

**Board of Directors Meeting
Carroll College, Helena, MT
Saturday, May 31, 2025**

Board of Directors: Glory Blue Earth, David Cates, Jen Corning (via Zoom), Ray Ekness, Jeanette Fregulia (vice chair), Lynda Grande, Mary Hernandez, Karen Reiff, Esther Beth Sullivan (chair), Clark Whitehorn, Tim Wilson

Excused: Jeremy Carl, Lathie Poole, Arian Randall

Staff: Jill Baker, Executive Director

Opening Remarks and Actions

Beth Sullivan, Board Chair, welcomed everyone and called the meeting to order at 10:30 am.

A quorum was present. Beth shared an invitation for public comment. There was no response.

Beth called for a motion to approve the agenda. Mary made the motion, and David seconded. Motion carried unanimously.

Beth then called for a motion to approve the consent agenda. David made the motion, and Ray seconded. Motion carried unanimously.

Opening comments were made by Beth, thanking Jill for her leadership during this challenging time. She also thanked the board for their participation in this meeting given that resources to support their travel were cancelled and expressed great appreciation for their dedication given the recent events. She presented a digest of conversations that she had had with board members across May. That digest is included separately.

Executive Director Updates

Jill thanked the board for all their support during this time of crisis due to the termination of the General Operating Support (GOS) grant from the National Endowment for the Humanities (NEH) on April 2, 2025. "We are devastated but not defeated." HM's doors remain open due to emergency fundraising efforts. However, there is much work ahead of us as we prepare for a possible future without NEH. As HM plans for the future, we do so with trusted thought partners with the network of 56 state and jurisdictional humanities councils as well as the staff of the Federation of State Humanities (FSHC).

Despite the devastating staff layoffs and the necessary pause of the speakers bureaus and grantmaking, the privately funded Democracy Project will continue. Jill also recommends focusing additional efforts on Montana writers and literature as an historical throughline for the organization moving forward including Great Reads from Great Places book selections and author talks, Montana Poet Laureate speaker programming, and One Book Montana programming. Jill also mentioned a potential partnership with Humanities North Dakota's The Study virtual speaker program. Over the next few months, Jill and Jenny will continue to meet with stakeholders to

determine how to best move forward with statewide public humanities programming to increase access to well vetted information and lifelong learning.

Jill reviewed her updated FY25 Executive Director work plan as well as her program downsizing recommendations with the board for consideration and feedback.

Finance and Audit Committee

On behalf of the Finance and Audit Committee, Chairperson Lynda Grande presented the FY24 Audit Report prepared by Carver, Florek, and James, CPAs to the board for discussion and approval. Lynda noted that due to HM's high reliance on federal funding to support operations there is a "Going Concern" notation in this year's report. As a result of the termination of HM's General Operation Support grant from the NEH on April 2, HM was asked to demonstrate that the nonprofit would still be in existence in twelve months and provide a list of actions taken to address the termination of the grant. Jill provided a list of actions taken which is included in the report, and the finance committee approved a revised budget that centers around the privately funded Democracy Project program. These actions adequately addressed the "Going Concern" and avoided a recommendation from the auditor to dissolve the organization.

After Lynda and Jill answered questions, Beth called for a motion to approve the FY24 Audit. Mary made the motion, David seconded, and the motion carried unanimously.

Lynda and Jill presented the April 28, 2025, Financial reports and answered questions. Jill noted that HM raised over \$120,000 during the month of April due to our emergency fundraising campaign including a \$100,000 individual gift from Susan O' Connor. Ms. O'Connor is a trustee of the Engelhard Foundation which funds the Democracy Project. Additionally, HM applied for and received a \$200,000 general operating grant from the Federation of State Humanities Councils and the Mellon Foundation. HM is also eligible for a matching grant of up to \$50,000. While these gifts greatly help HM's bottom line, it is still significantly short of the funding lost due to the termination of the NEH GOS grant and doesn't change the current plan for staff layoffs.

Lynda called for a motion to approve the May financial reports. David made the motion, Tim seconded, and the motion carried unanimously.

Lynda asked Jill to report to the board on the need to update signers on HM's First Interstate State Bank accounts. Due to staff layoffs, Jillian Baker will remain the only designated staff person to sign checks.

Megan Hill Sundy and John Knight will need to be removed as signers as they no longer work for Humanities Montana. Jill asked the board to consider having at least one board member in Missoula as an additional signer as necessary. David Cates and Ray Ekness both agreed to serve as signers on the FIB bank accounts.

Beth called for a motion to approve David and Ray as new FIB bank signers. David made the motion, Jeanette seconded, and the motion carried unanimously.

Lynda asked Jill to present her recommended “Revised FY25 Budget w/o NEH Funds” to the board for discussion. This budget is based on the yearlong “DP Budget” which was approved by the Finance and Audit Committee on April 30th. This revised budget will guide HM’s operations through October 31, 2025, the end of HM’s fiscal year. Jill updated the budget that had been approved in the Finance committee to include staff travel, website design expenses, and some funding to support the September Board meeting in Missoula.

Beth asked that consideration of the amended 2025 budget be continued after the working session, providing more opportunity to discuss priorities for 2025.

Working Session: What We Want or Need to Know

Mary Hernandez led a board working session discussing the question, “What we want or need to know?”

To start this session, board members offered questions that they wanted to be addressed before they left this meeting, but with an eye on the future of the organization.

Executive Session

The board took a break at 12:30 and went into executive session at 12:45. The executive session concluded at 1:15 pm.

Working Session: What We Want or Need to Know

Based on the questions raised during the morning’s working session, the board broke into small groups for further conversation. A summary of the discussions is included separately.

Finance and Audit Committee

Lynda and Jill presented the “Revised FY25 Budget w/o NEH Funds” for further conversation.

Beth called for a motion to approve the Revised FY25 Budget. Clark made the motion, David seconded, and the motion carried unanimously.

Concluding Remarks

Beth and Jill thanked everyone for their time, travel, dedication, and thoughtfulness during the meeting. The next board meeting will be held in Missoula on September 26-27. Board travel, Friday dinner, and hotel arrangements will be covered if requested.

The meeting was adjourned at 3 pm. JB