

## **Indiana State Museum and Historic Sites**

Regular meeting of the Board of Directors via Zoom

Dec. 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; John Wechsler; Robin Winston; Judy Singleton; Mary Walker; Andrew Dahlem; Alice Schloss; and Liz Witte

Board members not present: Kathy Roudebush and Roland Shelton

*Others present:* Indiana District 82 Rep. Dave Abbott; Dan Bortner, director of the Indiana Department of Natural Resources; 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; Marc Allan, director of communication; Renee Bruck, manager of communication; Ron Richards, senior research curator of paleobiology; Carolene Mays-Medley, executive director of the White River State Park Development Commission, Rachel Massey, legislative assistant; Link Ludington

*The regular meeting of the Board of Directors was called to order at 12:06 p.m.*

### **Chairman's Report**

Bill Browne updated the board members that he and Cathy Ferree, along with Nancy Jordan and Andrew Briggs, have been connecting with the organization's Friends groups over the last two months to individually follow-up and answer questions from the various groups. He reported that discussions appear to be moving along well and progress is being made. Discussions continue as questions are answered and groups take the Community Partnership Guidelines back to their respective members for review.

### **Consent Agenda**

The board of directors approved the consent agenda, which included the Sept. 2, 2020, board meeting minutes, Community Partnership Guidelines and deaccession report.

### **Investment Committee Report**

Gary Anderson presented the investment committee report. He told board members that the portfolio has survived the "Armageddon" that was forecasted for investments and Wall Street. He also noted that endowments move slowly and are intergenerational.

He also presented information about how the Indiana State Museum and Historic Sites endowment compared to others. Gary said it isn't helpful to compare ISMHS' endowment with larger endowments, but a comparison to smaller endowments can provide more complete information. Information from

the National Association of College and University Business Officers – or NACUBO – shows comparisons of endowments with \$25 million or less. The information showed that the ISMHS endowment is doing better than average and overperforming in some cases.

Gary provided a historical outlook about how Wall Street has performed throughout several presidencies while telling board members that there are often concerns about a change in parties at the presidential level. The information presented showed there may be slight dips, but the market always continues to increase no matter if a Democrat or Republican is elected as president.

He told the board everything appears to be fine and the investment committee is collectively happy as to where everything stands at this point.

Fred Cate motioned to approve the investment policy statement, and Liz Witte seconded. The motion was unanimously approved by the board.

### **Finance and Budget Update**

Andrew Briggs presented information about the FY2020 audit report, which had been sent to board members via email. He said a great report had been returned from auditors, and he noted it was a nice, clean audit report that people love to see.

Liz Witte motioned to approve the audit, and Nancy Jordan seconded. The motion was unanimously approved by the board.

David Daum presented the financial reports for the first four months of FY2021, ending as of Oct. 31. Daum noted that revenues have totaled \$3.17 million with total expenses of \$3.08 million, for a difference of \$88,538. He noted that all expenses have remained low due to the diligence of staff.

David told board members that revenues for FY2021 are forecasted to be \$9.86 million with total expenses forecasted to be \$9.70 million. He also told board members that the state is requiring a 10% reversion for FY2021 instead of the anticipated 15% reversion. The FY2022 reversion is expected to return to 15%. Daum noted that no additional reductions in the state's reversion in FY2021 should be expected.

Andrew Briggs motioned to accept the finance report, and Gary Anderson seconded. The motion was unanimously approved by the board.

### **Collection Pieces**

Ron Richards gave a presentation about a September 2020 article published in Nature Communications, an international open access journal that publishes high-quality research from all areas of natural sciences.

The article – titled “American mastodon mitochondrial genomes suggest multiple dispersal events in response to Pleistocene climate oscillations” – includes DNA from Fred, the Buesching Mastodon in the Indiana State Museum and Historic Sites collection, as well as 34 other mastodons.

Before Fred was repatriated back to Indiana and became part of the ISMHS collection in 2006, a core had been taken from his bone for DNA testing for studying by Dan Fisher of the University of Michigan's Museum of Paleontology and Department of Earth and Environmental Sciences. Although the DNA couldn't be separated at the time the core was originally taken, technology has advanced since then.

Ron said that this is the first big mastodon DNA study out there, and Fred is a big part of it being one of the 35 mastodons included. The DNA core from Fred is compared to that of mastodons from Alaska, Mexico, Canada and throughout the Great Lakes Region for this 2020 article.

The Nature Communications article can be found online at [www.doi.org/10.1038/s41467-020-17893-z](http://www.doi.org/10.1038/s41467-020-17893-z).

Ron said scientists are still working with other studies of Fred as well, including the life of the mastodon, the timing surrounding his life and more.

Cathy Ferree said Ron has been diligent and done excellent work to make sure Fred was included in the Nature Communications paper.

## **Development**

Nora Woodman presented her report for the development team, noting that the development department – like the other departments within the museum system – are continuing to remain agile throughout the COVID-19 pandemic.

Nora presented year-to-date observations from July to November 2020. She told the board that gifts are \$149,000 ahead of last year, which is due in part to a grant from the Arts Council of Indianapolis. Still, the development team had been tracking ahead of prior year without the grant from the Arts Council of Indianapolis.

As previously expected, corporations have remained even in their giving, and the development team has been spending their energies in keeping current corporations engaged. Long-standing foundation partners of the Indiana State Museum and Historic Sites have committed to continued support, and individual donors are responding to renewals – some with increases – and new giving. Although the pandemic is a time when the development team might least expect to see increases from individual donors, those dollars doubled from the amount received between July and November 2019 thanks in part to board giving, leveraging Lilly Endowment matching, and reengaging previous donors. Woodman said all numbers appear to be tracking in the right direction.

Industry reports indicate individual giving was up during the first half of the calendar year 2020 by about 7.5% and lower level donors are giving more. Reports also indicate foundations are poised to provide more operating support, and this is helping ISMHS create strategies for connecting with community foundations.

Nora told board members that there is a significant ask out to Indiana Family and Social Services Administration to help fund virtual learning for “FIX: Heartbreak and Hope Inside Our Opioid Crisis.”

She noted the development department is currently at 45% of the FY2021 forecasted operating goal. For the rest of the fiscal year, the team plans to continue to engage foundations and individuals, as well as continue to renew as many corporations as possible. There will be less focus on securing new corporate sponsors outside of seeking new sponsors for the Major Taylor and Celebration Crossing exhibits for FY2022.

She also shared information about giving campaigns planned through the holiday season. Through a three-pronged approach, the development team plans to send a mailed year-end campaign, an email series campaign that will be delivered once per week throughout the next three weeks, as well as a final push with a Dec. 28 email ask. She said about 12% of individual giving in the U.S. comes in on Dec. 30 and 31.

In all, the development team has stayed the course throughout the pandemic this year, and the team is encouraged by the positive responses so far.

### **New ISMHS Merchandise**

Amy Ahlersmeyer presented the museum system's new merchandise collection. After taking over operations of all nine museum gift shops, the museum system began looking at what the most popular sellers were to come up with a branded official collection for the museum system. The official collection features a t-shirt, coffee mug, canvas tote, ball cap and lapel pin for each of the 12 locations. To come up with design ideas for each location, site staff at each location were asked for input on key symbols that visitors are drawn to or must see during their visit. The collection can be purchased in a series by location or item collection, and each item can be purchased separately.

Amy said holiday ornaments also have been added for each site and may be purchased individually or as a collection. She told board members the ornaments and merchandise collections have been very popular and are selling well. Both collections make great holiday gifts, too. Nancy Jordan suggested that order forms for merchandise be sent out to all board members. (The form was sent by Cathy Ferree the following day – Dec. 3.)

### **President's Report**

Although her reports are usually positive, Cathy Ferree wanted to provide a reality check – museums across the country are suffering during the pandemic. She said some museums have not been open since shutting down in February.

Although the Indiana State Museum and Historic Sites are grateful to have reopened at this point, ISMHS is running behind metrics from last year. So far, ISMHS is running at about a 40% visitor return rate. School tours went from 8,500 visitors last year to 118 visitors this year. Marion County schools have closed and turned to virtual learning while other school districts are using hybrid learning. Still, none of the schools are going on field trips.

To help teachers, ISMHS plans to utilize grant funding to create virtual school resources that will assist teachers with lesson planning to provide virtual opportunities for classes to still engage with the museum system. These resources will be long-lasting while providing an immediate response to the

pandemic situation, while also providing resources for the middle and long term. The module project will continue to serve audiences, and virtual experiences will continue to grow in years to come.

Cathy said paid attendance is about half of what it was last year. Usually paid attendance highlights visitors who have never visited before. The retention of memberships remains about average this year. Ferree noted staff at the state historic sites have done an amazing job with outdoor programming.

Although ISMHS has reopened, each department continues to monitor every penny spent, and no one spends money that David Daum hasn't already approved. Ferree said staff recognizes the pandemic has created a volatile situation and that things are not normal.

She told board members the museum system usually receives the highest visitation and membership sales in December. Attendance for opening weekend of Celebration Crossing was fine, she said, but visitation was nowhere near what it usually is during a typical year. The museum system will work to pick up some of December's lost attendance in May and June.

Cathy also shared a table showing revenues and expenses broken down by location. She said the information will be shared with each location and the organizations working with those locations. Grants allocated for specific locations are not included in the table.

She noted some difficult decisions had to be made during the pandemic to balance budgets. Ferree said the museum system is still looking to find out how some reorganization might play out.

Brian Mancuso spoke about the 2020 Best Practices Award that the Association of Midwest Museums (AMM) honored the Indiana State Museum and Historic Sites with for "FIX: Heartbreak and Hope Inside Our Opioid Crisis." The award is given to a cultural institution that has demonstrated thought-leadership through innovative programming and museum practices. Brian told board members that presenters during the awards ceremony in November specifically highlighted the community focused approach that the museum system took with this exhibit. Brian showed three videos that were produced for the virtual AMM awards ceremony.

In closing, Cathy said the organization expects to hold virtual board meetings until at least September 2021.

*The Indiana State Museum and Historic Sites board of directors entered into executive session at 1:54 p.m. The next board meeting will be held via Zoom on March 3, 2021.*