

Arizona Humanities

2016 Board Manual



Arizona Humanities

Board Manual

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Introduction

The purpose of this manual is to provide members of the Board of Directors of Arizona Humanities (AH) a comprehensive overview of the principles, policies, and practices that frame the operation of the Board and guide the work of AH.

AH's mission:

Arizona Humanities builds a just and civil society by creating opportunities to explore our shared human experiences through discussion, learning and reflection.

To this end, service on the AH Board of Directors involves a profound duty of stewardship of the public trust. As the State's gatekeeper of the humanities, the Board oversees the distribution of funds from the National Endowment for the Humanities to local community-based institutions, actively promotes public humanities programming in urban and rural communities, and advocates actively to preserve the Nation's and the State's commitment to make the humanities accessible and relevant to our fellow-citizens.

It is, therefore, incumbent upon each Board Member to understand AH's values and the expectations that are associated with Board service.

Thank you for your commitment to the humanities and the mission of Arizona Humanities.

1. Enabling Organizations

1.1. The National Endowment for the Humanities

1.1.1. History

The National Endowment for the Humanities (NEH) was created by the Congress of the United States in 1965 with the passage of the National Foundation on the Arts and Humanities Act. The "sister" organization to NEH, the National Endowment for the Arts (NEA), was created at the same time. NEA is charged with supporting programs in the fine arts and performing arts, while NEH's mandate is to foster greater citizen understanding and appreciation of those disciplines identified by Congress as the humanities: history, literature, language, linguistics, jurisprudence, philosophy, ethics, archaeology, comparative religion, the history and criticism of the arts, and those aspects of the social sciences that employ historical and philosophical approaches.

1.1.2. Administration and Reauthorization

The NEH chair is appointed every four years by the President and approved by the U.S. Senate. Advising the chair is a national council of twenty-six private citizens, also Presidential appointees, who serve six-year terms. The NEH budget is approved every year by Congress. Both the NEA and NEH are reauthorized periodically, usually every three to five years, by Congress under the National Foundation on the Arts and the Humanities Act.

1.1.3. NEH Mission and Structure

An independent federal agency, NEH's mission is to support research, education, and public activities in the humanities. This support generally takes the form of grants to individuals and institutions, which is carried out by three program divisions within the endowment: Research and Education Programs, Preservation and Access, and Public Programs. The Federal-State Partnership (FSP), the division to which Arizona Humanities reports, is not an NEH "program," but rather a department within the NEH Chair's office. FSP supports independent affiliated organizations in each state, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa, enabling them to provide public programs in the humanities.

1.1.4. Federal-State Partnership

The legislation mandates that the Federal-State Partnership receive at least 20% of the total NEH budget for the fifty-six independent councils. Although, the fiscal year for FSP is October 1 to September 30, most councils follow a November 1 to October 31 fiscal year because the federal budget is not always approved on time. The FSP staff is headquartered with the other NEH divisions (and the NEA) in the Nancy Hanks Building (the Old Post Office Building) in Washington, D.C. FSP staff includes the director and support staff, who report directly to the NEH chair. Each state program conducts a self-assessment in collaboration with FSP every five years; in the interim years, councils submit annual compliance reports.

1.2. The Federation of State Humanities Councils

1.2.1. History

The Federation of State Humanities Councils (FSHC) is the independent membership association of the 54 state humanities councils. The Federation is not an NEH agency, although it may receive grants from NEH for specific projects. The Federation is supported almost entirely by the membership fees that are assessed on each council (based on budget) and through its own fundraising efforts. The Federation was established in 1977 by several of the early state humanities councils in conjunction with the then-named Division of State Programs, which recognized the need for better collaboration and communication among the state and territorial councils. The Federation originally functioned primarily as a clearinghouse of information for the new state humanities councils, but now also lobbies aggressively for increased funding for NEH and the state councils.

1.2.2. FSHC Mission

Originally headquartered in Minneapolis, the Federation moved to Washington in 1986 and currently has offices in Arlington, Virginia. The Federation's role has evolved dramatically. Once a clearinghouse, it is now the state councils' strongest political voice at the national level, lobbying on behalf of increased Congressional funding, specifically for the state programs. The Federation also organizes an annual conference for councils, assists in the planning of regional meetings (AH is in the Western Region), hosts the annual "Humanities on the Hill" events for Congress and state councils, publishes numerous reports relating to humanities programs, belongs to a variety of national academic and cultural associations where it represents the state councils, and continues to serve as a clearinghouse of information for all councils.

1.2.3. Administration

The Federation staff includes a president, vice president, director of conferences and finance, and a communications manager. A volunteer Board composed of no less than fourteen persons establishes policy. The composition of the Board is mandated to the extent that there must be at least three academic council members, three public council members, and three humanities council staff members. Each Board Member serves one four-year term. The fifty-six humanities councils nominate and elect Board Members and vote on motions brought before the membership by the Board.

1.2.4. AH Network

AH is one of fifty-six state humanities councils — one in each state and one in the District of Columbia, the U.S. Virgin Islands, Puerto Rico, Guam, the Northern Mariana Islands, and American Samoa. AH is a member of the Federation of State Humanities Councils and pays a membership fee to this association based on AH's annual budget. AH receives funding from NEH through the Federal-State Partnership.

2. Arizona Humanities

2.1. History

State humanities councils first appeared in 1971, as an NEH experiment among six states. The NEH believed that establishing state programs would make the humanities more accessible to local communities. As councils multiplied, it became necessary to create the Division of State Programs, which evolved into the Federal-State Partnership. As the state councils matured, the Federation of State Humanities Councils was formed. Arizona Humanities received its first planning grant in 1973 and became a full operation the next year. The founding executive director of AH was Lorraine W. Frank of Phoenix, who served in this capacity until 1989.¹

The first Board was composed of twenty-three members, and AH's first office was located at Arizona State University. Over the years, both the staff and the Board grew in size as AH became a more visible and mature element of the state's cultural identity.

2.2. Mission and Program Focus

Stories convey our histories, traditions, social mores, beliefs and insights about what it means to be human. Arizona Humanities creates opportunities for sharing these diverse stories through critical thinking and public discussion, to better understand and appreciate one another, so that we can make informed decisions about our collective future.

It is in the context of this mission statement that AH strives to create a climate that will foster citizen understanding and appreciation of the humanities. It does this in the following ways.

- through grant making to community-based projects that promote cultural heritage awareness, cultural literacy, cultural heritage tourism, and humanities-based civil discourse on timely issues;
- through its *Road Scholars* speaker's bureau and grants for scholar-facilitated book discussions;
- as a clearinghouse for information to individuals and organizations about scholars, funding sources, media, and other resources related to the humanities
- through independently developed programs whose goal is to broaden and deepen the reach of the humanities to new audiences.

2.3. Grant Guidelines and Provisions

A detailed account of grant policies and guidelines can be found on the AH website at www.azhumanities.org.

2.4. Governance

Volunteer members make up the governing Board of AH. The members set policy, chart the future course of the program, vote on grant proposals, and hire the Executive Director. The Executive Director and his or her staff carry out the Board's policies. Although the Governor of Arizona appoints up to six members to the Board, AH is not a state agency. AH is an independent association and is not governed by the State of Arizona or the federal government.

¹ Executive Directors: Dan Shilling 1989-2003, Amanda J. Swain 2003-2005, Juliana Yoder 2005-2009, Herb Paine 2009, Brenda Thomson 2010-present.

2.5. Nonprofit and Incorporated Status

AH is neither a federal nor a state agency. It is a separate, independent, nonprofit organization that applies regularly for continued NEH support. AH has 501(c)(3) status; thus, persons and organizations making contributions to AH may claim them as tax-deductible gifts to the fullest extent allowed by law. AH was incorporated in the State of Arizona in 1988.

2.6. Funding

2.6.1. NEH Outright Grant and Compliance

AH receives a substantial proportion of its funding from NEH. (AH's objective is to diversify its funding base so that it is not solely reliant on NEH support.) The amount of the outright grant awarded by NEH must be matched at least 1:1 by donations of in-kind services (staff time, facilities) or cash. The majority of this match is provided by the organizations receiving AH grants, since all recipients must match their awards with cash and in-kind contributions. AH may also use the donated time of Board Members and other volunteers performing services on behalf of the program to meet the required NEH match. Every five years, AH submits a self-assessment study to NEH that describes what has been accomplished during the last five years and outlines plans for the next five years. During the interim, AH submits an abbreviated status report to NEH.

2.6.2. Determining the NEH Outright Grant

The Federal-State Partnership receives at least 20% of the total NEH budget, and in most years the figure is closer to 30%. Of that, over 90% is allocated directly to the fifty-six state humanities councils; the remainder is categorized as "program funds," to be used at the NEH chair's discretion. A formula that includes population is used to determine each council's total NEH allocation. This total amount is termed the "outright grant."

2.6.3. Gift and Match

NEH offers a Gift and Match (G&M) Program that allows councils to increase the size of their federal budget. For each state, NEH will match up to a predetermined amount that is raised in cash by AH. For example, if the NEH limit is \$50,000 and AH raises \$50,000, NEH will add an additional \$50,000 to the AH budget. If AH raises more than \$50,000, AH can retain the extra amount for its own use, but NEH will not match it. The NEH G&M limit changes each year, just as the NEH outright grant does. A formula that includes AH's population and budget is used to determine the amount eligible for NEH match. Eligible donations to AH include unrestricted contributions. In addition, third-party contributions to AH grantees and grants from the State can be used to constitute the match.

2.6.4. Other Funding Sources at NEH

Other means are also available through NEH for councils to increase their federal support. In the early years, state humanities councils were prohibited from receiving direct funding from other divisions of NEH. However, in 1994 the NEH opened up the Division of Public Programs to state humanities councils. AH has received funding from this division for ambitious projects which require six-figure grants.

2.6.5. AH Funding History from NEH

Taking into account outright funds, Gift and Match, and Exemplary Awards (which ended in the mid-1990s), the funding history for AH from NEH is listed in Appendix B.

2.6.6. Diversifying the Funding Base

Increasingly, state humanities councils have turned to sources other than NEH to bolster their budgets. Some councils have successfully lobbied their state legislatures and received funding, while others have mounted fundraising campaigns aimed at individuals, corporations, and foundations. To date, AH has received \$40,000 annually from the Department of Education. AH also partners with other state agencies, such as the State Library or Office of Tourism, to receive state funds. A "Friends of the Humanities" program has been in place since the late '70s to allow for individuals to contribute to AH, accounting for about \$15,000 - \$20,000 annually. AH has also received funding from corporations, businesses, and foundations; most non-federal funding now comes in the form of foundation grants and corporate sponsorships. However, the need remains to deepen AH's funding base. Accordingly, planning is underway to launch a comprehensive multi-year cultivation and development program.

3. AH Board of Directors

3.1. Overview

While the Board of Directors of Arizona Humanities is principally a policy-making entity, the success and viability of AH depends on the members' assuming an active role in the organization's work through participation on standing committees and championing the Humanities Council and public humanities throughout the State. Officers and staff genuinely appreciate the time members put into their service on the AH Board. Members not only read and review grant proposals, set policy, review budgets and other financial matters, and sit on at least one committee, but they serve as an important link between AH and the public.

3.2. Member responsibilities

3.2.1. Time

Members serve in a volunteer capacity, with no remuneration for their time. An in-kind estimate for AH Board Members' time at meetings and other events is used to match the NEH outright grant. For meeting preparation, evaluating a project, writing reports, attending meetings, and other AH-related work, NEH has established a set rate for all members to claim. If Board Members are performing duties for AH that relate to their profession (e.g., a lawyer helping AH with legal matters), then the Board Member may claim his or her regular rate. Members must complete a Board Members "Documentation of In-kind Contributions" form in order for AH to claim their donated time, services, or travel. This form is available in the Private Board section of AH's Web site at www.azhumanities.org.

3.2.2. Business Expenses

Board Members are reimbursed for expenses related to AH activities, including those incurred to attend AH meetings and other programs. The use of personal automobiles on AH business is reimbursed for mileage. Air fare is reimbursed at economy or coach rates. A Board Member traveling on AH business is allowed reimbursement for actual expenditures. The staff will almost always make transportation and lodging arrangements for members traveling on AH business. To secure reimbursement for any business related expense, Board Members must complete a travel expense form and attach relevant receipts within a month of completing the travel. This form is available in the Private Board section of AH's Web site at www.azhumanities.org.

3.3. Board Structure

3.3.1. Number of Members

Although Congress mentions no specific number in the National Foundation on the Arts and Humanities Act, the legislation implies that state humanities council governing Boards should be composed of approximately twenty to thirty members. AH is composed of a volunteer Board of up to thirty members, although the size of the Board often fluctuates as members rotate off and new ones come on. The average is about twenty-four.

3.3.2. Appointments and Elections

3.3.2.1. Gubernatorial Appointments

AH bylaws state that 25% (three to six members) of the AH Board will be persons appointed by the Governor. Although AH is not a state agency, this provision exists because Congress wished to give the states an element of control and responsibility. (Every year, governors may exercise their option of converting AH into a state agency). The Governor may appoint those members that the AH Board Governance Committee suggests, or he or she may appoint different names. These appointments can be either academic or public members (see Glossary). Gubernatorial appointments can be staggered, as some governors choose to appoint people to complete the terms of appointees who leave the Board midterm.

3.3.2.2. Nomination

Except for the six gubernatorial appointees, the full Board elects its own members from a list proposed by the Board Governance Committee. The committee solicits nominations in a variety of ways. Board Members may make nominations. New members are elected at the Spring annual meeting. When nominations exceed vacancies, the applications of those not elected will be held for review in the subsequent year.

3.3.2.3. Qualifications

The Board Governance Committee establishes criteria for the recruitment of new Board Members based on an assessment of AH's strategic needs for specific skill sets, competencies, and perspectives. AH seeks members who have a passion for the humanities and genuine interest in the cultural life of the state. Persons who have established themselves as noted scholars and academic administrators, or those who can assist AH in its fund raising, public relations efforts, legislative activities, and special projects are especially sought.

3.3.2.4. Representation

When AH considers potential members, balance is also a key criterion. Balance in geographic and organizational representation, ethnicity, gender, and scholarly discipline is aggressively pursued.

3.3.2.5. Terms and Reappointment

Members are elected for a term of three years, with a possibility of renewal for another three-year term. Thereafter, members must go off the Board for at least three years before returning. Gubernatorial appointees also serve three-year terms initially, although if they are completing the terms of former appointees, they may serve only a year or two. Members who wish to be removed from the Board before their terms expire may do so by writing the Chair and requesting removal. The Chair may also remove members for violating AH's absenteeism policy (see below, 3.4.7.2).

3.3.3. Officers

AH officers include a chair, vice-chair, past-chair, secretary, and treasurer. The chair leads the Board in the fulfillment of its accountability functions. All officers are nominated by the Board Governance Committee and voted on by the full AH Board. The Chair serves a two-year term; all other officers serve for one year.

3.3.4. Committees

3.3.4.1. Overview

Committees are an essential part of AH's operation. There is so much work to be done that the full Board cannot be involved in the research, planning, and framing of every decision. It is important that members recognize the value of committee work and not attempt to redo or undo committee recommendations. All Board Members serve on at least one committee. To be effective, committee members should be able to attend meetings regularly, and they should seek to understand the committee's general role as it relates to AH's operations, as well as specific assignments and work to complete. Obviously, the committee member's key role is to help in reaching committee decisions and in following through with the recommendations. Occasionally ad hoc committees will be formed, for which members are appointed by the Chair for terms ending with the conclusion of the committee's work. Committees may meet concurrent with full Board meetings as well as other times throughout the year, as the work requires. Some committee meetings are conducted by conference call.

3.3.4.2. Executive Committee

The Executive Committee is comprised of the officers of AH and the chairs of the standing committees. One at-large member may also be appointed by the chair. The Executive Committee 1) does future planning for AH activities; 2) reviews the work of standing and ad hoc committees; 3) makes recommendations to the Board regarding personnel policies, the Executive Director's salary, and related matters; 4) acts on behalf of the Board on any matters that require attention between the scheduled meetings of the Board; 5) reports to Board Members at the next regular meeting all actions taken on AH's behalf, providing minutes of each meeting; 6) and reviews all financial matters, including budgets, policies, audits, and investments as presented by the Finance and Audit Committee. The Executive Committee generally meets six to eight times a year.

3.3.4.3. Finance and Audit Committee

The role of the Finance and Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities. Maintain system of internal controls related to financial reporting. Insure integrity and transparency of AH's financial statements. Maintain compliance with legal and regulatory requirements, and policies related to risk assessment and risk management. Assess the auditor's qualifications, independence, and performance. Oversee AH's financial and investment strategies and policies, and the continuing education of Board Members regarding financial literacy. The Committee is composed of at least three Board Members and at least one unpaid individual who is "independent" of management, the Board, and AH. Members should be financially literate, and at least one member of the Committee should be well-versed and/or knowledgeable regarding auditing for nonprofit organizations. The Committee should meet at least four times per year or more frequently as circumstances require. The Executive Director will attend all meetings and provide pertinent information as necessary.

3.3.4.4. Board Governance Committee

The responsibility of the Board Governance Committee is to develop and support an integrated strategy for long-range Board development, including Board Member expectations, criteria for service, recruitment process, orientation and ongoing leadership development. Recommend members to the Board for election. Recommend a slate of officers to the Board for election.

3.3.4.5. Development and Fundraising Committee

The role of the Development and Fundraising Committee is to provide counsel and support to the Executive Director in the formulation of a long-term, comprehensive, and integrated cultivation and fundraising strategy. Assist in identifying and soliciting funds from external sources of support, with emphasis on generating a strong continuous base of individual giving. Oversee the Board's defined role in fundraising, support of and participation in special events. Develop and implement a development plan that includes a diverse funding base.

3.3.4.6 Grants

The role of the Grants Review Committee is to review Project Grant applications and make award recommendations to the Board. Develops and advises grantees on AH grant-making practices and procedures, and supports staff in implementation of policies.

3.4. Board Responsibilities

3.4.1. Overview

The modest-sized staff of AH would have difficulty meeting all of the demands made on them without the assistance of members of the Board. As a result, members play a vital role in achieving the organization's overall mission. In the beginning of their terms, new members may feel they do not know enough about the workings of AH to represent it adequately. The other Board Members and the staff are available to assist new members in any way possible. In addition to receiving this manual, new members attend a comprehensive orientation hosted by the Chair, the Executive Director, and the Board Governance Committee. AH also assigns a Board *mentor* to each new member. The role of the mentor is that of a helping hand and resource to facilitate the development of Board relationships, create a more personal welcoming to AH, and to aid and inspire the active engagement of new members in the organization's work.

The general expectations of Board Members are as follows:

3.4.2. Mission and Program Support

Board Members should know AH's mission, goals, policies, programs, and services and be an advocate for AH when possible. One of the staff's fundamental responsibilities is to see that everyone connected directly or indirectly with AH understands its reasons for existence — precisely what it strives to accomplish. If members know of other organizations, Boards, or associations that might benefit from AH's services, they are encouraged to talk to them about AH and explain the program. Obviously, if members make a presentation before a community group about AH, staff will provide whatever printed materials are necessary. Likewise, if members have contacts in business or government who might be able to assist AH, they should help to open the door for the Chair, Executive Director, or members of appropriate committees. Members are encouraged to assist groups in the development of humanities projects, whether that means telling them about AH, as described above, or helping them locate qualified

scholars and other personnel. Members may also assist groups with the development of a proposal to AH, knowing that such direct involvement constitutes a conflict of interest and prohibits them from voting on the proposal when it comes before the membership (see 3.4.7.5.4.).

3.4.3. Staff Support

The Board can support the Executive Director and staff, by providing frequent and constructive feedback, introducing them to other community leaders, inviting them to appropriate social functions, encouraging their professional development, and assisting them whenever possible.

3.4.4. AH Board Development

All Board Members, even if they are not on the Board Governance Committee, are encouraged to suggest possible nominees to the Board who are clearly persons of achievement and who can make significant contributions to the work of AH.

3.4.5. Leadership

Members are encouraged to serve in leadership positions on the Board and undertake special assignments or committee work willingly when asked. Every AH Board Member will be asked to serve on at least one committee. Outside AH, members should serve on Boards of related interest, if possible.

3.4.6. Research and Scholarship

AH expects all Board Members to read thoroughly AH printed materials and follow trends in the humanities throughout the country. The staff will occasionally send members mailings from NEH, the Federation, other state councils, and related cultural organizations.

3.4.7. The Board Expectations²

At its October 10th, 2008 meeting, the Board of Directors outlined a specific set of Commitments, in the form of a pledge that constitutes the member's commitment to service on the Board. The elements of this commitment include agreement

- a. to attend all meetings of the Board, committees and task forces of which (s)he is a member;
- b. to review pertinent documents prior to Board and committee meetings and to come prepared to discuss thoughtfully the issues and business to be addressed at scheduled meetings;
- c. to work with and respect the opinions of fellow Board Members;
- d. to always act for the good of the organization;
- e. to represent the organization in a positive and supportive manner at all times and in all places;
- f. to observe parliamentary procedures and display courteous conduct in all Board, committee and task force meetings;
- g. to refrain from intruding on administrative issues that are the responsibility of management;
- h. to avoid real or apparent conflicts of interest, and, if such a conflict exists, to declare that conflict and recuse oneself from voting;

² Amended July 2010 to change Board Contract to Board Expectations and added l. to establish 100% Board participation in giving to AH.

- i. to support in a positive manner all actions taken by the Board of Directors even when the member is in a minority position on such actions;
- j. to participate in the annual strategic planning retreat, Board self-evaluation programs, Board development workshops and educational events which enhance the member's skills;
- k. to fundraise and champion on behalf of the organization; and
- l. to have 100% Board participation in giving to AH, including a minimum annual contribution as set forth in the giving policy.³

3.4.8. Meetings

3.4.8.1. Overview

The four full Board meetings each year are the foundation of relationships among the members and the ability of the organization to function effectively. The full Board meeting agenda and other relevant materials are provided in advance to Board Members and are available in the Private Board section of AH's Web site at www.azhumanities.org. Staff will advise members as to the on-line availability of meeting materials and will provide the current password.

3.4.8.2. Importance of Meetings and Absenteeism

The fate of many organizations' projects is determined at grants review meetings during which AH Board Members are charged with responsibly awarding taxpayers' money to support these projects. Because it is essential for AH to have as many members as possible deliberate on grant proposals and AH business, AH's absenteeism policy provides that members who miss two regularly scheduled full Board meetings in a row are considered to have resigned. On the other hand, AH recognizes that situations arise that cause even the most responsible members to miss meetings; in these cases, members may apply for reinstatement by writing a letter to the Executive Committee expressing their intent to remain on the Board.

3.4.8.3. Number of Meetings

Committees generally meet three to six times a year. Committees may meet concurrent with full Board meetings, but, given the agendas and assignments of the committees, meetings are normally held between the full Board meetings. There are four full Board meetings, one of which serves as AH's annual meeting and planning retreat. The meetings are generally scheduled for the third Friday of the months of February, April, June, and October. The Grants Committee reviews grantee proposals and prepares its recommendations on the day prior to the full Board meetings in February, June, and October. Board meetings are devoted to review of committee recommendations and general Board planning. The annual planning meeting may be a two-day event, beginning early Friday and lasting through Saturday. Board meetings normally include a humanities program.

3.4.8.4. Board Operations

Relating to the logistics and operations of meetings, the Chair and staff make every attempt to keep meetings as brief and productive as possible. Members are urged to adhere to the agenda. If members have matters they wish to discuss, they are encouraged to call the Chair or the Executive Director in advance to request that such matters be placed on the agenda for the upcoming meeting.

³ Amended June 20, 2015.

3.4.9. Grantmaking Preparation and Process

Members on the Grant Review Committee will receive proposals and staff comments approximately a month prior to the review meeting date. Members should prepare for each meeting by reading all proposals (if they are on the review committee) and other materials thoroughly before the meeting date.

3.4.9.1. Grants Review

Membership on the Grant Review Committee rotates regularly so that all members sit on at least one panel each year. Guest scholars not on AH's Board also sit on the review committee. Members are provided with an evaluation form and instructions for voting, and the deliberation process is explained by the Chair at the beginning of each meeting. The staff does not vote on proposals, but staff will distribute comments on each proposal a month prior to the meeting. Board Members should arrive at the meeting with evaluation forms completed. The first round of scores is faxed or called in before the meeting so that members have the initial ranking when they arrive. In order to vote on proposals, *a Board Member must have read the proposals and submitted scores for the initial ranking.* After discussing the proposals, Board Members will re-rank each one, and then the available grant funds will be distributed accordingly. When considering proposals, the question is not, "Is this how I would have put this program together?" but, "Is this a worthwhile humanities project?" Humanities scholars on the review committee can answer that question from an academic perspective, while public members should answer it from the point of view of the general public.

3.4.9.2. Differences of Opinion

When a committee votes on the merits of a proposal, it is understood that there will be differences of opinion; however, dialogue and debate are signs of a vibrant organization. AH must represent a healthy arena for dissent, an arena in which members can disagree on friendly, rational, and constructive terms.

3.4.9.3. Conflict of Interest

When a conflict of interest exists, members need to declare their conflict to the Board prior to discussion of the proposal. Members declaring a conflict of interest will then leave the room during the discussion of the proposal and must abstain from ranking and voting on the proposal in question. A conflict of interest arises when proposals are submitted by members of the Board Member's family, when Board Members have had direct involvement with preparing the proposal, when Board Members will realize a direct personal or financial gain or in any other circumstance when the objectivity of the Board Member might be compromised or impaired.

3.4.10. Confidentiality

Maintain the confidentiality of Board sessions, whether full meetings or committee meetings. Do not divulge the results of Board deliberations, either on proposals or policy matters. The Executive Director will report decisions to grant applicants in writing after each meeting. Board Members who are contacted by applicants after a meeting to find out the status of their proposal should tell the applicant that it is against AH policy to divulge decisions until the Executive Director has notified the applicant in writing. Nominations for AH's annual humanities awards are also confidential. The recipients are notified a few days after the June Board meeting, after which it is public knowledge, but the people and organizations not selected remain confidential.

3.4.11. Evaluation and Planning

3.4.11.1. Program Evaluation

All organizations undergo a metamorphosis over time that calls for periodic review and sometimes major overhaul of the governance structure. Hence, there are several kinds of evaluation that Board Members are asked to undertake at least once a year. Members are asked first to evaluate their participation on the Board. They are also asked to evaluate staff and the total program. The program evaluation is primarily based upon individual evaluations of the projects funded during the year (see 3.4.8.2.). Evaluations of Board Members, staff, and the program are important because they are the first stage in monitoring and updating AH's Strategic Plan. All members should be involved in the planning process if they are to assume ownership of the plan and help implement the plan's goals.

3.4.11.2. Methods of Evaluating the Program

Staff members attend as many AH funded programs as possible. In addition to staff visits, there are several other methods of evaluation that may occur at each event. First, members will occasionally be asked to serve as AH liaisons; in this capacity, members attend and evaluate AH-funded projects in their area. Please attend whenever possible and submit a brief written evaluation. Also, at every event audience evaluations are solicited; and, finally, the project director's evaluation must be submitted with the final report.

3.4.11.3. The Strategic Plan

Planning for the future direction of the organization is a major priority for which AH sets aside one two-day meeting every year. AH must be proactive rather than reactive. Planning involves a review of the major trends and issues that may impact the state of the humanities and the position of AH. Members will review progress to date on the existing plan. Based on this intelligence, members will ensure that they are aligned regarding the organization's mission and vision and accordingly establish core strategies around which to allocate the organization's resources.

3.4.12. Financial Well-Being and Fund Raising

A key strategic priority is the development of a secure and diversified funding base, driven by a comprehensive cultivation and development plan. Board Members support AH's fiscal program in three important ways.

3.4.12.1. Oversee Budget

An annual projected budget is prepared by staff each summer for the coming fiscal year and is then presented to the Board meeting for review and approval at the October Board meeting. AH's financial statements and progress on the current budget are reviewed at every Board meeting and, in the interim on a monthly basis, by the Finance and Audit Committee. It is essential that all members read and understand AH's financial statements, monitor accounts and investments, and otherwise help the Board fulfill its fiduciary responsibilities.

3.4.12.2. Donations

The Board has established a policy calling for 100% participation in Board giving. AH realizes that not all members are able to make sizable contributions, but any amount serves to create a sense of ownership among the members. Further, when AH turns to other foundations and corporations for funding, it is extremely important that AH can demonstrate 100% Board support. Members are asked to make an annual gift according to personal means, and are

encouraged to join AH's Circle of Friends, as set forth in the board giving policy.

3.4.12.3. Fundraising

While it is appropriate to consider the Executive Director as the "chief fund raiser," the Board has a responsibility to assist in achieving AH's fundraising objectives. Members can introduce the Executive Director to persons who may be in a position to support AH, whether they are in the corporate world, the legislature, or at a foundation. All members are not expected to do the legislative lobbying or make presentations to a corporate Board; but, when possible, they are asked to open doors for those who will do the asking. Raising money takes dogged persistence, salesmanship, and year-round cultivation; it also requires support, encouragement, and excitement from AH's Board.

3.4.13. Board/Staff Relations

3.4.13.1. Policy

According to Brian O'Connell, author of *The Board Member's Book*, the "worst illusion ever perpetrated in the nonprofit field is that the Board of directors makes policy and the staff carries it out." Indeed, organizational success requires Board/staff partnership. This is particularly true in an organization like AH, where staff members are professionals themselves. The AH Board, with the help of the staff, makes policy, and the staff, with the help of the Board, carries it out. The Board and staff should rely on the experience and expertise of the others and work together toward fulfilling AH's mission.

3.4.13.2. Communication: Board to Staff

One way the members can support the staff is by assisting the Executive Director as appropriate to offer support in his or her relationships with other groups or individuals (see 3.4.3). Further, if members notice problems that relate to the operation of the program, they should tell the Executive Director. In general, Board Members are asked to make requests of the Executive Director rather than individual staff members. Board Members should not bring complaints or recommendations about AH policies to the staff, but, instead, should direct them to the Chair or appropriate committee Chair.

3.4.13.3. Communication: Staff to Board

The staff will also do its part to assist Board Members, primarily by providing them with the information they need to be more knowledgeable, effective representatives of AH. Members will be provided with data, position papers, and other information to better serve their committees; they will receive background information on each applicant applying for AH support; they will receive evaluations of the projects AH supports so they are able to determine whether AH funds were well spent; and they will receive a regular accounting of the AH finances. Further, members will occasionally receive mailings that contain literature related to the humanities; they will be kept abreast of trends in other state councils; and they will be notified about programs or meetings that relate to AH matters.

3.4.13.4. Communication: Board to Board

Board participation can be the source of enduring relationships. All members are busy people, most are professionals, and many are pulled in multiple directions by other demands in their lives. Yet, attendance at AH meetings is consistently high because of the friendships and the shared spirit of accomplishment and meaningfulness that underlies AH activities. Board Members are encouraged to get to know other Board Members as soon as possible and to take

advantage of AH's mentor program. At each annual meeting, staff will provide a biography of each Board Member and staff.

3.4.14. Potential Liabilities of Board Members

AH maintains a liability insurance policy for the protection of its "directors and officers." Members are expected to conduct business in an ethical and responsible manner and to the best of their abilities. There are, however, areas that organizations must consider in order to minimize liability that may result from illegal or improper conduct on the part of directors, officers, managers or employees. These include:

- aiding and abetting the misconduct of others
- compensation arrangements
- conflicts of interest
- unauthorized distribution of assets
- signing reports and documents without examining them
- failure to require withholding of social security and income tax
- ignorance of corporate books and records
- loans to officers or directors
- permitting activities prohibited by statute

Appendix A

Glossary of Terms

A-133 Common term for the Office of Management and Budget (OMB) A-133 audit regulation. An A-133 is different from a regular audit in that it encompasses office procedures as well as accounting policies. AH's auditors perform an A-133 each year.

Academic member an AH Board Member, who teaches, has an advanced degree in, or otherwise works in one of the recognized humanities disciplines. An appropriate number of academics should serve on the Board in order to assure integrity in the humanities.

Arizona Center for the Book An affiliate of the Library of Congress, AZCB is a private, nonprofit that promotes books and reading. AZCB used to share office space with AH, and AH funded many of its programs in the past, but it is now located at the State Library.

Arizona Speaks Catalog The publication that provides a complete description of the speakers for the Arizona Speaks program.

Cash cost share The amount of "real money" that an applicant organization contributes toward an AH-funded activity. There is no AH requirement that the applicant contribute any cash toward the project, but that which is spent on the activity; it is not sent to AH. (See also "cost share" below.)

Circle of Friends A group of individuals and corporations/foundations that contribute a set amount to AH each year. Individuals contribute at least \$300 annually for membership in the "Circle of Friends," and corporations/foundations contribute at least \$1,000. Special programs are occasionally scheduled for this group.

Cost share The grantee's contribution to the program (called cost share because they "share the cost" of the activity). The total cost share must at least equal the amount of the AH outright grant. For instance, if the grant is \$3,000, then the cost share must be at least \$3,000. Cost share can be cash (as discussed above under "cash cost share") or in-kind: the donation of staff time, facilities, and other services (see "in-kind below").

Council-conducted project The term often used for special projects that AFIC's plans, raises funds for, and implements itself, as opposed to awarding a grant to another agency. Examples would include the Arizona Book Festival, "Key Ingredients," and "Young Chautauqua."

Cultural Heritage Tourism An initiative, begun in 1997, to increase AH's state funds through tourism. This initiative emphasizes a community's history and heritage to increase tourism. Visitors who travel for a heritage experience (museums, Indian ruins, etc.) are among the fastest growing segment of the tourism community. AH has used the heritage tourism initiative as an argument to increase state funding.

Ellis-Shackelford House The name of the historic 1917 house where AH is

headquartered. The property is owned by the City of Phoenix and leased to AH.

Federal-State Partnership The division of the National Endowment for the Humanities that coordinates the 56 state and territorial humanities councils (see 1.1.4.).

Federation of State Humanities Councils The membership association, usually just called The Federation, that represents the 56 state and territorial humanities councils (see 1.2.).

Fiscal agent The party responsible for managing AH funds for a project.

Friends of the Humanities A separate organization established in the late '70s as an arm of AH through which donations to AH can flow.

Gift and Match Each year NEH makes available a "match" that allows councils to increase the size of its federal grant. If AH raises a set amount of third-party funds, including state funds, NEH will match it (see 2.5.3.).

Grants workshop AH regularly meets with the public to review its grants program. Grants workshops are always scheduled as a component of "public meetings" (see below), and AH staff is always available to conduct workshops when requested.

Humanities The academic disciplines that, in their broadest sense, examine what it means to be human. When Congress created NEH in 1965, however, they were very specific about the definition of the humanities, and AH is obliged to fund only activities which encompass these disciplines: history, language, literature, linguistics, jurisprudence, archaeology, ethics, philosophy, the history and criticism of the arts, and those aspects of the social sciences which employ a qualitative, as opposed to quantitative, approach.

Humanities scholar Someone with at least a master's degree in one of the humanities disciplines. In most cases, AH cannot fund activities unless there is at least one "qualified humanities scholar" involved in the planning and presentation. Persons with graduate degrees in non-humanities disciplines (fine arts, psychology, and science) are not considered qualified scholars. AH often recognizes Native American elders, and others who are recognized by their peers as "experts" (based on their research and writing) as "scholars."

In-kind That portion of the grantee's donation to the project that is not actual cash, but, more often, represents contributed staff time, facilities, media equipment, and other services or items which do not cost the applicant real money to donate. In-kind cost share can account for 100% of the grantee's match of the ARC outright grant.

Mentor A Board Member who serves as a resource to a new Board Member. Generally, AH will ask a Board Member with experience to mentor a new member for one year.

NEA: National Endowment for the Arts The federal government counterpart to NEH. This agency funds performing and creative arts. In Arizona, NEA supports the state-based affiliate, the Arizona Commission on the Arts (see 1.1.1.).

NEH: National Endowment for the Humanities The federal agency that is AH's primary funding source. AH submits a proposal to NEH and undergoes a major review every five years (see 1.1).

Orientation The meeting at which new Board Members meet with the AH staff, chair, and other members of the Board to review member roles and responsibilities.

Outright This refers to the base amount of any grant (those awarded by AH or those received by AH from NEH), without any gift-and-match programs, cost share, or other funds.

Project director The person responsible for organizing the AH-funded project and for completing all reports to AH.

Project directors' meeting The meeting with staff that successful applicants must attend, especially if it is the first grant they have received from AH. At the meeting, staff reviews what the accountability requirements of project personnel.

Public meetings Meetings that AH conducts to introduce the program to the community.

Public member An AH Board Member who is not an "academic member" (see definition above). This includes persons who may be scholars, but whose degrees are not in one of the recognized humanities disciplines.

Regrant Technically, all AH awards are regrants because AH's money comes from an NEH grant; AH then grants it again (or regrants it) to other organizations.

Resource Center The former outreach arm of AH that provided speakers, films, exhibits, and other "packaged" materials for organizations that do not have personnel to create their own program, or for organizations in the outlying regions of the state. The term "Resource Center" has gradually been replaced as AH has dropped many of the media components and focused instead on the Arizona Speaks.

RFP The abbreviation for "Request for Proposals." Occasionally, AH selects a specific theme to focus on and then requests ideas for projects that fall within that theme.

Schwartz Prize A prize awarded annually by the Federation of State Humanities Councils for the best state council projects in the country. AH received the Schwartz Prize for its "Voices" project in 1997 (see "Voices" below).

Sharing Words, Changing Worlds (formerly the Lorraine W. Frank Lecture), the annual AH lecture given in honor of AH's founding executive director. The event includes awards to distinguished organizations and individuals.

Arizona Speaks AH provides humanities speakers to nonprofit organizations through this program, which has existed since the mid-80s. AH invites scholars to participate, screens

applications, and generally selects about 50-75 speakers for membership, and then promotes their availability in the Arizona Speaks Program Catalog. AH funds hundreds of talks each year.

Web Site AH's main web site at www.azhumanities.org contains AH's most current program and activity information.

Appendix B AH Funding History from NEH

Taking into account outright funds, Gift and Match, and Exemplary Awards (which ended in the mid-1990s), the funding history for AH from NEH is listed in the appendix.

	Total Annual
1973 Planning Grant	\$15,000
1974 \$172,000 (16 months)	\$107,500
1975 \$163,000	\$163,000
1976 \$352,000 (18 months)	\$234,667
1978 \$434,250 (18 months) + \$2,623 special administration	\$291,249
1979 \$344,400 + \$19,238 G&M	\$363,238
1980 \$344,400 + \$30,000 G&M	\$374,000
1981 \$982,032 + \$60,000 G&M (28 months)	\$446,585
1984 \$330,000 + \$40,000 G&M + \$12,200 sabbatical	\$382,200
1985 \$325,000 + \$34,400 G&M	\$359,400
1986 \$298,000 + \$41,000 G&M	\$339,000
1987 \$333,160 + \$50,200 G&M + \$4,972 Exemplary Award	\$388,332
1988 \$324,000 + \$50,200 G&M + \$15,000 Exemplary Award	\$389,200
1989 \$386,000 + \$65,200 G&M + \$173,319 Exemplary Award	\$624,519
1990 \$395,000 + \$65,200 G&M	\$460,200
1991 \$411,000 + \$65,200 G&M + \$15,000 Exemplary Award	\$491,200
1992 \$432,000 + \$89,100 G&M	\$521,100
1993 \$432,000 + \$89,100 G&M + \$90,000 Exemplary Award	\$611,100
1994 \$435,000 + \$89,100 G&M + \$10,000 Exemplary Award	\$534,100
1995 \$435,000 + \$89,100 G&M + \$196,000 (3 NEH Awards)	\$720,100
1996 \$464,200 + \$32,400 G&M	\$496,600
1997 \$472,500 + \$25,300 G&M + \$17,737 Special Project	\$515,335
1998 \$476,000 + \$22,600 G&M	\$499,300
1999 \$474,600 + \$23,200 G&M + \$39,990 Planning Grant	\$537,790
2000 \$499,600 + \$23,400 G&M + \$295,483 Project Grant	\$818,483
2001 \$520,894 + \$23,600 G&M	\$544,494
2002 \$546,800 + \$23,900 G&M	\$570,700
2003 \$547,862 + \$24,500 G&M	\$572,362
2004 \$548,000 + \$24,500 G&M + \$68,400 We the People	\$641,800
2005 \$546,470 + \$24,700 G&M + \$77,510 We the People	\$648,680
2006 \$539,400 + \$31,300 G&M + \$109,320 We the People	\$680,020
2007 \$539,500 + \$31,200 G&M + \$109,320 We the People	\$680,020
2008 \$544,600 + \$26,100 G&M + \$125,800 We the People	\$696,500
2009 \$603,570 + \$26,400 G&M + \$125,800 We the People	\$755,770
2010 \$655,175 + \$26,700 G&M + \$125,800 We the People	\$848,640
2011 \$737,900 + \$36,100 G&M + \$10,000 We the People	\$784,000
2012 \$703,870 + \$17,500 G&M	\$721,370
2013 \$666,490 + \$15,200 G&M	\$681,690
2014 \$740,960 + \$8,900 G&M + \$10,000 Standing Together	\$759,860