

**Minutes of Meeting
Board of Directors of the
Arizona Historical Society
Friday, January 8, 2021
Virtual**

Mission: Connecting people through the power of Arizona's history

Minutes

1. Call to Order – President Linda Whitaker

Meeting called to order at 12:04 p.m.

2. Roll Call – Recording Secretary - Robert Fleck (for Bruce Gwynn)

Board members present virtually: Robert Ballard, DeNise Bauer, Lorna Brooks, Janice Bryson, Colleen Byron, Kelly Corsette, Tom Foster, Bruce Gwynn, Sharon Holnback, Tom Rose, Greg Scott, Jim Snitzer, Michael Wade, Linda Whitaker

Board members absent: Voie Coy

Staff present virtually: James Burns, Bill Ponder, Kim Bittrich, Rebekah Tabah, David Turpie, Yanna Kruse, Marilyn Murphy, Robert Fleck, Melba Davis, Eric Gonzales

Guests Present: Tuesday Elias, Governor's Office; Dot Reinhard and Dale Chapman, Auditor General's Office

Members of the public present virtually: Margaret Baker, Norma Jean Coulter, Susan Dale, Nina Filippi, Zona Lorig, Anne Lupica, Claire Nullmeyer, Cathy Shumard

3. Minutes – Discussion and action, if any, to approve the draft of the October 23, 2020, Board of Directors meeting.

Minutes were accepted as submitted.

4. Presentation by Dot Reinhard and Dale Chapman of the Arizona Auditor General's Office regarding AHS 2013 Sunset Review and Performance Audit

Dot Reinhard presented a slide presentation: Summary of Auditor General function, a review of the 2013 Sunset Review Audit findings, and updates on the next review scheduled for 2023.

Discussion: Comments and a question from Tom Rose, about the recommendation to eliminate Chapters, and whether the other organizations used for comparison were fully funded or partially funded by their state. Additional comments regarding how the AHS statute is written, and a question regarding uncertainty as to whether the wording allows for Chapters but does not require it or whether the wording requires Chapters.

More discussion from Michael Wade, Colleen Byron, Linda Whitaker, Jim Snitzer around the need to have representation from all around the state. Suggestion that perhaps the requirement of representation from different regions be fulfilled through designated historical institutions as specified in the statute.

Chapman – AG’s office makes recommendations. Reports to Legislature findings of review and the agency’s efforts to fulfill the recommendations. The Legislature has the authority to enforce recommendations, and there are instances in the past where they did so, requesting or requiring agencies to take actions to implement recommendations if there has not been sufficient progress or if there was reluctance on the part of the agency to do so. The Auditor General’s office will look at progress toward implementing recommendations.

Jim Snitzer observed that the Finance Committee only looked at the financial aspects of Chapters – 1107 funds. Discussion ensued about what the phrase “designated historical institutions” means in the statute.

Whitaker asked Reinhard: Who sits on the Committees of Reference? Response: There is a committee in the House and in the Senate, made up of 10 members each; the members can change over time. Members choose their chair. Which committee is AHS currently assigned to? Not known at this time, and it may change between now and the time of the review.

Rose to Chapman: Will bylaws and policy changes satisfy the recommendation? Chapman recommended closely examining the roles and responsibilities of Chapters and clarifying. Snitzer observed that suggestion was made at the October board meeting as well.

Comment from Chapman – Don’t lose sight of where the agency stands on all points of evaluations. Collections management remains an area of high interest. The past several sunset reviews have referenced issues with collections management. The next review will focus on progress in this area; the committees of reference will be interested in collections management.

5. **Call to the Public** – Consideration and discussion of comments from the public. Members of the public wishing to address the Board should identify their interest at this time via the chat box. Those wishing to address an item on the agenda will be called upon when that item is being discussed and given up to five minutes. Those wishing to address an item not on the agenda will be allowed up to three minutes. Such items may not be discussed by the Board but may be directed to Staff for study and consideration at a later date.

Question from Nina Filippi: How can we view the Welcome to AHS video? Response: The video has been released internally only to staff and board members. Communications will be distributing the video to history partners in the next week.

Does the Sunset Review have any impact on the reaccreditation? Response: Yes. Burns outlined areas of overlap between reaccreditation and sunset review.

- 6. Summary of Current Events** – Brief summary of current events by the Board Chair, pursuant to A.R.S. § 38-431.02(K). The Board will not discuss, or act on, any current event summary. – Whitaker

None.

- 7. Executive Director Summary** – Summary of written report submitted to board with update on goals, initiatives, opportunities, communications – Burns

Updated Legislative contacts; will be reaching out to set up meetings once the session begins.

Fundraising; work with Friends of AHS is going well. RFQ for Feasibility Study should be posted soon.

Annual Appeal and membership are strong. Membership continues to defy industry trends and is slightly increasing; members are also moving up giving levels, resulting in more revenue.

Streamlining tracking for strategic plan in coordination with sunset review task force.

Continuing progress on sunset review findings; cited examples of ongoing collections remediation efforts.

Submitted required materials for reaccreditation on October 31, 2020. Our liaison reviewed the initial submittal and had 9 recommendations. We addressed 8 of the 9 findings in December, and we have until Spring 2021 to address the final one, relating to the Code of Ethics

The new Welcome to AHS video was circulated earlier this week. Hopefully everyone has had a chance to view the video.

Question from Whitaker regarding status of MOUs. Downtown History Museum is the first priority. Smaller items have been moved to AHM, and the team has been working on moving larger artifacts. Excess materials have been removed and will be surplus. A cannon moved and is now on display at AHM in the new Spanish Colonial exhibition. Ft. Lowell will come next. Riordan – last day in the facility is Feb. 3. Everything that needed to be moved has been moved (files, equipment). Artifacts, which belong to Arizona State Parks, remain. Question from Bauer about whether AHS is part of Arizona State Parks. Burns; no, Arizona State Parks, AHS, and Sharlot Hall are all independent agencies that oversee historic sites in Arizona.

Whitaker question to Burns: Will the reaccreditation site visit be in person or virtual, and when will our audit be conducted? Response from Burns: It will be mid-March or early April. Could be either, or a hybrid. Depends on the reviewers.

8. Sunset Review and Performance Audit - Update and discussion regarding status of sunset review and meetings of task force – Whitaker

No additional updates.

9. AHS Board Health

Update on appointments, committees – Whitaker

Governor's office has conducted several interviews for open seats, but there has been no word on when these might be finalized.

Michael Wade has been asked to chair the Governance committee

Collections committee has been strengthened by bringing on specialists from around the state to join the committee, at the request of Greg Scott, chair.

No new board appointments for Membership committee. This has been deemed a staff function.

Whitaker reminded the board that all committees are subject to the Open Meeting Law. New board members will be assigned to committees based on their experience and expertise. Byron asked if the Chapters are subject to the Open Meeting Law as well. Burns responded, absolutely, they are, and clarified where Chapter minutes and agendas can be found on the website.

10. Treasurer's Report. – Jim Snitzer, Bill Ponder, Kim Bittrich

Bittrich: Review of October 2020 and November 2020 financial statements

Question from Whitaker: Do we have any updates or expectations regarding possible changes to appropriations? Response, Bittrich: No.

Snitzer: Presentation of financial overview and 'Feel the Burn'

Snitzer reported that the revenue generation committee is working hard to find ways to generate revenue and identify cost savings.

Question from Wade: If our strategy doesn't work, is there anything that we should be considering taking actions on now? Response from Snitzer: We have cut costs as much as possible and are continuing to explore revenue generating ideas. Response from Burns: At this point, what is left is people. We have not filled vacant positions, but we

cannot take further personnel action without approval from the State. Bittrich: State has stated they do not want to cut staff.

Question from Filippi: Will AHS get any PPE or relief funds? Response, Burns: We did not qualify in previous rounds as a state agency. But, the latest stimulus package provides for relief for loss of revenue and staff within broader guidelines, and AHS does qualify for this. Our application was submitted this morning, 1/8/2021.

Question from Filppi: Is there any way to downsize or consolidate the museums to reduce costs? Burns/Snitzer: We continue to make very conscious decisions to reduce the burn rate. Now is not the time to be talking about taking extreme measures yet. We have confidence that we will see recovery in 4th quarter of 2021. Also, we are ramping up for a Capital Campaign, and we may get some COVID relief funds.

- 11. Action Item: Recommendation by the Finance Committee** “to eliminate revenue sharing with the Chapters. Chapters are formally absolved from the responsibility to fund raise for AHS. No additional 1107 moneys will be allocated. Any unspent 1107 moneys will be spent by June 30, 2021 on AHS-approved projects or reallocated within AHS.”

Discussion: How much money is left in the 1107 funds cumulatively? Bittrich: \$67,302. AG’s office recommended spending down these funds to support the organization.

Committee has made the recommendation to proceed with elimination of revenue sharing.

Rose: This requires a change to the Bylaws, Section 5, Part 2

Whitaker: Underscored that this is a policy change, and policy can be changed after action has been taken.

Wade recommended adding language as follows: The AHS Board Policy Manual will be amended accordingly to reflect these changes.

Revised recommendation: “Eliminate revenue sharing with the Chapters. Chapters are formally absolved from the responsibility to fund raise for AHS. No additional 1107 moneys will be allocated. Any unspent 1107 moneys will be spent by June 30, 2021 on AHS-approved projects or reallocated within AHS. The AHS Board Policy Manual will be amended accordingly to reflect these changes.”

Motion to approve as amended was passed unanimously.

- 12. Discussion about the role of AHS Chapters** – Fundamentals and guidelines; *statutory language regarding chapters, designated historical organizations, and composition of the board:*

41-821. Arizona historical society; powers; officers; duties of board of directors

D. The board of directors is established consisting of the following members who are appointed pursuant to subsection C of this section:

1. One member from each county.

2. One member who is recommended by each of the *designated historical organizations*

as prescribed by subsection I of this

section. 3. Five members of the

public.

The board of directors shall annually *designate one or more historical organizations* within each county of this state that are incorporated as nonprofit organizations and that are deemed to have a functioning program of historical value based on *criteria established by the board of directors*. The board of directors may organize chapters made up of groups of its members who have a common interest in a geographical area of this state or a common interest in a field of history, may provide for the governance of these chapters and may grant to any chapter the power to exercise authority of the society as the board of directors may determine.

Discussion:

Whitaker called for general discussion about the roles of Chapters and what issues might exist. Certain things are not negotiable. The Chapters are part of AHS, a State agency as codified in State statute. Chapters must comply with the Open Meeting Law requirements no matter how onerous. They also need to stay out of daily operations, exhibitions, collections, and archives. The Chapters are advisory only. To function, the Chapters need to be willing to meet with the staff and to evolve with the organization. There is a pathway to operate within these guidelines; the Chapter boards need to decide if they want to do that. There is no going back to the way things worked prior to the 2015 governance changes. Perhaps being relieved of fundraising responsibilities will change the dynamic? Per state guidelines and regulations, there are rules of engagement. Should we have a summit? If these guidelines are not agreeable to the Chapters then we need to rethink the system. We are not necessarily looking to eliminate Chapters, but looking to make them more meaningful and viable. That vision may not sync with their vision. Wade: If the Chapters are not complying with regulations, the Board has the authority to deal with that and should do so.

Wade: Chapters should focus on building relationships. They are closer to the customers. They can provide AHS a higher profile in the community and help open doors. They are no longer responsible for fund raising. They can have contact with State legislators and other elected officials. This is a responsibility Chapters could easily take on. Fundraising and membership can be daunting. If chapters focus on building relationships, obtaining contact information, and developing a pool of people who could eventually be recruited as members and to attend events, that would be helpful. They should avoid conflicts with staff responsibilities and operations. Suggested Governance

committee should come up with Chapter functions, roles, and responsibilities. Whitaker suggested that this is the responsibility of the Executive committee.

Whitaker: Question for Rose; given the suggestions by Wade, is there a role for the Northern Chapter? Rose; yes, we don't want to be involved in operations. Chapters should be advisors as to what their particular localities need. That isn't always apparent at the State level. Eastern Chapter doesn't have a museum. Need input from those areas as to how to get in touch with local people who will support AHS. Chapters are supposed to support local sites, work at events, volunteer, suggest how to raise funds.

Gwynn expressed support for what Wade said, and mentioned a possible model for Yuma based on another community organization. A large number of people could be recruited to be called on to volunteer; the local group could see who steps up to work and then invite those folks to become more involved.

Whitaker to Wade: Are you thinking of drafting further delineation of Chapter roles – additional modifications to Board policy #5? Also, how is it possible to do this without a summit meeting to give current Chapter folks a chance to weigh in? They should have that option. If they don't want to meet, that's fine. Wade responded that the Governance Committee will meet and propose a revised policy regarding Chapters. The Governance Committee does not intend to meet with the Chapters at this time. The committee is brainstorming and reviewing options. They will bring a proposal to the Board for consideration. Rose would like a group of options or suggestions to recommend to the Executive Committee; the Executive Committee could then approach the Chapter presidents with those options and solicit feedback.

Corsette: Doesn't want chapters to be a burden on the staff; central chapter has been dormant for a while. What do Burns and the staff feel the function of the Chapters should be? What value could they add? Staff will report back.

Byron: How are Chapters different from other types of community building?

Discussion: Staff provided examples of community building to develop exhibitions like *Resilience: Women in Flagstaff's Past and Present in Flagstaff*, *A Place for All People* in Tempe, *Community Resilience* in Tucson and the Molina Block development in Yuma. Community members with expertise in specific areas of history also advise on programming and help with outreach to various communities that are underserved. Similarly, they identify possible artifact and archival donations. Special issues of the *Journal of Arizona History* have been edited by local scholars. Staff interfaces with multiple diverse groups of people in communities across the State. In the past members of some of those communities have been accepted to be part of the Chapter boards, but they depart before their terms end. Those individuals report to staff that their voices have not been heard, that they have not been listened to, or that they have been outright insulted. Example of a tribal donation of \$10,000; Chapter leadership insulted

members of that community and it took almost 10 years to rebuild that relationship. Staff assert that Chapters need to be populated in a way that is inclusive and representative of the demographics of the region they serve. Burns noted that the accomplishment he is most proud of in his tenure is the damaged relationships that have been rebuilt with diverse former Chapter board members. Those individuals now engage with AHS in new ways. A staff member asked: Given that these relationships exist and continue to build and grow, what need does the Board see the Chapters filling that isn't being met now?

Rose asserted that Chapters were important for the local knowledge and connections that they bring, especially in growing membership. They can only represent a small segment of the population, but it is representative of the membership.

Snitzer suggested that the State Board of Directors should participate in the Chapter meetings.

Whitaker; State Board members need to be able to think statewide; AHS has a statewide mission. They need an ability to step outside regionalism and understand the entire State.

Wade; need to think both regionally and statewide.

13. Committee Reports

- a. Properties and Building Committee Report – Rose
Reviewed ADOA CIP approved projects across the State. Burns praised Eric Gonzales for moving this backlog of projects forward. Approximately \$1 million in projects approved, including a roof for the Sanguinetti House, rekeying of AHM, new surveillance equipment at all locations, HVAC and lighting projects at AHC, electrical work at Pioneer. Burns praised Rose and his committee for working as a team with Gonzales / staff to get these projects moving.

DeNise Bauer recapped her tour of various AHS properties, citing some potential landscape issues at the Sosa Carrillo House and a need to foster a stronger relationship with the City of Tucson. She sees opportunities for more rentals of the AHM auditorium.

Community Outreach Committee Report – Bryson

The certification and recertification application window is open through Jan. 31, 2021. Committee recommendations will be presented at the February board meeting. A has been scheduled to provide information and answer questions about the program for new potential historical organizations. There is a new one-page renewal form for organizations that are currently certified. This will be

much easier to complete. Staff reached out to historical organizations around the state that have never been certified.

b. Governance Committee Report – Wade

Wade is now the chair, and the committee will miss John Lacy’s institutional knowledge. Rose is working on inconsistencies between bylaws and policy. Corsette is working on a draft document relating to bylaw changes for board elections.

14. **Announcements** and other matters for consideration in future board or committee meetings. None

Meeting adjourned at 3:07 pm.

2020-2021 AHS Board meetings:

February 19, 2021 – Virtual

April 16, 2021 – Virtual

June 18, 2021 – Location to be determined

August 20, 2021 – Location to be determined

October 15, 2021 – Location to be determined

December 17, 2021 – Location to be determined

2020-2021 AHS Executive Committee meetings:

Wednesday, January 27, 2021

Monday, February 22, 2021

Monday, March 22, 2021

Monday, April 26, 2021

Monday, May 24, 2021

Monday, June 28, 2021

Monday, July 26, 2021

Monday, August 23, 2021

Monday, September 27, 2021

Monday, October 25, 2021

Monday, November 22, 2021

Monday, December 27, 2021

Dated this 13th day of January, 2021

Arizona Historical Society

Linda A. Whitaker

Linda Whitaker, Board President

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