BUSINESS MEETING

8:45 Welcome and Call to Order: Beth Sullivan **[SP4]**

- Invitation for Public Comment – Beth Sullivan
- Indigenous Peoples and Land Acknowledgement
- Reading of the Mission Statement
- **Action item: Approve Agenda**— Beth Sullivan

9:00 Consent Agenda: **[SP1/2/3/4]**

- Board Minutes, Sept 28, 2024
- Special Board Meeting Minutes, Dec 18, 2024
- Executive Committee Minutes, Dec 4, 2024; Jan 15, Feb 5, 2025
- Finance Committee Minutes, Jan 23, 2025
- Governance Meeting Minutes, Jan 22, 2025
- Grants Committee Minutes, Jan 30, 2025
- Executive Director Report
- Development Plan FY25
- Grants Report
- Programs Report
- **Action item: Approve Consent Agenda**

9:05 Board Chair Opening Remarks: Beth Sullivan

9:15 Mission Moment: Democracy Project: John Knight **[SP2]**

9:45 Finance and Audit Committee — Lynda Grande **[SP1/2/3/4]**

- **Action Items:**
  - **Review and Approve Oct 31, 2024 and December 31, 2024 Financial Reports**
  - **Review and Approve FY25 Budget Revisions**
  - **Review and Approve updates to the Financial Policies and Procedures Manual**

10:15 Grants Committee — Jeanette Fregulia **[SP1]**

December Grants Cycle Presentation—Megan Hill Sundy

- **Action Item: Approve Public Humanities Fellowships & Community Project Grants**
- April Grant Cycle Review Sign Up

10:45 Break

11:00 Governance Committee — Mary Hernandez **[SP4]**

- **Action Item: Approve By-laws Revisions – Finance and Audit Committee Responsibilities**
- Sign Annual Conflict of Interest and Code of Ethics Documents
- Review 2025 Board Calendar
- Review 2025 Board Matrix

- Complete Board Travel Reimbursements

11:30 Board Executive Session

- Executive Director annual review process for 2025

12:00 Executive Director Q & A – Jill Baker **[SP1/2/3/4]**

12:15 Closing Comments – Beth Sullivan

12:30 Adjournment (Lunch on your own)

2025 Board Meeting Schedule

- Spring Meeting: May 30-31, 2025 (weekend after Memorial Day) Bonanza Creek Ranch, Martinsdale
- Fall Meeting: September 26-27, 2025 (last weekend in September) Missoula

Please report your volunteer hours: Board Cost Share

Fall Board Meeting
Grand Union Hotel, Fort Benton, MT
September 27-28, 2024

FRIDAY, Sept 27, 2024
Grand Union Hotel

BOARD DEVELOPMENT WORKSHOP

Attendees: Carol Bradley, David Cates, Jennifer Corning, Ray Ekness, Jeanette Fregulia, Lynda Grande, Mary Hernandez, Carla Homstad, Lathie Poole, Arian Randall, Karen Reiff, Esther Beth Sullivan, Tim Wilson

Staff: Jill Baker, Executive Director

A board culture workshop with consultant Mark Willmarth of Vison West Consulting, Inc. was held at the Grand Union hotel the afternoon of Friday, September 27th. The purpose of the workshop was: to identify and be intentional about the principles and beliefs that guide the board's decision-making process; and to better understand the strengths that individual directors bring to the board. With ideas generated at the workshop, a reference document will be drafted prior to the next board meeting which lists agreed upon principles and beliefs. Once finalized, this document will be included in the board handbook.

That evening a group dinner was held at the Grand Union Grille for staff, board members, and their spouses or significant others. HM Speaker, Austin Haney, was a special guest at the dinner. He spoke about his experience as a member of HM's speakers bureau and shared his knowledge of the history of north central Montana with the group.

SATURDAY, Sept 28, 2024
Grand Union Hotel

HM BUSINESS MEETING

Attendees: Glory Blue Earth, Carol Bradley, Jeremy Carl, David Cates, Jennifer Corning, Ray Ekness, Jeanette Fregulia, Lynda Grande, Mary Hernandez, Carla Homstad, Lathie Poole, Arian Randall, Karen Reiff, Esther Beth Sullivan, Clark Whitehorn, Tim Wilson

Excused: David Dietrich

Staff: Jill Baker, Executive Director; Jon Clarenbach, Fiscal Operations Director; Megan Hill Sundy, Grants and Evaluation Director

In the absence of Chair David Dietrich, Vice Chair Beth Sullivan welcomed everyone and called the meeting to order at 9am. A quorum was present.

Beth then shared an invitation for public comment. Chouteau County Library Director, Emily Wicks, and Geraldine Branch Librarian Sami Jo Summers spoke about their experience as rural librarians and their gratitude for HM's programming, especially Montana Conversations and the Democracy Project. They emphasized how impactful it has been to have HM speakers and programs onsite, not just online, in their communities.

David Cates provided a thoughtful and poetic Indigenous Peoples and Land Acknowledgement emphasizing the local relationship to the Missouri River and all who traveled along this land. Ray Ekness read HM's Mission Statement.

Beth provided her opening remarks and thanked everyone for their time and preparations for the board meeting. She shared her positive experience with attending HM funded programs and events in the Billings area and invited other board members to do the same. She shared an overview of the schedule for 2025 board meetings and committee routines, emphasizing how committee work feeds into the board meetings.

Beth asked for any additions or changes to the agenda. There was a correction to the Governance Committee's slate of officers. Because there isn't a treasurer position in the by-laws, it was moved to remove that motion to elect a treasurer from the slate of officers. Jeanette moved to amend the agenda. Carla seconded the motion. The motion carried unanimously. Beth then asked for the approval of the consent agenda. Lathie Poole made the motion to approve, and David Cates seconded. The motion carried unanimously.

Carla Homstad shared a board spotlight interview with Mary Hernandez, where the board learned of Mary's extensive work with non-profits, her upbringing in Texas, and her life and work in Billings. Next, Carol Bradley interviewed Carla to highlight her commitment to the humanities as well as her contributions to the organization during her two terms as a board member.

Beth and Jill thanked Carla for her service on the board and offered their sincere gratitude as she completes the final year of her second term. She was presented with a certificate of appreciate and a gift card to Fact and Fiction.

Jon Clarenbach, HM's Fiscal Operations Director, joined the meeting at 9:30 am.

Finance and Audit Committee:
Jill introduced Jon Clarenbach to the board. Committee Chair Lynda Grande provided an overview of the July 31, 2024 Financial Reports. Overall, HM continues to be in a healthy financial position. Jon answered questions from the board. On behalf of the Finance and Audit Committee, Lynda moved to approve the July 31, 2024 Financial Reports. Clark Whitehorn seconded the motion. The motion carried unanimously.

Lynda asked Jill to provide an overview of the proposed Donated Stock Acceptance Policy. Jill informed the board that this policy was requested by the former Development Director. Jill and Jon are both in agreement that it would be to the organization's benefit to have this policy in place before the annual fundraising appeal goes out at the end of the year. On behalf of the Finance and Audit Committee, Lynda moved to approve the proposed policy. Jeremy Carl seconded the motion. Motion carried unanimously.

Jill informed the board that in order to accept gifts of stock from donors, the board will need to approve a resolution to open an investment account. On behalf of the Finance and Audit Committee, Lynda made the motion to approve this resolution. Mary Hernandez seconded the motion. Motion carried unanimously.

Lynda asked Jill and Jon to present the FY25 Budget to the board. They shared that the proposed budget is largely based on the FY24 actual expenses with a modest 1.6% increase in expenses over the prior fiscal year. The proposed FY25 budget estimates the NEH contribution to be the same as FY24, but that is still unknown. The proposed budget proposes to spend down the significant carry-over funds by the end of the fiscal year. The conservative budget includes a projected carry-over margin of $64,337. The proposed budget also includes additional fundraising expenses and revenue with the primary goal of raising additional funds through private foundation grant support. Jon and Jill answered questions from the board. On behalf of the Finance and Audit Committee, Lynda made the motion to approve the FY25 budget as presented. David Cates seconded the motion. Motion carried unanimously.

Strategic Opportunity
Jill engaged the board in a generative and strategic conversation about how to best invest the projected carry-over funds. In preparation for the next strategic planning process in FY26, Jill recommended that HM consider investing in consultant(s) to do a study of Tribal communities' interests that overlap with HM's mission. Given a lack of clear understanding in this regard, such information could help HM to make data-informed decisions for the organization based on needs and interests from stakeholders and communities who are underserved. She told the board about her meeting with Francine Spang-Willis, the principal of Appearing Flying Woman Consultant and former HM board member, who lives in Bozeman. From that visit, Francine submitted a proposal to conduct a community needs assessment and listening sessions on behalf of Humanities Montana with eight Indigenous communities over 18 months. Jill and Jon

answered questions from the board about the proposal. Concerns were raised about the cost, especially with the federal FY25 NEH budget not yet approved by Congress. It was recommended that Jill continue to consider this kind of project, but that private funds would most likely be needed to support the project. Questions were raised as well about contracting with prior board members. Jill and board leadership will look into current policies to ensure that HM is in compliance with all audit requirements for working with consultants and any potential conflicts of interest regarding working with former board members. Jill thanked the board for their thoughtful feedback and consideration. She will bring an update to the February meeting.

<u>Governance Committee</u>
Governance Chairperson Mary Hernandez presented the following changes to the by-laws: reducing the board size from 15-20 to 11-15 directors; and the dissolution of the Community Engagement Committee. There was a robust conversation about the pros and cons of the proposed reduction in board size, particularly in regard to how many Governor's appointees would then be included in the make-up of the board. The percentage of Governor's appointees remains in the by-laws at no more than 25%. There were no further questions or comments about the dissolution of the Community Engagement Committee. Mary made the motion to approve the by-laws changes as presented on behalf of the Governance Committee. Carla seconded the motion. The motion carried unanimously. The proposed changes to the responsibilities of the Finance Audit Committee as well as other minor wording changes will be considered at the February board meeting.

Mary made the motion to approve the proposed roster for the FY25 Committee Chairs and Committees for approval by the full board, including:

	Grants	**Finance**	**Governance**
Chair	Jeanette	Lynda	Mary
	Arian	David Cates	Clark
	Lathie	Carol	Jen
	Glory	Tim	Jeremy
	Ray	Karen	Beth
	Beth	Beth	

Ray Ekness seconded the motion. Motion carried unanimously.

Mary handed out paper ballots to each of the board members to vote on the approval of second terms for Jen Corning and Beth Sullivan; as well as the 2025 Slate of Officers which includes Beth Sullivan as Chair and Jeanette Fregulia as Vice Chair. She asked Carla Homstad and Jon Clarenbach to count the ballots during the break and report back on the results.

Guests Emily Wicks and Sami Jo Summers, and HM Fiscal Operations Director Jon Clarenbach left the meeting during the break at 10:40 am.

The meeting resumed at 11:00 am. Megan Hill Sundy, HM's Grants and Evaluation Director, joined the meeting. Beth asked Carla to report the election results. Carla reported that both Jen and Beth are elected to serve a second term, and that the slate of officers was approved. Beth will serve as Chair and Jeanette will serve as vice chair in 2025.

Grants Committee

Grants Chairperson Carla Homstad asked Megan Hill Sundy to give an overview of the August Grants cycle proposals and the committee's recommendations for funding, including:

FULL FUNDING

- *The Story of Us: The Women who Shaped Montana Episode 2 & 3*, The Extreme History Project*, $10,000*
- *We are the Light From the Shadows*, MAPS Media Institute, *$10,000*
- *Star & Stories: Northern Cheyenne, the Morning Star People*, Montana State University, *$9,585*
- *Northwest Montana Book Festival*, Northwest Montana Historical Society*, $4,174*
- *Living Stories of Jewish Montana*, Montana Jewish Project, *$10,000*
- *History Day For All in Montana*, Montana State University, *$9,959*
- *Bitterroot at War: The Vietnam Era*, Ravalli County Museum, *$7,000*

PARTIAL FUNDING

- *Beyond Yellowstone: Montana outside the obvious*, Working Quiet, *$4,000*
- *The Apsaalooke Crow on the Elk River*, Billings Community Foundation, *$8,000*

DECLINE FUNDING

- *Two-Eyed Seeing with Place Based Stories Docuseries*, Nitsiniikookit, $8,000
- *untitled Cooke City avalanche project*, Friends of Montana PBS, $9,000

Megan answered questions about the proposals and funding requests from board members. She reported that having an external evaluator for the film and video grants was quite helpful. She will be recruiting an external evaluator to assist with the Public Humanities Fellowship applications during the upcoming December grants cycle. On behalf of the Grants Committee, Carla made a motion to approve grant funding as presented. Clark seconded the motion. Motion carried unanimously.

Executive Director Q&A
Jill shared feedback from the previous night's speaker, Austin Haney. Austin shared that becoming a speaker with Humanities Montana changed his life and helped him to make a career change that has led to being much more fulfilled. He is thrilled to be a part of our organization.

Jill provided an update on the Development and Communications Director position at HM. With Liz Harrison's resignation and the hiring of Jon Clarenbach as the Fiscal Operations Director, there was an opportunity to rethink the position. Jill reached out to another finalist from the February 28-29, 2024, interviews and offered the position of Development and Communications Associate to Bailey Clarke. She accepted the position and will begin her employment on Monday, October 28, 2024. Reconfigured to better meet HM's staff needs, the position will focus on keeping the donor database updated and accurate, event planning, grant writing and reporting, marketing, and assisting with board meetings. This will free up Jill's time to do more major donor work.

Jill reported that she will be traveling with Beth, Megan, John, and Jenny to the National Humanities Conference in Providence, Rhode Island, in November. Megan will be co-facilitating the Council Grants Staff Constituents Group's session. John and Jenny and two of their partner librarians for The Democracy Project will present a workshop on the program and engaging youth in civic education. Additionally, The Democracy Project has also been nominated for a Schwartz Prize.

Beth offered her closing comments. She reported that David Dietrich and she have been working with Jill and the Executive Committee to develop a process for the Executive Director's annual performance evaluation. Beth circulated a document that outlines the process that will be used for the upcoming review, to be overseen by David, taking place across October and early November. This evaluation will consist of a board-level review; board members will be asked to complete an online survey in the next week to evaluate Jill's performance from June 30th, 2023, to September 15, 2024. David will work with the Executive Committee to identify commendations and recommendations for Jill based on her first year with HM, as well as recommendations for future annual review processes.

Beth thanked everyone for a productive board meeting and expressed her appreciation for the amazing setting and lovely time spent in Fort Benton. The meeting was adjourned at 11:52 am.

2025 Board Meeting Schedule

- Winter Meeting: February 21-22, 2025 (weekend after President's Day) Bozeman
- Spring Meeting: May 30-31, 2025 (weekend after Memorial Day) Bonanza Creek Ranch, Martinsdale, MT
- Fall Meeting: September 26-27, 2025 (last weekend in September) Missoula

Special Board Meeting
Wednesday, December 18th at Noon via Zoom

Present: Glory Blue Earth, Carol Bradley, David Cates, David Dietrich, Ray Ekness, Jeanette Fregulia, Lynda Grande, Carla Homstad, Lathie Poole, Karen Reiff, Beth Sullivan, Clark Whitehorn, and Tim Wilson

Staff: Jill Baker and Jon Clarenbach

Absent: Jeremy Carl, Jen Corning, Mary Hernandez, and Arian Randall

David welcomed everyone and called the meeting to order at 12:02. A quorum was present.

David asked Jill to provide background for the proposed change to the personnel policies and procedures manual regarding the Group Health Insurance Policy.

Jill reported that she and Jon met with HM's health insurance broker on Tuesday, November 5th to learn more about the coverage options for employees in 2025. With the changes in staffing over the past year, HM's costs have risen accordingly both with additional enrollees (HM has 6 full-time staff in FY25, up from 4 full-time and 2 part-time in FY24), and different demographics (age, health, etc). During HM's presentation with the broker, it became apparent that the $1000 is not enough to cover employee health coverage costs in 2025. With December as the open enrollment period for health benefits for employees, it is important to make a change prior to employees selecting their health coverage plans so that staff may plan accordingly. In November, Jill reached out individually to Dave, Beth and Lynda to determine the best course of action in order to approve the policy change before HM's open enrollment period ends on December 31st. According to the by-laws, policy changes must be reviewed by the Executive Committee and require the approval of the full board.

Jill reported that since 2016 (9 years), HM has contributed $1000 monthly to cover health, dental, and vision insurance premiums with the intent of covering the entire cost of benefits for each employee. In 2025, the monthly cost of health benefits per employee ranges from $586.01 to $1,464.00. Jill is proposing an increase of up to $1500 to cover the cost of health benefits for all employees. This change will increase the benefits allocation from **$70,823 to $96,635; a budget increase of $25,812 in 2025**. Fortunately, HM has more carry forward NEH funds than anticipated at the end of FY24. This will more than cover the additional cost of this benefit.

In a strong job market, it is essential that HM retains its talented employees and provide them with a competitive benefits package. Since 2022, HM has experienced 100% staff turnover. It is imperative that HM retain experienced and highly skilled employees. Jill will need to communicate this increase in benefits with her staff before they choose their health plans in December for benefits beginning January 1, 2025.

<u>Proposed change to policy:</u>

4.01 Group Health Insurance Policy

All full-time regular employees are eligible for health insurance coverage under a policy selected by HM.

Procedure

1. HM will pay up to ~~$1,000~~ $1,500 monthly through the policy options selected by the organization for each employee to cover health, dental and vision insurance. If an employee has any remaining balance of the ~~$1,000~~ $1,500, the amount can go to spouse/dependent health, dental and vision insurance premiums, or a health savings account.

2. HM will also provide 100% of basic coverage for long-term disability and term life insurance through a carrier selected by the organization.

3. All eligible employees are required to complete an annual insurance enrollment form, whether or not they desire health insurance coverage.

4. The HM executive director is responsible for enrolling employees in the insurance program.

Jill and Jon answered questions from the committee. There was discussion about the role of the Executive Director and the board when addressing these types of concerns in the future. Beth recommended that the language in the personnel policies and procedures manual be reviewed and updated so that it is more evergreen moving forward, and reminded everyone that the board will still have oversight during the annual budget process.

Clark Whitehorn made a motion to approve the Executive Committee's recommendation for the following change to HM's Personnel Policies and Procedures Manual:

1. HM will pay up to ~~$1,000~~ $1,500 monthly through the policy options selected by the organization for each employee to cover health, dental and vision insurance. If an employee has any remaining balance of the ~~$1,000~~ $1,500, the amount can go to spouse/dependent health, dental and vision insurance premiums, or a health savings account.

Tim Wilson seconded the motion. Motion carried with David Dietrich abstaining due to a conflict of interest. This policy and procedure will be further addressed as the Personnel Manual is updated in 2025.

The meeting was adjourned at 12:17 pm. JB

Executive Committee Meeting
Wednesday, December 4th at Noon via Zoom

Present: David Dietrich, Beth Sullivan, Lynda Grande, Mary Hernandez, and Jeanette Fregulia.
Staff: Jill Baker and Jon Clarenbach

Excused: Carla Homstad

David welcomed everyone and called the meeting to order at 12:02. A quorum was present.

David asked Jill to provide background for the proposed change to the personnel policies and procedures manual regarding the Group Health Insurance Policy.

Jill reported that she and Jon met with HM's health insurance broker on Tuesday, November 5th to learn more about the coverage options for employees in 2025. With the changes in staffing over the past year, HM's costs have risen accordingly both with additional enrollees (HM has 6 full-time staff in FY25, up from 4 full-time and 2 part-time in FY24), and different demographics (age, health, etc). During HM's presentation with the broker, it became apparent that the $1000 is not enough to cover employee health coverage in 2025. With December as the open enrollment period for health benefits for employees, it is important to make a change prior to employees selecting their health coverage plans so that staff may plan accordingly. In November, Jill reached out individually to Dave, Beth and Lynda to determine the best course of action in order to approve the policy change before HM's open enrollment period ends on December 31st. According to the by-laws, policy changes must be reviewed by the Executive Committee and require the approval of the full board.

Jill reported that since 2016 (9 years), HM has contributed $1000 monthly to cover health, dental, and vision insurance premiums with the intent of covering the entire cost of benefits for each employee. In 2025, the monthly cost of health benefits per employee ranges from $586.01 to $1,464.00. Jill is proposing an increase of up to $1500 to cover the cost of health benefits for all employees. This change will increase the benefits allocation from **$70,823 to $96,635; a budget increase of $25,812 in 2025**. Fortunately, HM has more carry forward NEH funds than anticipated at the end of FY24. This will more than cover the additional cost of this benefit.

In a strong job market, it is essential that HM retains its talented employees and provide them with a competitive benefits package. Jill will need to communicate this increase in benefits with her staff before they choose their health plans in December for benefits beginning January 1, 2025.

<u>Proposed change to policy:</u>

> 4.01 Group Health Insurance Policy
> All full-time regular employees are eligible for health insurance coverage under a policy selected by HM.

Procedure

1. HM will pay up to ~~$1,000~~ $1,500 monthly through the policy options selected by the organization for each employee to cover health, dental and vision insurance. If an employee has any remaining balance of the ~~$1,000~~ $1,500**,** the amount can go to spouse/dependent health, dental and vision insurance premiums, or a health savings account.

2. HM will also provide 100% of basic coverage for long-term disability and term life insurance through a carrier selected by the organization.

3. All eligible employees are required to complete an annual insurance enrollment form, whether or not they desire health insurance coverage.

4. The HM executive director is responsible for enrolling employees in the insurance program.

Jill and Jon answered questions regarding the increase in cost as well as how the policy is implemented with staff. The executive committee discussed various options to change the policy that would make it more evergreen in order to avoid the need to annually update this section of the manual and/or to call a special meeting during open enrollment each year. However, due to the urgency of the decision, the committee determined that the best course of action is to increase the monthly allocation from $1000 to $1500 in 2025, and consider a more comprehensive update to the policy for 2026.

Mary Hernandez made a motion to approve and recommend to the full board the following change to HM's Personnel Policies and Procedures Manual:

1. HM will pay up to ~~$1,000~~ $1,500 monthly through the policy options selected by the organization for each employee to cover health, dental and vision insurance. If an employee has any remaining balance of the ~~$1,000~~ $1,500**,** the amount can go to spouse/dependent health, dental and vision insurance premiums, or a health savings account.

This policy and procedure will be further addressed as the Employee Handbook is updated in 2025.

Motion carried with David Dietrich abstaining.

HM Bylaws require 10 days' notice of regular or special meetings. As a result, Board Chair, David Dietrich calls a special meeting the week of December 16th.

The meeting was adjourned at 1:05 pm. JB

Executive Committee Meeting
Wednesday, January 15, 2025 at 10 am via Zoom

Present: Beth Sullivan, Jeanette Fregulia, Lynda Grande, and Mary Hernandez.
Staff: Jill Baker

Beth welcomed everyone and called the meeting to order at 10:00 am. A quorum was present.

Discussions:

Governor's appointees: Beth reviewed the current process for board appointments from the Governor's office. Jill reported that she emailed the Governor's office on Monday to inquire about his appointments for his second term in office and to inform him that the current appointees have expressed interest in serving a second term. Jill will keep the board informed as soon as she hears back from Governor's office.

2025 Calendar for Board Standing Committees: Jill shared a draft of the 2025 Board Calendar for the executive committee to review. As meetings are scheduled, she will fill in the dates. She recommended two changes to the committee calendar this year. First, Jill recommends that the Executive Committee meet on a monthly basis. This will help address the recommendation from the ED evaluation to stay in regular communication with the board between meetings and provide an opportunity for increased coordination and alignment with committee work throughout the year. Mary expressed a concern that frequent meetings could cause the rest of the board to perceive that the executive committee is making decisions without full board approval. After some discussion, the executive committee decided to move forward with monthly meetings for at least 6 months and then re-evaluate to determine the frequency necessary. Moving forward, the Executive Committee will meet at least 3-4 times per year to prepare for each board meeting. Jill's second recommendation is to hold a regular virtual board meeting in December each year to review the end of year financials and make budget adjustments if needed. Five months between the Fall and Winter board meetings creates a gap in communication and has resulted in calling special meetings in December for the past two years. The executive committee asked the Governance committee to consider this recommendation for December 2025.

Metrics/Dashboard development
Jill has been working with staff to determine metrics for each department for an organizational dashboard. Beth requested a year over year comparison in addition to quarterly and annual metrics. Jill is working with staff to ensure that the metrics reported will be able to offer the year over year comparison, but that it is also important that they are comparing apples to apples. With the recent 100% staff turnover, the data comparisons may be limited to the last 2-3 years. However, we will be able to expand that reach moving forward as the staffing stabilizes and there is more consistency in data collection. The dashboard will be included in the winter meeting board notebook.

Fundraising updates:
Jill reported that she has been meeting with local foundations to determine their funding priorities and how HM's programs may fit with those priorities. Additionally, the annual appeal letter has raised nearly $14,000 in unrestricted funds for FY25.

Executive Director Evaluation – The 2024 evaluation report will be shared with the board during an executive session at the February board meeting. Beth is planning to better align the 2025 ED evaluation process with the budget process. She and Jill are drafting a timeline to share with the executive committee and board.

Committee priorities for 2025

- **Governance** - align all committee descriptions in bylaws; consideration of a regular virtual December board meeting; nominations for 2026
- **Grants** – Business as usual
- **Finance** – FY25 Budget Adjustment; new auditor
- **Executive** - Policies Manual review for 2025

Winter Board meeting agenda

Jill gave a brief overview of the February board meeting agenda. A tour of MSU's American Indian Hall has been confirmed on Friday afternoon. A group dinner is tentatively planned at the Rib and Chop House with speaker Philip Page performing Cowboy poetry and storytelling. Saturday's business meeting will take place at the hotel. A full draft agenda will be presented to the Executive Committee in early February.

Beth thanked everyone for their time. Jill will be in touch to schedule the next EC meeting. Meeting was adjourned at 11:01 am. JB

Executive Committee Meeting
Wednesday, February 5, 2025, at 10 am via Zoom

Present: Beth Sullivan, Jeanette Fregulia, Lynda Grande, and Mary Hernandez.
Staff: Jill Baker

The meeting was convened at 10:01 by Beth Sullivan.

Jeanette moved to approve the agenda; Mary seconded; agenda approved unanimously.

Discussions:

February board meeting agenda:
Jill presented the draft agenda for the February board meeting and explained the cautious approach to meeting-related expenditures given uncertainty about the federal budget that is up for approval in mid-March. For the February meeting, board members will be 'on their own for meals' with some recommendations for restaurant reservations in case they have the opportunity to join one another for dinner.

As board members arrive in Bozeman on Friday, they will be invited to tour the MSU American Indian Hall, followed by a short working session focused on strategic planning for 2025. The working session will focus on utilizing HM metrics to inform board involvement in fundraising and outreach. The session will begin with a review of ideas generated from past work sessions (in particular, the fundraising session held in Helena February 2024, and the guiding principles session held in Fort Benton September 2024).

In regard to the Saturday business meeting, there was discussion about how recent meetings have felt very rushed, as well as how to fit in an Executive session. Jill and Beth will draft an agenda for Saturday the 22nd, to provide for 30-minute segments for each committee and to schedule the Executive session after all other business.

Contingency plans for board meetings:

Beth recommended that there be board-approved contingency procedures for the possibility that board meetings might be impacted by weather or federal funding freezes. She recommended the following and the committee agreed.

In the case of inclement weather: Given that so much of the meeting logistics are dependent upon the presence of the Executive Director, if the ED cannot travel out of Missoula to the board meeting location due to bad weather, the board meeting will be moved to online format (at present, Zoom). Board meeting sessions that cannot be accommodated via online format, will be cancelled. Members will be notified as soon as possible via email and text about the change to online format. Hotel reservations and any hosted meals will be cancelled.

In the case of funding freeze or government shutdown: Given that credit card expenditures are held to an absolute minimum during a funding freeze, any regular board meeting occurring during a freeze will be moved to online format (at present, Zoom). Board meeting sessions that cannot be accommodated via online format, will be cancelled. Members will be notified as soon as possible via email and text about the change to online format. Hotel reservations and any hosted meals will be cancelled.

<u>Updates from NEH and federal partners:</u>

Jill relayed that no new changes had occurred on the national level since the events of last week. The Federation of State Humanities Councils has been working to keep councils updated on the latest developments. Until further information is forthcoming, HM remains focused on its mission, programs, and re-granting operations.

Questions were raised about how HM might need to respond in particular to the presidential executive order to purge "DEI" from operations. Concerns were briefly stated: concern that HM would need to review all policies and programs for "DEI" to protect our federal funding; concerns that, to do so, could be an abandonment of non-discrimination values. Beth stressed that HM would comply with federal guidelines as it has always done. Beth noted that the current strategic plan is expiring in this year; the strategic plan (and planning process) incorporated the creation of HM's IDEA statement; the outcomes from that plan have been incredibly successful in extending HM's reach to all 56 counties and will be reported in full at the Spring meeting. With the 2022-25 plan set to expire, the working session scheduled for February 21 will be an opportunity to address guiding principles and set some timely goals for 2025.

<u>Martinsdale meeting on May 30-31:</u>

Jill is working on the details and opportunities for the Martinsdale meeting, including housing, costs, and possible activities. More to come.

Finance Audit Committee Minutes
Thursday, Jan 23, 2025 10 AM via Zoom

Present: Lynda Grande, Committee Chair; Beth Sullivan, Board Chair, David Cates, Karen Reiff, Tim Wilson
Excused: Carol Bradley
Staff: Jill Baker, Executive Director, Jon Clarenbach, Fiscal Operations Director

Chairperson Lynda Grande called the meeting to order at 10 am. A quorum was present.

Discussions:
October 31, 2024 Financial Statements: Lynda asked Jill and Jon to provide an overview of October 31, 2024 End of FY24 Financial Reports including Budget to Actual, Balance Sheet and Profit & Loss reports. There remains a significant amount of carry forward funds to spend in FY25, more than originally projected. Staff answered questions from the committee. Lynda called the question. David Cates made a motion to approve the October 31, 2024 Financial Statements as presented. Tim Wilson seconded the motion which carried unanimously.

December 31, 2024 Financial Statements: Lynda asked Jill and Jon to provide an overview of December 31, 2024 Financial Reports including Budget to Actual, Balance Sheet and Profit & Loss reports. Overall, there are fewer expenses in the first two months of the fiscal year. Staff answered questions from the committee. Lynda called the question. David Cates made the motion to approve the December 31, 2024 Financial Statements as presented. Tim Wilson seconded the motion which carried unanimously.

Proposed Budget Revisions FY25: Jill presented her recommendations for spending the additional carry forward funds in FY25. She recommends increasing funding for programs including re-grants, Montana Conversations, and Big Sky Reads. Staff answered questions from the committee. Lynda called the question. David Cates made the motion to approve the FY25 Budget Revisions as presented. Tim Wilson seconded the motion which carried unanimously.

FY24 Auditor Update: Jill and Jon updated the committee of the resignation of HM's auditor, and the search for a new firm to complete the FY24 audit. Following Nathan Saravalli's resignation from JCCS, we were informed on December 2, 2024 that the firm no longer has the capacity to serve HM's auditing needs. Upon learning this, Jon and Jill reached out to colleagues to identify 12 different accounting firms across the NW and Rocky Mountains. We received 3 responses from firms who would be able to serve

HM's needs for FY24. Jon spoke with Harris CPA and Pinion Accounting over the phone received their pricing at the end of their introductory calls. Their pricing was:

Harris CPA $26,500
Pinion Accounting $55-60,000

On December 12th, Jon and Jill met with Keegan Witt with Carver, Florek & James CPA to learn more about what his firm would be able to offer HM. They determined that Carver, Florek and James CPA would be the best fit to move forward with for the FY24 audit. Most of Keegan Witt's work is with nonprofits, and the majority are single audits as required for HM due to the significant level of federal funding through the NEH. Additionally, his office is in Missoula so he can provide in person support as needed. And, last but certainly not least, they are the most affordable at $19,000 for the audit and $2,400 to file HM's 990. In 2024, we paid JCCS $19,125 for the FY23 audit and 990 filing, so we are within our budgeted amount.

Because of the short notice from JCCS, and immediate need to get started on our audit, Jill asked Beth to sign a one-year letter of engagement with Carver, Florek & James CPA. HM will send out an RFP midyear for FY25 to determine a more long-term solution including the option to stay with Carver, Florek & James if the finance committee determines that is the best option for HM.

HM Financial Policies and Procedures manual updates: Lynda and Jodi Todd, former staff accountant at HM, identified updates to the Financial Policies and Procedures manual last spring before Jodi's resignation. Based on their recommendations, Jon made changes to the manual which also include compliance with the updated CFR 200 grant guidelines, and reflect current practices including weekly check writing and NEH grant drawdowns to improve cash flow. Additionally, the manual now includes a goal of working towards at least 3-6 months of unrestricted reserve funds to prepare for any potential gaps in funding. Jill also recommended having a board member added as a check signer in addition to staff. Jon and Jill answered questions from the committee. Lynda called the question. David Cates moved to approve the updates to the Financial Policies and Procedures manual. Tim Wilson seconded the motion which carried unanimously.

Scheduling FY25 Meetings: The committee scheduled meetings for the upcoming year. Jill will send out calendar invitations for the following dates:

- Wednesday, April 30th, 2025 at 10 am: Review March 31st Financial Statements
- Wednesday, May 7th at 10 am: FY24 Audit Review
- Wednesday, August 27th at 10 am: July 31, 2025 Financial Statements and FY26 Budget Review

Lynda thanked committee members for their time and adjourned the meeting at 11:24 am. JB

Governance Committee Minutes

Wednesday, January 22, 2025 at Noon via Zoom

Attendees: Chairperson Mary Hernandez, Jeremy Carl, Jen Corning, Beth Sullivan, Clark Whitehorn

Committee Chair Mary Hernandez called the meeting to order at 12:00 pm. A quorum was present.

__Discussions:__

Review 2025 Board Standing Committee Calendar: Mary asked Jill to review the proposed 2025 Board Standing Committee Calendar. As meetings are scheduled, she will fill in the dates. She recommended two changes to the committee calendar this year.

- First, Jill recommends that the executive committee meet on a regular basis. This will help address the recommendation from the ED evaluation to stay in regular communication with the board between meetings and provide an opportunity for increased coordination and alignment with committee work throughout the year.
- Jill's second recommendation is to hold a virtual regular board meeting in December each year to review the end of year financials and make budget adjustments if needed. Five months between the Fall and Winter board meetings creates a gap in communication and has resulted in calling special meetings in December for the past two years.

Jill answered questions from the committee. They agreed to consider the December meeting recommendation, but no action was taken at this time.

Review Conflict of Interest Form and Code of Ethics for FY25: The annual signed agreements of the Conflict of Interest and Code of Conduct form as well as the Code of Ethics form takes place at the winter board meeting. Mary asked the committee for feedback. Jeremy pointed out that the Code of Ethics form contains some subjective language. The committee agreed to review the form and make recommendations at a future committee meeting.

By-laws—final approval of Finance Audit Committee responsibilities: The Finance/Audit Committee recommended updates to their responsibilities in the by-laws that were approved by the Governance Committee in August. However, the version of the by-laws shared in the fall board meeting notebook mistakenly omitted these recommended changes. As a result, the final approval of these updates will be on the Winter Board meeting agenda.

2026 Nominations Process:

- **Governor's Board Appointments 2025-2028:** The committee reviewed the current process for board appointments from the Governor's office. Jill reported that she recently emailed the Governor's office to inquire about his second-term appointments, and to inform him that the current appointees have expressed interest in serving a second term. Jill will keep the board informed as she hears from the Governor's office.

  Beth informed the committee that while awaiting the governor's appointments following an election, HM has the discretion to maintain the immediate past appointed directors until new appointees are named, which may mean that those previous appointees might serve for a few months into the first year of a new governor's term.

- **2025 Board Matrix:** The committee reviewed the board matrix. Board members will be asked to update their experience, skills and interests at the winter board meeting. The committee will use the updated matrix and responses to determine organizational needs to assist with recruitment for board openings in 2026.
- **Board Openings:** The Committee will be addressing recruitment and nominations needed with consideration of the following:

  3 directors complete their second 3-year term on Dec. 31, 2025, and will be termed out: Carol Bradley, Jeanette Fregulia, and Lynda Grande.

  5 directors complete their first 3-year term, and are eligible to serve a second 3-year term: David Cates, Ray Ekness, Mary Hernandez, Arian Randall, and Clark Whitehorn.

Scheduling FY25 Meetings:

The committee agreed to meet at the following times in 2025. Additional meetings will be added to assist with the nominations process as needed. Jill will send out calendar invitations and update the Board Standing Committees Calendar document.

- Wednesday, April 30th at Noon
- Monday, August 25th at Noon

Mary adjourned the meeting at 12:55 pm. JB

Humanities Montana Grants Committee Meeting
January 30, 2025
Zoom, 11:00 AM

<u>In Attendance</u>

Board: Jeanette Fregulia (chair), Glory Blue Earth, Lathie Poole, Ray Ekness, Karen Reiff, Beth Sullivan
Staff: Jill Baker (executive director), and Megan Hill Sundy (grants and evaluation director)

A quorum was present.

Committee Chair Jeanette Fregulia called the meeting to order at 11:00 a.m., welcomed the committee, and thanked everyone for reviewing proposals. The committee approved the agenda as presented.

Jill Baker discussed the changing circumstances in operations resulting from the federal funding freeze on Monday evening that was then rescinded on Wednesday morning. The series of events delayed sending review materials to the committee until Wednesday afternoon in preparation for Thursday's committee meeting. Additionally, she reassured the committee that all language provided in subaward guidelines and contracts states that subawards are dependent on the availability of NEH funding.

Regarding the subaward budget, Jill explained that HM has additional carry over funds from the past fiscal year to support programming and the Finance Committee has recommended an increase to the subaward budget for FY25 that will be presented to the full board at the February meeting. This increase will not impact the recommended funding for applications submitted under review today, but will allow HM to increase the number of available mini-grants this year.

Megan Sundy provided the following updates:
<u>YTD Subaward Summary</u>

- 7 Mini-Grants / Total award amount = $11,154.65
- 12 Community Project grant applications / Request amount = $98,658.00
- 8 Public Humanities Fellowship applications / Request amount = $32,000.00
- Current request amount from December applications: $130,658.00
- Available funds for 1st FY25 grantmaking cycle ≈ $50,000.00
- Proposed subaward budget $180,000
    - Mini-grants = $24,000
    - Public Humanities Fellowships = $16,000
    - Community Project grants = $100,000
    - Film + Video = $40,000

<u>December Application & Review Summary</u>

- Total number of applications reviewed by board members = 20
- Average number of evaluations (scores and comments) completed by board members for each application = 10
- Sum of funds requested from all applications = $130,658
- *Recommended* available funding for Community Project grants = *$34,000*
- *Recommended* available funding for Public Humanities Fellowships = *$16,000*

Jeanette Fregulia recommended that all projects scoring 80% or higher be discussed by the committee and the committee agreed to refrain from discussing the two lowest scoring fellowship applications.

The committee considered the following **Public Humanities Fellowship applications:**

- *$4,000 - Unequal and Unruly: Working Class Women Create Meaning in Montana, 1910 to 1960*, Jennifer Hill - *Weighted Score: 93.1%*
- $4,000 - *The Lives of James P. Beckwourth and the Disappearance of the Black West*, Anthony Wood - Weighted Score: 90.5%
- $4,000 - *"A Cheyenne Review", producing historical articles related to the reservation era*, Clara Caufield - Weighted Score: 82.9%
- $4,000 - *Mapping Indigenous Montana*, Delia Hagen - Weighted Score: 88.8%
- $4,000 - *The lives and work of John and Frank Craighead in Montana*, Eva-Maria Maggi - Weighted Score: 86.9%
- $4,000 - *The Cree Deportation Act: Ethnic Cleansing on the Northern Plains*, Gabriel Furshong - Weighted Score: 84.6%
- $4,000 - *Continuing work on Blackfoot Stories of Bear River,* Mark Ratledge - Weighted Score: 79.9%
- $4,000 - *Apsaalooke Science Knowledge Intersection with Makerspaces,* Elaine Westbrook - Weighted Score: 77.6%

The committee considered the following **Community Project Grant applications:**

- $6,561 - *Centering Indigenous Knowledge webinar series: Spring and Fall 2025*, University of Montana - *Weighted Score: 91.8%*
- $6,457 - *Japanese Festival in Western Montana*, University of Montana Western - *Weighted Score: 91.0%*
- $8,800 - *River Arts & Books 2025 Speaker Series*, River Arts & Books - *Weighted Score: 90.8%*
- $5,000 - *Academic WorldQuest 2025: Honoring Indigenous Cultures in Montana and Around the World*, World Affairs Council of Montana - *Weighted Score: 90.6%*
- $7,840 - *The Montana Tapestry: People and Places from 1776 to Today*, Montana Historical Society - *Weighted Score: 89.5%*
- $10,0000 - *2025 Lecture Series*, Elk River Arts & Lectures- *Weighted Score: 87.3%*
- $10,000 - *IndigiPalooza MT*, Chickadee Community Services - *Weighted Score: 85.0%*
- $10,000 - *Telling The Untold Stories of Resilience and Identity of Montana's Native Athletes*, Identity Inc. - *Weighted Score: 83.8%*
- $4,000 - *Rocky Mountain Kid Lit Festival 2025*, Billings Public Library - *Weighted Score: 83.2%*
- $10,000 - *Art Mobile of Montana providing art education throughout MT*, Art Mobile of

Montana - *Weighted Score: 83.0%*

- $10,000 - *Preserve Montana Trades Corps*, Montana Preservation Alliance - *Weighted Score: 81.7%*
- $10,000 - *Access to Humanities Learning for Middle School Students: Connecting Across the State and Beyond*, Cottonwood alc - *Weighted Score: 80.1%*

Public Humanities Fellowship Applications - Discussion

Staff shared an overview of engaging experts to fellowship grant applications. This was Humanities Montana's second opportunity to involve external subject experts in the evaluation process and the first-time experts were involved in review of fellowship applications. Experts provided scores and comments for each application which were shared with the grants committee and referenced during discussion of each application. Humanities Montana recruited, trained, and involved the following expert reviewers in evaluation of the 2025 Public Humanities Fellowship applications:

Mary Murphy, Ph.D., Emeritus Professor of history at MSU
Areas of expertise include U.S. women's history, history of the American West, history and culture of food. Learn more

Micah Chang, Ph.D., Assistant Professor of History at MSU
Areas of expertise include the history of the American West, agricultural history, public history, and religious history. Learn more

Crystal Alegria, Executive Director of The Extreme History Project
Areas of expertise include community history, women's history, western social history, the history of place, archaeology education, participatory action research, and public archaeology. Learn more

The committee discussed the merits and shortcomings of the six highest scoring public humanities fellowship applications. The following is a summary of the key considerations for each project:

- **Unequal and Unruly: Working Class Women Create Meaning in Montana, 1910 to 1960:** This project received high scores and positive feedback from all expert reviewers and the majority of board reviewers. Committee members noted that the proposal was a well-written and engaging application and felt the project would demonstrate HM's interest in exploring Montana's diverse history through the lives of women. Committee members highly recommended funding this project.

- **The Lives of James P. Beckwourth and the Disappearance of the Black West:** Jeanette Fregulia and Micah Chang were recused from reviewing this application. This project received high scores and positive feedback from all expert reviewers and the majority of board reviewers. Committee members found the project interesting and the proposal well-organized and felt that this publication and subsequent public presentations would help Montanans gain a deeper understanding of history. Some questions were raised about the feasibility of answering the research questions, but overall, the committee agreed that the project involves a classical investigation using archival material. Committee members highly recommended funding this project.

- **The title is "A Cheyenne Review", producing historical articles related to the reservation era:** This project received high scores and positive feedback from all expert reviewers and the majority of board reviewers. Committee members discussed the collaborative aspects of the project, the value of a native-led initiative, and the project's capacity to "fill a big hole in the history of the modern Northern Cheyenne reservation period." Some questions were raised about the scale and feasibility of the project and suggested that HM discuss narrowing the scope of project activities to fit within the 6-month grant term. Committee members highly recommended funding this project.

- **Mapping Indigenous Montana:** This project received high scores and positive feedback from all expert reviewers and mixed scores and comments from board reviewers. Experts felt that this research would "break new ground" in the histories of the American West and Montana" and noted strong letters of support. Committee members raised questions about feasibility, the researcher's capacity to complete the project, and ability to secure needed permissions.

- **The lives and work of John and Frank Craighead in Montana**: This project received low scores from expert reviewers and mixed scores and comments from board reviewers. Experts felt that the research plan and timetable were extremely optimistic and did not feel the project would advance the mission of HM. Board members found the project interesting and relevant to Montana but also expressed concerns about the project's timeline. Other committee members felt strongly that the project will document "how we interact with the natural world."

- **The Cree Deportation Act: Ethnic Cleansing on the Northern Plains**: This project received mixed scores and comments from expert reviewers and board reviewers. Experts noted that the main collection of archival records for Fort Assiniboine is at the Montana Historical Society Library, which is under renovation and will not be accessible until late 2025. The main concerns included feasibility of project timeline and insufficient familiarity with the historical context and exploration of other reference materials. Some committee members found the project interesting and appreciated the applicant's efforts to raise awareness of a lesser-known event in Montana's history. Others had concerns about the strong language used in the project title, and others felt the request for travel reimbursement would be much less because most of the archival material would be sourced online.

<u>Community Project Applications - Discussion</u>

The committee then discussed the strengths and weaknesses of each community project grant application. The following is a summary of the key discussion points for each project:

- **Centering Indigenous Knowledge webinar series: Spring and Fall 2025**: This project received high scores and positive feedback from the majority of board reviewers. Committee members had positive feedback from attending online sessions last year and were impressed by the partnership with Tribal colleges and the statewide reach. One reviewer noted, "This is a program that exposes Montanans to various kinds of indigenous viewpoints, and is in total accord with our mission."

- **Japanese Festival in Western Montana:** This project received high scores and positive feedback from the majority of board reviewers. Committee members considered the project and application well-organized, thorough, and complete. They felt the project is unique and collaborative.

- **River Arts & Books 2025 Speaker Series**: This project received high scores and positive feedback from the majority of board reviewers. Committee members were excited to see a request from a first-time applicant in rural Montana. They felt the proposal was strong and the intended audience, although small, is very aligned with HM's mission.

- **Academic WorldQuest 2025: Honoring Indigenous Cultures in Montana and Around the World**: This project received high scores and positive feedback from the majority of board reviewers. The applicant has received significant support from HM over the years but the committee was interested to support the organization again because they are the only entity providing this type of civic education to youth across the state. The project is collaborative, has established longevity, and is "a worthwhile project that will teach and expose high school students to an ever more inter connected world."

- **The Montana Tapestry: People and Places from 1776 to Today**: This project received high scores and positive feedback from the majority of board reviewers. Committee members shared that this was an excellent opportunity for HM and Montana to participate in the 250 project and an interesting way to explore this period of time in Montana history. One committee member felt the application was "a little uninspired" but that they had strong partnerships to carry out the work.

- **2025 Lecture Series**: This project received high scores and mixed feedback from board reviewers. Committee members considered the proposal relevant and holds the organization in high regard. Board members had questions about the extent of HM's awards to ERAL over the past few years and thought greater evidence of other secured funding would strengthen the application. Several reviewers noted insufficient details regarding lecturers, topics, and timelines.

- **IndigiPalooza MT**: This project received mixed scores and comments from board reviewers. Committee members noted excellent collaboration with community partners. Overall, committee members expressed concern about the reliance of keynote speakers, the limited reach in Missoula, and the significant expenses. There were also concerns about it being a festival and would have preferred to know more about the focus on literature and discussion.

- **Telling The Untold Stories of Resilience and Identity of Montana's Native Athletes**: This project received mixed scores and comments from board reviewers. Board members commented that "the stories are rich and inspiring and supporting a project to express Tribal and Native identity in a positive light among youth is a beautiful way of spending HM money." Others felt the project was incomplete and might be better suited to a Film + Video grant. Committee members recommended they reapply once the film is completed.

- **Rocky Mountain Kid Lit Festival 2025**: This project received mixed scores and comments from board reviewers. Board members agreed that the project aligns with HM's focus on expanding humanities programs to youth, however, the application provided insufficient details about key project activities, did not include adequate letters of support, has been repeatedly funded by HM and no evidence of other secured funding was provided.

- **Art Mobile of Montana providing art education throughout MT**: This project received mixed scores and comments from board reviewers. Some found this project worthwhile because it will provide art education to youth in rural communities. Others scored lowered because the request seemed too operational and lacked sufficient details about humanities content, project activities, and timelines.

- **Preserve Montana Trades Corps**: This project received mixed scores and comments from board reviewers. Comments included support for this "practical, hands-on approach to humanities work" noting that it is "visionary…not only resulting in preservation of rural historic properties, but trains young adults in preservation trades, resulting in long term, perpetual outcomes." Others felt the project is not humanities-focused.

- **Access to Humanities Learning for Middle School Students: Connecting Across the State and Beyond**: This project received mixed scores and comments from board reviewers. Committee members discussed the quality of the planned humanities programming for youth but agreed that the request amount was disproportionate to the reach (6-7 students) in Montana.

Overall, while there was enthusiasm for some projects and reservations about others, the discussion reflected a balanced approach, emphasizing support for impactful projects while addressing concerns about feasibility, clarity, and community relevance. The committee aimed to foster initiatives that would contribute to the cultural landscape and engage the community meaningfully.

Noting agreement of fundable projects and award amounts, Jeanette asked for a motion to approve project proposals and recommend funding as determined during the committee's discussion.

Ray Ekness moved to recommend the following award decisions to the full board:

FULL FUNDING

<u>Public Humanities Fellowships</u>

- *Unequal and Unruly: Working Class Women Create Meaning in Montana, 1910 to 1960*, Jennifer Hill, $4,000
- *The Lives of James P. Beckwourth and the Disappearance of the Black West*, Anthony Wood, $4,000
- *"A Cheyenne Review", producing historical articles related to the reservation era*, Clara Caufield, $4,000
- *Mapping Indigenous Montana*, Delia Hagen, $4,000

<u>Community Project grants</u>

- *Centering Indigenous Knowledge webinar series: Spring and Fall 2025,* University of Montana, $6,561
- *Japanese Festival in Western Montana,* University of Montana Western, $6,457

- *River Arts & Books 2025 Speaker Series,* River Arts & Books, $8,800
- *Academic WorldQuest 2025: Honoring Indigenous Cultures in Montana and Around the World,* World Affairs Council of Montana, $5,000
- *The Montana Tapestry: People and Places from 1776 to Today,* Montana Historical Society, $7,840

DECLINE FUNDING

- *Continuing work on Blackfoot Stories of Bear River,* Mark Ratledge, $4,000
- *Apsaalooke Science Knowledge Intersection with Makerspaces,* Elaine Westbrook, $4,000
- *2025 Lecture Series,* Elk River Arts & Lectures, $10,0000
- *IndigiPalooza MT,* Chickadee Community Services, $10,000
- *Telling The Untold Stories of Resilience and Identity of Montana's Native Athletes,* Identity Inc., $10,000
- *Rocky Mountain Kid Lit Festival 2025,* Billings Public Library, $4,000
- *Art Mobile of Montana providing art education throughout MT,* Art Mobile of Montana, $10,000
- *Preserve Montana Trades Corps,* Montana Preservation Alliance, $10,000
- *Access to Humanities Learning for Middle School Students: Connecting Across the State and Beyond,* Cottonwood alc, $10,000

Staff will contact all applicants, provide feedback upon request, and work to revise and finalize project budgets with project directors. Staff will also invite Identity, Inc. to reapply after the project is further developed.

Lathie Poole seconded the motion. The motion carried unanimously.

TOTAL RECOMMENDED AWARD: $50,658.00

Jeanette Fregulia opened the conversation for general discussion. Committee members thanked staff for facilitating additional conversation about applications, noted that the portal continues to be user friendly and preparation materials are helpful. Lathie Poole noted that she is “cheered by the level of applications and feels the awareness of HM seems to be broadening.”

Jeanette will work with the committee to finalize the grants committee charter.

Jeanette, Megan, and Jill thanked everyone for their time and shared the application review timeline for the April submissions.

The next committee meeting to review applications from the April 1, 2025 deadline will be scheduled for Thursday, May 15, 2025 from 11:00 a.m. to 12:30 p.m.

The meeting adjourned at 12:35 PM.

Executive Director Report

February 2025

As we prepare for our board meeting in Bozeman, I am holding two truths. On one hand, we have the uncertainty of federal funding looming in the future. The current continuing resolution from Congress expires on March 14, 2025 and on the heels of the Jan 27th Executive Order which would have required an indefinite funding freeze for most federal departments. HM has updated our contingency plan and are prepared in case it is necessary to implement. On the other hand, HM has a potential budget surplus that asks the board to consider approving a revised budget, assuming that Congress will pass the FY25 budget based on the approved NEH grants. It is quite an exercise in mental gymnastics to hold both of these truths at the same time. And, yet, that is what is required of us in this moment. Plan for the best-case scenario while also preparing for the worst. What is clear is that our over-reliance on federal funding continues to put us in a precarious position. This makes it even more important for HM to cultivate individual donors and build relationships with private foundations and major donors. Staff have been making progress with development efforts. We are counting on our board members to help us expand our reach over the next weeks, months and years. Please plan to attend the board working session on Friday, February 21 from 3:00-4:30 at MSU American Indian Hall to consider how to help HM be in the best strategic position possible moving forward.

Additionally, HM recently completed the FY24 Activities and Outcomes report to the National Endowment for the Humanities. The work that we are doing, with board support and guidance, is impressive. You will read about our impact in the dashboard that follows, and in the programs and grants reports as well. Additionally, HM won the coveted Schwartz Prize for the Democracy Project at the National Humanities Conference in November. We are excited to share this award with you in Bozeman along with an update on the project as part of our Mission Moment. I am so proud of the work that our staff at HM are doing across the state with reach in all 56 counties. I know that makes you proud too.

I look forward to seeing many of you, thinking big picture, and sharing time together in Bozeman next week. ~Jill

<u>Dashboard:</u>

Financial:

Cash on Hand:

- 2 months of full operational expenses
- 3.5 months of minimal operational expense in case of federal funding freeze or government shutdown

Fundraising:

FY24 Unrestricted Donations: $21,466

FY24 Board Giving:

- In-Kind Travel: 95%
- Cash Gifts: 47% *(Not including Clark's pass-the-hat fundraiser)*

Staffing:

FY24 Retention Rate: 67%

Programs:

- FY24 Montana Conversations
  - 188 Programs reaching 6120 Montanans
  - 68% of programs occurred in rural communities
- FY24 Speaker in the Schools
  - 122 Programs reaching 11,098 students
  - 64% of programs occurred in rural communities
- Democracy Project (2024-25 school year)
  - 13 sites including 7 full sites and 6 soft-launch

Re-grants: FY24

Grant Type	# of Applications received	Total Amount requested	# of Awards	Total Award Amount	Annual Funding Rate
Mini	22	$ 40,407.00	21	$ 38,330.40	95%
Community Project	18	$ 138,951.16	15	$ 104,805.00	75%
Film + Video	7	$ 62,585.00	4	$ 36,585.00	58%
Fellowship	n/a	n/a	n/a	n/a	n/a

2025 DEVELOPMENT PLAN

INTRODUCTION:

Overall, Humanities Montana (HM) is in a good position to increase fundraising and expand its offerings through individual gifts. The organization has been in existence for over 50 years and has a successful track record with both public and cultural organizations. However, HM continues to rely heavily on federal grants from the National Endowment for the Humanities (NEH). It is imperative that HM diversify its funding sources in order to build a broad, sustainable base of financial support for the organization's next 50 years. Therefore, the focus will be building systems that generate a larger portion of the annual budget from sustainable sources each year, including individual donors and earned income.

GOAL: To build authentic relationships and engage with individual supporters of Humanities Montana in order to increase private donations and diversify funding sources for the future sustainability of the organization.

STRATEGIES:

1. Development & Communications Associate Duties
    a. Focus on building relationships and engaging supporters including former board, former staff, current donors, and recently lapsed donors, natural partners and other stakeholders.
    b. Coordinate low-cost special events in communities across Montana (ex: house parties, raise a pint night, etc.)
    c. Coordinate 3-4 mailings per year
        i. April - Spring Appeal
        ii. July - Annual Report Theme

   iii. September - Legacy Giving Campaign tailored to people who already have a relationship with HM.

   iv. Mid-November - Annual Appeal

 d. Facilitate pilot participation in Online Giving Campaigns—MT Community Foundation Giving Days in May (Billings & Great Falls for 2025)

 e. Maintain database, thank you letters, etc.

 f. Work with ED to develop board materials for successful Donor Retention Campaign.

 g. Implement new Development section of E-Newsletter, “Heart of the Humanities”

 h. Work closely with ED to coordinate HM’s Annual Report

 i. Increase brand strength (Confidence of Board and Staff in Brand): develop Communications Toolkit & Donor pamphlet

2. Host House Parties to facilitate storytelling, conversations, and HM’s supporter reach

   a. Potential 2025 locations: Helena, Billings, Bozeman, Great Falls, Missoula

   b. Focus on the Impact of Humanities on their lives (listening sessions).

3. Engage Board through Donor Retention Campaign

   a. Assign two local donors/supporters to each board member with the goal of building a relationship over the next year.

   b. Communications Toolkit: Facilitate skill building with board members with the goal of fostering a conversation about humanities versus an elevator speech; the emphasis is on asking open ended questions.

   c. Call or text new donors to thank them for their gift. Ask new donors open ended questions.

      i. ED and Development Associate will create scripts for board members to leave a voicemail or send a text.

4. Develop a Major Donor Stewardship Plan

   a. Build authentic relationships with key supporters and stakeholders. ED will focus on cultivating top donors and supporters.

   b. Communicate regularly with major donors with meaningful updates multiple times per year.

   c. Submit grant proposals with private foundations.

5. Determine future of Public Humanities Awards

   a. What is the ROI?

   b. What potential partnerships exist?

MEASURING SUCCESS: CASH GOAL: To raise at least $36,000 in unrestricted individual gifts in FY25.

FY2025 Annual Appeal Report:

Total: $14,111.45

Individual Donors: 66

Humanities Montana
Grantmaking Report
February 2025

Grantmaking Insights

In 2024, we began to witness the influences of revisions and updates made to our grant programs in 2023. While we experienced shifts in the volume of applications received, the quality of proposals and focus on priority communities improved. We also received our first round of data related to the reach of grant-funded projects which enables HM to tell a new story about the impact our of grantmaking. In all, 2024 was a successful year for HM's grantmaking and with new data and a targeted outreach plan, we anticipate positive trends will continue and our capacity to reach more Montanans will grow. As we look to the future, we will begin exploring humanities themes and topics addressed through subrecipients' projects to further articulate the role of Humanities Montana in local communities.

Table 1

Year Over Year (YoY) summary of applications received, amounts requested, projects funded, award amounts, and annual funding rates by strategic planning year

General YoY Grantmaking Summary	FY23	FY24
# Applications received	68	47
# Projects funded	45	40
Total amount requested	$ 313,497.22	$ 241,943.16
Total award amount	$ 163,944.12	$ 179,720.40
Annual funding rate *(funds awarded/funds requested)*	52%	74%

There are two noticeable trends between 2023 and 2024. The number of applications received and funded in 2023 is higher than in 2024, while the award amount and annual funding rate is lower. These differences can be attributed to several potential factors. By pausing the fellowship program in December 2023, we saw a decrease in the number of applications submitted during the first grant cycle of 2024. Additionally, HM has worked diligently to improve outreach efforts, pre-screening, and the application process for all grant programs and has noticed improved application quality and better alignment with the mission and strategic priorities. We also increased the grantmaking budget in the fall of 2024, enabling HM to support projects at a higher level. We have seen the average award amount increase from around $5,000 to $7,000 and have increased our annual funding rate from 52% to 74%.

This demonstrates that recent changes to our grantmaking have resulted in an increased capacity to fund higher quality projects. We anticipate this trend will continue in 2025.

Table 2

FY2024 Total applications received, amounts requested, projects funded, award amounts, and annual funding rates by Montana Tourism Region

2024 Subaward Insights - By Tourism Region					
Tourism Region	**# of Applications received**	**Total Amount requested**	**# of Awards**	**Total Award Amount**	**Annual Funding Rate**
Central Montana	2	$ 12,000.00	2	$ 12,000.00	100%
Glacier Country	22	$ 99,739.00	19	$ 76,649.80	77%
Missouri River Country	0	$ -	0	$ -	
Southeast Montana	5	$ 31,545.00	4	$ 21,545.00	68%
Southwest Montana	11	$ 62,769.00	9	$ 41,634.60	66%
Yellowstone Country	6	$ 33,890.16	5	$ 25,891.00	76%
Out of State	1	$ 2,000.00	1	$ 2,000.00	100%

The two most notable changes to funds distributed across tourism regions between 2023 and 2024 include larger award amounts to Central and Southwest Montana. The two largest awards supported the Dillon Community Story Stroll in Dillon and the Cree Language Revitalization Initiative in Box Elder. Collectively these projects are excellent examples of our work to increase humanities programming for rural, youth, and indigenous communities and audiences.

Table 3

FY2024 Total applications received, amounts requested, projects funded, award amounts, and annual funding rates by Montana Geographic Region

2024 Subaward Insights - By Geographic Region					
Geographic Region	**# of Applications received**	**Total Amount requested**	**# of Awards**	**Total Award Amount**	**Annual Funding Rate**
Western Montana	33	$ 162,508.00	28	$ 118,284.40	73%
Central Montana	8	$ 45,890.16	7	$ 37,891.00	83%
Eastern Montana	5	$ 31,545.00	4	$ 21,545.00	68%
Out of State	1	$ 2,000.00	1	$ 2,000.00	100%

Although we received fewer applications overall in 2024, we increased the annual funding rate (applications received and amount requested vs. projects approved and funds awarded) in both Central and Eastern Montana. As we continue to expand outreach in Central and Eastern Montana, we anticipate this trend will continue if the quality of applications remains high and the board continues to prioritize distribution to these areas over Western Montana.

Table 4

FY2024 activities, attendance, and reach reported by subrecipients between 11/1/2023-10/31/2024

2024 Activity & Reach	
Total # of unique humanities scholars/subject experts involved in subrecipient projects	258
Total # of LIVE activities conducted by subrecipients	443
Total attendance for all LIVE subrecipient-conducted activities	528,948
Total # of non-live activities conducted by subrecipients	75
Total attendance (number of times accessed) for all non-live subrecipient-conducted activities (recorded, printed, or digital activities)	66,620
Total # of counties reached through subrecipient projects	**56**
Percentage of subrecipient projects reaching priority communities	**78%**

Humanities Montana began collecting data from subrecipients in 2023 about counties and audiences reached through grant-funded projects. The data is reported by subrecipients in their final reports and in 2024, we were able to capture some of this data from completed projects. The most exciting data reveals that grant-funded projects completed in 2024 offered humanities programming to residents in all 56 counties. On average each county had access to at least four programming opportunities with the 5 counties reporting access to 10-14 programs, 20 counties reporting access to 5-10 programs, and 31 counties with access to 2-5 programs. MTPR's *The Write Question* and AERO's *Local Food Guide* reported reach to all 56 counties. Additionally, 78% of subrecipients reporting in 2024, indicated that their work reached one, two, three, or all of HM's priority communities (rural, youth, and indigenous). Here are a few additional insights to consider from this new data:

- 41% of subrecipient-conducted projects reported during in FY24 reached Western Montana
- 30% reached Central Montana
- 29% reached Eastern Montana
- Other communities served include seniors (65+), veterans and active-duty military, Tribal colleges and universities, community colleges

We will continue to cultivate new data and increase our analysis capabilities to better inform our decision making as we move into our next strategic planning process.

2025 Strategic Action Updates

As we continue advance our strategic efforts to re-energize grantmaking, HM staff implemented the following during the first quarter of FY25:

1. **Launched the (revised) Public Humanities Fellowship opportunity.** After a full year of evaluating and piloting a revised version of HM's research fellowships, staff developed new materials including guidelines, forms, and resources in preparation for the December 1, 2024 application deadline. HM staff also recruited, trained, and engaged three external experts in the evaluation of fellowship applications.
2. **New outreach strategies employed to raise awareness and increase interest in HM's grantmaking.** HM has created a timeline for press releases, grantee spotlights, email blasts, consultations, social media posts, and partnership development. We will continue to facilitate grant writing workshops in 2025. Potential locations include Glendive and Miles City in April, and Shelby, Harlem, and/or Box Elder in August or September. Sites, dates, and times will be determined in the coming months. Additionally, HM will conduct a targeted outreach campaign to organizations in communities who received COVID relief funding, but have not engaged with HM's grantmaking since.
3. **Staff continue to refine of data collection and data analysis capacities.** With support from HM's student worker, final report data collected during FY23 and FY24 is being cleaned and analyzed. For the first time, we can confidently report that subrecipient projects have reached all 56 Montana counties. This is an exciting development for HM as grantmaking data up to this point has only illustrated distribution of subaward funds and did not include data related to reach from funded projects. We are also working to identify humanities themes across subrecipient projects with the intention to clarify the "humanities themes and topics" most frequently supported by HM. This information will support strategic planning efforts later this year.
4. **Initiated facilitation of stakeholder focus groups to support data-driven decision-making during the next strategic planning process.** HM staff worked together through a series of structured activities to identify HM stakeholders and develop a focus group interview protocol. The grants and evaluation director will recruit participants, facilitate focus group conversations, and analyze findings between February and April. An executive summary of findings will be shared with the full board at the next board meeting.

Report Date: 2/7/2025
Author: Megan Hill Sundy

Programs Report

February 2024 Board Meeting

Humanities
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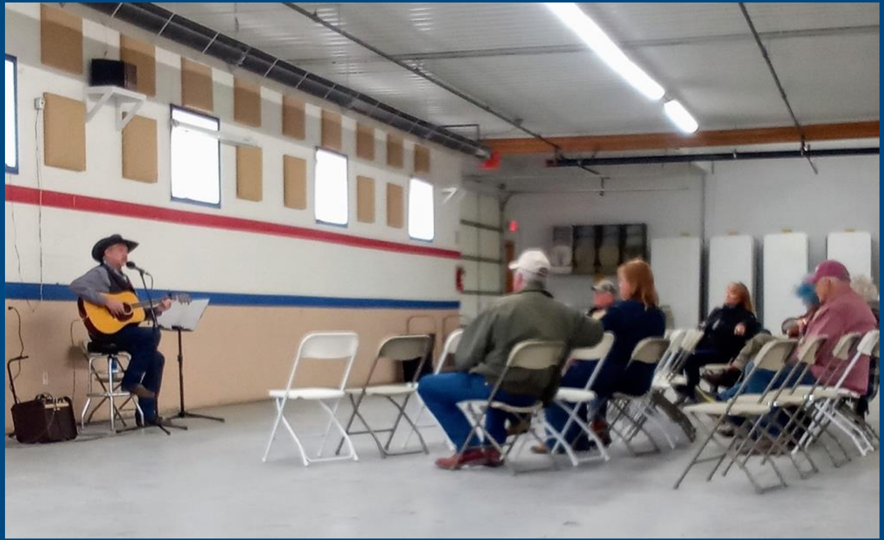


Agenda

Strategic Action Plan Updates

Speakers Bureau Updates

Montana Conversations

Speakers in the Schools

The Democracy Project (film)

Montana Center for the Book

Poet Laureate Program

Final Thoughts

[SP 2]: REALIGN PROGRAMS:

Action Step: Expand and evaluate presentation offerings for Montana Conversations and Speakers in the Schools.

- Programs staff Implemented internal review of all program presentations to align speaker's bureau with mission to serve rural, indigenous and youth populations. Speakers who did not meet mission criteria, or the two presentation a year/minimum, were off-boarded from the speaker's bureau by June 30, 2024. Further, contracts were not resigned with speakers who didn't meet ICEC requirements from the State of Montana.

- More rural and indigenous-focused speaker's bureau offerings were made available with Speakers in the Schools and Montana Conversations. 12 new presenters joined the Montana Conversations and Speakers in the Schools programs. Programs staff worked with new speakers such as Philip Page, and Lanny Real Bird, along with longtime presenters like Mary Jane Bradbury to expand programs in central, eastern and northern Montana, and in indigenous communities.

- New program presenter applications were transitioned from being accepted on a rolling basis, to a quarterly review by Humanities Montana staff. During the program year, staff meets with interested presenters to speak about Humanities Montana's mission and vision, in order to gain higher-caliber presenter applications. Staff continue to present at conferences about Montana Conversations and Speakers in the Schools to garner speaker interest, and conduct program outreach.

FY2023-2024 Programs Action Steps Updates & Review

[SP 2]: REALIGN PROGRAMS:

Action Step: Invest additional Humanities Montana resources to The Democracy Project in order to sustain the program after 2025.

- Programs staff expanded outreach efforts across the state with two statewide trips to visit libraries and promote the program. Outreach efforts also included presentations at the Montana Library Association Conference, National Humanities Conference, Indian Education for All Conference, and through library federation meetings put on by the Montana State Library.

- In 2024, a Democracy Project Film was scripted, filmed and edited; to tell the story of the program, garner interest, and develop fundraising opportunities. The film is housed on the Humanities Montana website, and is used by constituents and stakeholders, as well as staff of the program.

- At the 2024 National Humanities Conference in Providence R.I., The Democracy Project won the prestigious Helen and Martin Schwartz Prize, which celebrate outstanding work in the public humanities. This award brought national attention to the program, and is utilized to promote The Democracy Project, and seek out funding opportunities.

FY2023-2024 Programs Action Steps Updates & Review

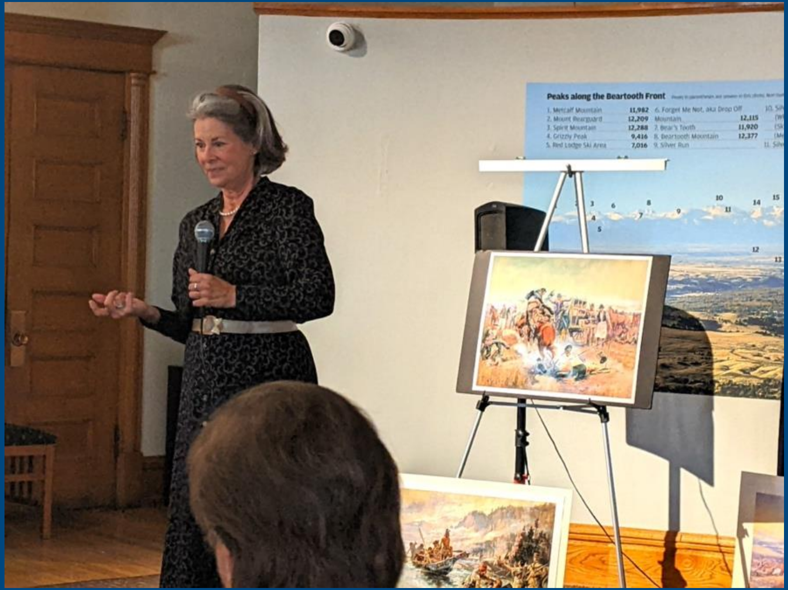
[SP 2]: REALIGN PROGRAMS:
Action Step: Re-energize the Montana Center for the Book Program

- To address the ongoing need of programmatic buildout with the Montana Center for the Book, Jenny Bevill promoted to Program Manager the spring of 2024 to coordinate on the ground efforts with the program. As the next Library of Congress/Center for the Book contract is signed in 2025, the program has continued potential to grow and serve literary/literacy efforts across Montana.

- Programs Staff continued to participate with the Library of Congress general monthly meetings, the Western II Center for the Book affinity group, and with National Book Festival staff. Programmatic relationships with the Montana State Library were reestablished along with buy-in from librarians, libraries, book clubs and independent book stores in Montana.

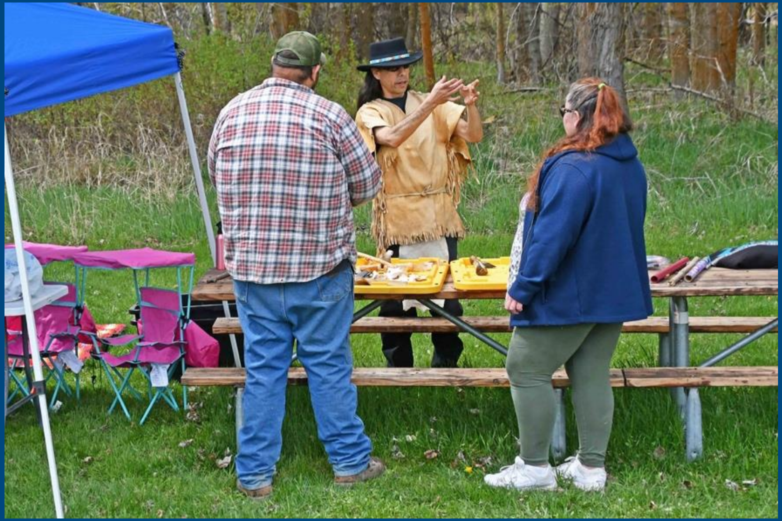
- Outreach efforts included presentations that included information on the Montana Center for the book at the 2024 Montana Library Association Conference in Butte, visiting the High Plain Book Awards, and conducting in-person meetings with 32 county libraries across Montana. The Montana Center for the book continues to be better equipped to make Great Reads from Great Places selections, and coordinate author tours with constituents across the state.

FY2023-2024 Programs Action Steps Updates & Review



Speaker's Bureau Updates

- Three new speakers have joined the speaker's bureau since October 1, 2024:
  - **Arnold "Smoke" Elser & Eva-Maria Maggi** with their program *Hush of the Land: Stories from the Bob Marshall Wilderness*; which takes the audience on a storytelling journey with horses and mules deep into the mountains of Western Montana.
  - **Bridger Lutz** and his program, *Bigfoot in the Big Sky*, which pieces together the story of Bigfoot with a thoughtful examination of evidence, stories, and various scientific approaches.

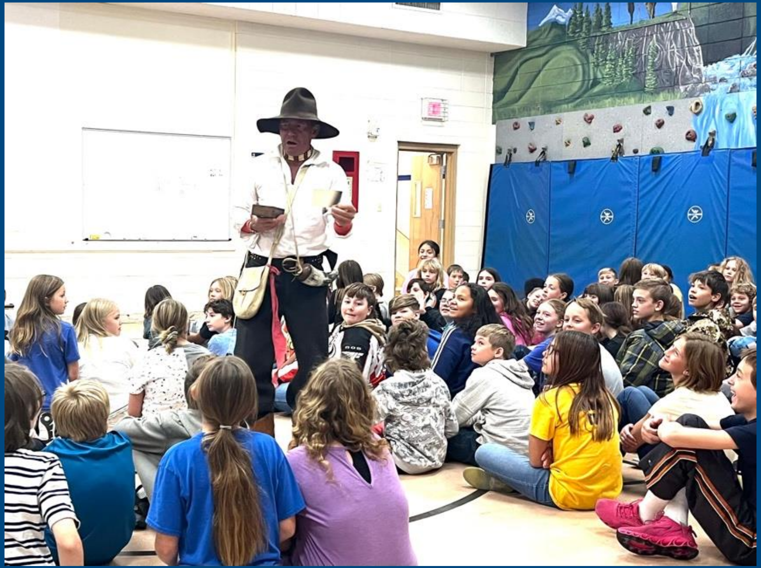


Montana Conversations

- 188 Montana Conversation programs were booked for Fiscal Year 2023-2024.
- 6120 Montanans attended a Montana Conversations Program last fiscal year.
- 68% of Montana Conversations occurred in Rural communities and 29% in Urban communities, and 4% virtually as statewide presentations.

What's being said:

> "I really enjoy working with Humanities Montana and utilizing excellent presenters through Montana Conversations. Many people in this community value presentations such as this and want more. There is a want and need for this in the town of Winnett."
>
> –Lance Olsen, Petroleum County Community Center Director



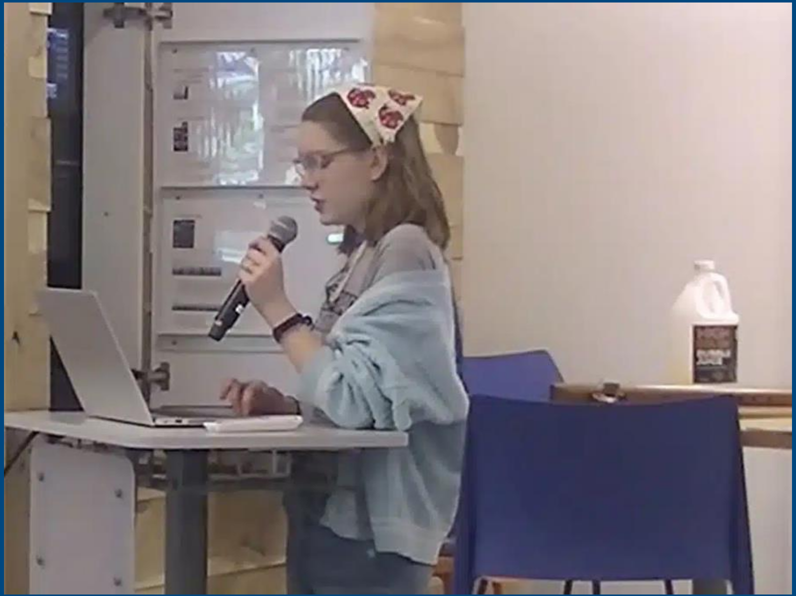
Speakers in the Schools

- 122 Speakers in the Schools programs were booked for Fiscal Year 2023-2024, with 491 individual presentations occurring.
- 11,098 Montana students were served through a Speakers in the Schools Program last fiscal year.
- 64% of Speakers in the Schools programs occurred in Rural communities and 32% in Urban communities, with 4% as statewide presentations. 7% of rural programs occurred in Native American communities.

What's being said:

"For a small, rural community like us, having expert speakers enrich our curriculum is a fantastic opportunity for students and staff."

-Sandra Harrison, Wibaux High School Teacher and Librarian



2024-2025 Program Sites
Full Program Year and Soft Launch:

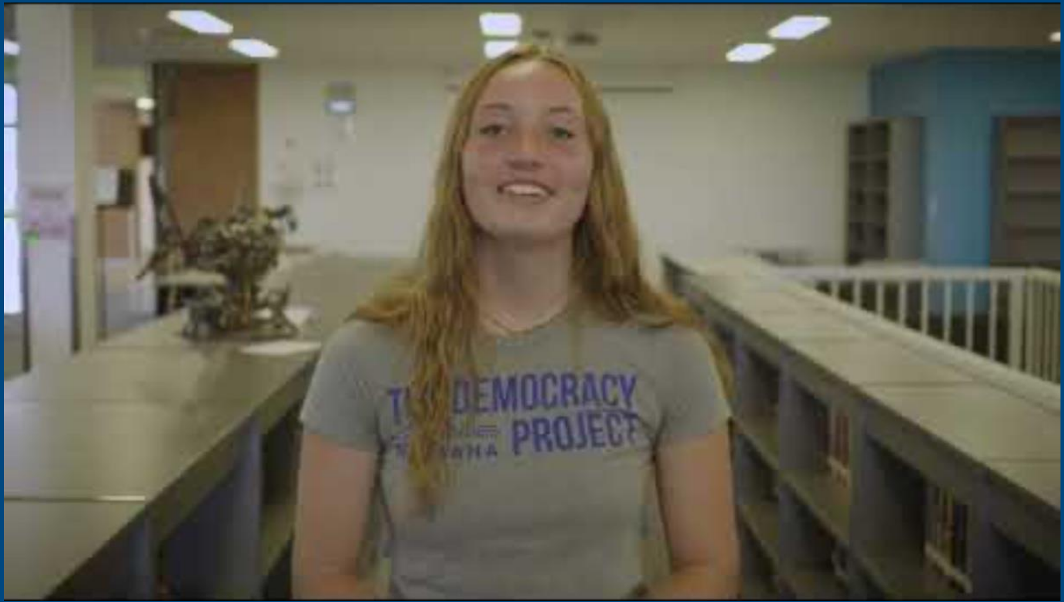
Boulder Public Library, Chief Plenty Coups High School Library in Pryor, Columbia Falls High School, Conrad Public Library, Eureka County Library, Forsyth Public Library, Gallatin High School Library in Bozeman, Geraldine Branch Library, Lewis and Clark Public Library in Helena, Medicine Springs Community College Library in Browning, McCone County Public Library in Circle, Miles City Public Library, Stillwater County Library in Columbus. Wibaux High School Library.

What's being said:

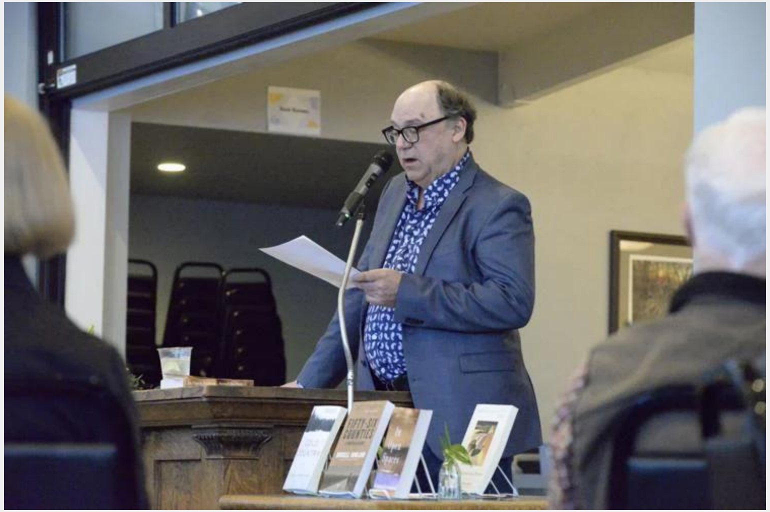
"The Democracy Project kind of just opened our eyes that we could make a change if we wanted to, instead of just waiting around for the next person to do it. We just take the initiative to do it ourselves."

-Wibaux Teen

The Democracy Project



The Democracy Project Film



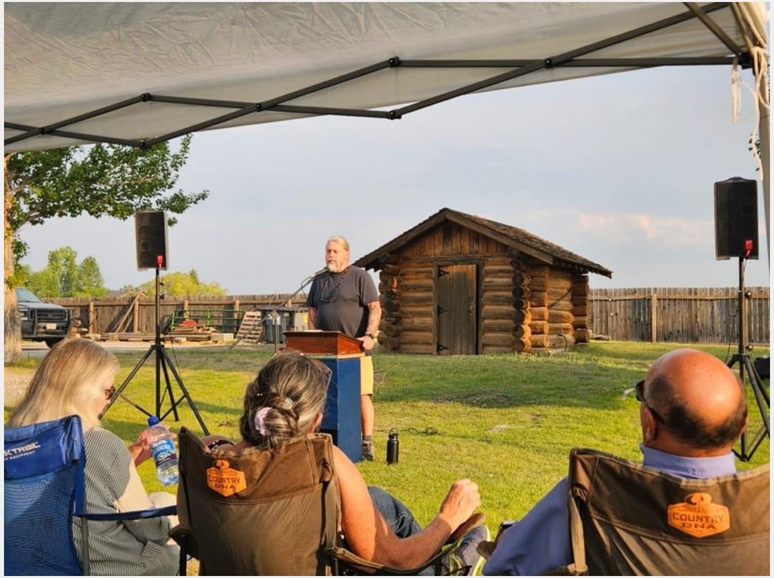
Montana Center for the Book

- 50 Montana Writes / Montana Reads programs have been booked through Montana Conversations and Speakers in the Schools.

- 20 Big Sky Reads Grants, in the amount of $500.00 a piece, have been awarded to libraries across Montana, last Fiscal Year to support rural book clubs.

- The Montana Center for the Book is currently developing a strategic plan with goals that are both aligned to Humanities Montana and the Library of Congress Affiliate Centers for the Book Strategic Plan 2024-2028. **These goals include**:

  - Expanding Program Access
  - Enhancing Program Services
  - Strengthening Constituent and Stakeholder Capacity
  - Fostering Program Innovation



Poet Laureate

- 20 Poet Laureate programs by Chris La Tray have been booked in Fiscal Year 2023-2024 through Montana Conversations and Speakers in the Schools.
- 6 of the Poet Laureate programs occurred in schools last Fiscal year, with 1080 student attending a presentation.
- 14 Poet Laureate presentations occurred through Montana Conversations with 980 Montanans in attendance.
- 40% of Poet Laureate presentations were in Rural communities and 55% in urban communities. 5% of Poet Laureate programs occurred statewide through virtual offerings.

What's being said:

He (Chris La Tray) was impassioned, assertive, approachable, and dynamic. His stories unified and inspired. Moreover, he is a pleasure to work with and eager to collaborate, which makes the entire process enjoyable for facilitators. We are grateful to have had the opportunity to host him and grateful that he contributes to the potential of small communities.

- Caroline Joan Peixoto, River Arts & Books in Roscoe

Craig Crawford, Stanford School District:
“This program made it possible for the kids in my school to have access to something we might not have otherwise pursued. Thank you so very much for funding this opportunity!”

Sam French, Blaine County Museum:
“Loved that this presentation was available for a small copay, and that the museum had access to all the materials necessary to publicize the event. The process was a breeze. The museum hopes to schedule more speakers in the future, as attendees to this event and other speaker events hosted at the museum have requested more, similar programs representing a broader breadth of subject matter. People in our area absolutely want to experience Humanities Montana's programs!”

Sherry R. Schlundt, Lewis & Clark Library:
”In my many years of being a librarian, working with the Democracy Project and its group of dedicated, caring, teens who have been meeting all year long and using their time to write a House Bill and developing a website dedicated to Teen Mental Health has been the highlight of my career. It has been an honor to work with this group of forward thinking young people.”

Final Thoughts

Quotes

Thank you!

John Knight
Programs Director
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	2023 Actual	2024 Budget	FY24 Actual 10/31/2024	Budget Difference 10/31/2024	Percentage of Budget 10/31/2024
Revenue					
NEH State Operating Grant	$ 603,037.00	$903,746.00	$ 666,117	$ 237,629	74%
Carry over from FY 23 to FY 24	207,183	293,620	293,620	-	100%
NEH SHARP	2,122			-	
National History Day Grant Carry Over		2,192	20,000	(17,808)	912%
United We Stand Grant Carry Over		39,000	51,575	(12,575)	132%
Total NEH Revenue	$ 812,342	$ 1,238,558	$ 1,031,312	$ 207,246	83%
Other Grant Support					
Engelhard Foundation Carry Over 2022	$ 56,165.00	$ 30,000	$ 29,113	$ 887	97%
Engelhard Foundation 23-25 Grant	160,000	80,000	130,477	(50,477)	163%
Montana Cultural Trust	5,000	5,000	5,000	-	100%
Informed Citizen Carry Over	3,765			-	
Academy of American Poets Carry Over	31		7,269	(7,269)	
Other Grant Revenue	2,000	0	3,438	(3,438)	
Total Other Grant Support	$ 226,961	$ 115,000	$ 175,297	(60,297)	152%
Other Revenue					
Board meeting expense donation	$ 1,378	$5,000	$ 4,480	$ 520	90%
Montana Conversations Copay	5,775	4,000	9,600	(5,600)	240%
Montana Conversations Expense Donations	1,841	1,000	1,455	(455)	146%
Unrestricted Donations	20,188	36,000	21,466	14,534	60%
Restricted Donations	1,521	16,000		16,000	0%
Interest & Misc. Earnings	7,922	6,000	21,211	(15,211)	354%
Total Other Revenue	$ 38,625	$ 68,000	$ 58,212	$ 9,788	86%
Total Revenue	**$ 1,077,928**	**$ 1,421,558**	**$ 1,264,821**	**$ 156,737**	**89%**
Expenses					
Salary, Benefits and Payroll Taxes	$ 417,694	$ 590,092	$ 565,787	$ 24,305	96%
General and Administration	116,749	172,244	107,002	65,242	62%
Board Expense	25,253	30,000	26,108	3,892	87%
Outreach	832	4,000	1,195	2,805	30%
Fundraising	11,290	12,800	18,838	(6,038)	147%
50th anniversary	3,000	-	-	-	
Lobbying/Humanities on the Hill	2,699	6,000	2,695	3,305	45%
Governor's Humanities Awards	-	16,000	-	16,000	0%
Regrants	163,654	175,000	179,368	(4,368)	102%
Regrants travel/outreach		5,000	1,168		
Regrants professional development		500			
Montana Conversations	60,281	60,000	81,736	(21,736)	136%
Montana Conversations travel/program outreach		5,000	4,699		
Montana Conversations professional development		1,000	529		
Speakers in the Schools	59,339	65,000	64,830	170	100%
United We Stand		23,000	38,273	(15,273)	166%
National History Day		-	18,881	(18,881)	
Hometown Humanities	2,354	-	-		
Journalism/Informed Citizen	3,765	-	-		
American Academy of Poets	31	-	7,269		
Civic Engagement Programming		10,000	-		
Center for the Book (LAL, NatBkFest)	48		5,068		
Gather Round	10			-	
Big Sky Reads	5,500	10,000	10,000	-	100%
National Book Festival	3,314	3,000	6,763	(3,763)	225%
SHARP	(1,003)		-		
Democracy Project	$ 27,907	$ 68,500	$ 80,547	$ (12,047)	118%
Total Expenses	$ 902,717	$ 1,257,136	$ 1,220,756	$ 33,613	97%
Net	**$ 175,211**	**$ 164,422**	**$ 44,065**	**$ 123,124**	27%
Engelhard Foundation carryover revenue listed above was recorded in FY 19 and FY 23 financial statements					
Academy of American Poets carry over revenue listed above was recorded in FY 22 financial statements					

Humanities Montana
Balance Sheet
As of October 31, 2024

	Oct 31, 24
ASSETS	
Current Assets	
Checking/Savings	
1020 · Checking-FIB	39,944.00
1021 · FIB Savings	161,742.63
Total Checking/Savings	201,686.63
Other Current Assets	
1310 · Grants Receivable	97,216.17
1505 · Prepaid Insurance	6,834.77
1510 · Prepaid Expenses	5,476.81
1650 · Endowment Funds-MCF	99,523.16
Total Other Current Assets	209,050.91
Total Current Assets	410,737.54
Fixed Assets	
1620 · Accumulated Amortization	-12,634.00
1625 · Website	36,477.00
1600 · Furniture and Equipment	7,863.88
1610 · Accumulated Depreciation	-5,168.88
Total Fixed Assets	26,538.00
TOTAL ASSETS	**437,275.54**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 · Accounts Payable	77,263.75
Total Accounts Payable	77,263.75
Credit Cards	
2375 · MC - Jennifer Bevill - 2410	1,549.98
2370 · MC - Jillian Baker - 3687	3,238.22
2365 · MC - John Knight - 5910	3,990.94
2360 · MC - Megan Hill - 4122	905.00
Total Credit Cards	9,684.14
Other Current Liabilities	
2120 · Payroll Liabilities	5,257.65
2155 · Vacation/Sick Payable	14,507.71
Total Other Current Liabilities	19,765.36
Total Current Liabilities	106,713.25
Total Liabilities	106,713.25
Equity	
3010 · Unrestricted Net Assets	386,533.27
3020 · Perm. Restricted Net Assets	48,940.00
3040 · Temp. Restricted Net Assets	17,882.74
Net Income	-122,793.72
Total Equity	330,562.29
TOTAL LIABILITIES & EQUITY	**437,275.54**

Humanities Montana
Profit & Loss
November 2023 through October 2024

			Nov '23 - Oct 24
Ordinary Income/Expense			
Income			
4603 · Unrealized Gain/Loss			17,986.09
4015 · Co-Pay Income			9,600.00
4600 · Interest and Dividends-Non Fed			2,168.65
4602 · Realized Gain/Loss			921.77
4700 · Misc Income			
4740 · Royalties		134.21	
Total 4700 · Misc Income			134.21
4701 · Federal Grant Income			1,031,312.12
4703 · Misc Grant Funding			8,438.00
4730 · Donations-Unrestricted			
4733 · Expense Donation-other		591.00	
4732 · Exp Reim Donation-Board MBR		4,480.31	
4731 · Expense Reimb Donations-Speaker		1,455.20	
4730 · Donations-Unrestricted - Other		20,875.46	
Total 4730 · Donations-Unrestricted			27,401.97
Total Income			1,097,962.81
Gross Profit			1,097,962.81
Expense			
50000 · Salary and Benefits			
5010 · Payroll Expenses		431,945.81	
5020 · Payroll Taxes		36,874.36	
5021 · Work Comp Premiums		3,551.15	
5022 · Health Insurance Premiums		53,543.90	
5025 · Retirement Plan Expense		38,362.96	
50000 · Salary and Benefits - Other		1,509.25	
Total 50000 · Salary and Benefits			565,787.43
60000 · General and Administrative Exp			
5209 · Professional Meetings Board		871.90	
5208 · Facility/Room Rental		285.00	
5055 · Employee Insurance Admin Fees		75.00	
5027 · Parking		7.00	
5033 · Travel-Other			
5031 · Travel-Staff	43,631.57		
5032 · Travel-Board	15,470.08		
5033 · Travel-Other - Other	66,949.74		
Total 5033 · Travel-Other		126,051.39	
5034 · Meals/Food		7,370.29	
5225 · Website Expense		16,938.00	
5219 · Marketing		1,512.00	
5999 · Miscellaneous		105.00	
5112 · Copies/Printing Expense		7,812.57	
5910 · Special Events-Non Federal		225.00	
5217 · Endowment Expense		1,122.28	
5190 · Federation Dues		16,158.00	
5218 · Advertising		500.00	
5090 · Books and Materials		1,107.95	
5180 · Dues and Subscriptions		5,474.56	
5170 · Insurance		1,849.77	
5151 · Professional Development		1,667.66	
5152 · Professional Meetings Staff		860.00	
5150 · Professional Services			
5220 · Audit Expense	19,125.00		
5150 · Professional Services - Other	29,205.14		
Total 5150 · Professional Services		48,330.14	

Humanities Montana
Profit & Loss
November 2023 through October 2024

		Nov '23 - Oct 24
5144 · Database Expense	6,663.07	
5143 · Network Expense	5,242.00	
5026 · Campus Parking Decal	3,690.00	
5096 · Bank and Credit Card Fees	1,356.76	
5080 · Postage	1,221.40	
5060 · Supplies	15,913.39	
5050 · Rent and Administration	924.37	
Total 60000 · General and Administrative Exp		273,334.50
5155 · Award Expense		60,500.00
5160 · Honoraria Expense		
5161 · Stipend	14,000.00	
5160 · Honoraria Expense - Other	110,606.20	
Total 5160 · Honoraria Expense		124,606.20
6010 · Regrants Awarded		196,528.40
Total Expense		1,220,756.53
Net Ordinary Income		-122,793.72
Net Income		**-122,793.72**

Humanities Montana
Statement of Cash Flows
November 2023 through October 2024

	Nov '23 - Oct 24
OPERATING ACTIVITIES	
Net Income	-122,793.72
Adjustments to reconcile Net Income to net cash provided by operations:	
1310 · Grants Receivable	33,934.70
1505 · Prepaid Insurance	-3,570.59
1510 · Prepaid Expenses	-5,476.81
1514 · Prepaid Honoraria	600.00
1650 · Endowment Funds-MCF	-14,601.70
2100 · Accounts Payable	36,789.38
2375 · MC - Jennifer Bevill - 2410	1,549.98
2370 · MC - Jillian Baker - 3687	1,037.20
2365 · MC - John Knight - 5910	3,492.80
2360 · MC - Megan Hill - 4122	-593.63
2355 · MC - Julie Ramone - 1814	-469.99
2120 · Payroll Liabilities	1,479.29
2155 · Vacation/Sick Payable	2,982.91
Net cash provided by Operating Activities	-65,640.18
Net cash increase for period	-65,640.18
Cash at beginning of period	267,326.81
Cash at end of period	**201,686.63**

Humanities MONTANA	FY 24 Actual	FY 25 Budget	FY25 Actual 12/31/2024	Budget Difference 12/31/2024	Percentage of Budget 12/31/2024
<u>**Revenue**</u>					
NEH State Operating Grant	$ 666,117.00	$ 903,746.00		$ 903,746	0%
Carry over from FY 23 to FY 24	$ 293,620.00	$ -	-	-	-
Carry over from FY 24 to FY 25		$ 154,651.00	150,385	4,266	97%
National History Day Grant Carry Over	$ 20,000.00	$ -	-	-	-
United We Stand Grant Carry Over	$ 51,575.00	$ -	-	-	-
Total NEH Revenue	**$ 1,031,312.00**	**$ 1,058,397.00**	**$ 150,385**	**$ 908,012**	**14%**
Other Grant Support					
Engelhard Foundation Carry Over 2022	$ 29,113.00	$ -	$ -	$ -	-
Engelhard Foundation Carry Over 2024	$ -	$ -	$ 20,589	$ (20,589)	-
Engelhard Foundation 23-25 Grant	$ 130,477.00	$ 50,000.00		50,000	-
Montana Cultural Trust	$ 5,000.00	$ 10,000.00		10,000	0%
Academy of American Poets Carry Over	$ 7,269.00	$ -		-	0%
Other Grant Revenue	$ 3,438.00	$ 130,500.00		130,500	0%
Total Other Grant Support	**$ 175,297.00**	**$ 190,500.00**	**$ 20,589**	**169,911**	**11%**
Other Revenue					
Board meeting expense donation	$ 4,480.00	$ 5,000.00		$ 5,000	0%
Montana Conversations Copay	$ 9,600.00	$ 8,000.00	1,200	6,800	15%
Montana Conversations Expense Donations	$ 1,455.00	$ 1,000.00	131	869	13%
Unrestricted Donations	$ 21,466.00	$ 37,500.00	7,523	29,977	20%
Restricted Donations		$ 7,500.00		7,500	0%
Interest & Misc. Earnings	$ 21,211.00	$ 5,500.00	1,014	4,486	18%
Total Other Revenue	**$ 58,212.00**	**$ 64,500.00**	**$ 9,868**	**$ 54,632**	**15%**
Total Revenue	**$ 1,264,821.00**	**$ 1,313,397.00**	**$ 180,842**	**$ 1,132,555**	**14%**
<u>**Expenses**</u>					
Salary, Benefits and Payroll Taxes	$ 565,787.00	$ 667,588.00	$ 109,674	$ 557,914	16%
General and Administration	$ 107,002.00	$ 141,064.00	33,527	107,537	24%
Board Expense	$ 26,108.00	$ 26,000.00	1,264	24,736	5%
Outreach	$ 1,195.00	$ 2,000.00	-	2,000	0%
Fundraising	$ 18,838.00	$ 37,286.00	5,297	31,989	14%
Lobbying/Humanities on the Hill	$ 2,695.00	$ 6,000.00	-	6,000	0%
Special Events		$ 5,000.00	-	5,000	0%
Regrants	$ 179,368.00	$ 153,120.00	1,875	151,245	1%
Regrants travel/outreach	$ 1,168.00	$ 5,000.00	77	4,923	2%
Regrants professional development	$ -	$ 1,000.00	1,551	(551)	155%
Montana Conversations	$ 81,736.00	$ 60,000.00	8,423	51,577	14%
Montana Conversations travel/program outreach	$ 4,699.00	$ 1,000.00		1,000	0%
Montana Conversations professional development	$ 529.00	$ 1,000.00		1,000	0%
Speakers in the Schools	$ 64,830.00	$ 66,000.00	11,279	54,721	17%
United We Stand	$ 38,273.00	$ -	-	-	
National History Day	$ 18,881.00	$ -	-	-	-
American Academy of Poets	$ 7,269.00	$ -	-	-	-
Center for the Book (LAL, NatBkFest)	$ 5,068.00	$ -	2,145	(2,145)	0%
Big Sky Reads	$ 10,000.00	$ 6,000.00	500	5,500	8%
National Book Festival	$ 6,763.00	$ 3,000.00		3,000	0%
Democracy Project	$ 80,547.00	$ 68,000.00	$ 7,903	$ 60,097	12%
Total Expenses	**$ 1,220,756.00**	**$ 1,249,058.00**	**$ 183,515**	**$ 1,065,543**	**15%**
Net	**$ 44,065.00**	**$ 64,339.00**	**$ (2,673)**	**$ 67,012**	**-4%**

Humanities Montana
Balance Sheet
As of December 31, 2024

	Dec 31, 24
ASSETS	
Current Assets	
Checking/Savings	
1020 · Checking-FIB	59,737.87
1021 · FIB Savings	136,843.87
Total Checking/Savings	196,581.74
Other Current Assets	
1310 · Grants Receivable	288,483.33
1650 · Endowment Funds-MCF	99,523.16
Total Other Current Assets	388,006.49
Total Current Assets	584,588.23
Fixed Assets	
1620 · Accumulated Amortization	-12,634.00
1625 · Website	36,477.00
1600 · Furniture and Equipment	7,863.88
1610 · Accumulated Depreciation	-5,168.88
Total Fixed Assets	26,538.00
TOTAL ASSETS	**611,126.23**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 · Accounts Payable	2,239.08
Total Accounts Payable	2,239.08
Credit Cards	
2375 · MC - Jennifer Bevill - 2410	48.49
2370 · MC - Jillian Baker - 3687	331.24
2365 · MC - John Knight - 5910	11.50
2360 · MC - Megan Hill - 4122	-9.95
Total Credit Cards	381.28
Other Current Liabilities	
2120 · Payroll Liabilities	6,284.59
2142 · Health Insurance Payable	-8,069.29
2155 · Vacation/Sick Payable	14,507.71
2400 · Deferred Revenue	288,483.33
Total Other Current Liabilities	301,206.34
Total Current Liabilities	303,826.70
Total Liabilities	303,826.70
Equity	
3010 · Unrestricted Net Assets	263,739.55
3020 · Perm. Restricted Net Assets	48,940.00
3040 · Temp. Restricted Net Assets	17,882.74
Net Income	-23,262.76
Total Equity	307,299.53
TOTAL LIABILITIES & EQUITY	**611,126.23**

Humanities Montana
Profit & Loss
November through December 2024

			Nov - Dec 24
Ordinary Income/Expense			
Income			
4015 · Co-Pay Income			1,200.00
4600 · Interest and Dividends-Non Fed			110.37
4700 · Misc Income			
4740 · Royalties		53.49	
4700 · Misc Income - Other		850.00	
Total 4700 · Misc Income			903.49
4701 · Federal Grant Income			150,385.47
4730 · Donations-Unrestricted			
4731 · Expense Reimb Donations-Speaker		130.60	
4730 · Donations-Unrestricted - Other		7,522.58	
Total 4730 · Donations-Unrestricted			7,653.18
Total Income			160,252.51
Gross Profit			160,252.51
Expense			
50000 · Salary and Benefits			
5010 · Payroll Expenses		82,478.43	
5020 · Payroll Taxes		6,303.89	
5021 · Work Comp Premiums		673.76	
5022 · Health Insurance Premiums		12,202.86	
5025 · Retirement Plan Expense		8,014.98	
Total 50000 · Salary and Benefits			109,673.92
60000 · General and Administrative Exp			
5055 · Employee Insurance Admin Fees		20.00	
5027 · Parking		4.00	
5033 · Travel-Other			
5031 · Travel-Staff	3,127.42		
5032 · Travel-Board	859.05		
5033 · Travel-Other - Other	9,236.24		
Total 5033 · Travel-Other		13,222.71	
5034 · Meals/Food		1,809.26	
5225 · Website Expense		3,850.00	
5219 · Marketing		3,780.00	
5112 · Copies/Printing Expense		939.32	
5190 · Federation Dues		12,119.00	
5180 · Dues and Subscriptions		391.88	
5170 · Insurance		526.00	
5151 · Professional Development		7,092.44	
5150 · Professional Services		325.00	
5144 · Database Expense		885.79	
5096 · Bank and Credit Card Fees		229.16	
5080 · Postage		565.57	
5060 · Supplies		623.87	
5050 · Rent and Administration		7,107.35	
Total 60000 · General and Administrative Exp			53,491.35
5155 · Award Expense			5,450.00
5160 · Honoraria Expense			
5161 · Stipend		500.00	
5160 · Honoraria Expense - Other		12,650.00	
Total 5160 · Honoraria Expense			13,150.00
6010 · Regrants Awarded			1,750.00
Total Expense			183,515.27
Net Ordinary Income			-23,262.76
Net Income			**-23,262.76**

Humanities Montana
Statement of Cash Flows
November through December 2024

	Nov - Dec 24
OPERATING ACTIVITIES	
Net Income	-23,262.76
Adjustments to reconcile Net Income to net cash provided by operations:	
1310 · Grants Receivable	-191,267.16
1505 · Prepaid Insurance	6,834.77
1510 · Prepaid Expenses	5,476.81
2100 · Accounts Payable	-75,024.67
2375 · MC - Jennifer Bevill - 2410	-1,501.49
2370 · MC - Jillian Baker - 3687	-2,906.98
2365 · MC - John Knight - 5910	-3,979.44
2360 · MC - Megan Hill - 4122	-914.95
2120 · Payroll Liabilities	1,026.94
2142 · Health Insurance Payable	-8,069.29
2400 · Deferred Revenue	288,483.33
Net cash provided by Operating Activities	-5,104.89
Net cash increase for period	-5,104.89
Cash at beginning of period	201,686.63
Cash at end of period	**196,581.74**

Humanities MONTANA

	FY 24 Budget	FY 24 Actual	FY 25 Budget	JB Notes
Revenue				
NEH State Operating Grant	$903,746.00	$ 666,117.00	$ 927,253.00	*Award FY25*
Carry over from FY 23 to FY 24	$293,620.00	$ 293,620.00	$ -	
Carry over from FY 24 to FY 25			$ 239,430.00	*Updated carry over available through FY25*
National History Day Grant Carry Over	$ 2,192.00	$ 20,000.00	$ -	*Carry over is spent*
United We Stand Grant Carry Over	$ 39,000.00	$ 51,575.00	$ -	*Carry over is spent*
Total NEH Revenue	**$ 1,238,558.00**	**$ 1,031,312.00**	**$ 1,166,683.00**	***85%***
Other Grant Support				
Engelhard Foundation Carry Over FY 2022	$ 30,000.00	$ 29,113.00	$ -	*Carry over is spent*
Engelhard Foundation Carry Over FY 23-25	$ 80,000.00	$ 130,477.00	$ 29,532.73	*Remaining amount FY25*
Montana Cultural Trust	$ 5,000.00	$ 5,000.00	$ 10,000.00	
Academy of American Poets Carry Over		$ 7,269.00	$ -	*Carry over is spent*
Other Grant Revenue	$ -	$ 3,438.00	$ 100,000.00	*Englehard and other private foundations*
Total Other Grant Support	**$ 115,000.00**	**$ 175,297.00**	**$ 139,532.73**	***10%***
Other Revenue				
Board meeting expense donation	$ 5,000.00	$ 4,480.00	$ 5,000.00	
Montana Conversations Copay	$ 4,000.00	$ 9,600.00	$ 10,000.00	
Montana Conversations Expense Donations	$ 1,000.00	$ 1,455.00	$ 1,000.00	
Unrestricted Donations	$ 36,000.00	$ 21,466.00	$ 25,000.00	
Restricted Donations	$ 16,000.00		$ 7,500.00	*Humanities Awards event*
Interest & Misc. Earnings	$ 6,000.00	$ 21,211.00	$ 10,000.00	
Total Other Revenue	**$ 68,000.00**	**$ 58,212.00**	**$ 58,500.00**	***4%***
Total Revenue	**$ 1,421,558.00**	**$ 1,264,821.00**	**$ 1,364,715.73**	
Expenses				
Salary, Benefits and Payroll Taxes	$ 590,092.00	$ 565,787.43	$ 681,988.00	*3% salary increase, health care stipend increase to $1,500/month (has been $1,000 since 2016)*
General and Administration	$ 172,244.00	$ 107,001.20	$ 146,064.80	
Board Expense	$ 30,000.00	$ 26,108.04	$ 26,000.00	
Outreach	$ 4,000.00	$ 1,195.42	$ 2,000.00	
Fundraising	$ 12,800.00	$ 18,837.93	$ 30,350.00	
Lobbying/Humanities on the Hill	$ 6,000.00	$ 2,695.34	$ 6,000.00	
Special Events	$ 16,000.00	$ -	$ 5,000.00	*Humanities Awards event*
Regrants	$ 150,000.00	$ 179,368.86	$ 183,120.00	*increase from $150K to 180K in regrants plus grant writing workshops;*
Regrants travel/outreach	$ 5,000.00	$ 1,167.70	$ 5,000.00	
Regrants professional development	$ 500.00	$ -	$ 1,000.00	
Montana Conversations	$ 60,000.00	$ 81,427.96	$ 80,000.00	*increase from $60K to $80K*
Montana Conversations travel/program outreach	$ 5,000.00	$ 4,699.04	$ 1,000.00	
Montana Conversations professional development	$ 1,000.00	$ 529.49	$ 1,000.00	
Speakers in the Schools	$ 65,000.00	$ 63,725.65	$ 66,000.00	*No change*
United We Stand	$ 23,000.00	$ 38,273.46	$ -	*Special Project completed FY24*
National History Day		$ 18,881.33	$ -	*Special Project completed FY24*
American Academy of Poets		$ 7,269.00	$ -	*Project is completed FY24*
Center for the Book (LAL, NatBkFest)		$ 5,067.79	$ -	
Big Sky Reads	$ 10,000.00	$ 10,000.00	$ 10,000.00	*Increase from $6K to $10K for $500 Book Club grants*
National Book Festival	$ 3,000.00	$ 6,762.80	$ 3,000.00	*Travel and materials*
Democracy Project	$ 68,500.00	$ 80,545.73	$ 68,000.00	
Total Expenses	**$ 1,232,136.00**	**$ 1,219,344.17**	**$ 1,315,523**	
Net	**$ 189,422.00**	**$ 45,476.83**	**$ 49,193**	

Introduction

This manual was prepared by Humanities Montana to:

- provide documentation of board-approved financial policies and procedures
- serve as a guide for staff
- provide documentation of the internal controls over cash receipts, cash disbursements, general ledger reporting, and external financial reporting.

The primary objectives of the internal control system are to ensure that transactions are properly authorized, recorded and accounted for in accordance with Generally Accepted Accounting Principles (GAAP); transactions are executed in compliance with laws, regulations and the provisions of contracts; and assets are safeguarded against loss from unauthorized use or disposition. The five interrelated components of the internal control system are the control environment, risk assessment, control activities, information and communication, and monitoring. The fiscal director and the executive director will monitor the internal control systems and will assess the financial reporting risk associated with these controls.

General Overview

Humanities Montana is a public benefit corporation exempt under IRC Section 501(c)(3) and incorporated under the laws of the State of Montana. Humanities Montana supports public programs in history, philosophy, literature and languages, and other disciplines of the humanities. Humanities Montana strives to enrich the lives of all Montanans by fostering inquiry and stimulating civil and informed conversations about the human experience.

Humanities Montana has an annual financial statement audit performed in accordance with Governmental Auditing Standards, OMB Circular A-133, and NEH audit guidelines (as the cognizant agency). The individuals involved in the implementation of the Humanities Montana financial policies and procedures include the board members (who serve as a board of directors), the executive director, and the fiscal director. Other Humanities Montana staff members involved are the program director, program manager, grants director and development manager.
Humanities Montana's financial policies and procedures are consistent with the agency's Articles of Incorporation, Bylaws, and Personnel Policies and Procedures Manual. Accounting policies of the National Endowment for the Humanities, 2 CFR part 200, Uniform Administrative Requirements ~~for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations", A-122, "~~, Cost Principles ~~for Non-Profit Organizations", and A-133, "Audits of States, Local Governments, and Non-Profit Organizations"~~, and Audit Requirements for Federal Awards are incorporated by reference into this manual. The policies and procedures contained in the manual apply to all Humanities Montana programs and activities. In some instances, a specific grant agreement or contract may contain requirements, which are more restrictive than the policies found in the manual. In these cases, the grant agreement or contract requirements take priority. Changes in the accounting policies must be approved by the board. Changes in procedures may be approved by the executive director or the board.

Board Fiduciary Responsibilities and Oversight

The board carries ultimate responsibility for Humanities Montana's financial policies and procedures and is wholly and primarily responsible for financial oversight on a continuing basis. While the conduct of, participation in and review of the annual audit is an important part of that oversight responsibility, it does not solely discharge that ongoing oversight responsibility. A variety of practices will help to ensure the board's fiduciary responsibilities are met. These include:

- An annual orientation for both new and continuing members, wherein fiduciary responsibilities are stated and regular financial reporting matters are explained;

- A member handbook in which a statement of general member responsibilities, including fiduciary responsibilities, occurs, together with explanation of member personal liabilities, indemnification, and "officers and directors" insurance coverage;
- Handbook coverage of general responsibilities for recipients of NEH and other federal funds;
- Board involvement, through its finance and audit committee, in the selection and hiring of the external auditor;
- Board communication directly with the auditor whenever significant financial questions arise;
- Careful review, first by the finance and audit committee, and then by the full board, of the annual audit, and response as appropriate;
- Assurance, through the appointments made by the chair, that the finance and audit committee's members are knowledgeable in financial affairs;
- Periodic review, through the finance and audit committee, of the relevance and effectiveness of the policies and procedures in this financial policy manual;
- A healthy curiosity and inquisitiveness on the part of all board members in financial affairs;
- Annual self-evaluation by the board itself, in which performance in financial oversight and discharging fiduciary responsibilities are addressed.

Charge to the Finance and Audit Committee

There shall be a Finance and Audit Committee. The ~~chair of the~~ board shall appoint the Chair and committee members ~~to serve~~by resolution on the ~~Finance and Audit Committee and designate its chair.~~ recommendation of the Governance committee.

The Finance and Audit Committee shall review Humanities Montana budgets and financial materials, ~~review and~~ monitor Humanities ~~Montana budgets, review the Humanities Montana~~Montana's banking, investment, and endowment accounts, and attend to other matters bearing on the financial health of Humanities Montana and its programs.

The Finance and Audit Committee shall have the following ~~specific audit-related~~ responsibilities:

~~a. Oversee the independent auditor engagement, including selection, scope of work, assessment of work, provision of other services, termination, and compensation~~
~~b. Appoint a Committee member or members to be the liaison with the auditor~~
a. ~~Review audit~~Inform the full board about the organization's financial matters.
b. Ensure that accurate and timely financial reports are prepared and ~~present audit reports~~presented to the board.
c. Oversee budget preparation and financial planning and propose for board approval a budget that accurately reflects the needs, expenses and revenue of the organization to ~~the board~~meet its goals.
d. Identify short and long-term financial challenges before they become urgent issues, and as needed, recommend budget amendments to the full board for approval.
~~d.~~ Review audit findings and recommendations, along with executive director/staff responses and ~~status of follow-up, during~~present the audit ~~and as needed during the year~~
e. ~~Review with the independent auditor and executive director/staff~~report to the ~~adequacy and effectiveness of~~ board along with any necessary remediations.
~~e.~~ Review internal controls ~~and~~, financial/compliance reporting ~~practices~~
f. ~~Review internal controls, financial/compliance reporting,~~, risk management, insurance coverage and other accounting/financial policies and procedures and recommend to the board their adoption and/or modification.
~~g. Review disagreements between the independent auditor and executive director/staff regarding internal controls, financial/compliance reporting, and other accounting/financial policies and procedures and provide recommendations to the Committee for their resolution~~
~~h. Oversee the board Conflict of Interest and Whistle Blower policies~~

~~b. Communicate openly and directly with the board, the independent auditor, the executive director, and/or staff as necessary to discharge the responsibilities of the Committee.~~

g. Ensure timely compliance with all federal, state, and other requirements including IRS Form 990, employment and other government taxes related to the organization's finances.

Engagement of an External Auditor

~~Auditing firms should be engaged for no more than five years' tenure, with a~~At least every three~~-year contract and two optional annual extensions being an oft-suggested best practice. At the board meetings subsequent~~ to ~~those where the 3rd year and 4th year (if extended) audits are presented, the Finance and Audit Committee~~ five years Humanities Montana will ~~have as a specific agenda item the extension of the existing contract and/or solicitation of new proposals from audit firms. Should the committee decide to~~ solicit ~~proposals~~bids for ~~future audits, the~~its annual audit. The executive director ~~and fiscal manager~~ will prepare bid solicitation documents for review by the Finance and Audit Committee to solicit proposals from qualified audit firms. ~~The committee will provide a recommended bid solicitation document to the full board for amendment and/or approval.~~ The executive director and the committee will analyze all proposals received in response to the bid solicitation ~~with the assistance, if requested, of the executive director and fiscal manager. The committee will provide a recommendation to the full board, with input from staff, for final selection of an~~ and choose the auditor. It will be important to evaluate their non-profit auditing experience, understanding of federal grant compliance and experience with Office of Management and Budget's (OMB) Single Audits.

Systems Overview

Budgets

Humanities Montana prepares an agency-wide annual operating budget as well as subsidiary budgets for each program/project. The budget represents a proposed plan of expenses projected from the expected sources of revenues. Included in the budgetary process is the necessary planning that occurs in order to develop financial resources adequate to meet the needs of the agency and fulfill goals and objectives of the organization. The executive director and the fiscal director are responsible for preparing and monitoring program budgets. The Finance and Audit Committee also monitors the annual operating and program budgets.

Accounting

Humanities Montana uses QuickBooks non-profit accounting software. Humanities Montana utilizes fund accounting, which provides an individual accounting fund source for each significant program revenue source and includes separate asset, liability, revenue, expense, and fund balance accounts for each source. Accounts are maintained on an accrual basis according to generally accepted accounting principles for non-profit entities.

The fiscal director will maintain a Chart of Accounts documenting the general ledger accounts to accurately account for financial activities of Humanities Montana. The chart of accounts will be reviewed no less than annually with staff, to assure that the codes provide meaningful aggregation of financial activity for management and compliance purposes. Changes to the Chart of Accounts are approved by the executive director.

Transaction Accounting Procedures

Cash Receipts/Revenue/Receivables/Assets

POLICY:
Grant and contract revenue, fee-for-service revenue, contributions, and other revenue will be deposited and recorded in the accounting system in a timely and proper manner in accordance with GAAP (Generally Accepted Accounting Principles).

PROCEDURE:

1. All checks and cash coming to Humanities Montana via mail or at an event ~~or via mail~~ will be copied and recorded by the development officer. All checks ~~will be endorsed "for deposit only" with the appropriate Humanities Montana general operating bank account stamp. All~~ and cash ~~and checks~~ will be kept by the development officer in a secure location~~.~~ until deposited.

2. All check and cash deposits are reviewed by the executive director and deposited by the development officer. The executive director and development officer both sign each copied check.

3. For cash deposits, a Cash Donation form which includes the donor's name, date, amount and reason for donation is completed by the development officer. The executive director reviews this form and also counts the amount of cash donated. Both the development officer and executive director sign this form. The completed Cash Donation form is filed with the deposit slip by the finance director.

~~1.~~4. Bank deposits will be made on a frequent basis, at least weekly unless approved otherwise by the executive director, with more frequent deposits for a large number of checks or checks with a value of $5,000 or greater.

~~2.~~5. The fiscal director will enter deposits in QuickBooks including: Class code, revenue G/L code, amount, date, and description.

~~3.~~6. The fiscal director will compare cash receipts from grants and contracts to underlying award documents and requisition requests to ensure that the correct amount was received and that posting is made to the proper grant receivable account.

~~4.~~7. Once per month, Quick Book deposit entries will be verified against the deposit record by the fiscal director (during bank reconciliation) from ~~report~~the funding statement generated in the ~~Donor Pro software~~Bloomerang donor database.

~~5.~~8. The fiscal director is responsible for ensuring that other revenues earned or due but not collected at month-end are recorded in the accounting records as receivables.

Draw-downs from the National Endowment for the Humanities and Other Funders

POLICY:
Funds from external grantors will be drawn routinely to assure adequate cash for Humanities Montana operation and in accord with the grantors' policies.

Much of Humanities Montana's funding comes from triennial grants from the National Endowment for the Humanities (NEH). These funds are transferred electronically (EFT) from the U. S. Department of Treasury, upon NEH authorization, to Humanities Montana's designated bank of record. A similar EFT process is in place for most other funders.

PROCEDURE:
~~On or about the 20th of each~~Multiple times a month~~,~~ the fiscal director prepares ~~an estimate of the cash requirements~~NEH drawdown requests for Humanities ~~Montana for the next month.~~Montana's reimbursable and allowable NEH expenses. The fiscal director sends the appropriate drawdown ~~form(s)~~request with documentation (profit and loss for the period) and submits to the executive director~~, who~~ for review. Upon approval the fiscal director, submits the ~~documents~~drawdown request via the ~~most expeditious manner (frequently scan to e-mail or fax).~~NEH's payment portal. The NEH drawdown payment request, executive director email approval and the NEH profit and loss for the period are all electronically saved. Drawdown requests are entered into QuickBooks and reconciled along with normal deposits and other transactions.

Cash Disbursements/Expenses/Liabilities

POLICY:
Payments for expenses incurred by Humanities Montana will be paid within a month of receipt (unless disputed) and will be reviewed by at least one individual besides the fiscal director. Payments by check require two signatures and the fiscal director may not be one of the signers. Bank, investment, and credit card statements are reviewed by the executive director. Bank, investment and executive director credit card statements are also reviewed by the chair of the finance & audit committee.

PROCEDURE:
1. All bills, invoices, and statements (claims) will be sent to the executive director for review. The executive director may consult with appropriate staff regarding the efficacy or advisability of the requested claim. Upon successful review each bill, invoice or statement is signed and dated (date of approval) by the executive director. Bills authorized for payment are given to the fiscal director. The fiscal director reviews the claim form verifying that supporting documentation is complete and accurate, the expense is reasonable and allowable, proper purchasing procedures have been followed, the vendor is valid, and the general ledger coding is consistent. The fiscal director may consult with the executive director or program director as appropriate to determine proper coding. Some expenses are paid during the current year for goods and services to be delivered in future years (all or in part). Those expenses will be coded as prepaid expenses in the appropriate future year(s).

2. The fiscal director enters invoices into Accounts Payable. ~~On or near the closest working day to the 5th and 20th of the month a list of unpaid bills is submitted to the Executive Director. The ED approves bills~~Bills are processed for payment~~, initialing and dating the unpaid bill list.~~ on a weekly basis. The fiscal director cuts the checks and staples the check stub to the original claim for documentation of the disbursement and given to the executive director ~~for signature. The executive director signs the authorization area on the claim coding as well as the check. Checks are then given to the office manager for a second signature. Signed checks are distributed by the office manager or staff other than the fiscal manager as necessary.~~or other approved signers for signature.

3. All checks require two signatures. Authorized signers include the executive director, the program director, the grants director and a board designee. The fiscal director is the only staff person authorized to print checks and is specifically NOT authorized to sign checks. Blank check stock is kept in a secure location by the fiscal director.

4. When a mistake is detected with a printed check or a check is returned, the check is voided. Voided checks have "void" written across the check and are filed with appropriate documentation with claims/payment documentation. As appropriate, corrected checks are reissued or the original accounts payable reversed.

5. QuickBooks maintains accounts payable records. The fiscal director is responsible for ensuring that significant accounts payable and other liabilities are properly recorded at year-end for expenditures incurred but not yet paid. Unanticipated claims received after November 15th are typically charged to the new fiscal year.

Corporate Credit Cards

POLICY:
Humanities Montana has a credit card account for use in various agency purchases including events (e.g. food and lodging for a conference or meeting) and routine monthly expenditures.

PROCEDURE:
1. ~~Two~~Credit cards are issued in the names of the executive director, program director, program manager, grants director and development manager. Documentation of all credit card expenses (receipts/charge slips) is given to the fiscal director as soon as possible after a charge is made to the card. Where receipts are found missing when the credit card statement is received, the card holder will be notified by the fiscal director and a replacement receipt secured. Absent a receipt or other reasonable documentation of the expense, the expense will be charged to the unrestricted fund source.

2. The fiscal director and executive director review statements monthly. The fiscal director reconciles the individual charge documentation with the statement, informs card holders of missing receipts, codes and enters the charges into QuickBooks. The full balance on the cards is paid automatically monthly via EFT from the checking account.

EFT Payments

POLICY:
Some payments are more easily handled via Electronic Funds Transfer (EFT). EFTs come directly from the checking account with no physical check printed and sent. Routine Humanities Montana EFTs include TIAA-CREF (monthly retirement contributions), IRS (FICA and federal tax withholding), State withholding, State Unemployment (quarterly payments), and the outstanding credit card balance (monthly).

PROCEDURE:
Claim documentation, entry and payment of EFTs are handled the same as any other claim.

Employee Payroll

POLICY:
Employees are paid at the end of each month based upon timesheets approved by the executive director. Changes in rate of pay and other conditions of employment effecting pay must be approved by the executive director and kept in the payroll and personnel files. Changes in employee elections (e.g. deductions, withholding, and health plan options) must be submitted to the fiscal director and kept in the payroll files.

PROCEDURE:
1. Employee compensation rates and other changes in employment status must be provided in writing to the fiscal director by the executive director. Changes to insurance, retirement, and flex benefit elections, tax status, extra tax withholding, and similar "employee choice" payroll changes are to be submitted directly in writing on appropriate forms to the fiscal director by the employee. Ordinarily, changes must be submitted by the 25th of the month, but some changes (e.g. TIAA-CREF) can require longer lead times and most health elections can only take place annually.

2. The Humanities Montana pay period is monthly and pay checks are issued on the last regular work day of the month (or other appropriate date as approved by the executive director). Each employee must turn in a completed and signed time sheet for approval of the executive director no later than 2 working days prior to issuance of the check and for timely direct deposits to employees' personal accounts. Time sheets include employee name, pay period, dates worked, hours worked on specific programs and functions by date, and leave taken.

3. The executive director gives approved timesheets to the fiscal director, who is responsible for processing payroll and maintaining payroll records that document all changes and payments to employees and taxing entities and benefit providers.

4. Payroll is processed using QuickBooks. Employees may choose to have their paychecks directly deposited to their personal accounts. QuickBooks also tracks leave use and balances. Pay checks must be signed by two (2) authorized signatories as with other checks.

5. ~~A check for health insurance is processed at the time of payroll.~~Health insurance is paid electronically on the last business day of the month. Dental, vision and life insurance are paid electronically on the first day of the month. FICA taxes, Federal tax withholding, State tax withholding and TIAA-CREF retirement contributions will be electronically deposited on or ~~about~~before the 5th of the following month. State Unemployment payables are calculated quarterly and submitted via EFT while Workers' Compensation Insurance (State Fund) is paid over three months when annually invoiced each April, May, and June.

Montana Conversations Payments

POLICY:
Speakers and discussion leaders are paid their honoraria ~~in advance of~~after making their presentations and are reimbursed for travel and related expenses upon submitting the required form.

PROCEDURE:
1. Checks for honoraria or expenses ~~may be~~are written on ~~either~~ the ~~5th or 20th~~weekly check ~~dispersal date~~processing day.

2. Payments for honoraria are generated by the program director via the Foundant grant management system. When an event is approved and payment information is being entered, the program director provides a pdf file of the grant payment detail for the fiscal director, which provides all the necessary payment detail (speaker/discussion project code, leader, location, amount, and date). The fiscal director records the information in the accounts payable system. The program director gives the fiscal director payment requests for honoraria to be processed with the other payables.

3. An expense and cost share form are sent with each honorarium check. This form has most of the financial coding pre-entered for payment of the travel, lodging, meal, and other expenses. When a completed and signed form is returned, these forms are processed just like other claims. Rates for travel reimbursement are established by the fiscal operations director and adopted in the annual budget, ~~generally~~ in ~~accord~~accordance with ~~State of Montana~~federal rates for mileage and per diem.

4. The fiscal director issues 1099 tax forms annually in January for speakers and discussion leaders in accordance with IRS guidelines (currently honoraria of $600.00 or more). Provision of a tax ID number (typically via W-9) is required of new speakers and discussion leaders prior to payment. Tax ID information is kept ~~in the Speaker's or Discussion Leader's central office file~~electronically and entered into QuickBooks by the fiscal director.

~~Regrants~~
Subawards

POLICY:
~~Regrants are a contract between Humanities Montana and the recipient of the regrant, to conduct certain activities in accord with the approved application and the requirements of the funding source.~~

Subawards are funds awarded to an eligible subrecipient (organization or individual) to support a humanities project selected in open competition based on established, publicly known criteria.

PROCEDURE:
1. Each ~~grant applicant (sub recipient)~~subrecipient must agree to abide by NEH and other applicable federal rules ~~which are~~ summarized ~~on the Humanities Montana website.~~in program guidelines and acknowledged in a formal certification letter. They agree once when they apply and again when they sign ~~an award~~a subaward agreement. The ~~award~~subaward agreement specifies the award amount, the period of ~~the award, dates that funds can be used~~performance, final report due dates, and various other requirements.

2. ~~Regrantees~~Subrecipients are paid 100% of their ~~regrant award~~subaward upon receipt of their signed agreement with Humanities Montana. ~~If regrantees don't~~The only exception is subawards given to individuals, for which 10% of funds awarded are withheld until specific project activities have been confirmed or completed as required by the program guidelines. Changes to a project's scope of work or budget modifications must be approved in writing by Humanities Montana. If subrecipients fail to spend their entire award~~,~~ within the ~~unused~~approved period of performance, they must return the remaining balance ~~is~~to Humanities Montana. Once received, unspent award funds are reverted and reallocated for award to other applicants. Checks for ~~regrants may be written on either the 5th or 20th check dispersal date.~~ subawards are processed weekly.

3. Payments for ~~regrants~~subawards are initiated by the fiscal director via production of a ~~regrant~~subaward agreement sent by the grant director. When that signed agreement is returned, the procedures to generate the check are the same as any other claim.

4. ~~Regrantees no longer need~~Sub recipients are not required to provide ~~us~~ copies of their documentation for expenses and cost-share. However, they are required to retain this documentation for three years for possible audit by Humanities Montana, Humanities Montana's Auditor, or the NEH Inspector General.

Petty Cash

POLICY:
Humanities Montana maintains no petty cash. Events with cash requirements will utilize procedures assuring that cash is accounted for properly and reasonably safeguarded.

PROCEDURE:

1. When cash is received, for example, at Humanities Montana-sponsored events, a receipt must be provided, a copy kept, the cash kept in a secure location until it can be verified, recorded, and deposited by the development officer.

2. On rare occasion, a small amount of change is needed for an event with admission or other fees. A check is written to petty cash and an employee other than the fiscal director cashes this check and puts this money in a cash box for use at the event. After the event, two employees will count the cash in the cash box, reconcile with the receipts, and provide two sums of cash (duly noted in the check log) to the fiscal director for deposit on separate deposit slips, one equal to the petty cash check, and one equal to proceeds from the event.

Purchasing

POLICY:
Purchases less than the ~~small~~micro purchase threshold of $~~100~~10,000, established by 2 CFR part 200, do not require a price or rate quote IF Humanities Montana considers the price reasonable based on research, experience, purchase history or other information and maintains documents to support its conclusion.

For purchases exceeding $10,000 yet below the simplified acquisition threshold of $250,000 will utilize the following procedures: All procurement transactions ~~equal to or greater than the current small purchase threshold of $100,000~~ between those values must ~~involve the solicitation~~obtain an adequate number of ~~sealed bids or competitive proposals as required by~~ qualified sources (i.e. price quotations). Unless specified by a federal agency, the ~~funding source and follow all other~~ recipient of the Federal award ~~requirements.~~ may exercise judgment in determining what is an adequate number of qualified sources.

If a particular funding source requires a more restrictive purchasing policy than stated in this policy, the fiscal director should be made aware of these policies during the grant award process. ~~NEH has more restrictive policies for purchases above $25,000 for very select categories of expense (we purchase none currently).~~

PROCEDURE:
1. To the extent practical and cost-effective, purchase transactions are conducted in a manner providing open competition. Purchasing shall follow prudent practices to avoid purchasing unnecessary items. ~~In the Spring of every even year~~On an annual basis the fiscal director shall conduct an analysis of recurring purchases to assure that the vendors supplying these items are the most cost effective (the total cost of acquisition including quality, cost, and delivery/pick up). Some form of total cost of acquisitions analysis shall be performed on all non-recurring purchases as deemed appropriate by the executive director. The vast majority of purchases made by Humanities Montana are under $1,000 and many are recurring.

2. Competitive quotations shall be obtained when practical. Purchases over $10,000 shall include evidence that ~~at least three~~multiple vendors have been contacted to obtain competitive quotations. Requests for competitive proposals are encouraged for all purchases over $~~25~~50,000. Requests for proposals may be solicited without formal advertising as long as competition is not unduly restricted. Procurement transactions will not violate the agency's organizational conflict of interest provisions in the corporate Bylaws or Federal conflict of interest provisions.

3. Non-recurring orders for products or services must be authorized by the executive director. New orders or recurring orders are placed on a net 30 basis and paid by check after invoice or charged to the credit card account. ~~Common supplies for general office use typically are purchased by the office manager. An officer~~A manager/director may purchase recurring items for his/her Program following these purchasing procedures.

Travel Reimbursement

POLICY:
Employee and board travel at Humanities Montana expense must be approved by the executive director. Employees are reimbursed upon return from an approved trip, upon receipt of proper documentation of expenses.

PROCEDURE:
1. Upon return from travel, the employee/board member should complete a travel expense voucher within a week, attach lodging, meal, and others receipts, and forward to the executive director for approval. Processing of travel vouchers is done by the fiscal director at the same time as other claims.

2. Mileage is not paid for commuting to and from an employee's residence. Rates for travel reimbursement are established by the fiscal operations director ~~and adopted in the annual budget,~~ generally in accord with ~~state of Montana~~the federal rates for mileage and per diem. Receipts for lodging must be attached to the voucher.

Bank Reconciliation

POLICY:
Bank and other statements are reviewed by the executive director and the chair of the Finance and Audit Committee (or their designee) and are reconciled monthly by the fiscal director.

PROCEDURE:
Monthly bank statements (currently First Interstate Bank) are downloaded from the bank website when they become available. The fiscal director and the executive director have the ability to view these accounts online. Once reconciled by the fiscal director, the bank statement and the QuickBooks detailed reconciliation report are filed together. The completed bank reconciliations will be reviewed and approved by chair of the Finance and Audit Committee. The fiscal director, with the assistance of the program director as appropriate, should make contact with the payee for all checks outstanding after ninety (90) days.

Budgets

Consolidated Budget

POLICY:
An annual operating budget will be proposed one board meeting in advance of its formal adoption by the board. NOTE: Changes to this timeline may be necessitated by the Federal appropriation/award process and the scheduled dates for board meetings.

PROCEDURE:

1. A first draft revenue and expenditure budget for the new fiscal year will be prepared by the fiscal director for review with the executive director. After approval by executive director, this first draft budget will be presented to the board finance committee for discussion at ~~the~~their meeting prior to the last board meeting of the fiscal year.

2. Based upon board discussion and subsequent events, ~~a proposed~~an updated revenue and expenditure budget will be prepared by the fiscal director for review with the executive director. After approval by the executive director this proposed budget will be presented to the board for review and approval, with amendments if necessary, at the last board meeting of the fiscal year.

3. Budget amendments may be proposed during the fiscal year for significant program changes and grant awards as deemed appropriate by the executive director.

4. At each board meeting, the fiscal director will present actual revenues and expenditures in comparison to the budget after review with the executive director. This report will be formatted to provide program expenditure comparisons, with subsidiary reports providing detailed revenues by source, detailed expenditures by category, and other reports as appropriate.

Program and Grant Budgets

POLICY:
Program and grant budgets will be developed for all significant programs and grants and approved by the executive director.

PROCEDURE:
The fiscal director will develop program/grant budgets with the program director and executive director as appropriate. A process and timeline for monitoring each will be established during this process. Changes to program circumstances and/or awards will be discussed among these three as soon as they are known.

Grants and Contracts Received

POLICY:
The executive director, program director, and fiscal director will all participate in the development and review of grant applications before submission as appropriate. The executive director and/or program director will keep the board abreast of all significant grant applications and awards.

PROCEDURE:
1. Copies are made of every grant award/contract/amendment received: one for the program director, one for the fiscal director. The original copy is forwarded to the executive director and then to a central file. The executive director, program director, and fiscal director will meet to review all grant programmatic and financial obligations and assign/record responsibility and deadlines.

2. The fiscal director enters each new grant award into QuickBooks, setting up receivables and deferred revenue. When cash is drawn down, the QuickBooks entry reduces the receivable and increases cash.

3. Any requests for approval of grant changes or alterations will be approved by the executive director and a record of the request and any approval will be kept in the central file and the fiscal and/or program file as appropriate. In the case of verbal or e-mail approval, a written/printed record shall also be prepared and filed.

4. The fiscal director will maintain a separate folder for each grant containing: a copy of the grant, cash drawdowns, amendments, reports, and all other pertinent information. The program director will enter all performance report deadlines into the shared calendar and the fiscal director will enter all financial report deadlines into the shared calendar.

Budgets

Financial budgets will be prepared by the program/project managers, subject to the review of the fiscal director. Budgets and budget amendments will be submitted to the executive director and fiscal director for review prior to submission. The board will review and approve, with amendments, if necessary, the annual consolidated budget submitted by the executive director, usually prior to October 31st. In the event that appropriations from Congress and/or allocations from NEH are unknown before the November 1st beginning of the fiscal year, the executive director may request from the board a "continuing resolution," authorizing spending at levels of the previous year.

The fiscal director will ~~insure~~ensure that budgets are on file for all grants and contracts. Changes to budgets will be submitted to the fiscal director as soon as they are known.

Reports

The fiscal director will prepare monthly financial reports by cost category for the executive director. The fiscal director will be responsible for preparation of the quarterly financial report for review and approval by the board. The fiscal director will prepare reports for funding sources and other organizations as required by contract or agreement. The fiscal director will prepare and maintain on a current basis a listing of reports and due dates. It will be the responsibility of the fiscal director to ensure that all reports are submitted on a timely basis. The executive director will report to the board from time to time on the completion of reports and share those of potential interest to the board.

Confirmation Letters

A letter to funding sources requesting permission for approval of grant changes or alterations will be used to obtain such approval from a funding source. A letter confirming telephone conversations will be used in all cases where telephone approval is received from a funding source.

Reserves and Endowment

Operating Reserves

POLICY:
Humanities Montana will maintain sufficient liquid financial reserves to 1) assure stable operations in the event of ~~modest~~ revenue shortfalls; 2) take advantage of unique short-term program opportunities; ~~and~~ 3) meet modest unanticipated or unbudgeted expenses; 4) in case of unexpected events that restrict Humanities Montana activities and/or funding.

PROCEDURE:

~~1.~~ Humanities Montana ~~has several operating reserves. The annual operating budget should have an uncommitted balance equal to approximately 5% of the total expenditure budget from current or prior year NEH State Operating Grant funds. This uncommitted balance is intended to cover small short-term revenue shortfalls or small short-term expenditure requirements and opportunities.~~

1. ~~Humanities Montana also~~ maintains ~~a larger~~an unrestricted ~~"rainy day"~~operating reserve, invested in appropriate liquid secure investments (e.g. money market ~~account,~~or savings account ~~or certificates of deposit~~) that earn a higher rate of return.

2. This reserve is intended to cover large revenue shortfalls until transitions to other funds or significant expenditure adjustments can be made. ~~This~~The goal of this reserve ~~should be maintained at a minimum of one month~~is to maintain three to six months of routine operating expenses and liabilities.

Endowment

POLICY:
Humanities Montana maintains an endowment with the Montana Community Foundation. The endowment serves as a vehicle to generate ongoing stable revenue, primarily from planned gifts by individuals and organizations, often taking advantage of Montana's generous endowment tax credit. It is the policy of the board that no distribution of revenue from the endowment be spent until its corpus reaches $100,000, including both designated agency and agency funds. Until such time as the Montana Community Foundation permits withdrawal of agency funds, it is the policy of the board that no unrestricted Humanities Montana funds will be deposited directly to the endowment until the balance of those unrestricted funds exceeds approximately one-third of the annual expenditure budget.

PROCEDURE:

1. Contributions to the Humanities Montana endowment by external organizations or individuals will be forwarded immediately to the Foundation. These contributions require separate accounting by the Foundation as "designated agency" funds.

2. Contributions of Humanities Montana unrestricted funds directly to the endowment at the Foundation also require separate accounting by the Foundation and are called "agency" funds.

3. Endowment records are maintained and entered into QuickBooks by the fiscal director, including ~~semi-annual~~quarterly recording of interest income, investment gains and losses, and administrative fees. Endowment ~~records~~statements are reviewed quarterly by the fiscal director, executive director and finance chair.

Reporting

Internal Reports

POLICY:
The fiscal director will generate financial reports as needed by staff and the board, ~~but no less frequently than each quarter~~each month for the executive director and ~~year-end~~quarterly for the board of directors, annually for both the executive director and the board of directors.

PROCEDURE:
1. The fiscal director will ~~do a quarterly "mini-~~close~~" in the first~~ each month by the end of the subsequent ~~quarter:~~month.
   - ~~February for November–January~~
   - ~~May for February–April~~
   - ~~August for May–July~~

2. This ~~mini-~~close will occur after all transactions of the previous ~~quarter~~month are entered and reconciled.

~~2.~~3. The ~~mini-close~~monthly closing will include review of balance sheets and revenue and expenditure statements for each fund source and correcting any errors or inconsistencies revealed. Please see the year-end closing section for reporting associated with this activity.

4. The fiscal director will be responsible for preparation of ~~quarterly~~monthly cash flow statements, balance sheets, statements of activity (profit and ~~revenue~~loss) and ~~expense statements~~budget to actual reports for the executive director.

~~3.~~5. Quarterly the finance director will prepare balance sheets, budget to actual and statements of activity reports for the Finance and Audit Committee ~~after the quarterly mini-close~~ (except for the final quarter which will be covered by the fiscal year-end reporting). The latest quarterly balance sheets and revenue and expense statements will be presented to the entire board at board meetings.

~~4.~~6. The fiscal director will provide programmatic/grant status financial reports for staff and the board as deemed appropriate by the executive director.

External Reports

POLICY:

The fiscal director will prepare reports for funding sources and other organizations as required by contract or agreement.

PROCEDURE:

1. The fiscal director will prepare and maintain on a current basis a listing of financial reports and due dates and the program director will maintain the same for performance and other programmatic reports. It will be the responsibility of the fiscal director and program director to ~~insure~~ensure that all reports are submitted on a timely basis.

2. The fiscal director will also prepare payroll and tax reports as required by Federal and Montana state agencies. The annual reports include, but are not limited to: IRS W-2 and 3 employee incomes, IRS 1099 payment to others, Montana State Fund workers' compensation. The quarterly reports include, but are not limited to: IRS 941 payroll taxes and Montana Unemployment tax.

Cost Allocation Plan

POLICY:

All costs will ultimately be allocated to one of three functional areas for purposes of IRS 990 reporting and other efforts to fairly and accurately depict utilization of financial resources entrusted to Humanities Montana:

Administration
Fundraising
Council Projects

Costs are directly assigned to a program and associated class code whenever possible (e.g., ~~regrants~~subawards, Speakers Bureau, outreach, etc.).

PROCEDURE:

1. A list of common activities and their associated class code assignment will be developed by staff and utilized by the fiscal director for use in this direct coding.

2. This program and associated class code will also be used by staff for recording their daily time timesheets for allocation of payroll costs.

3. When new grants are received, the named Humanities Montana grant administrator and the fiscal director will jointly review the grant guidelines for expenses that are not allowable under that grant. When receipts are turned in to the fiscal director, unallowable costs should be specifically identified (for example, lobbying or liquor).

4. If multiple funding sources can be used to fund the same activity (e.g. many Speakers Bureau costs), the fiscal director will use the most restrictive or limited fund source first (e.g. Montana Cultural Trust,) before using the more general or less limited fund source (e.g. NEH General Operating grants).

5. However, some costs cannot be clearly assigned directly. Examples include office supplies, telephone and postage, rent and many other “office support” expenses. Where costs cannot be directly allocated, they will be coded to administration. The cost will then be allocated based on total of employee’s average time spent.

Cost-Share

POLICY:
The fiscal director will gather and maintain summaries of cost-share and other cash match requirements of NEH and other funding sources.

PROCEDURE:
In-kind vouchers will be signed by donors on forms provided by Humanities Montana. Valuation of donated in-kind will follow contractual guidelines and OMB circular requirements. In-kind information will be submitted to the fiscal director for recording in the accounting records on a regular basis. Grants with a non-federal cash match requirement will submit match information to the fiscal director at least quarterly. Fiscal director will prepare schedule of in-kind that meets the requirements of FAS 116 for recording in the financial statements at year end.

Year-End Closing

Audit

POLICY:
Humanities Montana will retain an external auditor as required by NEH. Open communication among the board, staff, and external auditor is encouraged. Staff will provide information for conduct of the audit on a timeline jointly agreed upon.

PROCEDURE:

1. The executive director will solicit proposals from audit firms for the annual Humanities Montana audit, and, in consultation with the Finance and Audit Committee, will choose an auditor.

2. The fiscal director is responsible for arranging for the annual audit to be conducted in accordance with 29 CFR Parts 96 and 99. The fiscal director is responsible for submitting financial statement information to the auditor for final consolidated financial statement preparation in accordance with GAAP/GASB. The fiscal director is responsible for preparation of all supporting audit schedules and providing supporting documentation as requested by the auditor. The fiscal director is responsible for the final review and approval of the audited financial statements.

~~1.~~3. The selected auditor will formally communicate with the board and executive director about audit timelines and information requirements (about November each year). After October transactions are entered and reconciled, the fiscal director will review balance sheets and revenue and expenditure statements for each fund source and correct any errors or inconsistencies revealed. The fiscal director is responsible for submitting financial statement information to the auditor for final consolidated financial statement preparation in accordance with the relevant accounting principles. The fiscal director is responsible for preparation of all supporting audit schedules (about the end of December each year, but may be later to assure accuracy) and providing supporting documentation as requested by the auditor.

~~2.~~4. The auditor will request (several weeks after the schedules are submitted) specific sample transactions and other information be made available by the fiscal director for the field work. The auditor(s) will conduct their field work at the Humanities Montana offices and provide an informal exit interview with the executive director and fiscal director, outlining significant concerns and/or additional information required.

~~3.~~5. The auditor will provide a preliminary audit report after the field work. The executive director, with the assistance of the fiscal director, will prepare the formal response to the audit findings for approval by the Finance and Audit Committee and of the board before incorporation in the final audit report.

~~4.~~6. The auditor will meet with the board, if requested, via conference call or during the next board meeting to discuss audit findings and recommendations.

~~5.~~7. The auditor may communicate with the Finance and Audit Committee liaison (and vice versa) at any time during the audit process, as well as any other time during the year as deemed appropriate by the liaison or auditor.

Closing and Reporting

POLICY:
After the annual audit is complete, adjusting entries will be made to the accounting system and the previous fiscal year closed.

PROCEDURE:

After the audit is complete a set of fiscal year-end adjusting transactions is prepared by the auditor for entry by the fiscal director into QuickBooks. After the entries are entered, the fiscal year is closed and opening balances for the New Year reconciled to the auditor’s working trial balances.

Fixed Assets/Property

POLICY:
The fiscal director will maintain and reconcile records of fixed assets, in sufficient detail to meet external requirements.

PROCEDURE:

1. The fiscal director will maintain a property and equipment ~~fund~~list that will account for all fixed assets with an acquisition cost of $5,000 or more per unit and a useful life of more than one year.

2. If a particular funding source requires a more restrictive property policy than stated in this policy, the program director or executive director must submit those requirements to the fiscal director and indicate that those procedures must be followed for the particular acquisition. The appropriate officer is responsible for obtaining necessary prior written approval from the granting agency for fixed asset purchases when required.

3. The fiscal director will maintain a record of all fixed assets and will reconcile to the general ledger at least annually. This record will contain a description of the asset, date purchased, serial number, and account code indicating which program paid for the asset. A copy of this record, along with prior written authorization from the granting agency if applicable, must be attached to the claim form.

4. Ownership documents (deeds, titles, vehicle registration etc.) for property will be maintained by the fiscal ~~manager. Furniture, equipment, and vehicles will be marked with Humanities Montana identification tags to facilitate accountability. Property will be inventoried at least once every two years and reconciled to the underlying property records and general ledger.~~director.

5. The ~~fiscal manager~~audit team will authorize depreciable lives and depreciation methods for all fixed assets. The fiscal director is responsible for recording depreciation on an annual basis.

Disposition of Property

POLICY:
When original or replacement property is no longer to be used in projects or programs currently or previously sponsored by the Federal Government, disposition of the property shall be made pursuant to Federal/State guidelines found in OMB ~~Circular A-110~~2 CFR part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the Grant Agreement.

PROCEDURE:
Disposal of property must obtain prior approval from the executive director or fiscal director and be recorded in the property disposal subdirectory on the shared drive.

Contract Services

POLICY:
Written contracts will be developed for acquisition of all services, except where rates and services to be provided are unambiguous (such as hourly rate for computer repair).

PROCEDURE:
1. Consideration will be made of in-house capabilities to accomplish services before contracting out for them. Written contracts clearly defining work to be performed will be developed when required or for services expected to exceed $5,000 in total cost.

2. Procurement and purchasing procedures will be followed when hiring independent contractors and consultants. Qualifications of the consultant or contractor and reasonableness of fees will be considered in hiring consultants and contractors. Consultant and contract services will be paid for as work is performed or in accordance with terms of the contract. The executive director will approve all proposed contracts. The fiscal director will issue 1099 tax forms for consultants and independent contractors in accordance with IRS guidelines. Provision of a tax ID number is required of new contractors and prior to payment for services.

Leases

POLICY:

All leases must be approved by the executive director

PROCEDURE:
Records of all leases will be maintained by the fiscal director.

Insurance

POLICY:
Adequate and typical insurance coverage will be maintained for motor vehicle rentals, property, board and staff members, events, and liability.

PROCEDURE:
The fiscal director will maintain insurance files and provide copies of the binder pages to the executive director and Finance and Audit Committee when new policies are issued or old policies renewed. Insurance policies will be carefully reviewed by the executive director and fiscal director before renewal and rebid as appropriate.

Employee Loans/Advances

POLICY:
No employee may receive a loan or advance on pay from Humanities Montana.

Records Retention

POLICY:
Accounting and other records will be retained in accordance with state and federal laws and regulations and the provisions of ~~OMB Circular A-110~~2 CFR part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

PROCEDURE:
1. Humanities Montana abides by the minimum retention requirements set forth in the following table:

Type of Document	Minimum Retention Requirement
Accounts payable ledgers and schedules	7 years
Audit reports	Permanently
Bank Reconciliations	2 years
Bank statements	3 years
Checks (for important payments and purchases)	Permanently
Contracts, mortgages, notes and leases (expired)	7 years
Contracts (still in effect)	Permanently
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	2 years
Depreciation Schedules	Permanently
Duplicate deposit slips	2 years
Email correspondence relating to legal or financial matters	2 years
Employment applications	3 years
Expense Analyses/expense distribution schedules	7 years
Financial Statements, Year End	Permanently
Grants Awarded	Permanently
Insurance Policies (expired)	3 years
Insurance records, accident reports, claims, policies, etc.	Permanently
Inventories of products, materials, and supplies	7 years
Invoices (to customers, from vendors)	7 years
Legal opinions and other legal activity	7 years
Minute books, bylaws, and charter	Permanently
Payroll records and summaries	7 years
Personnel files (terminated employees)	7 years
Retirement and pension records	Permanently
Tax returns and worksheets	Permanently
Timesheets	7 years
Withholding tax statements	7 years
W-2s	Permanently

2. Typically, after retention onsite in the Humanities Montana offices, print copies of approved board meeting minutes, reports, grant proposals, publications, requests for funding, and other materials of

historic interest, are archived ~~indefinitely by long-standing agreement in the K. Ross Toole Archives of the Maureen and Mike Mansfield Library of the University of Montana.~~in the basement of Brantly Hall. Other documents that have been retained beyond the period indicated in the chart below may be destroyed periodically, taking into consideration constraints on storage space and staff time.

3. If litigation is filed or government investigation is commenced against Humanities Montana, from the date such action is known to Humanities Montana, all document destruction shall be suspended as promptly as can be achieved reasonably.

Security of Electronic Financial Records

POLICY:
Reasonable efforts will be made to protect the security and content of the financial and other operational records stored on Humanities Montana computers and those of external application service providers.

PROCEDURE:
Accounting records QuickBooks are maintained on a single computer. Backup of QuickBooks files occurs weekly.

~~Financial Statements, Annual Audit, IRS Form 990~~

~~The executive director will solicit proposals from audit firms for the annual Humanities Montana audit, and, in consultation with the Finance and Audit Committee, will choose an auditor. Auditing firms should be engaged for no more than three to five years' tenure.~~

~~The fiscal manager is responsible for arranging for the annual audit to be conducted in accordance with A-133. The fiscal manager is responsible for submitting financial statement information to the auditor for final consolidated financial statement preparation in accordance with GAAP/GASB. The fiscal manager is responsible for preparation of all supporting audit schedules and providing supporting documentation as requested by the auditor. The fiscal manager is responsible for the final review and approval of the audited financial statements.~~

Whistleblower Policy

Humanities Montana's Code of Ethics and Conduct (see board bylaws) requires board members, officers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of Humanities Montana, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility

It is the responsibility of all board members, officers, and employees to comply with this Code of Ethics and Conduct and to report violations or suspected violations in accordance with this Whistleblower Policy.

No Retaliation

No board member, officer, or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within Humanities Montana prior to seeking resolution outside Humanities Montana.

Reporting Violations

The code addresses Humanities Montana's open-door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with anyone in management (i.e., senior staff) whom you are comfortable in approaching. Supervisors and managers are required to report suspected violations of the Code of Conduct to Humanities Montana's compliance officer, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or when you are not satisfied or uncomfortable with following Humanities Montana's open-door policy, individuals should contact the compliance officer directly.

Compliance Officer

Humanities Montana's compliance officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of the code and, at his/her discretion, shall advise the executive director and/or the Executive Committee. The compliance officer has direct access to the Executive Committee of the board of directors and is required to report to the Executive Committee at least annually on compliance activity. Humanities Montana's fiscal director~~ for programs, Kim Anderson, ~~, Jon Clarenbach, 406-243-~~6067, kim.anderson@humanitiesmontana.org,~~6022, hm.accountant@humanitesmontana.org, serves as compliance officer.

Accounting and Auditing Matters

The Executive Committee of the board of directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The compliance officer shall immediately notify the Executive Committee of any such complaint and work with the committee until the matter is resolved.

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

Hotline

Allegations of waste, fraud, or mismanagement of federal funds may also be reported anonymously to the National Endowment for the Humanities' hotline. If the allegation is found to relate to issues other than mismanagement of federal funds, the NEH Office of the Inspector General (OIG) will refer the matter to the appropriate authorities.

There are four ways to contact NEH's OIG to report an act you believe to be wasteful or fraudulent:

1. **CALL (toll-free):** 1~~ (877) 786-7598~~-800-HHS-TIPS (1-800-447-8477)
2. **WRITE:**
   U.S. Department of Health and Human Services
   Office of Inspector General
   ~~National Endowment for the Humanities~~
   ~~1100 Pennsylvania Avenue, N.W.~~
   ~~Room 419~~ATTN: OIG HOTLINE OPERATIONS
   P.O. Box 23489
   Washington, ~~D.C. 20506~~DC 20026
3. **EMAIL:** **oig@neh.gov**
4. **INTERNET FORM:** **click here**

February 22, 2025

Bylaws proposed revision to Finance and Audit Committee duties

Current:

The Finance and Audit Committee shall have the following specific audit-related responsibilities:

A. Oversee the independent auditor engagement including selection, scope of work, assessment of work, provision of other services, termination, and compensation;
B. Appoint a committee member or members to be the liaison with the auditor;
C. Review audit reports and present the audit report to the board;
D. Review audit findings and recommendations, along with executive director/staff responses and status of follow-up, during the audit and as needed during the year;
E. Review with the independent auditor and executive director/staff the adequacy and effectiveness of internal controls and financial/compliance reporting practices;
F. Review internal controls, financial/compliance reporting, and other accounting/financial policies and procedures and recommend to the board their adoption and/or modification;
G. Review disagreements between the auditor and executive director/staff regarding internal controls, financial/compliance reporting, and other accounting/financial policies and procedures and provide recommendations to the board for their resolution;
H. Oversee the Board Conflict of Interest and Whistle Blower policies;
I. Communicate openly and directly with the board, the independent auditor, the executive director, and/or staff as necessary to discharge the responsibilities of the committee.

Proposed:

The specific duties of the Finance and Audit Committee include:

A. Inform the full board about the organization's financial matters;
B. Ensure that accurate and timely financial reports are prepared and presented to the board;
C. Oversee budget preparation and financial planning and propose for board approval a budget that accurately reflects the needs, expenses and revenue of the organization meets its goals;
D. Identify short- and long-term financial challenges before they become urgent issues, and as needed, recommend budget amendments to the full board for approval;
E. Review audit findings and recommendations, along with executive director/staff responses and present audit report to the board along with any necessary remediations;
F. Review internal controls, financial/compliance reporting, risk management, insurance coverage and other accounting/financial policies and procedures and recommend to the board their adoption and/or modification;
G. Ensure timely compliance with all federal, state and other requirements including IRS Form 990, employment and other government taxes related to the organization's finances.

Restated Bylaws
Of Humanities Montana

**Approved June 8, 2012 by Humanities Montana's Board of Directors;
Amended by board vote June 6, 2015 (change to charge for Grants Committee); September 15, 2018 (change to board terms, board leadership succession, and board committees [creating Trusteeship Committee by combining Development and Nominations Committees]); September 22, 2023 to update board committees changing Trusteeship to Governance Committee and Program to Community Engagement Committee; September 28, 2024 to clarify Board Chair term, change number of board members to 11-15, and eliminate the Community Engagement Committee; February 22, 2025 revise Finance and Audit Committee duties.**

I. Name, Nonprofit Status, and Office

1. ***Name***. The name of the organization is Humanities Montana.

2. ***Nonprofit and Tax-Exempt Status***. Humanities Montana maintains nonprofit status as a nonprofit, public-benefit corporation pursuant to the Montana Nonprofit Corporation Act. Humanities Montana has been determined by the Internal Revenue Service to be a tax-exempt charitable organization as described in Section 501(c)(3) of the Internal Revenue Code and its regulations, as they now exist or as they may be hereafter amended. No directors, officers, staff members, or representatives may take any action or engage in any activity on behalf of Humanities Montana that is not permitted for an organization exempt under Section 501(c)(3) of the IRS code.

3. ***Registered Office***. The registered office of Humanities Montana is located in the city of Missoula, Montana. Humanities Montana may establish other offices within the state.

II. Relation of Humanities Montana to the National Endowment for the Humanities

1. ***Affiliation with the National Endowment for the Humanities***. Humanities Montana is a grantee of the National Endowment for the Humanities and was formed at the invitation of that federal agency. It receives the majority of its funds from the National Endowment for the Humanities. Humanities Montana's policies and procedures are developed in compliance with guidelines set forth by the National Endowment for the Humanities and by congressional legislation creating the National Foundation on the Arts and the Humanities (public law 209—89th Congress) as amended in 1990. Humanities Montana alters or adapts its policies and procedures in accordance with amended requirements and legislation pertaining to the National Endowment for the Humanities. All funds received from the National Endowment for the Humanities by Humanities Montana must be used for programs designed to bring the humanities to the public.

2. ***Cost-Sharing***. Humanities Montana shall comply with cost-sharing requirements of the National Endowment for the Humanities.

3. ***Governor's Appointees to the Board***. The authorizing legislation of the National Endowment for the Humanities, as amended in 1990, permits the Governor of the State of Montana to appoint up to six directors of Humanities Montana, provided that these do not constitute more than 25% of the total number of directors.

4. ***Plans for Compliance with NEH legislation***. In accordance with directions from the National Endowment for the Humanities, Humanities Montana shall provide a plan showing compliance with the accountability requirements in the law annually.

5. ***Reports to the NEH***. Humanities Montana shall make reports to the National Endowment for the Humanities in such form, at such times, and containing such information as the National Endowment for the Humanities and its chairman may require.

III. Purpose

Humanities Montana's purpose is to encourage and promote, through grants or other arrangements with nonprofit groups, education in, and public understanding and appreciation of the humanities in Montana. This purpose is accomplished through developing programs and granting funds to nonprofit and governmental groups that propose projects compatible with the goals, policies, and guidelines of Humanities Montana. Humanities Montana recognizes that because its status is that of an NEH state-based program, federal legislation, procedures, or policies must take precedence in the event of conflict over Humanities Montana's policies and procedures.

IV. Board of Directors

1. ***General Rules***. Humanities Montana's board selection policy is designed to assure broad public representation with respect to its programs.

2. ***Numbers of Directors.*** The Board of Directors shall consist of between 11 and 15 directors, as shall be designated from time to time by resolution of the board of directors.

3. ***Appointed Directors***. The governor of the state of Montana may currently appoint four directors; although in no event may the number of gubernatorial appointments exceed 25% of the board's total composition.

4. ***Elected Directors.*** The remaining directors are elected by a vote of the board.

5. ***Composition of Board***. The directors for Humanities Montana shall include humanities scholars, business, educational, cultural, and civic leaders, and other members of the general public. No more than three of the academic directors may be administrators with the rank of Dean or higher. Board composition shall be representative of all areas of the state. Directors must have a broad diversity of backgrounds, interests, and heritage. The board does not discriminate with regard to race, creed, religion, gender, sexual orientation, national origin, or disability. Consideration is given to the general kinds of fields that retiring directors represent, as well as to geographic distribution and to representation of minorities and of agricultural, business and labor interests, and geographic regions of the state. However, there are no "seats" or "slots" on the board for special constituencies.

6. ***Election and Term of Directors***. Board-elected directors are elected by the incumbent directors, including the governor's appointees, at the last regular calendar year meeting of the board. The term of a director is three years, beginning on the first day of January immediately following the director's election, and terminating three calendar years later on the 31st day of December. The term of directorship of governor's appointees commences upon appointment by the governor and continues through the end of the governor's term or until a replacement is appointed. If the governor serves for more than a four-year term, he or she may reappoint these directors.

   Terms are established so that an annual rotation is accomplished, with approximately 25% of the directors newly elected each year for a three-year term. A director may serve one additional 3-year term.

   Individuals elected to replace those who resign, die, are removed, or otherwise are unable to serve before their terms expire will serve partial terms. If a director is elected to serve a partial term, that director is eligible for election to further two three-year terms on the board. See Section V.3 for procedure on applying to serve additional terms.

   A director may be allowed to serve an additional term in one of the two following situations:
   (i) Chair's Final Term. If the chair's final term as a director expires before his or her term as

chair expires, the chair's term as a director shall be extended until the expiration of the term as chair; in addition, on the vote of a majority of the Board, the director serving as chair may serve an additional year after the expiration of his term as a voting director to facilitate the transition of governance of the Board.

(ii) Extraordinary Circumstances. In addition to the additional one year of service under 6(i), above, if the Board determines extraordinary circumstances exist that require an individual's services for a term extending beyond the limits set forth in this Section and Section X, then, by the affirmative vote of two-thirds (2/3) of the Board, at which is present a quorum of the Board, the Board may elect such individual for an additional term of one to three years as determined by the Board. The minutes of the meeting approving such action must set forth the specific circumstances requiring the action and the term to be served.

7. ***Nomination of Directors***. The board's nomination process is designed to assure opportunities for nomination to directorship from various groups within Montana, and from a variety of segments of the population of Montana, including individuals who by reason of their achievement, scholarship, or creativity in the humanities are especially qualified to serve. At least one week before the meeting of the board in which elections will take place, the Governance Committee shall provide a list of applicants, a letter of intent from each applicant, two letters of reference for each applicant, and the vitae of those selected by the Governance Committee pursuant to the procedure set forth in Section V.2 of these Bylaws.

8. ***Vacancies***. A directorship is vacant when a director notifies the chair or the executive director in writing that he or she has resigned, when a director dies, if a director is removed, or a director is unable to serve. A vacancy becomes effective upon receipt of this information by the chair or the executive director, unless a resignation notice specifies a later effective date. A vacancy in a governor's appointee's position is filled through appointment for the remaining term by the governor. The election of a replacement director takes place at a regular or special meeting of the board, the agenda for which includes the filling of a director vacancy.

9. ***Attendance***. Attendance at duly called meetings and participation in assigned tasks are essential duties of directors. A director's presence at board meetings is vital to the function of the board. However, if attendance is not possible, directors may be excused through proper advance notice communicated to the chair or the executive director.

   A director who is absent from two consecutive board meetings may be asked by the chair to resign after consultation with the board.

10. ***Director Voting***. All directors of Humanities Montana have the right to vote on all matters presented to the board. Proxy votes are not allowed to be cast at board meetings or in committee meetings. However, directors who are unable to attend such meetings may convey their judgments pertaining to matters to be discussed at those meetings to the chair, staff, or other directors, and these judgments may be reported during the meetings.

11. ***Exempt Activities***. Notwithstanding any other provision of these bylaws, neither the board of directors nor any director, officer, employee, nor representative of Humanities Montana shall take any action or carry on any activity by or on behalf of Humanities Montana not permitted to be taken or carried on by an organization exempt under section 501(c)(3) of such code and regulations as they now exist or as they may hereafter be amended, or by an organization contributions to which are deductible under section 170(c)(2) of such code and regulations as they now exist or as they may hereafter be amended.

12. ***Removal of Directors***. A director may be removed, with or without cause, from the board if two-thirds of directors present at a duly constituted meeting vote for removal. Removal is effective only if it occurs at a regular or special meeting of the board, the agenda for which includes removal.

V. Nominations and Election Procedures

1. ***Governance Committee.*** The members of the Governance Committee shall be recommended by the chair and approved by the full board.

2. ***Vacancies, Applications, and Nominations***. The executive director shall announce board vacancies publicly and, in such manner, as provides notice statewide and ample time for applications. The nomination period will close four weeks prior to the meeting at which elections are held. An application or nomination is complete when it includes a statement from the applicant indicating his or her interest in becoming a director, two letters of recommendation (which may include the nominating letter), and the applicant's vita. The executive director shall forward to the Governance Committee and the board all application materials in such manner as to provide for full consideration of applicants.

3. ***Process for Seeking Reappointment.*** Directors seeking reappointment must submit a letter expressing their desire to continue serving and summarizing their contributions to Humanities Montana and so be placed on the slate of nominees for consideration by the full board.

4. ***Election Process***

    A. A slate, taken from the entire pool of nominees, will be put forward by the Governance Committee. If the slate does not receive a majority of the board vote, the following procedure would be followed, with the board deciding in advance which of the procedures described under D below it will follow:
    B. Discussion of the candidates will take place before the voting begins and not during the vote.
    C. Voting for each opening will take place one at a time using paper ballots.
    D. Voting for the first opening:
        a. If one candidate gets over 50%
            i. That person is elected and taken out of the pool. Voting for the remainder of the openings continues.
        b. If nobody gets over 50%
            i. Drop out the lower numbers to reduce the pool so as not to scatter the votes

        Or:
        a. Take the top three vote getters;
        b. Hold votes to fill first (or subsequent) opening from the reduced pool.
        c. Elected nominee is removed from pool. All other nominees are returned to pool and procedure V.4 continues for second and all subsequent openings.

VI. Board Chair and Vice Chair

1. ***Chair and Vice Chair.*** The directors shall elect from among themselves a chair and vice chair.

2. ***Election of Chair and Vice Chair.*** The Governance Committee presents no more than two candidates for each position on the board. The positions are then filled by means of a secret ballot. Unless the board decides by a majority vote to do otherwise, the chair and vice chair are elected annually by the board at the last regular calendar year meeting.

3. ***Terms.*** Each year a chair and vice chair shall be elected, with the understanding that the vice chair shall become chair when the chair vacates the office. The chair and vice chair shall each serve for one year, beginning on January 1, following the year of the election, and ending at the close of the calendar year for which the chair and vice chair were elected. A director may be elected to chair and vice chair for more than one term, though it is not usual for the chair to serve

for more than two consecutive years. Outgoing chairs in the final year of their term have the option of serving an additional year as nonvoting directors.

4. ***Duties***. The chair shall have the authority to call meetings, provide recommendations for committees and members of committees, preside at meetings, and generally direct the activities of the board. The vice chair of the board shall perform such duties as the chair designates. In the absence of the chair, the vice chair shall preside at board meetings. In the absence of both the chair and the vice chair, the Grants Committee chair shall preside at meetings of the board.

5. ***Vacancies***. The position of chair or vice chair is vacant when a chair or vice chair notifies the chair or the executive director that s/he has resigned, when s/he dies, if s/he is removed, or if s/he is unable to serve. A vacancy becomes effective upon receipt of this information by the chair or the executive director, unless a resignation notice specifies a later effective date. A vacancy in the position of chair or vice chair is filled for the unexpired term at the next regular board meeting by a majority secret ballot vote of the board.

6. ***Removal of Chair and Vice Chair***. A chair or vice chair may be removed, with or without cause, from the position if two-thirds of directors present at a duly constituted meeting vote for removal. Removal is effective only if it occurs at a regular or special meeting of the board, the agenda for which specifies removal of a chair or vice chair.

VII. Meetings

1. ***Regular Meetings***. Regular meetings of the board shall be held at least three times each year, at a location, date, and time to be designated by the chair, in consultation with the board. Although its meetings normally occur in various locations in Montana, the board may meet outside the state of Montana. A meeting may also be held via teleconference, video conference, internet or other mediated, coterminous means, provided proper notice is given and the public is afforded the opportunity to attend consistent with Montana and Federal open meeting requirements.

2. ***Notice of Meetings***. Electronic or written notice of the time, location, and tentative agenda of each meeting, whether regular or special, shall be provided to each director not less than 10 days prior to the meeting. The notice shall also be made available to the public at least 10 days in advance of a regular meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope with postage paid, addressed to directors at the addresses shown by the records of the agency, or when deposited with the United Parcel Service, with handling charges thereon paid.

3. ***Special Meetings***. Special meetings of the board, or of committees, may be called at the request of the chair or 20% of the directors.

4. ***Meetings Open to the Public***. Except for considerations regarding personal issues, personnel or litigation, the board’s meetings are open to the public. Spectators or guests, however, may not speak to the subject at hand except by invitation of the chair. The minutes of such meetings are public records. Committee meetings by teleconference, video conference, internet or other mediated communications are open to members of the public who wish to listen to the proceedings.

5. ***Other Public Meetings***. In compliance with the 1985 Reauthorizing legislation of the National Endowment for the Humanities, the board will hold, after reasonable notice, public meetings in the state to allow scholars, interested organizations, and the public to present views and make recommendations regarding its state plan. The board will summarize and respond to those recommendations.

6. ***The Grants Committee.*** The Grants Committee shall meet as needed via mediated communications, except in months when this meeting can be conveniently combined with a board

meeting.

7. ***Quorum***. A simple majority of the directors in office constitutes a quorum for the transaction of business at any meeting of the board. If less than a quorum of the directors is present, the meeting shall adjourn until a quorum is present.

8. ***Manner of Acting***. The act of a majority of the directors present at a meeting at which a quorum is present shall be considered the act of the board.

9. ***Reports to the State***. Humanities Montana shall have reporting procedures to inform the governor of the State of Montana, and other appropriate officers and agencies of its activities. Accordingly, Humanities Montana publishes newsletters, together with regular press releases, and reports to the people of Montana on the grant-making activities for each year.

10. ***Compensation of Directors***. Directors shall not receive salaries or fees for their services but shall receive travel and per diem expenses for their attendance at meetings of the board. Directors may receive, at the board's discretion, travel and per diem expenses for attendance at committee meetings or at public programs funded by Humanities Montana.

    Travel and per diem rates for directors, staff, and others are the same and are adopted annually with the budget. Humanities Montana may pay for the actual cost of travel, lodging, and meals for directors.

    Directors may not receive honoraria for serving as resource persons in Humanities Montana-funded programs, but may contribute their services as part of the cost-sharing.

VIII. Committees

1. ***Creation of Committees.*** The board may, by a majority vote of the full board, create committees that shall have the power to exercise the authority of the board with regard to matters delegated by resolution of the board. Committees shall include no less than two (2) directors. The members of any such committees shall serve at the pleasure of the board of directors. Committees shall exercise such powers as may be designated by the board of directors.

2. ***Restrictions on Committees.*** Each committee may exercise the specific authority which the board confers upon the committee either by these Bylaws or in the resolution creating the committee; provided, however, a committee may not (1) approve the dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the organization's assets; (2) elect, appoint, or remove directors or fill vacancies on the board or on any of its committees; or (3) adopt, amend, or repeal the Articles of Incorporation or Bylaws.

3. ***Committee Meetings.*** The sections of these Bylaws which govern meetings, quorum, waiver of notice, voting requirements, and conduct of the board apply to committees and their members. Notice of any committee meeting shall be provided in writing to committee members at least five (5) days prior to the meeting. Public notice of all meetings shall also be provided at the same time. In addition, the committees shall keep regular minutes of their proceedings and report the same to the board. The committees are subject to all procedural rules governing the operation of the board itself.

4. ***Executive Committee***. There shall be an Executive Committee of the board of directors, which is composed of the chair, the vice chair, and the chairs of the standing committees. The Executive Committee has and may execute all the powers and authority of the board between regularly scheduled meetings of the board, except that the Executive Committee may not have the authority of the board in reference to altering Humanities Montana policies and procedures, or the power to elect, appoint, or remove any director. Special or emergency consultation, when required in the judgment of the chair, will occur between the executive director and the Executive

Committee.

The specific duties of the Executive Committee include:

A. Handle emergent issues between regular board meetings;
B. Support the Executive Director by providing counsel and feedback as needed;
C. Evaluate the Executive Director on an annual basis and recommend an appropriate compensation package;
D. Update the personnel policies handbook in conjunction with the Executive Director for full board approval.

5. ***Grants Committee***. There shall be a Grants Committee, which consists of directors and a chair recommended by the board chair and appointed by board resolution. The board chair may also nominate alternate Grants Committee members, appointed by board resolution, who may, at the discretion of the chair of the Grants Committee, act as Grants Committee members in the absence of a regular Grants Committee member.

The Grants Committee shall have the following powers and duties:

A. To meet, when possible, shortly after grant submission deadlines to review grant proposals that fall within its purview.
B. While the board chair, or designee, and executive director review and make final decisions on grant proposals of $2,000 or less, the Grants Committee makes recommendations for funding all grant proposals for more than $2,000, and the board will review and act on those recommendations at the next scheduled board meeting.
C. The term of appointment of a Grants Committee member is one year from the time of appointment.

6. ***Finance and Audit Committee***. There shall be a Finance and Audit Committee. The chair shall recommend directors to serve on the Finance and Audit Committee and recommend its chair. The board shall appoint the committee members and its chair by resolution. The Finance and Audit Committee shall review Humanities Montana budgets and financial materials, monitor Humanities Montana's banking, investment, and endowment accounts, and attend to other matters bearing on the financial health of Humanities Montana and its programs.

The specific duties of the Finance and Audit Committee include:~~shall have the following specific audit-related responsibilities:~~

~~A. Oversee the independent auditor engagement including selection, scope of work, assessment of work, provision of other services, termination, and compensation;~~
A. Inform the full board about the organization's financial matters;~~.~~
~~B. Appoint a committee member or members to be the liaison with the auditor;~~
B. Ensure that accurate and timely financial reports are prepared and presented to the board;~~.~~
~~C. Review audit reports and present the audit report to the board;~~
C. Oversee budget preparation and financial planning and propose for board approval a budget that accurately reflects the needs, expenses and revenue of the organization meets its goals;~~.~~
D. Identify ~~short and long term~~short- and long-term financial challenges before they become urgent issues, and as needed, recommend budget amendments to the full board for approval;~~.~~
~~D.~~E. Review audit findings and recommendations, along with executive director/staff responses and present audit report to the board along with any necessary remediations;~~, and status of follow-up, during the audit and as needed during the year;~~
~~E. Review with the independent auditor and executive director/staff the adequacy and effectiveness of internal controls and financial/compliance reporting practices;~~

F. Review internal controls, financial/compliance reporting, risk management, insurance coverage and other accounting/financial policies and procedures and recommend to the board their adoption and/or modification;

~~F.~~G. Ensure timely compliance with all federal, state and other requirements including IRS Form 990, employ~~e~~ment and other government taxes related to the organization's finances.

7. ***Governance Committee:*** There shall be a Governance Committee. The Governance Committee shall consist of directors and a chair nominated by the board chair and appointed by a resolution of the board. This committee shall recommend board chair and vice chair and election of new directors to the board.

The specific duties of the Governance Committee include:

A. Develop a board matrix for recruiting and maintaining a board with diverse backgrounds and skillsets representative of Montana;
B. Nominate new board members for election to the board and assist the Executive Director in developing and coordinating new board member orientation;
C. Recommend committee assignments in coordination with the board chair;
D. Nominate board members for election as officers;
E. Review and update the bylaws at least every 3 years or as needed to resolve newly developed issues;
F. Create or review board policies (e.g., Code of Conduct, Code of Ethics, Board Calendar) for full board approval on an annual basis.

8. ***Ad Hoc Committees***. The chair, with the consent of the Executive Committee, may appoint such *ad hoc* committees as are deemed necessary and for specific tasks. *Ad hoc* committees formed by the chair with the consent of the Executive Committee shall be advisory committees that shall not exercise any of the board authority. An *ad hoc* committee shall exist until the completion of its appointed duties.

9. ***Vacancies***. Vacancies in the committees and among their chairs shall be filled for the remainder of the term by resolution of the board following the nomination of individuals by the chair.

10. ***Committee Membership***. Only directors may serve as members of board committees. Members of the public may be invited to join committee meetings to provide advice as non-voting meeting participants.

11. ***Committee Meetings.*** Committee meetings are to be conducted by telephone conference call or other mediated means whenever possible. In-person committee meetings may be arranged, when necessary, but an in-person committee meeting in conjunction with a regular board meeting is preferable.

IX. Conflict of Interest

The board shall adopt and periodically review and monitor a conflict-of-interest policy to protect Humanities Montana's interest when it is contemplating any transaction or arrangement which may benefit any director, officer, employee, or member of a board committee with board-delegated powers.

X. Humanities Montana Records

1. ***Minutes of Meetings***. Appropriate minutes of all meetings required by Montana law to be open shall be kept and shall be available for inspection by directors and the public. Such minutes shall include but are not limited to date, time and place of meeting, individual directors in attendance,

the substance of all major issues proposed, discussed, or decided, and, at the request of any director, a record by individual directors of any votes taken. The executive director shall be designated as the officer responsible for preparing minutes of directors' meetings and for authenticating records of the corporation.

2. ***Financial Records***. Humanities Montana keeps correct, accurate and complete records of all financial transactions. The financial records are open to board inspection at any time, and are audited periodically in compliance with the requirement of the National Endowment for the Humanities and other regulatory, taxing, and funding entities.

XI. Financial Matters

1. ***Contracts***. The board may authorize an officer, employee, or agent of Humanities Montana to enter into and terminate a contract or execute an instrument in the name of and on behalf of Humanities Montana. Such authorization may be general or confined to specific instances.

2. ***Checks, Drafts, and Indebtedness***. A check, draft, or order for the payment of money, notes, or other evidence of indebtedness issued in the name of Humanities Montana must be signed by such officer, employees, or agents of Humanities Montana and in such manner as the board shall direct. In the absence of other directions, such instruments are signed by the program officer and the executive director, the program officer and the chair, or the chair and the executive director. Humanities Montana may employ an individual or contract with an organization contracted to provide financial and other related services.

3. ***Fiscal Year***. The fiscal year of Humanities Montana begins November 1 and ends October 31.

4. ***Loans***. No loans shall be contracted on behalf of Humanities Montana and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

5. ***Investments***. Humanities Montana shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the board, or direction of a donor, without being restricted to the class of investments provided, however, that no action shall be taken by or on behalf of Humanities Montana if such action is a prohibited transaction or would result in the denial of the tax exemption under section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist, or as they may hereafter be amended.

XII. Indemnification of Directors

1. ***Indemnification***. Humanities Montana shall indemnify a director, former director, or officer (as defined in section XIII) if a determination has been made in accordance with the procedures set forth in the Montana nonprofit corporation act that that director met the standard of conduct set forth in subsection 2. below, and payment has been authorized in accordance with the procedures set forth in the Montana nonprofit corporation act based on a conclusion that the expenses are reasonable, Humanities Montana has the financial ability to make the payment, and the financial resources of Humanities Montana should be devoted to this use rather than some other use.

2. ***Standard of Conduct***. A director may be indemnified if:

   A. He or she conducted himself or herself in good faith;
   B. He or she reasonably believed:
      a. In the case of conduct in his or her official capacity with Humanities Montana, that his or her conduct was in its best interests;
      b. In all other cases, that his or her conduct was at least not opposed to its best

interests; and

c. In the case of any criminal proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful.

3. ***Non-Indemnification.*** Humanities Montana shall not indemnify a director or officer:

A. In connection with a proceeding by or in the right of Humanities Montana in which the director was adjudged liable to Humanities Montana; or

B. In connection with any other proceeding charging improper personal benefit to him or her, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.

4. ***Advance Expenses for Directors***. If, following the procedures set forth in the Montana Nonprofit Corporation Act, a determination is made and if an authorization of payment is made following the procedures and standards set forth in the Montana Nonprofit Corporation Act, then Humanities Montana shall pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding if:

A. The director furnished Humanities Montana a written affirmation of his or her good faith belief that he or she has met the standard of conduct described in section XII. 2 of these Bylaws;

B. The director furnishes Humanities Montana a written undertaking, executed personally or on his or her behalf, to repay the advance if it is ultimately determined that he or she did not meet the requisite standard of conduct (which undertaking must be an unlimited general obligation of the member but need not be secured and may be accepted without reference to financial ability to make repayment); and

C. A determination is made that the facts then known to those making the determination would not preclude indemnification under section XII. 2 of these Bylaws, or the provisions of the Montana nonprofit corporation act.

5. ***Indemnification of Agents and Employees Who Are Not Directors***. Humanities Montana may indemnify and advance expenses to any agent or employee of the corporation, who is not a director, to any extent consistent with public policy, as determined by the general or specific action of the board.

6. ***Mandatory Indemnification***. Notwithstanding any other provisions of these bylaws, Humanities Montana shall indemnify a director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the director was a party because he or she is or was a director against reasonable expenses incurred by the director in connection with the proceeding.

XIII. Officers and Staff

1**.** ***Executive Director***. The board shall employ an executive director who shall be charged with the administrative and executive management of the affairs of Humanities Montana subject to review by the board. In the event of a vacancy in the position of the executive director, the chair shall forthwith designate an acting executive director, and shall recommend directors to serve as members of a search committee, and those members will be elected by board resolution. The search committee's responsibility shall be to identify, investigate, and interview candidates for the position and make recommendations to the board for filling the vacancy.

1. ***Other Officers.*** The executive director shall employ exempt staff as needed, and these employees shall be designated as officers of Humanities Montana.

3. ***Staff***. Within budgetary constraints, the executive director may employ such staff as may be needed from time to time. Employment and dismissal of staff and other personnel matters, under the personnel policies and procedures of Humanities Montana, shall be the prerogative of the

executive director.

XIV. Humanities Montana Policies and Procedures

1. ***Program Policies and Procedures***. Humanities Montana shall maintain written policies and procedures for its several programs.
2. ***Personnel Policies and Procedures***. Humanities Montana shall maintain written policies and procedures for personnel matters.
3. ***Financial Policies and Procedures***. Humanities Montana shall maintain written policies and procedures for financial matters.
4. ***Amending Policies and Procedures***. Humanities Montana's policies and procedures may be altered, amended, or repealed, and new policies and procedures may be adopted, by majority vote at any duly constituted regular or special meeting of the board.
5. In the event of conflict among these policies and procedures, the more recently enacted policy or procedure shall prevail.

XV. Miscellaneous Provisions

1. ***Waiver of notice.*** Any notice which is required to be given to any director under the provisions of these bylaws or under the provisions of the Articles of Incorporation, or under the provisions of the Montana Nonprofit Corporation Act, may be waived by the director by a written waiver, signed by the director entitled to such notice and filed with the minutes of Humanities Montana's records.

2. ***No Corporate Seal***. No corporate seal shall be required for Humanities Montana documents or instruments.

3. ***Counterparts***. These Bylaws may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same instrument. As used herein, "counterparts" shall include full copies of these Bylaws signed and delivered by facsimile transmission, as well as photocopies of such facsimile transmissions.

XVI. Dissolution

Humanities Montana shall dissolve upon the adoption of a resolution by two-thirds of all directors ordering dissolution of Humanities Montana. Upon approval of such a resolution, all debts, claims and obligations of Humanities Montana shall be paid. Any remaining assets shall then be distributed as the board determines, though only to such institutions or organizations that will carry out the charitable purposes of the corporation and which have been granted exemption from federal income tax under the provision of section 501(c)(3) of the Internal Revenue Code.

XVII. Amending Bylaws

These Bylaws may be altered, amended, or repealed and new bylaws may be adopted by the board at any regular or special meeting of the board as provided in section VII. 8 of these Bylaws. Notice of such meeting must be given in accordance with section VII. 2, and the notice must also state the purpose or one of the purposes of the meeting is to consider a proposed amendment to the bylaws and contain or be accompanied by a copy or summary of the amendment or state the general nature of the amendment.

CERTIFICATE OF ADOPTION OF BYLAWS

The undersigned hereby certifies that the above Restated Bylaws of Humanities Montana were duly adopted by vote of the Board of Directors during the regular meeting on June 8, 2012 and now constitute the Bylaws of Humanities Montana.

June 8, 2012 Ken Egan
Date Executive Director

2025 Calendar for Board Standing Committees

Jan	**<u>Jan 10 at 11 am: Grantmaking:</u>** Orientation for Grants Review **<u>Jan 15 at 10 am: Executive Committee Meeting</u>**- Review Board Calendar, prepare for winter committee meetings, support ED. **<u>Jan 22 at Noon: Governance Committee Meeting:</u>** Prepare for New Board Member Orientation; Review Code of Conduct and Conflict of Interest forms. **<u>Jan 23 at 10 am: Finance/Audit Committee Meeting</u>**—Review Oct 31 (Year-end) and Dec 31 Financial Reports **<u>Jan 30 at 11 am: Grants Committee Meeting—</u>**Review Dec community project grant applications and make recommendations ****Dec 19th to Jan 20th: At least 8 board members review grant proposals***
Feb	**<u>Feb 5 at 10 am: Executive Committee Meeting</u>**- Prepare for Winter Board Meeting, Support ED **<u>Feb 21-22 in Bozeman: Winter Board Meeting—</u>**Friday/Saturday following President's Day • New Board Member Orientation (no new directors in 2025) • Annual Review of Code of Ethics/Conduct & Conflict of Interest forms • Approve Year End Financial Statements • Approve grant applications
March	**March 4-6 Humanities on the Hill – Washington, DC**
April	**<u>April 9th at 10 am: Executive Committee Meeting</u>**— review of Personnel Policies and Procedures Manual, Debrief HotH, Prepare for spring committee meetings, review ED Annual Review process and timeline, support ED ****April 19th to May 5th: At least 8 board members review grant proposals***
May	**<u>April 30 at 10 am: Finance/Audit Committee Meeting</u>**— Review quarterly financials. **<u>May 7 at 10 am: Finance/Audit Committee Meeting:</u>** Review Audit **<u>May 7 at Noon: Governance Committee Meeting:</u>** —TBD **<u>May 14th at 10 am: Executive Committee Meeting</u>**—Prepare for Spring Board Meeting, support ED **<u>May 15th at 11:00 am: Grants Committee Meeting</u>**—Review April community project grant applications and make recommendations

June	**May 30-31in Martinsdale: <u>Spring Board Meeting</u>**—Friday & Saturday following Memorial Day • Approval of Annual Audit & 990 • Approve grant applications • Complete Board Self Evaluations
July	**<u>July 9 at 10 am: Executive Committee Meeting:</u>** Beginning of ED Review **<u>TBD Governance Committee Meeting:</u>** Update Board Matrix, Board Self Evaluation Form, Determine nominations
August	**<u>August 6 at 10 am: Executive Committee Meeting</u>**—Prepare for board agenda, Complete ED Review **<u>TBD Governance Committee Meeting:</u> Create** Board Self Evaluation Report, Nominations Update **<u>August 25 at Noon: Governance Committee Meeting:</u>** Recommend nominations for new board members and leadership including Chair and Vice Chair. Nominate and Approve Standing Committee Chairs and Members with ED and Board Chair **<u>August 27 at 10 am: Finance/Audit Committee Meeting</u>**—Annual Budget, July 31st Financials ***August 22nd to Sept 1st: At least 8 board members review grant proposals***
September	**<u>September 10 at 10 am: Executive Committee Meeting:</u>** **<u>TBD Grants Committee Meeting</u>**--Review August community project grant applications and make recommendations **Sept 26-27 Fall Board Meeting in Missoula**—last weekend in September • Approve Annual Budget • Approve Nominations • Approve Grants
October	
November	**<u>Nov 5th at 10 am: Executive Committee Meeting:</u>** end of year considerations Nov 12-16, 2025, in Detroit, MI -**<u>National Humanities Conference</u>**—1-2 board members attend
December	**Tentative Virtual Board Meeting:** Review Year End Financials, make budget adjustments if necessary.

Humanities MONTANA

Member	Accounting/Legal	Education/Academic	Government Affairs/Advocacy	Fundraising/Development	Non-Profit Governance	Rural	Diversity (Optional)
PLEASE INDICATE WHICH OF THESE FIELDS YOU HAVE EXPERIENCE IN OR THAT REFLECT YOUR BACKGROUND							
Glory Blue Earth* (2028)							
Carol Bradley (2025)							
Jeremy Carl (2028)*							
David Allan Cates (2025)							
Jennifer Corning (2027)							
Ray Ekness (2025)							
Jeanette Fregulia (2025)							
Lynda Grande (2025)							
Mary Hernandez (2025)							
Lathie Poole* (2028)							
Arian Randall (2025)							
Karen Reiff (2026)							
Esther Beth Sullivan (2027)							
Clark Whitehorn (2025)							
Tim Wilson (2026)							

- Years following board member names indicate term expiry year
- Names underlined are renewable terms
- * Indicates Governor's appointees
- Consideration for geographical representation
- Consideration for age diversity

Please list areas of Humanities Montana activities (i.e. fundraising, outreach, advocacy, etc.) in which you believe your strengths will be beneficial to the board: ____