



Minutes: Board of Directors Meeting

Friday, April 27, 2018

Best Western Ramkota, Rapid City

Board Members Present: John Teupel, Jacquelyn Fuller, Mike Gibson, Philip Hall, Curt Mortenson, Greg Risse, Chuck Riter
Board Members Absent: Brian Gatzke, Gary Heintz, Roger Meyer
Staff Present: Lisa Bondy, Holly Crosby, Dorinda Daniel, Catherine Forsch

The meeting was called to order at 8:11 a.m. MDT by Chairman Teupel. A quorum was declared.

Conflicts of interest: None

I. Approval of Minutes:

Motion by Mortenson, seconded by Risse, to approve the minutes of the February 16, 2018, board meeting. All voted aye. Motion carried.

II. Board Nominations

A. Molly Rozum

Rozum will delay joining the board; she has other commitments to wrap up. A decision was postponed until the July board meeting.

B. Chuck Schroyer

Schroyer is a retired attorney from Pierre. He was involved in the approval of funding for and development of the Cultural Heritage Center. He has served as a board member of the Pierre Area Chamber of Commerce and Pierre Economic Development Corporation, the United Methodist Church, the state Chamber of Commerce, the South Dakota Community Foundation and the local chapter of the Lewis & Clark Trail Heritage Foundation.

Motion by Gibson, seconded by Hall, to accept Schroyer as a Foundation board member. All voted aye. Motion carried.

III. Financials

A. Review of Financials

Forsch, Bondy and Crosby reviewed 2017 fourth quarter and year-end financial statements for the Foundation and Heritage Store. Forsch said that the end of year appeal letter helped to renew lapsed members and expenses for the quarter were controlled. Bondy said there was an \$8,000 increase in memberships during the year. Crosby said that she is introducing more items for tourist at the Heritage Store at the Cultural Heritage Center and bringing in new merchandise.

Motion by Hall, seconded by Fuller, to approve the fourth quarter financials for 2017 for the Foundation. All voted aye. Motion carried.

Motion by Ritter, seconded by Fuller, to approve the financials for the store and Foundation for 2017. All voted aye.

B. 2018 Draw Allocation for Restrictive Funds

Crosby said that there is an \$11,102.74 discrepancy between Quick Books and the combined checking and operating funds hand calculated spreadsheet used by the State Historical Society program managers. See the Restricted Funds board notes to see how the discrepancy was balanced. Teupel said that he, Gibson and Forsch will be meeting with accountant John Clausen to find out why discrepancy was not mentioned in audit.

Teupel presented the restricted funds distribution for 2017 and funds not used in 2016. Vogt will use \$3,666.43 from the 2016 funds available and \$9,063.69 of the 2017 funds. Vogt will review additional funds available for use and request distribution if needed.

Motion by Gibson, seconded by Riter, to approve the restricted funds distribution for 2017.

Board members discussed their fiduciary responsibility of managing the restricted funds for the South Dakota State Historical Society. Forsch will meet with Vogt to discuss transferring the majority of the Press checking accounts into a restricted investment fund that would earn higher dividend/interest income.

C. 2018 First Quarter Foundation and Heritage Store Financials and first quarter Badger Clark Financials

Gibson reviewed first quarter financials with the board.

Motion by Mortenson, seconded by Risse, to approve the 2018 first quarter financials for the Foundation, Heritage Store and Badger Clark. All voted aye. Motion carried.

D. Policy Recommendations: Restricted/Endowment Account Policy and Investment Fund Policy

Mortenson and Risse reviewed the proposed changes to the policies. Mortenson said intent of the proposed policies is to have their language in sync with each other. A discussion took place on whether or not the two policies can be combined.

Motion by Mortenson, seconded by Risse, to approve changes to the investments of funds policy and restricted/endowment account policy. All voted aye. Motion carried.

The finance committee will determine if the policies should be combined and present to the board at a future meeting.

IV. Reports

A. Strategic Planning Recap

The board had a strategic planning session from 1 p.m. to 4 p.m. on Thursday, April 26. Board members laid out a draft of a strategic plan. Hall said that Bondy should receive the plan within a week and she will send it to board members. The draft strategic plan will be reviewed at the July Foundation board meeting.

B. History and Heritage Book Club and History Articles

Daniel gave a review of attendance at the History and Heritage Book Club in 2018. Attendance has varied from a low of 16 to a high of 42. The history articles are being emailed to South Dakota newspapers and newspapers are using them.

C. Director Report

Vogt unable to attend. No report.

D. Executive Report

a. Memo of Understanding with Dakota Western Heritage Festival

Forsch said that Western Heritage Festival officials last year waived a memorandum of understanding with the Foundation that stated the Foundation would give the Western Heritage Festival 15 percent of the profits from an auction. This year, the Dakota Western Heritage Festival will not waive the memorandum of understanding. The Dakota Western Heritage Festival takes place Sept. 14-16 in Fort Pierre.

Motion by Riter, seconded by Gibson, to proceed with the auction at the Dakota Western Heritage Festival with the Dakota Western Heritage Festival receiving 15 percent of the profits of the auction. All voted aye. Motion carried.

b. Dakota Territory 150th Anniversary Rifle and Oak Gun Case

The Foundation bought two rifles costing about \$3,000 each that commemorated the 150th anniversary of Dakota Territory. Tickets at \$100 each were sold, with 90 tickets purchased; the raffle grossed about \$9,000. Brian Gatzke received a ballpark appraisal of \$500 for the gun. Forsch will have the rifle appraised again. Having another raffle or selling the rifle at an auction was discussed. It was decided to do more research and discuss this again at the July board meeting.

c. Governor's Residence Cookbooks

About 576 cookbooks remain unsold. Forsch will use some to give to potential donors. A book distributor will be contacted about the remaining cookbooks.

d. Artist Prints

In 2010, the Heritage Fund partnered with artists Jon Crane, Angela Marie Poches and Kathy Sigle to create painting/prints to be used as a fundraiser. The Foundation sells the prints to the Heritage Store. Teupel suggested we move the prints from the Foundation to the Heritage Store.

Motion by Fuller, seconded by Gibson, to transfer the print inventory from the Foundation to the Heritage Store. All voted aye. Motion carried.

e. Spring Appeal

Forsch said the goal is to raise \$11,000 from the spring appeal letter. Letters went out to members and a membership ask will go out to non-members in our prospect list after the South Dakota State Historical Society History Conference.

f. Women's Suffrage

The South Dakota Historical Society Press plans to publish three books related to women's suffrage. Forsch said the goal is to raise \$150,000 in order to receive a matching grant of \$150,000. She will be raising money in May for women's suffrage. Vogt sent an email asking of names of potential donors.

g. Dakota Western Heritage Festival Collectibles Auction

The auction goal is for each board member to collect at least one item for the auction. Forsch said that Shorty Jones of Midland will be on a committee, but we need a chair. If board members are interested in helping with the event they should let her or Bondy know.

h. Membership Goal

Forsch reminded the board that the goal for each board member is to recruit six new or increased Heritage Circle memberships. Each board member is also to raise \$2,500 in non-restricted funds. Fuller asked for Forsch to resend her prospect list.

V. Other New Business

The next board meeting is scheduled for July 20 in Pierre. Teupel said that the date of the board meeting scheduled for Sept. 14 might have to be changed in order to have third quarter financials available. The Foundation will try to have an information sharing meeting with the board of trustees of the South Dakota State Historical Society, possibly in December. Teupel commended Crosby, Bondy and Forsch for their hard work on the financials. The goal is to have the financials more streamlined.

VI. Adjournment

Motion by Hall, seconded by Gibson, to adjourn. All voted aye. Motion carried. The meeting adjourned at 10:59 a.m. MDT.