

FLORIDA HUMANITIES
FINANCE COMMITTEE MINUTES
ZOOM Meeting on September 15, 2021, 9am

Members Present: Juan Bendeck (Chair), Casey Fletcher, George Lange

Staff Present: Nashid Madyun, Brenda O'Hara, Brooke Dressler, Mara Utterback

Guests: Greg Holden (Manning & Napier), Nicholas Cintineo (Manning & Napier), Ryan Stiphany (Manning & Napier)

The meeting was called to order at 9:05 A.M.

August 2021 Financial Statements: O'Hara

- Report for first 10 months of fiscal year
- Balance Sheet:
 - Not much taken from ARP funds yet majority will be used in FY22
 - \$1.83 Million will be regranted and 10% will go to administration of this program.
 - NEH general funds of at least \$300,000 will should be carried over into FY22
 - Lange: What is the time frame for usage of the Federal and State funds?
 - O'Hara: NEH awards funds over a 3 year timeframe, then there are 2 years for closing the NEH grant. In the 4th year of the current, a new grant starts, which makes it difficult for matching purposes. Our matching is down because of loss of state funding and the effects of COVID on programming and contributions.
 - Lange asked O'Hara for a visual of this 5 year cycle and the current situation of matching issues.
- Budget vs Actuals
 - Contributions are above goal for the year.
 - Grant Funding: Because of state and ARP funding, we are using less Federal funds and will end up with carryover funds into FY22
 - Salaries are down due to low staff numbers for majority of the year.
 - Grants: there is an expectation to use all grant funds with more deadlines coming before the end of the fiscal year.
 - Advertising: We used heavy marketing throughout the Florida to help get ARP funds out
 - \$265,000 of unrealized gain with Exeter since the beginning of our fiscal year.
 - Cost Share received from grantees to match our NEH funds is \$589,000 but total match continues to be an issue overall.

Motion by Fletcher to accept August 2021 financial statements, seconded by Lange. All in favor. Motion passed.

FY 2022 Budget: O'Hara

- Contributions: Keeping it level at \$100,000
- Grant Funding
 - Continuing resolution for NEH starting in November and will probably extend to March 2022 when Congress passes the budget.
 - The current funding amount from NEH was used in this budget (\$1.58 million). FH will not know funding amount until spring of next year. However, a large increase of at least \$300,000 is expected based on changing population numbers from the 2020 Census.
 - Madyun stated there are plans to revise FH budget when Congress finalizes federal budget in Spring 2022.
 - State grant runs from July 2021 to June 2022.
 - Funds for this grant are split between FY21 (\$172K) and FY22 (\$328K)
 - No state funds were estimated beyond July 22 because of the inconsistency of the State awarding funds.
- Expenditures:
 - Increase in staff size from 6 to 10 employees. There have been 3 new positions and we have filled the Executive Director and Communication Director positions.
 - Increase in benefits due to increase in staff
 - Grant budget increased to \$600,000. There will be \$500,000 for Community Project grants and \$100,000 for Program Partnerships
 - ARP grants of \$1,833,000 will be awarded from requests of approximately \$2,400,000.
 - Planning to utilize new marketing company on retainer
 - Graphics & Design, printing and postage will increase due to new membership program and extra FORUM issue
 - Professional Fees increased due to consultant for development strategy planning and services from Lena Juarez to help with fundraising efforts in the coming year.
 - Travel Costs relate to the possibility of staff attending next year's NEH conference
 - Advertising costs during this year is for ARP and \$15,000 is budgeted for upcoming year.
 - Admin with ARP funding is 10% but still stays low at 19% of budget without ARP funding.

Motion by Fletcher to accept FY22 Budget as presented, seconded by Lange. All in favor. Motion Passed.

Development Report & Membership Program: Madyun

- Donors feel our giving language is ambiguous regarding the difference between a donation and a membership.

- Need to create a new Development strategy. This will help support the cost of FORUM, especially when we don't receive State funding.
- Bendeck discussed that the Planned Giving Committee was formed to be an advisory committee to Florida Humanities, not an actual board committee.
 - Planned giving committee can be expanded to non-board members
 - Madyun requested that Lange suggest people on our Board for an advisory panel for Planned Giving to help with our development strategy going forward.
- Utterback introduced slide presentation with new Membership Program details
 - Membership program will be a tiered program with benefits and will begin next spring.
 - Lange: Thinks we should use a focus group to help polish the edges of this membership program and development strategy.
 - Suggests to aim to have one in October
 - Believes public radio stations would be good partnerships
 - Madyun: Board will have to weigh in on the decision to make FORUM a paid subscription within the membership program.

Exeter Investments Update: Holden, Cintineo, and Stiphany:

Lange asks if current situation in China should be cause for concern

- Holden says our exposure to them is limited, we should not be worried

Lange asks for a country allocation comparison breakdown

- Holden says he will follow up with report

Lange asks what the inflation rates and interest rates will be 12 months out

- Holden says increase in taxes will be a factor for interest rates, they will likely shift higher, but it won't be quickly
- Inflation: It will more than likely become higher, but it won't get out of control

Discussion on planned giving, Madyun asks how we make our donation options more attractive

- Cintineo says the best option right now is Split Interest Trusts
 - Excellent time to focus on planned giving and legacy gifts

Motion by Fletcher to adjourn, seconded by Lange. All in favor. Meeting adjourned at 10:40am.