



Finance Audit Committee Minutes

Wednesday, Aug 28th at 12:00-1:30 pm via Zoom

Present: Carol Bradley, David Cates, Lynda Grande, Beth Sullivan

Staff: Jill Baker, Executive Director and Jon Clarenbach, Fiscal Operations Director

Absent: David Dietrich

Chairperson Lynda Grande called the meeting to order at 12:00 pm. A quorum was present.

July 31st 2024 Financial Statements

Lynda asked Jon to present the July 31st 2024 Financial Statements. Jon provided an overview of the Budget to Actual, Balance Sheet, and Profit and Loss statements and answered questions from committee members. Humanities Montana continues to be in a strong financial position. Lynda called the question. Beth made the motion to approve the July 31st 2024 Financial Statements as presented. David Cates seconded the motion. Motion passed unanimously.

Adoption of Donated Stock Policy and Investment Account

Jill presented the draft Donated Stock Policy to the committee and answered questions. Liz Harrison, Development Director, requested that the board adopt this policy so that HM is able to accept gifts of stock during the upcoming annual campaign. Jill and Jon reassured the committee that if a donor wanted to make a legacy gift of stock, they may give to HM's endowment account with the Montana Community Foundation

David Cates made the motion to recommend the adoption the Donated Stock Policy and a resolution for staff to open an investment account on behalf of HM to the full board at the fall business meeting. Beth seconded the motion. The motion carried unanimously.

FY25 Budget Proposal

Jill and Jon presented the proposed FY25 Budget. This budget is largely based on FY24 actual expenses with a modest 1.6% increase in expenses over the prior fiscal year. The proposed budget will spend down the significant NEH carry over funds by the end of the fiscal year, and includes additional fundraising expenses and revenue with the primary goal of raising additional funds primarily through private foundation grant support.

This conservative budget provides a projected margin of \$64,337 at the end of the fiscal year. Jill recommends that Humanities Montana make a strategic investment in an Indigenous

Humanities MONTANA

Communities Needs Assessment to be conducted by Francine Spang-Willis. This 18-month long project will span two fiscal years. The goals of this project are to:

- Clarify the eight Indigenous communities' needs so Humanities Montana can best serve Montana's diverse Indigenous peoples.
- Clarify the eight Indigenous communities needs around language and cultural preservation.
- Clarify the communities need for a Humanities Montana position to manage Indigenous grants and programs.

Jill and Jon answered questions from the committee regarding the purpose, timeline and cost of the proposal. The committee made suggestions and recommended that due to the size of the request, full board approval is needed. They asked that Jill present additional information about the proposal at the September 28th board meeting.

Carol made the motion to approve the FY25 budget without funding for the Indigenous Communities Needs Assessment. David Cates seconded the motion. Motion carried unanimously.

Lynda Grande adjourned the meeting at 1:46 pm. JB

Humanities MONTANA				FY24 Actual	Budget Remaining	Percentage of Budget Spent
		2023 Actual	2024 Budget	7/31/2024	7/31/2024	7/31/2024
Revenue						
	NEH State Operating Grant	\$ 603,037.00	\$903,746.00	\$ 348,202	\$ 555,544	39%
	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	19,710	(17,518)	899%
	United We Stand Grant Carry Over		39,000	40,747	(1,747)	
	Total NEH Revenue	\$ 812,342	\$ 1,238,558	\$ 702,279	\$ 536,279	
Other Grant Support						
	Engelhard Foundation Carry Over 2022	\$ 56,165.00	\$ 30,000	\$ 29,113	\$ 887	
	Engelhard Foundation 23-25 Grant	160,000	80,000	77,456	2,544	
	Montana Cultural Trust	5,000	5,000	5,000	-	
	Informed Citizen Carry Over	3,765			-	
	Academy of American Poets Carry Over	31		5,500	(5,500)	
	Other Grant Revenue	2,000	0	600	(600)	
	Total Other Grant Support	\$ 226,961	\$ 115,000	\$ 117,669	(2,669)	
Other Revenue						
	Board meeting expense donation	\$ 1,378	\$5,000	\$ 3,327	\$ 1,673	67%
	Montana Conversations Copay	5,775	4,000	7,575	(3,575)	189%
	Montana Conversations Expense Donations	1,841	1,000	869	131	87%
	Unrestricted Donations	20,188	36,000	17,554	18,446	49%
	Restricted Donations	1,521	16,000		16,000	0%
	Interest & Misc. Earnings	7,922	6,000	12,709	(6,709)	212%
	Total Other Revenue	\$ 38,625	\$ 68,000	\$ 42,034	\$ 25,966	
	Total Revenue	\$ 1,077,928	\$ 1,421,558	\$ 861,982	\$ 559,576	
Expenses						
	Salary, Benefits and Payroll Taxes	\$ 417,694	\$ 590,092	\$ 413,210	\$ 176,882	70%
	General and Administration	116,749	172,244	89,217	83,027	52%
	Board Expense	25,253	30,000	17,338	12,662	58%
	Outreach	832	4,000	1,195	2,805	30%
	Fundraising	11,290	12,800	14,525	(1,725)	113%
	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	102,136	72,864	58%
	Regrants travel/outreach		5,000	1,168		
	Regrants professional development		500	-		
	Montana Conversations	60,281	60,000	52,112	7,888	87%
	Montana Conversations travel/program outreach		5,000	1,446		
	Montana Conversations professional development		1,000	529		
	Speakers in the Schools	59,339	65,000	54,825	10,175	84%
	United We Stand		23,000	31,348	(8,348)	136%
	National History Day		-	18,591	(18,591)	
	Hometown Humanities	2,354	-	-		
	Journalism/Informed Citizen	3,765	-	-		
	American Academy of Poets	31	-	5,500		
	Civic Engagement Programming		10,000	-		
	Center for the Book (LAL, NatBkFest)	48		1,156		
	Gather Round	10		-	-	
	Big Sky Reads	5,500	10,000	6,500	3,500	65%
	National Book Festival	3,314	3,000	2,035	965	68%
	SHARP	(1,003)		-		
	Democracy Project	\$ 27,907	\$ 68,500	\$ 60,366	\$ 8,134	88%
	Total Expenses	\$ 902,717	\$ 1,257,136	\$ 875,892	\$ 369,543	
	Net	\$ 175,211	\$ 164,422	\$ (13,910)	\$ 190,033	
	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					

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Accrual Basis

Humanities Montana

Balance Sheet

As of July 31, 2024

	Jul 31, 24
ASSETS	
Current Assets	
Checking/Savings	
1020 · Checking-FIB	58,358.02
1021 · FIB Savings	76,623.53
Total Checking/Savings	134,981.55
Other Current Assets	
1310 · Grants Receivable	699,950.04
1650 · Endowment Funds-MCF	91,923.11
Total Other Current Assets	791,873.15
Total Current Assets	926,854.70
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	953,392.70
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 · Accounts Payable	41,538.25
Total Accounts Payable	41,538.25
Credit Cards	
2375 · MC - Jennifer Bevill - 2410	542.67
2370 · MC - Jillian Baker - 3687	3,254.57
2365 · MC - John Knight - 5910	3,426.30
2360 · MC - Megan Hill - 4122	120.00
Total Credit Cards	7,343.54
Other Current Liabilities	
2120 · Payroll Liabilities	5,494.21
2142 · Health Insurance Payable	-6,289.37
2155 · Vacation/Sick Payable	11,524.80
2400 · Deferred Revenue	566,403.68
Total Other Current Liabilities	577,133.32

Humanities Montana
Balance Sheet
As of July 31, 2024

	Jul 31, 24
Total Current Liabilities	626,015.11
Total Liabilities	626,015.11
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	-125,978.42
Total Equity	327,377.59
TOTAL LIABILITIES & EQUITY	953,392.70

Humanities Montana

Profit & Loss

November 2023 through July 2024

	Nov '23 - Jul 24
Ordinary Income/Expense	
Income	
4603 · Unrealized Gain/Loss	11,017.60
4015 · Co-Pay Income	7,575.00
4600 · Interest and Dividends-Non Fed	1,347.29
4602 · Realized Gain/Loss	209.90
4700 · Misc Income	
4740 · Royalties	134.21
Total 4700 · Misc Income	134.21
4701 · Federal Grant Income	702,279.24
4703 · Misc Grant Funding	5,600.00
4730 · Donations-Unrestricted	
4733 · Expense Donation-other	540.00
4732 · Exp Reim Donation-Board MBR	3,326.98
4731 · Expense Reimb Donations-Speaker	869.45
4730 · Donations-Unrestricted - Other	17,014.39
Total 4730 · Donations-Unrestricted	21,750.82
Total Income	749,914.06
Gross Profit	749,914.06
Expense	
50000 · Salary and Benefits	
5010 · Payroll Expenses	318,634.11
5020 · Payroll Taxes	27,556.14
5021 · Work Comp Premiums	2,652.12
5022 · Health Insurance Premiums	35,358.13
5025 · Retirement Plan Expense	27,500.05
50000 · Salary and Benefits - Other	1,509.25
Total 50000 · Salary and Benefits	413,209.80
60000 · General and Administrative Exp	
5208 · Facility/Room Rental	285.00
5055 · Employee Insurance Admin Fees	52.50
5027 · Parking	6.00
5033 · Travel-Other	
5031 · Travel-Staff	28,565.67
5032 · Travel-Board	9,064.34
5033 · Travel-Other - Other	49,908.22
Total 5033 · Travel-Other	87,538.23
5034 · Meals/Food	4,928.75
5225 · Website Expense	11,715.00

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Accrual Basis

Humanities Montana

Profit & Loss

November 2023 through July 2024

	Nov '23 - Jul 24
5112 · Copies/Printing Expense	6,328.01
5910 · Special Events-Non Federal	225.00
5217 · Endowment Expense	822.78
5190 · Federation Dues	16,158.00
5218 · Advertising	500.00
5090 · Books and Materials	1,040.97
5180 · Dues and Subscriptions	4,587.50
5170 · Insurance	1,849.77
5151 · Professional Development	1,345.70
5152 · Professional Meetings Staff	750.00
5150 · Professional Services	
5220 · Audit Expense	19,125.00
5150 · Professional Services - Other	21,835.93
Total 5150 · Professional Services	40,960.93
5144 · Database Expense	5,830.20
5143 · Network Expense	5,242.00
5026 · Campus Parking Decal	3,690.00
5096 · Bank and Credit Card Fees	803.99
5080 · Postage	702.57
5060 · Supplies	12,960.01
5050 · Rent and Administration	924.37
Total 60000 · General and Administrative Exp	209,247.28
5155 · Award Expense	35,500.00
5160 · Honoraria Expense	
5161 · Stipend	14,500.00
5160 · Honoraria Expense - Other	83,850.00
Total 5160 · Honoraria Expense	98,350.00
5209 · Professional Meetings Board	75.00
6010 · Regrants Awarded	119,510.40
Total Expense	875,892.48
Net Ordinary Income	-125,978.42
Net Income	-125,978.42