

**Arizona Historical Society  
State Board of Directors Meeting  
Friday, October 5, 2018  
Tombstone, Arizona**

**Board Members Present**

Voie Coy, President, Northern Chapter  
Kelly Corsette, Vice-President, Central Chapter  
Dennielle "Dolly" Patterson, Treasurer, Apache County  
Bruce Gwynn, Secretary, Rio Colorado Chapter  
Barlow, Greenlee County  
Janice Bryson, At-Large  
Thomas Foster, Eastern Chapter  
Douglas Hocking, Cochise County  
Philip "Jeff" Horwitz, Southern Chapter

John Lacy, Pima County  
Leonard Marcisz, At-Large  
Charles Oldham, LaPaz County  
Meredith Peabody, Yavapai County  
Thomas Rose, Coconino County  
Gregory Scott, Santa Cruz County  
James Snitzer, Navajo County  
Michael Wade, Maricopa County  
Linda Whitaker, At-Large

**Board Members Absent**

Joe Abodeely, Pinal County  
Robin Bradford, Gila County  
Robert Ballard, Mohave County  
Lorna Brooks, Yuma County

William Garbarino, At-Large  
Patrick Lukens, Graham County  
Marshall Trimble, At-Large

**Staff Members Present**

James Burns, Executive Director  
Bill Ponder, Chief Administrative Officer

Susan Irwin, Library & Archives Director  
Kim Bittrich, Deputy Admin. Officer

**Others Present** - Schieffelin Hall:

Will Beemer  
Marilyn Coy  
Carol Gates  
George Howison, Cochise Co. Corral of the Westerners  
Dusty Escapule, Mayor of Tombstone

Janet Bobar, Sierra Vista Historical Society  
Jon Donahue  
Debbie Hocking  
Lisa Howison, Daughters of American Revolution

Tombstone Monument Guest Ranch:

Bill Cavaliere, Cochise County Historical Society (CCHS)  
Deborah Oldham  
Ruth Van Otten, CCHS Secretary

Craig McEwan, CCHS & AHS So. Chapter Board  
George Van Otten, CCHS Board

<b>Actions taken at this meeting:</b>
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- Lacy moved, seconded by Rose to approve the Minutes of the August 3, 2018, Board of Directors meeting. The motion passed unanimously.
- Patterson made a motion to approve the Policy Governance model as presented by Wade, seconded by Gwynn. The motion passed unanimously.
- Bryson moved, seconded by Foster to approve the Small Grants for the Certified Museums as recommended by the committee. The motion passed unanimously.

Escapule, Mayor of Tombstone, addressed the board and guests, thanking them for coming to Tombstone. Escapule is a 4<sup>th</sup> generation native of Tombstone, his great granddad came to town in 1887. He is working on restoring the historic district of Tombstone, including City Hall. Tombstone is known all over the world as the Historic Wild West.

### **Call to Order**

President Coy called the meeting to order at 11:12 am. He thanked Hocking and everyone in Tombstone for hosting the meeting.

### **Roll Call**

Roll call was taken; Coy declared a quorum.

### **Discussion and action, if any, to approve the Minutes of the August 3, 2018, Board of Directors meeting**

John Lacy moved, seconded by Rose to approve the minutes of the August 3, 2018, Board of Directors meeting. The motion passed unanimously.

### **Call to the Public**

Bobar addressed the Board and guests, inviting them to visit the Henry F. Hauser Museum, Sierra Vista's Historical Society. She discussed the Amazing Arizona Program, Sierra Vista Water Ways and all the programs they will be hosting starting in November 2018. The presentations are all focused on Water this year. They have a vision to build a new museum in Sierra Vista, they already have the land.

Donahue thanked the Sierra Vista Historical Society for all they are doing.

Lisa Howison, member of the Tombstone Chapter of the Daughters of American Revolution, stated the Chapter was founded in 1890.

Beemer, invited everyone to tour St Paul's church following the State Board meeting. He announced a special event on 11/11/18, stating many people of noble birth will be in attendance. The Church was built in 1881 and is on the National Historic Register.

### **Recess**

Coy adjourned the meeting at 11:30 am to move to the Tombstone Monument Guest Ranch where the meeting will reconvene.

Oldham announced the National Forest Service plan to slaughter horses currently at the Devils Garden Plateau Wild Horse Territory inside the Modoc National Forest a 250,000-acre property. Oldham is offering to move horses to prevent them from going to slaughter if they are 10 years or older.

### **Reconvene**

Coy reconvened the meeting at 12:32 pm at the Tombstone Monument Guest Ranch. Introductions were made for the new guests at the meeting.

### **President's Report**

Cavalier thanked Hocking for organizing the State Board meeting in Tombstone.

Coy thanked everyone for attending the meeting.

Coy said at the August meeting he talked about the time it took to get the approvals for the appointed Board members from the Governor and the Senate. He would like to move the annual meeting to April so the Board appointments and the election of Board officers can occur about the same time. The Board will be losing 16 members in June 2019, they were all appointed for 4 year terms by the Governor. He talked to the Governor's representative about staggering the appointments. He was told it would take legislative approval to get that done. The best thing to do is to work with the system as it is until after the next Sunset Review. Hopefully, if the annual meeting is moved, the Board officers can be appointed in June 2019. We will have an annual meeting in November 2018, and if the by-law changes pass, we will have the 2019 annual meeting in April.

### **Consent Agenda**

- a. Executive Director's Report (August - September).  
Burns said his report is attached to the Board packet and will answer any questions. He asked the Board to let him know if the contents of the report are what they would like to see and if they want more or less information.
- b. Financial Reports.  
Ponder said the September reports are not available since the Board meeting is too early in the month, the August reports are included in the packet.

### **Presentation by Michael Wade regarding Policy Governance Model**

Coy said when the Board looked at evaluating the Executive Director they looked at the by-laws for

guidance. Coy asked Wade to look at a system relative to policies to evaluate the Executive Director. Wade distributed a one-page document detailing the Policy Governance Model. If they adopted the Policy Governance Model they can reduce the time and number of board meetings. In the early part of the by-laws the Board is to handle policy and the Executive Director is to handle operations. Later in the by-laws it gets confusing. Board sets policy and Executive Director implements the policy. Board members should refrain from getting involved in the operational activities of the Agency, leaving those matters to the Executive Director. The Board needs to look at the policies they want to adopt. In the past a great deal of time was consumed at Board meetings discussing items that should be done by staff. Moving to Policy Governance model will clarify responsibilities of the Board. Lacy is in favor of this type of structure, said it is typical of private boards. There are issues in the by-laws where the Board is doing governance and management. Board needs to ask the Executive Director what the goals are for the year. Lacy thanked Wade. Snitzer said in most towns the town council approves policy and budget. Patterson said this is the best news she has heard. She often feels like nothing is accomplished at Board meetings and it is a waste of time to attend.

Patterson made a motion to approve the Policy Governance model as presented by Wade, seconded by Gwynn. The motion passed unanimously.

### **Strategic Planning Committee Report**

Peabody said Foster and the senior leadership staff met on September 18, 2018. The committee and senior staff agreed on five draft strategic goals the staff will work on.

1. To become the recognized resource/authority on Arizona history. (The “go to place” for Arizona history.)
2. To attract audiences by creating transformative experiences.
3. To collect, preserve and interpret Arizona’s history.
4. Enhance financial resources to advance our mission and ensure long-term sustainability and growth.
5. Create a unified statewide identity for the Agency.

The goals are all well supported by the new mission and vision. Over the next couple of months, the Executive Director and staff will work on the Strategic Plan so a rough draft can be presented at the January Board meeting.

Lacy said the report of a committee is considered a motion if needed, if it is a special assignment by one person you would need a motion from the Board.

Whitaker said the strategic planning is an important time for senior staff to get together and the joint effort will be more effective. Coy asked if any action needed, none at this time.

### **Community Outreach Committee Report**

Bryson thanked the Cochise County Historical Society staff for attending the meeting. The committee held a meeting; Bryson, Brooks, and Foster attended. The grant recommendations include \$5,000 for the Museum Association of Arizona (MAA). It will be a contract between MAA and AHS, allowing MAA staff to act as outreach for the local Certified Museums. Burns said after AHS lost the field services position the organization hasn’t been able to provide much assistance to small historical museums around the State. It is very expensive to have one person travel across the state. Also, it is difficult to

have one person with all the knowledge needed to assist everyone across the state. This is why AHS is entering into an agreement with MAA and they will receive the grant to help cover their costs. Bryson is working out the details on the process.

Bryson moved, seconded by Foster to approve the small grants for the Certified Museums as recommended by the committee. Corsette asked about having local legislators get involved with awarding grants, this is valuable outreach for the agency. Burns said that we can work on coordinating this, and asked if someone from the Board would fill in if a legislator is not available. Lacy said the Friends can make a contribution to assist in this effort. Motion approved unanimously.

### **Finance Committee Presentation**

Burns put together a short presentation, it is important for the board to have good financial oversight.

Ponder reviewed the reports included in the board packet, said to please ask questions if you have them. Marcisz submitted questions prior to the Board meeting that Ponder answered for the Board. What is BTL – it is below the line appropriation. The General Fund is a lump sum or modified lump sum appropriation, AHS has modified. BTL are sometimes referred to as special line items that are added to appropriations. Papago Park and Field Services are BTL. Discussion continued. Marcisz does not wish to ambush staff at the Board meeting, he will ask the Executive Director when he has questions so he can ask the staff. Budgeting process is arcane, but he gets good responses from the staff. Burns said this is a good educational opportunity for the Board. Coy thanked Marcisz for bringing up the questions, and asked if anything can be done about the budget processing. Ponder said we have to work with the government process and systems. Patterson asked what an enterprise accounts is. Ponder said it is earned income like facility rentals, gift store sales, and admissions.

Irwin discussed the IT issues at AHS. We are not keeping up with technologies especially connectivity. Flagstaff has the worse connections and it will cost over \$20,000 to get wiring and connections installed at Riordan. Pioneer had upgrades a few years ago, however, connection is still an issue. The 2014 refresh cost \$75,000 and did not replace everything only CPUs. Irwin is not IT but has taken it on in the last 5 years along with other staff. An estimate to fix Flagstaff connectivity and replace computers is \$120,000. An additional \$15,000 is needed to get Microsoft for all staff. Google has a learning curve and doesn't work for all applications. The budget needs to include a refresh of IT hardware of every 3-5 years. Whitaker asked what we can do and what is dictated by the State. Irwin said the State mandated the change to Google. AHS needs someone who understands the security and IT issues. Rose said everything we are involved in is going to require IT. If the State is not going to fund this, it is a perfect opportunity for the support groups. They can get a better cost and it gets involvement from support groups.

Coy asked if any action is needed, none at this time. Burns thanked Irwin for all her time handling IT. Burns provided a financial snapshot, and said he will share the PowerPoint with the Board. Appropriation pays a portion of salary and ERE but not all. This portion is for a much smaller workforce and it still only pays for part of the staff. In addition, a portion covers utilities but not all utilities. AHS has to go to support groups for assistance to cover the difference. Explained how earned income is used. Membership pays the salary and ERE for Membership Coordinator and the cost of printing the *Journal of Arizona History*. Admissions pays for front desk staff. Facility rental pays for staff, repairs and utilities. How staff are allocated: 47% of staff handle duties statewide, 15% are solely dedicated to Flagstaff, 15% Tucson, 15% Tempe, and 8% to

Yuma. Mission critical functions with no dedicated funding: exhibits, marketing, collection stewardship, programs and IT. AHS relies on support groups, grants or sponsorship. Wade asked if you looked at AHS with a clean slate how would it look. Burns said we have large and aging physical plants. There is individuality of sites. AHS had staffing inefficiencies. The re-org was implemented to align staff time with their skill set. Coy said local support groups will be uncomfortable with the changes, but AHS will not survive without the change. The Board is volunteers trying to make policy. CCHS are volunteers with a real interest in their local community. Corsette asked if the strategic plan will address some of these issues. Burns said the capital campaign will address these issues.

### **Governance Committee Report**

Lacy said Garbarino left him with the presentation. There are three proposals for by-law changes. 1. Move annual meeting. 2. Identify what is a quorum. 3. Allow officers to be re-elected to serve terms up to 3 years. By-laws require 30 days' notice to the Board before it can be acted on. They will do this at the next meeting 11/17/18. The Board needs to look at new technology like Zoom for Board and committee meetings. Wade asked about moving the annual meeting and how changing the date will help the Board. Lacy said they need confirmation of when a new Board member can act on the Board during the approval process. The November Board meeting always has conflicts with homecoming and holidays. The History Convention will be held in Prescott, April 11-13, 2019. No actions needed.

### **Membership Committee Report**

Abodeely is not here and no information was passed on to Hocking for a report.

### **Property and Building Committee Report**

Rose said there has been no action until the legislature comes up with money, hopefully in the spring for the building improvement requests. Doesn't mean we have stopped doing things while we are awaiting funding. Met with Gonzales. Finished painting back porch with student assistance and volunteers at Riordan. Plan to reorganize office space at Pioneer. Oldham asked our status with Mineral building. AHS has no responsibility; the U of A has plans to get it open in 2020. The building will require major renovation. Collections went to U of A, some will go to old court house in Tucson. Bullion Plaza has some of the collection on loan. No actions needed.

### **Items Scheduled for Board Discussion and/or Action**

- a. Board discussion and/or action, if any, regarding AHS Arizona Auditor General's Report #1313. Marcisz and Whitaker are working together on the findings. There are no significant changes in status, however staff is still working hard on a number of the open items. There are three priority levels for addressing the audit findings.
  1. Those finding that are high or medium risk (front page of the newspaper). SF1 – SF4 (cash handling and collections maintenance) nothing in those priorities at this time.

2. Findings that require large investment in staff time and funding.
3. Everything else – low risk audit observations. Most of what is left includes 5 findings that have to do with Board responsibilities.

Whitaker said collections management is an ongoing issue and AHS has been in arrears since 1993. Auditors want to see what is cataloged, what is back-logged, and if you can find what is cataloged. AHS has not been able to do this successfully every time. This will come up again and again, it is very labor intensive. Burns said that due to retirement and attrition AHS has 20% vacancy and 2 of the 9 are collections staff. AHS has to wait for leave payout to pass prior to filling the position. It is clear that the Auditor General's understanding, Burns' understanding and the Boards' understanding of a Collections Policy are all different. AHS needs a collection plan, not how we care for our collection but what we collect. There is no funding for collection stewardship. Wade asked if there is a space problem. Burns said it is complicated, if we had compact shelving we would have space for decades to come.

- b. Board discussion and/or action, if any, regarding the 2018 AHS Board of Directors Work Priorities. Coy said Board priorities just changed an hour ago, will start writing policies.
- c. Board discussion and/or action, if any, regarding the 2018 AHS Executive Director Work Priorities. Burns said everything is on track to be completed by the end of the year.

**Announcements and other matters for consideration at future board or committee meetings.**

Coy contacted some of the finance people to get money to reimbursement the Board for time and travel. He was told to take it from the present budget. He will not ask AHS for money from the budget. Coy thanked everyone for coming to Tombstone. Horwitz thanked Burns for attending the Southern board meeting.

**Adjourn**

Coy adjourned meeting at 2:32 pm