

Indiana State Museum and Historic Sites

Regular meeting of the Board of Directors via Zoom

Sept. 2, 2020

Board members present: William Browne Jr., board chair; Steve Anderson; Gary Anderson; Andrew Briggs; Melissa Caito; Fred Cate; Linda Conti; Nancy Jordan; Thao Nguyen; Alice Schloss; John Wechsler; Roland Shelton; Robin Winston; Mary Walker; and Liz Witte

Others present: Cathy Ferree, ISMHS president and CEO; Susannah Koerber, chief curator and research officer; Amy Ahlersmeyer, chief marketing officer; Brian Mancuso, chief officer of engagement; Nora Woodman, chief development officer; David Daum, vice president of finance and IT; Charlie Shock, concierge and volunteer manager; Renee Bruck, manager of communication; Dan Bortner, director of the Indiana Department of Natural Resources; Indiana District 82 Rep. David Abbott; Dolan Monroe, legislative assistant; Rebecca Holwerda, Gov. Eric Holcomb's office.

The regular meeting of the Board of Directors was called to order at 12:10 p.m. The meeting was held via Zoom due to COVID-19 restrictions.

Introductions

Melissa Caito introduced new board member Fred Cate and two new non-voting members, Dan Bortner with the Indiana Department of Natural Resources and Indiana District 82 Rep. David Abbott.

Chairman's Report

Board Chairman Bill Browne shared an update on the Friends groups. Bill told board members he attended a meeting with Friends groups, including representatives from the Friends of T.C. Steele, Friends of the Lanier Mansion and the Friends of the Limberlost to talk through how each is trying to understand their relationship with the ISMHS. Bill said the conversations are ongoing, and he will follow up individually and possibly as groups as well.

Consent Agenda

The motion to approve was unanimous.

Investment Committee Report

Gary Anderson provided an investment report for the organization. He reported the ISMHS endowment took a drastic fall on March 24, but it has since made a full recovery. Anderson said the endowment is currently very healthy, but it's worth noting that could change quickly – just as it did on March 24. Anderson noted volatility has ranged from 22 to 75, and it's been more than 100 years since the market has had these incredibly high ratios. He also noted this has been the sharpest V curve of recovery ever.

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Finance and Budget Update

Andrew Briggs noted Cathy Ferree and David Daum have done a wonderful job to get the organization to where it is since the onset of the pandemic. He said both are to be commended for what they've done so far.

David Daum went over revenue and expenses for FY20. ISMHS had total revenues of \$10.740 million and total expenses of \$10.717 million, which allowed the organization to end FY20 with \$23,402 in the black. David noted expenses in total were better than what was budgeted thanks to staff at all 12 locations who began watching expenditures as soon as the COVID-19 closures began. David also noted FY20 included a 1% reversion to the state.

The dashboard for FY20 showed several red indicators, but that isn't too surprising due to the closure. The revenue and expenses for the first month of FY21 shows that revenues are currently below budget, but expenses are currently better than expected and spending will remain prudent during this uncertain time. David did note the FY21 budget was developed with a 15% reversion to the state.

Cathy Ferree presented the new dashboard for the upcoming year. She noted no one has a crystal ball for the next 12 months, so the new dashboard will help to compare to where the organization was last year while also comparing our return visitor percentages to national averages as well.

Update on Capital Projects

Cathy Ferree provided an update through photos on capital projects, such as:

- painting, new picnic tables, new seating, new signage at Whitewater Canal;
- the replacement of windows at Corydon Capitol;
- painting and the ongoing repair of rooftop ornaments at the Lanier Mansion;
- replacement of the veranda and stairs at the Culbertson Mansion;
- trim and wood painting at Limberlost;
- power washing of the building, painting and the addition of clothing to exhibits at Angel Mounds;
- painting of the barn and installation of storm windows at Levi Coffin;
- installation of the dock at Gene Stratton-Porter State Historic Site. Cathy noted a team from the Indiana Department of Correction worked with ISMHS to get the dock installed in the middle of a pandemic. Bike racks also have been installed at Gene Stratton-Porter State Historic Site.

Development

Nora Woodman provided a development overview of the last fiscal year and how the organization plans to respond in short term versus long term due to the pandemic. Nora noted the development team has been working diligently to submit grant applications.

She also noted the development team has been following GIVING USA year round, but there are three major takeaways from June 2020: Individuals continue to give but there could be an increase of family

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foundations and donor-advised funds; foundation giving continues to grow and they will be looking to provide significant support; and while corporate giving remained steady in 2019, this could decrease moving forward.

As for the future of fundraising, philanthropy is driven by underlying economy. Leading fundraising experts expect growth and do not believe any decline will be long-lasting.

Nora told board members that experts recommend keeping donors engaged, demonstrating impact, diversifying strategies, utilizing technology and measuring what the organization is doing. ISMHS has been and continues to be engaged in all these activities, plus the organization is trying to meet donors at their comfort level.

Nora also thanked the board for their continued support, noting that all board members are Icon Society members and have shared their expertise throughout the year. She encouraged board members to continue to advocate for the organization, share their expertise, make introductions or invite others to visit the museum with them on Mondays and Tuesdays. She also asked board members to consider making their pledge by Dec. 31.

Collection Piece

Mark Ruschman presented a recent acquisition to the board. A portrait of James Whitcomb Riley by Indiana painter Marie Goth was added to the collection. Mark noted the artwork has beautiful composition and shows the subject relaxed, even though it is a formal portrait.

The piece was given to the museum by Jane Herr, whose father was Andy Rogers. Andy owned many businesses in downtown Nashville, Indiana, and Jane contacted the museum to see if the organization might be interested in some items in her father's office. Mark told board members the painting was leaning on the floor, and he was immediately able to recognize Marie Goth's work. The painting needed some cleaning of scuffs, still the portrait remains a wonderful piece.

Mark also noted handwritten notes on the back of the painting dated it to 1914 and provided details that the painting was created from life at Riley's home in Lockerbie. Mark said the portrait could very well be the last portrait painted of Riley from life.

President's Report

Cathy Ferree provided an update on the COVID-19 economic impact. ISMHS continues to look to research so that we can better understand what 2021 and 2022 will look like.

Amy Ahlersmeyer discussed a survey by the American Alliance of Museums (AAM). She noted AAM is the only organization representing the entire scope of the museum community, and they surveyed 750 museum leadership members – including Cathy Ferree – to gather insights about the industry that have been brought on by the COVID-19 pandemic.

Some significant findings included 33% of museum directors surveyed confirmed there was a “significant risk” of their museum closing permanently by next fall or they “didn't know” if their museum would

survive. Nearly 875 of museums have only 12 months or less of financial operating reserves remaining, with 56% having less than six months of reserves remaining. The survey also found that 75% of museums stepped into roles as educators by providing virtual educational programs, experiences and more, but 64% of those surveyed predicted cuts in education, programming and other public services due to budget cuts.

Since reopening, the Indiana State Museum and Historic Sites launched a brand campaign to attract visitors back to the organization. ISMHS also is participating in Visit Indy's You've Earned It campaign, working with tourism partners in communities near the sites, participating in the "Indy Attraction Pass" and developing member-only events across the ISMHS system to attract visitors. The organization also is working to develop a volunteer program and incentives across the ISMHS system, and ISMHS is working with Kahn's to offer smaller events with innovative menus for facility rentals.

ISMHS projects FY21 total attendance to return by about 50% of the prior year, but we are currently on track to meet that goal. Projections for FY22 and FY23 show attendance and membership levels could return to pre-COVID level, but facility rentals and events could be slower to return.

Brian Mancuso provided an update on the Indiana State Museum experience calendar, noting a few changes have been made. FIX: Heartbreak and Hope Inside Our Opioid Crisis has been extended through Aug. 1, 2021. Although Cause + AEffect was delayed, the exhibit opened as soon as the museum reopened. The Hoosier Art Salon opened and will be on display through Oct. 25, and plans to open Celebration Crossing remain on schedule.

The 2021 calendar includes an art experience, Intersections by Anila Agha, and a collaborative experience, State of Nature: Picturing Indiana's Biodiversity, which is currently open at IU's Grunwald Gallery in Bloomington will open at the Indiana State Museum in February. ISMHS is currently searching for another family or early childhood rental for the summer and the Hoosier Art Salon and Celebration Crossing will return in the winter. Brian also noted FIX: Heartbreak and Hope Inside Our Opioid Crisis will be traveling to Minnetrista in Muncie following the exhibition at the Indiana State Museum. A Major Taylor experience is already in the planning for the 2022 calendar year.

Cathy Ferree told board members that master planning for ISMHS could begin as soon as early to mid-2021. The organization will be looking to answer the questions of what people want or need from us after COVID-19 in the immediate, short and long term.

The ISMHS board of directors entered into executive session. The next meeting of the board is scheduled (via ZOOM) on December 2, 2020.