DRAFT – Meeting Minutes of the Executive Committee of the Board of Directors of the Arizona Historical Society

July 24, 2023

Mission: Connecting people through the power of Arizona’s history.

Minutes

1. Call to Order – By President Linda Whitaker at 12:01pm

2. Roll Call – Secretary Colleen Byron
   b. Absent – Deborah Bateman
   c. Staff – David Breeckner, Kaydi Forgia, Rebekah Tabah, Melba Davis
   d. Non-Committee Board Member(s) – Gene Kunde

3. Minutes - Discussion and action, if any, to approve the draft Minutes of the June 26, 2023, Executive Committee meeting.
   a. Motion to approve minutes as submitted by Linda Elliott-Nelson and seconded by Colleen Byron; unanimously approved.

4. Call to the Public – Linda Whitaker
   a. No members of the public present.

5. Status of Board Appointments – David Breeckner, Linda Whitaker
   a. Boards and Commissions reported that they are preparing the Senate packet for Eric Flor. They decided not to forward Austin Kerr’s application at this time. Looking for an update regarding what other applications may be pending. Note that there are other Board vacancies including one At Large position. We are encouraging all interested people to apply https://bc.azgovernor.gov/bc/form/boards-and-commissions-application
   b. AHS is prepared to hold a Board Orientation in August or afterward, pending the approval of any new Board members.
   c. AHS has been notified that it is out of compliance with Board training. All AHS Board members need to complete the LAW-2000 training BEFORE AHS’ Sunset Review
submission on September 1. An email will be sent out with the training link on Friday, 7/28/23.
- Tom Foster asked for clarification on what this training entailed (i.e. duration).
- Linda Whitaker stated that LAW 2000 is a mandatory online educational test (largely ethics) for all Governor appointed boards/commissions.
- Melba Davis agreed to track compliance and report to Ex-Comm on its progress.

6. Sunset Update – David Breeckner, Linda Whitaker

a. AHS received a letter from the Committee of Reference (COR) on 6/22/23 to begin the Sunset Review process. AHS was assigned a series of questions to answer and to submit their finished report in printed and digital format by 9/1/23.
   - Legislative composition of the COR was discussed.
   - COR staff was contacted. Onsite visits are not planned nor does this review include a financial audit at this time.
   - AHS is one of eight agencies under review by the COR this year, suggesting a possibly abbreviated review.
   - Responses to questions should be succinct but impactful. All previous Sunset audits can be found here: AHS Sunset Reviews. The first dates back to 1995. The bulk relates to initial and follow up reports to the 2013 Review. Two relate to a separate financial audit in 2002. AHS can draw on past Sunset response documents, and is looking at recent submissions by similar state agencies to the same COR (e.g State Parks). Here is the link to the 2022 Sunset Review for State Parks. They had the same COR committee members. Our reporting format will be similar. Final Report Sunset Review AZ State Parks Board.
   - Completion date for the full packet is planned for 8/16/2023.

b. Linda Whitaker asked Colleen Byron to closely review the nature of the COR request. Colleen Byron answered that the difference in this request to past Sunset Reviews is the change in oversight from the Auditor General’s Office to the Legislature.
   - The COR will review the last Sunset Review determinations, check for corrections to recommended changes, and check the website as a primary research tool for AHS compliance and documentation access.

c. Gene Kunde asked about the status of the 2013 Sunset Review: is it concluded?
   - Linda Whitaker answered that the findings are posted on the AHS website and represent the conclusion of the Auditor General’s review.
   - David Breeckner added that AHS maintains a 2013 Sunset Tracking document which records AHS’ completion and compliance with the 2013’s recommendations for correction. This document will be a supplement to the
2023 submission.

7. **Director’s Update** – David Breeckner
   a. FY23 EOD financials (see attached)
      - FY23 EOD report was distributed as June 2023 Monthly report. No 13th month is anticipated.
      - June 2023 report shows Revenue at 100.38% and Expenses at 86.25% realization. Total revenue grew $16,617.72 above projections, but “mainstay” revenue streams (e.g. admissions) underperformed. Expenses were $625,143.57 less than anticipated. This is owed largely to savings from staff vacancies. At present, savings will be directed to the AHS operational reserves but can be used to address planned budget deficits for FY24.
      - Linda Whitaker expressed surprise at the size and presence of a surplus in FY23, given significant expenditure overages in certain categories (e.g. IT, Utilities).
      - Linda Whitaker asked about the forecast for future budgets, given a recent development with Crosswalk Adjustments as discussed in the 7/18/23 Finance Committee meeting.
        - AHS received confirmation of the appropriations load-out for FY24 from GAO of $3.214m. AHS then received a follow-up by JLBC with FY24’s crosswalk adjustments for all state agencies. Traditionally, AHS’ adjustments have been negligible. In FY24, this increased by about $180,000 (Correction: $168,900), owing primarily to an increase in Risk Management (state liability). This increase will reduce planned revenue for FY24 by a matching amount and impact the overall operations budget.
        - Linda Whitaker asked for clarification about how Risk Management is assessed.
        - David Breeckner answered that this evaluation considered changes to reported risk elements, such as use of State vs rental vs POVs, historic site and museum facility condition reports, duties and activities of AHS staff, and the size and scope of AHS collections and archives.
        - AHS is currently seeking further clarification on this increase and the process by which it was calculated. A full report with options to resolve any resulting loss in budgeted appropriated funding toward operations for FY24 will be presented at the August Finance and Executive Committee meetings.
   b. Employee Survey & Staff Retreat – David Breeckner
An employee satisfaction survey was conducted in May by the State of Arizona as part of an annual state-wide review. AHS leadership provided additional, agency-specific questions to be answered along those shared across all state agencies.

35 of 39 staff responded, with 11 written comments submitted.

Results showed no significant changes between those favorably or negatively inclined across questions shared between 2022 and 2023. However, the ratio between “strongly feel” and “somewhat feel” in either direction grew to be more heavily aligned with “strongly feel” extremes in both favorable and unfavorable responses.

Responses indicate concerns over financial and personal valuation of the work being done; recognition (or lack thereof) of staff expertise, contributions, and/or sacrifices; overloading of duties and projects; and a lack of clear understanding on their place or role in the agency’s overall direction and/or goals.

A staff retreat is being planned for the end of August. This will be an agency-wide event which will see all facilities closed and staff transported to a central location (AHC Tempe) for a day of teambuilding, development, and relaxation. It will be externally-organized so that all staff may participate equally.

- David Breeckner anticipates that he will report final plans for the retreat at the August Executive Committee meeting, with the retreat to follow shortly thereafter.

Linda Whitaker requested a document summarizing the results of the evaluation be shared with the Executive Committee, reminding it was a deferred topic from the June Executive Committee meeting.

- Linda Whitaker expressed concerns that the needle has not significantly shifted from the middle since the 2022 survey. She stressed that this requires serious attention and quick resolution.
- David Breeckner requested that the Executive Committee closely review the summary to provide insight and feedback on how to best improve employee satisfaction.

c. Restructuring/Organizational Chart

A copy of the staff organizational chart was shared on the Zoom screen. David Breeckner outlined the different departments and their reporting structure. This review also addressed staffing vacancies and outstanding needs within specific departments (e.g. Education). He added that the format of this chart was in the process of being cleaned for accessibility, and that several upcoming hires may change elements of the future reporting structure.
Colleen Byron asked for clarification on several position titles, noting that they did not seem to reflect job descriptions.

David Breeckner and Melba Davis answered that the organizational chart is a technical document that aligns and is used for State classifications. Staff do have working titles but the current organizational chart used with the State cannot include a second line that includes them. A second chart can be developed that uses these terms separately (or which features both) and can be for internal distribution.

d. Status of Hires/Departures

- Carole McQueen has retired from the position of VP of Finance. The position is with State Recruitment and is in the process of being posted. AHS is working with ADOA to expand its shared services agreement with CSB to provide immediate coverage and support services, with a focus on ensuring continuity of signature authority.

- Debbie McKinion is no longer with the agency. Her position as Business Development Manager will be rewritten as Rentals Coordinator and then posted. In the meanwhile, a plan is in place amongst staff to support coverage of this position’s duties with current and requested facility rentals. New requests should be directed to confirmation@azhs.gov

- AHS is nearing completion of its first round of interviews for the VP of Marketing position, anticipates a quick second round, and hopes to see the position filled in August.

- AHS is accepting applications for the AA3 part-time position (30 hours) in Flagstaff for Pioneer Museum. This is primarily a guest services position that supports the upcoming Museum Manager.

- Tempe Preparator position for Exhibits is undergoing interviews.

- AHS is working to resolve delays for posting the Museum Manager positions for Yuma and Flagstaff. A more detailed and actioned update will be provided at the August Executive Committee meeting.

  - Linda Whitaker requested confirmation that a representative from both regions would be present on the interview panels for those positions.
  - David Breeckner disagreed that the interview panel could include members of the public from recognized support organizations or community groups.
  - Linda Whitaker stressed that precedents exist to allow for this accommodation.
  - David Breeckner recognized that this is an essential concern expressed
by community members in both Yuma and Flagstaff. He promised to follow up with a complete answer on permissible standards, to explore the best means of engaging local experts in the interview process.

○ Linda Whitaker stressed that this must also be communicated to community members and groups in Yuma and Flagstaff.

○ Jim Snitzer recommended that community members could help provide questions to be asked in the interview.

○ Colleen Byron expressed that, in her experience, she would be “exceptionally surprised” to see an interview panel with anyone but employees of the organization present (on the panel, observing, or otherwise). This is a privacy issue. A Zoom “Meet and Greet” could be considered.

○ Tom Foster asked Melba Davis for any additional comments from an HR standpoint.

○ Melba Davis confirmed that Colleen Byron was correct. She answered that AHS is working to find an accommodating and compliant resolution to the Board’s request. The State CHRO (Chief Human Resources Officer) is assisting AHS to find the best path forward.

e. Tucson Talks – David Breeckner, Bill Ponder

● AHS’ land lease from the University of Arizona, which encompasses half of the profile of the Arizona History Museum at 949 E 2nd St, is set to expire on 1/11/53.

● Per the Committee’s vote at the June meeting, AHS has begun serious talks to explore an off-site development of a new facility. This is a matter of prudence to explore all possible solutions to the lease end-date.

● A map of the proposed location and review of the current public reception, planning documents, and political capital, were shared and discussed with the Executive Committee. Previous efforts and plans for a new Tucson facility in 2009 are being referenced and provide valuable support. Bill Ponder has been running point on the project.

● Linda Whitaker added that conversations to-date have included representatives from neighborhood organizations, city council members, architects, and non-city council city officials. There is general interest from a wide swath of peoples and groups. “We didn’t come looking for this property, it came looking for us.”

● AHS is seeking the donation of the proposed parcel and has reason to believe there is a budding consensus for support.

● Jim Snitzer asked about any known planned cross-cultural or facilities
development at the adjacent sites (e.g. parking), and possible collaboration in planning with AHS (specifically with the Tohono O’odham). Creation of shared value is an excellent approach to incorporate.

○ David Breeckner answered that future plans could consider shared spaces or programs, and that in the immediate AHS needs to prove itself to be a good, potential neighbor to ensure local support.

● Linda Elliott-Nelson sees great potential for the proposed site and future collaboration. She asked for clarification on the funding mechanism that would support construction of a new facility, presuming a successful acquisition of the land.

○ Linda Whitaker raised the construction of the Arizona Heritage Center in Tempe as precedent. AHS sold bonds and paid them back over time in roughly 25 years, with support from an increase in State appropriations. This was not done through fundraising, but existing State mechanisms.

○ David Breeckner added that the FY25 Capital Improvement Plan (CIP) submission included a provision to fund construction of a new museum at the proposed site.

f. Dude Ranch Legislative Update

● HB2145 was submitted by Rep. Dunn (Yuma) and approved in June by Governor Hobbs; it obligates AHS to fund and oversee the design and production of commemorative plaques/signage for historic dude ranches, as applications for qualifying ranches are approved by a committee from Arizona State Parks.

● AHS provided a response to an early draft, but its suggested edits were not incorporated. The Chaptered bill provides no new appropriated funding to support this project.

● This represents an unfunded mandate; AHS’ liaison within the Attorney General’s office has been contacted for clarification on AHS’ functional and financial responsibilities moving forward.

● AHS will coordinate with State Parks as an assigned partner in the program.

● David Breekner and Linda Whitaker recommended developing its conversations with Rep. Dunn through this project.

● Jim Snitzer recommended working with the bill’s listed partners to discuss AHS’ budgeted allowance for production costs and to invite their participation to financially support premium design elements.

8. Announcements and other matters for consideration in future board or committee meetings.

a. Robert Ballard asked if a report from the Nominating Committee should be given. Linda Whitaker answered that it would be taken up at the State Board meeting.
9. Adjournment – By Linda Whitaker at 1:34pm

Dated this 28th day of July 2023.

Arizona Historical Society

Linda Whitaker, Board President

The Arizona Historical Society does not discriminate on the basis of disability in the administration of its program and services as prescribed by Title II of the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended. Persons with a disability may request a reasonable accommodation such as a sign language interpreter or alternative formats, by contacting AHS Administration at 520-617-1169. Requests should be made as early as possible to allow time to arrange for the accommodation.

Upcoming Executive Committee Meetings
Noon and Virtual unless announced otherwise
Click the date to register for the meeting; all meetings are hosted are live-streamed via Zoom

- August 28, 2023
- September 25, 2023
- October 23, 2023
- November 27, 2023

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Click the date to register for the meeting; all meetings are hosted are live-streamed via Zoom

- September 29, 2023 — Annual AHS Member Meeting
- November 24, 2023