

## Committee Report

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**Committee:** Finance Committee

**Liaison to the Board:** Evan Burks

**Date of Meeting:** October 3, 2016 8:30 a.m.

**Date of last Meeting:** August 8, 2016 8:30 am

**Date of Next Meeting:** TBD

**Attendance:** Evan Burks, Christine Szuter. Absent: Bradley, Ryan Bruce, Anne Doyle.  
Staff: Brenda Thomson.

**Agenda Items:**

- August Financials
- Notes to Budget
- Review of Draft Budget 2017

**Action Items Completed:**

- Review of August Financials
- Notes to Budget
- Review of Draft Budget 2017

**Action Items In-Progress/Pending:**

- Continue to edit draft budget.

**Question for the board/larger group:**

- Sweeping funds to the endowment by Oct.31.

Comments:

August Financials

Evan Burks reviewed the August financials. We are 5/6 of the way through the year. Costs are about what we would expect year to date. There is approximately \$85,000 in re-grants funds awarded during the August grant cycle that have not cleared. We have one more mini grant cycle remaining in October. Our NEH funds should be close to zero at the end of the year.

The committee discussed staffing transitions and the need to hire a bookkeeper. Cathy Guerriero is a CPA and her skills/hourly rate is higher than needed for routine bookkeeping. Brenda Thomson reported that we need to keep her in place as we

conduct the annual audit in December, but eventually reduce her roll to closing out the month and financial reporting to the NEH. We need this for institutional stability and historical knowledge as we train the staff. We have additional NEH funds awarded that will be booked in September (8,900 match, 3,400 Human Ties conference). Christine Szuter inquired whether facility rental revenue would be met. Brenda Thomson reported that it would not. We have not aggressively rented the facility, but instead used it for our own programs. We have limited staff, and are also concerned for the time and wear on the historic property.

#### Draft Budget

Evan reviewed our progress to date raising revenue. Brenda Thomson reported that the board and staff will not reach budgeted goals. The committee discussed whether the draft budget should be adjusted with respect to board/staff fundraising. Evan Burks noted that the budget is reasonable. It is important to have an aggressive budget so that we have the incentive to reach. Our spending should still reflect a conservative approach, so that we don't spend everything we have budgeted.

The committee discussed restricted and unrestricted funds. The restricted revenue for Bundy funds and for Papago Salado funds should be shown in the equity section. Evan Burks noted that there are new accounting rules that may affect the classification of funds that the auditors may not be aware of. He will send us information from the training he attended. The net income could be understated if there is no offsetting revenue for the unrestricted contributions.

Christine Szuter reported on the V. Piper training that Barbara Baderman, Brenda and staff attended. The training included an overview of various financial statements. Brenda Thomson noted that the training was helpful for staff too, and that we will be looking for further training. The meeting adjourned at 9:30 am.