

Humanities Montana
Finance Committee Meeting Minutes
June 16, 2026

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

Staff: John Knight (Interim Executive Director)

Auditor: Keegan Witt

Excused: Ray Ekness (Board Chair)

The meeting convened at 11:00 a.m. with a quorum of committee members present. Chair Esther Beth Sullivan called for approval of the agenda. David Cates moved to approve the agenda, and Sara Bruya seconded the motion. The motion passed unanimously without discussion.

At 11:03a.m., Beth invited John Knight to introduce Keegan Witt of Carver Florek and James CPAs, and start the audit materials review. John gave high level comments on the audit and process, thanked Keegan for his work, and invited him to present the materials to the group,

- Keegan reviewed the audit timeline with the Finance Committee and then discussed the Summary of Findings on page 27 of the audit materials. He explained the distinction between significant deficiencies and material weaknesses, noting that Humanities Montana received three significant deficiency findings and no material weaknesses. Keegan also provided context for the findings, referencing the significant staff turnover and operational reductions that occurred in 2025 following the loss of federal funding.
- Keegan reviewed the financial statements and reports included in the audit materials. He noted that the auditors issued an unmodified opinion on Humanities Montana's financial statements and found the organization to be in compliance with applicable federal award requirements. He also noted that no findings were identified related to noncompliance with the organization's financial policies and procedures.
- Keegan reviewed the responsibilities and procedures of the auditing firm before walking the committee through the Statement of Activities, Statement of Functional Expenses, and Statement of Cash Flows for FY25. He explained that the financial statements were prepared using information provided by Humanities Montana and were verified and adjusted, as necessary, through the audit process and QuickBooks records. Keegan noted that the statements accurately reflect the organization's financial activity and position for FY25.
- Finally, Keegan walked the committee through the notes to the financial statements, explaining how the footnotes provide additional context and support for the figures presented throughout the audit. He noted that the organization's endowment activity remained largely consistent with prior fiscal years. Keegan then reviewed the notes accompanying the Single Audit section and concluded by discussing the Auditor's Report on Internal Control and the Report on Compliance for Federal Awards, both of which were included in the audit materials.

- Questions were invited at the conclusion of Keegan's presentation. Sara Bruya asked about the intended audience for the audit. Keegan explained that the report would be submitted to the Office of Inspector General Federal Audit Clearinghouse. John added that the audit would also be made publicly available on Humanities Montana's website.
- Tim Wilson asked whether the cause of a finding is considered when determining significant deficiencies. Keegan explained that while auditors consider the circumstances and underlying causes of findings, those factors do not change the criteria used to determine whether an issue constitutes a significant deficiency or a material weakness.
- David thanked Keegan and commented on the clarity of the audit materials.

At 11:35a.m., John was invited to walk the Finance Committee through the Corrective Action Plan.

- Following the audit presentation, John Knight reviewed the Corrective Action Plan in response to the three significant deficiencies identified in the FY25 audit: Finding 2025-001, Inadequate Supporting Documentation; Finding 2025-002, Untimely Bank Reconciliations; and Finding 2025-003, Segregation of Duties.
- John summarized the corrective actions associated with each finding, providing examples of the deficiencies and the steps taken to address them. Corrective actions included implementing centralized documentation procedures, establishing monthly bank reconciliations reviewed by management and the Finance Committee, and increasing accounting capacity through additional contract accountant hours. He also noted that Humanities Montana is exploring additional financial oversight through a fractional CFO or part-time comptroller arrangement.
- John further noted that the findings were largely attributable to staff turnover and operational reductions that occurred following the loss of federal funding in 2025. Keegan, who remained on the call during the corrective action discussion, agreed with this assessment.
- Beth noted that several corrective actions had already been implemented beginning in January 2026, while the updated Finance Policies and Procedures Manual, including the financial responsibility matrix, was formally approved by the Board on May 30, 2026. The committee discussed the implementation timeline and expressed support for the corrective action plan and its submission with the FY25 audit.

At 11:44a.m., Keegan was excused with thanks expressed by the Finance Committee to the work of Carver, Florek and James, CPAs. Beth asked if the group had any final questions.

- Sara asked how the Board could be more involved in Humanities Montana's financial procedures to support the organization and provide additional checks and balances. A brief discussion followed among Sara, Beth, John, and committee members regarding the appropriate roles of governance and operations.
- John emphasized the importance of maintaining a clear separation between Board oversight responsibilities and day-to-day management functions. He also shared that Humanities Montana has been exploring the use of a fractional CFO to strengthen financial oversight and support the organization's financial infrastructure.

At 11:49 a.m., Beth Sullivan moved to recommend approval of the FY25 Audit Materials to the Board of Directors. David Cates seconded the motion. With no further discussion, the motion passed unanimously.

David commented that the audit materials and overall audit process reflected positively on Humanities Montana's progress following a year of staffing reductions and operational changes. John acknowledged the significant work that had gone into organizing and rebuilding the organization's financial systems and noted the importance of continuing to strengthen financial procedures and best practices. David encouraged John to view the process as an opportunity for growth and organizational development as Humanities Montana moves forward.

Tim asked whether John anticipated bringing additional information regarding the fractional CFO discussion to the Board at its June 25, 2026 meeting. Beth and John briefly discussed next steps, with John noting that he would continue developing the concept and bring additional **information to a future Executive Committee meeting for discussion.**

There being no further business, the meeting adjourned at 11:58 a.m.