Colorado Humanities Board of Directors Meeting
June 9, 2018
Holland and Hart, LLP
555 17th St. #3200, Denver

Meeting overview and materials

Actions taken

- Approval of the agenda (page 1)
- Approval of the March 3, 2018 Board meeting minutes (page 1)
- Election of officers and committee chairs (page 4)
- Acceptance of FY2017 Audit (page 5)

Assignments/Directives

- ☐ Provide analysis of Schwab investments (page 2) — Finance Committee
- ☐ Contact War, Literature and Arts Conference re: possible CH program addition (page 3) — Jones
- ☐ Plan for NEH Site Visit review (page 3) — Executive Committee, Coval
- ☐ Schedule Executive Committee meeting with site visitors Sept. 26/ 27 (page 3) — Coval
- ☐ Update NEH award figure on page 9 of the audit (page 5) — Jim Davis
- ☐ Submit Single Audit to the Federal Government (page 5) — Jim Davis
- ☐ Provide host responsibilities fact sheet for Denver Veterans Writing conversations (page 7) — Jones

Next meeting

September 15, 2018
Pueblo, venue tbd

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Present: Ballantine, Bentz, Dahlin, Holden, Lee, Miller, Nelson, Tate
Participating by Phone: Bantis, Cunningham, Meyer
Absent: Best, Garcia, Hurley, Kirkpatrick, Mason, Philpott
Guest: Jim Davis, Davis & Co. CPAs, P.C.
Staff: Coval, Albright, Jones, Tucker

1. **Welcome and introductions** (Dahlin)
   Dahlin welcomed the Board and those present introduced themselves.

2. **Ice breaker** (Dahlin)
   Dahlin asked attendees to tell about a book or movie that influenced them.

3. **Approval of agenda** (Dahlin)

   Motion by Nelson to approve the agenda.
   Seconded by Miller
   Vote: Unanimously approved

4. **Approval of March 3, 2018 Board meeting minutes** (Dahlin)

   Motion by Tate to approve the minutes of the March 3, 2018 Board meeting.
   Seconded by Lee
   Vote: Unanimously approved

5. **Chair's report** (Dahlin)
   a. Dahlin recognized the following Board members for their recent activities:
      - Miller for attending Colorado Book Awards (CBA) and a CBA finalist reading
      - Nelson for attending CBA and bringing guests
      - Bantis for presenting awards at CBA and for facilitating a sponsorship from First Western Trust
      - Meyer for facilitating a CBA sponsorship from Shaw Construction
      - Hurley for facilitating a meeting with the El Pomar Foundation to discuss programing and funding opportunities in Colorado Springs, and for attending a writers workshop demonstration at Ft. Carson
      - Lee for attending the Student Literary Awards and for facilitating an upcoming meeting with TIAA to discuss programming and funding opportunities
      - Tate for participating in Humanities on the Hill, for meeting with board prospect Holden, and for facilitating connections with Latino and Legacy of Race program partners

b. September board meeting location
Pueblo was suggested for the September meeting, possibly with a community reception the evening prior or guests for lunch during the meeting. The Board agreed.

c. Committee preferences
Dahlin distributed the Committee Preference Form, and asked board members to return completed forms to Coval.

d. Other
Dahlin reported that Rodriguez has resigned from the Board due to new responsibilities at work.

6. **Finance and Infrastructure Committee** (Bantis)

a. Financial status report
Bantis reported that overall CH is in good shape financially. FY2017 ended at break-even, due in part to investment earnings. The FY2018 balance sheet is very liquid, with a small amount of liabilities in accounts payable typical at year-end. There is reasonable liquidity relative to operating and program expenses.

b. Investment funds report and recommendation
Bantis reported that Community First Foundation (CFF) has responded to unhappy investors, and returns are currently better than they had been in the recent past. The CFF investments broke even in the first quarter of FY2018 when every major bond index was down.

Bantis reported no complaints regarding the Schwab investments relative to the indices. Anticipating stable or slightly increased funding from Congress for the next three to five years, the Finance Committee questions whether the balance of equities versus bonds is reasonable, and wonders about CH tolerance for risk. Currently the allocations are 40% in bonds, and 60% in equities, which is a moderately conservative portfolio. Bantis noted that every choice of new investments made would be liquid. Discussion followed.

The Board determined that they needed more analysis from the Finance Committee before making a decision. Information needed includes specifics about distribution and purpose, historical performance compared with projections, and detail of program needs.

c. Establishing a line of credit
This discussion was deferred.

d. Other
Bantis reported that results of the FY2017 audit are fine, and noted the auditor's compliments regarding CH operations and record-keeping. He commented that the primary difference between the audit and the internal year-end financial statement was the audit's inclusion of over $400,00 non-cash donations.

7. **Executive Director's report** (Coval)
Coval thanked Dahlin for compiling demographic research for the self-assessment, for participating in CBA, for emceeing a CBA finalist reading, and for attending many committee meetings.

a. NEH funding
Coval reported that after five continuing resolutions, the FY2018 NEH grant was finally awarded on May 25th. $784,770 was awarded, which is a 3% increase and $22,860 over what CH had budgeted.

The NEH was again scheduled to be zeroed out in the President's FY2019 budget, however, the draft out of the House Interior Subcommittee allots $155 million to NEH (a $2.1 million increase), and $48.73 for the Federal State Partnership (a $1.5 million increase). There are no figures from the Senate yet. Coval encouraged Board members to contact legislators.

b. NEH Chairman's visit
Coval reported that NEH Chairman Jon Peede will visit Colorado Springs for the War, Literature and Arts Conference September 20 and 21. Coval would like to host Peede at a luncheon with some CH board members. It might be possible to conduct a program or program segment including Peede in a facilitated discussion. Jones will reach out to the War, Literature and Arts Conference to see if they would like to add a CH program to their schedule.

c. NEH site visit
The Site Visit Review Team will join Colorado Humanities September 26 and 27. Coval would like the Executive Committee to have a conversation about how to prepare, possibly planning a dinner. Dahlin stressed the importance of having the site visitors meet board members, and encouraged board members to be available on those dates.

d. National Humanities Conference
Coval said the 2018 National Humanities Conference, which is held in conjunction with the National Humanities Alliance is November 8-10 in New Orleans. A draft of the conference schedule is on the Federation website. Coval asked the Board to please consider attending. Tate reminded members that a stipend is available from NEH to help support new Board members' attendance.

e. Other
Coval reported that Karen Kenton who has been Acting Director, has been appointed the new Director of the Federal State Partnership. She has been the liaison for NEH to the Library of Congress Center for the Book. Coval commented that she feels Kenton is a good choice, and passed an information sheet listing some of Kenton's qualifications and accomplishments.

8. **Governance and Nominating Committee** (Tate)
   a. Appointment of board members
      Tate reported that the Governor appointed her and Ballantine to the Board for additional three year terms.

   b. Nominations report
      Tate reported that before Rodriguez resigned, only two positions needed to be filled for a full board. She acknowledged new members Bentz, Holden and Philpott.

      The Committee is seeking a representative from Alamosa, and has interest in two individuals who participated in the Alamosa Blue Sky meeting.

      Tate reported inconsistent response from a Colorado Springs prospect. The owner of a Denver-based video production company that works with non-profits and focuses on cultural studies is a possibility. The Committee is still seeking representation from the eastern plains, and more age diversity. Lee will follow up with a prospect she had suggested to Tate.

   c. Election of officers and committee chairs
      Motion by Tate on behalf of the Nominating Committee to elect the following slate of officers and committee chairs to one-year terms:

      Michel Dahlin - Board Chair
      Paulette Tate - Governance and Nominating Committee Chair/ Board Vice-Chair
      Charlie Bantis - Finance and Infrastructure Committee Chair
      Thor Nelson - Development and External Affairs Committee Chair
      Adrian Miller - Program Policy and Evaluation Committee Chair

      Vote: Unanimously approved

9. **Audit Committee** (Bantis)
   Jim Davis of Davis & Co. CPAs presented the FY2017 audit. He reported that liabilities were down, assets are all very liquid, but were not utilized, so great growth was realized, and debt is nearly nil (page 2). Revenues were similar to FY2016 at close to $1 million, and there was an increase in unrestricted net operational assets (page 3). A change in total net assets of more than $37,609, which includes a $17,000 carry-over of unused funds from the FY2016 draw from Community First Foundation assets, is detailed in a footnote on page 10.

   A decrease in NEH income was balanced by an increase in investment earnings. Program spending was down from FY2016, especially that for Motheread/Fatheread Colorado (MFC). Expenses were down in general, and there was a $37,609 positive change in net assets. Davis said CH's overhead/burden rate was 15.5%, and 15-20% is acceptable for this type of organization.

   A breakdown of major program expenses can be found on page 4. Davis noted a decrease in personnel and contract professionals related to decreased program activity. In-kind donations totaling $404,000 was reported (footnote 1d, page 7). Davis commended Coval and staff for careful and thorough qualifying and documenting of in-kind donations, and for organizing and formatting records for the audit. The year ended without much cash, which Davis said, is as expected (page 5).

When more than 25% of the revenues come from a single source, as they did from NEH, it must be documented (note 2, page 8). As is typical for non-profits, Davis said the only significant estimate that needed to be defined was the allocation of costs between programs and supporting services. CH consistently uses time studies to support that estimate, which Davis explained is at the top of the pyramid in a best practices hierarchy. The federally required single audit of finances and internal controls will be delivered at the end of July, and will be 'unmodified,' which, Davis explained, is the term used for no negative findings.

Davis praised the contract accountant, saying no adjustments are needed. He will update page 9 to reflect the recently confirmed $784,770 award from NEH.

Motion by Nelson to accept the FY2017 Audit
Seconded by Tate
Vote: Unanimously approved

10. Development and External Affairs Committee (Nelson)

a. Fundraising status report (Coval, Tucker)
Tucker reviewed the Fundraising Status Report, reminding the Board that figures highlighted in peach are those which have changed since the last board meeting. She noted a new line item for Amazon Smile, which is a percentage donation of sales given when customers who have designated CH as their charity of choice make purchases through the Smile program. She offered to send linked text to board members who would like to promote the program in their e-mail signature.

Less than $19,000 in unrestricted individual gifts has been received to date. Tucker noted the difficulty in raising unrestricted funds. For example, Anschutz Famliy Foundation asked for a proposal for unrestricted funds, and ended up giving a restricted gift for the Veterans' Writing program.

Funds continue to come in for High Plains Chautauqua. The remaining goal has been reduced to about $5,000. Tucker said a decision from T. Rowe Price is pending.

Tucker reported that Hurley facilitated a meeting with El Pomar Foundation's Senior Vice-President for Military Affairs Terrance McWiliams. He indicated that El Pomar would be interested in two programs for military families and veterans in Colorado Springs: Motheread/Fatheread Colorado (MFC) and Veterans Writing workshops, using the Denver Veterans program as a model. Fundraising efforts will be needed.

b. Board challenges and goals
Nelson reviewed the Board goals and status report. He explained that in-kind donations and unreimbursed expenses count toward CH's matching obligations to NEH. If all board

members attend four board meetings, and submit in-kind forms for their time, it's worth $28,000. Nelson encouraged all to participate.

The goals include a special appeal to each board member to raise/contribute an additional $200 for research and development of the new programs the Board approved. Nelson explained that the current budget only funds existing programs occurring in FY2018.

Nelson shared plans to provide updates at each board meeting so the Board will know how it's doing as a team. He offered to connect personally with any members who wished to do so to discuss development.

c. Development contacts and meetings
Nelson again mentioned Hurley's efforts with El Pomar. Lee reported that she had scheduled a July 10 meeting with TIAA. She, Coval and Tucker will present and look for ways CH and TIAA might partner.

Lee recounted her experience attending the Student Literary Awards (SLA), which she described as a beautiful event. She was very moved by some of the letters and poetry the children shared.

Nelson encouraged the Board to notify him or Tucker of their efforts in the area of development.

d. Colorado Encyclopedia transition (Coval)
Last October, the Board approved a motion to develop a process to reduce CH's participation in the Colorado Encyclopedia (CE), or a strategy for exit from the program. Partners that will enable the site to continue are University Press and CSU Libraries. Coval reported that the pending NEH grant was denied, and the SHF grant was allowed to expire, so there are no current matching obligations. At this time, the project is on a maintenance schedule. Another NEH grant proposal focusing on civics-related content will be submitted with CSU as the grant recipient.

CE might return to SHF for a short-term grant of up to $35,000 with no matching requirement. The focus of articles up to this point has been history, but Coval shared plans to develop themed proposals that can be taken to specific donors for areassuch as science and technology or health and medicine. Holden suggested a contact campaign featuring a series of some of the site's best articles. Coval noted that CE Governance Committee member Alan Lamborn believes CE should be a place where connections are made.

There is a survey out through Colorado's National History Day office to see if teachers are using the site.

11. Program Policy and Evaluation Committee (Miller)

a. Program status report (Jones)

Jones showed a video featuring Colorado Book Awards finalists talking about the Book Awards. Colorado Book Awards was June 2 at the Sie Film Center. Jones reported that the venue received mixed reviews. The Film Center is centrally located, was filled, and the concentration was nice for crowd response, but the theater seating provides less opportunity for conversation, and became very hot.

Jones reviewed the current program status report. Of note:

- Winners of the last CH adjudicated River of Words and Letters About Literature contests were celebrated at the Student Literary Awards in May. 150 guests attended. Tools for entering the national competition will be provided in CH's web resources for those who wish to participate in the future.
- A Motheread/Fatheread training recently finished with 23 participants, mostly from St. Vrain School District.
- The Denver Veterans Writing Workshops were just completed. 15 participants attended consistently. 27 written works were selected for inclusion in an anthology, *Still Coming Home*, to feature at a publication launch August 10 at Redline's 48 Hours Arts Summit. Funding is needed for a planned reading and conversation series featuring three conversations each in ten different locations.
  Nelson asked for a fact sheet of host responsibilities.
- The Young Chautauqua program reached 1240 children.
- Upcoming Chautauqua dates are High Plains in Greeley, August 6-9; Two Rivers in Grand Junction, August 17 and 18; and Durango, September 19 and 20.

b. Self Assessment report

Miller referred to the self-assessment key dates, and noted that the self-assessment report is due August 14th. Dahlin reviewed the document she provided as a section of the self-assessment report. Some information provided is required, but she also included demographic data she feels is pertinent to how CH programs are changing. She invited board members to contact her if they feel other information should be included.

c. New program development

Jones reported that Latino Heritage Live (LHL) is the highest ranked program of interest to focus groups. A host in Grand Junction has asked for the 2017 presenter. Tate and Jones are working to make new connections within the Latino community. A phone conversation with Pueblo Community College regarding LHL is pending.

Jones noted evolving expectations for partners. An Alamosa group interested in implementing a Democracy Lab.

Jones said Greeley Museums has requested Talking About Dying in conjunction with their Dia de los Muertos exhibit. Trained facilitators from Mercy Hospital/Centura Health in Durango will be invited to facilitate.

12. Other business

There was no other business.

Adjourned.

The Board of Directors Minutes have been signed and approved on this 18th day of September 2018.

by: Margaret A. Coval

Margaret A. Coval
Executive Director, Corporate Secretary
Colorado Humanities