

Friends of the Museums of Florida History, Inc.
MEETING MINUTES
10:00 a.m., Thursday, January 21, 2021
By Conference Call Only

Participants

Directors: Ms. Laura Rogers, Chair; Ms. Monesia Brown; Mr. Andrew Collins; Ms. Kathy Guilday; Ms. Lena Juarez; Dr. Dennis Moore; Mr. Jon Moyle

Staff: Ms. Lisa Barton; Dr. Timothy Parsons; Dr. Thomas Robinson; Ms. Kaitlin Silcox

Guests: Ms. Jessica Coates, Carr, Riggs, and Ingram; Mr. Scott Hilton, Wells Fargo Advisors; Mr. Brian Manuel, Carr, Riggs and Ingram

I. Call to Order

Ms. Rogers, Chair, called the meeting to order at 10:04 a.m.

II. Introduction of Board, Staff, and Guests

Ms. Rogers welcomed all board members, staff members, and guests attending the meeting. Since the meeting was held by conference call, Ms. Rogers asked Dr. Robinson to call roll to see who was on the call.

III. Adoption of Agenda

Ms. Rogers made a motion to adopt the agenda.

MOTION TO PROCEED WITH AGENDA: Dr. Moore

SECOND: Ms. Brown

MOTION PASSED WITH NO OBJECTION

IV. Chair's Comments

Ms. Rogers declined to make many comments before the meeting, stating that she wanted to keep the meeting moving.

V. Consent Items

Ms. Rogers inquired if there were questions about the minutes or the financial report on the consent agenda. There were no questions so Ms. Rogers asked for a motion to accept the minutes and the financial report at the same time.

Note: Consent items up for vote were provided to the Board in advance via email.

A. Meeting Minutes from September 11, 2020 quarterly board meeting

B. Meeting Minutes from October 22, 2020 meeting

C. Financial Report through December 2020

MOTION TO APPROVE THE SEPTEMBER AND OCTOBER MEETING MINUTES AND THE

FINANCIAL REPORT: Mr. Moyle

SECOND: Ms. Guilday

MOTION PASSED WITH NO OBJECTION

VI. Business Items

A. Financials

1. FMFH FY 2019-2020 Audit

Ms. Rogers introduced Ms. Coates and Mr. Manuel from Carr, Riggs, and Ingram to present the FY 2019-2020 audit.

Mr. Manuel stated that he was on the call just to answer any broad questions the board may have and Ms. Coates would

conduct the presentation since she directly worked on the audit. Ms. Coates started with an overview of the process of the audit and then discussed the financial statements in more detail. Ms. Coates pointed out that the FMFH's financial picture for FY 19-20 was very similar to that of FY 18-19. She also pointed out a note on page eight of the audit that discussed an accounting standards update that affects how revenue is listed in the audit. Ms. Coates also directed the board's attention to note thirteen, which highlights risks and uncertainties due to COVID-19.

Ms. Coates then moved on the "Supplementary Information" portion of the audit. Ms. Coates pointed out that this section of the audit shows the revenue and expenses in more detail than the earlier parts of the report. Ms. Coates and Mr. Manuel opened the floor to questions. Mr. Collins asked a question about note two, which had a blank area where the date of when the audit would be issued. Mr. Manuel stated that the date would be filled in once the audit was finalized. Since the audit being presented is still considered a draft, that date was purposefully left blank.

With no more questions, Ms. Coates stated she would wrap up her presentation by discussing the required communications and adjustments that need to be made. Ms. Coates highlighted that an adjustment had to be made to the state in-kind contribution formula to adjust a mathematical error that was made by FMFH staff. Ms. Coates added that the museum staff was very helpful and responsive and she appreciated their efforts. Ms. Coates added that the management representation letter still needed to be added to the audit report and that section was currently blank. To end the presentation, Ms. Coates stated that there was an internal control recommendation related to the state in-kind contribution mathematical error. Because the error was not caught before the journal entry was made, the auditors recommended that the Museum Director should review the formula in future years to make sure an error does not occur.

Ms. Coates concluded her presentation. Ms. Rogers asked the board members if there were any questions from the board members. There were no questions so Ms. Rogers asked if the board members were willing to pass a draft version of the audit or if they wanted to wait until it was finalized. Dr. Robinson pointed out that there were elements of the audit that needed to be updated, but the board could pass a motion to accept the audit, assuming the missing elements are filled in, but the board does not have to accept the audit in a draft state if they do not feel comfortable doing so. Mr. Birtman stated that he thought it might be better to wait and asked Mr. Collins his opinion. Mr. Collins concurred with Mr. Birtman, saying that he thought it was better to wait until the final version of the audit is completed. Mr. Collins said waiting might depend on the timing of the next meeting. Dr. Robinson stated that as long as the board held another meeting in March or April, waiting to vote on the audit would be fine and would not cause any problems for staff or impact any deadlines.

In light of the discussion, Ms. Rogers suggested the board set up the next board meeting for March or April and wait until then to get the final audit and approve it.

2. Endowments Progress Report

Ms. Rogers introduced Mr. Hilton to discuss the endowments. Mr. Hilton gave an overview of how things have progressed over the past year since the board met in March of 2020 and were not sure how things were going to shake out. At that time, it was thought there would be a significant drop-off in the market in the fall, but that did not happen. In certain sections, the FMFH endowments actually performed pretty well and bounced back from a mixed market in 2019. Looking forward, Mr. Hilton stated that he does expect interest rates to stay low for the near future but he does not expect a lot of negatives for the endowments.

Mr. Hilton then discussed each individual endowment. The Charles Knott Endowment started out at \$153,994 at the beginning of 2020 and ended up the year at \$163,981, which equates to a 6.5% return. The James Knott Endowment was at \$196,365 at the beginning of 2020 and ended up the year at \$221,355, which equates to a 4.1% gain. The Cultural Endowment started out 2020 at \$628,201 and ended up the year at \$634,855, which equates to a 3.8% return.

Mr. Hilton opened up the floor to questions. Mr. Moyle thanked Mr. Hilton for managing the accounts and providing a concise report. Ms. Rogers thanked Mr. Hilton for joining the call and providing an easy to understand explanation of the endowments.

B. Updating Check Control Measures

Ms. Rogers asked Mr. Collins and Dr. Robinson to discuss the work they have been doing on updating the control measures for checks. Dr. Robinson started first and stated that he has worked closely with Mr. Collins and Ms. Barton so they should both add to his broad overview. Dr. Robinson said that the FMFH began researching check control measures in order to fall more in line with other Department of State CSOs. As of now, Dr. Robinson stated that any expenditure over \$1,000 are approved by the Treasurer by email. Dr. Robinson stated that the other CSOs in the Department typically require a second signer on larger checks and that second signer is a board member. Dr. Robinson stated that no auditors or accountants have said the FMFH's controls are poor but the extra layer of control measures could be beneficial.

Ms. Barton added that in the process of evaluating internal controls, which is done periodically, it was felt that requiring a board member to sign checks over a certain dollar amount was likely a beneficial idea to add an extra layer of security. Ms. Barton did point out that the current process works and adding a second signer would need to be added to the by-laws.

Ms. Brown said that she thought adding a second signer was a good idea based on her knowledge of how other non-profits work. Ms. Brown is also aware of situations where having multiple signers or approvers did not happen and funds were misappropriated and while she does not think that is the case in this situation, she thinks the overall suggestion for oversight is smart. Ms. Guilday agreed with Ms. Brown, saying that she has served on multiple boards and all of them have measures such as this, which can protect the employee as much as the organization.

Mr. Collins added that he agreed with everything that had been said. Mr. Collins stated that he thinks this is not an immediate need, but he does think the suggestion is a good idea for transparencies sake. Mr. Collins stated that he thought the thing to really consider is the threshold for which the second signature would be required. He argued that perhaps the \$1,000 threshold might be too low. Ms. Rogers suggested that Dr. Robinson and Ms. Silcox do some research on the number of checks that have been processed that are over \$1,000 and that information could be presented at the next board meeting. Ms. Rogers also added that Dr. Robinson and Ms. Barton should probably start working on language to update the by-laws.

C. Other Staff Updates

Ms. Barton stated that one of the legislative priorities of the Department of State is to get the Museum of Florida History and Knott House Museum back in the Division of Historical Resources. The MFH and KHM are currently in the Division of Cultural Affairs. Dr. Parsons added that DHR is excited to add the museums into the fold. He also informed the board that from a day to day, functional level, the MFH and KHM are treated as if they are already in DHR. Dr. Parsons stated that he thinks the move will be completed in 2021. Ms. Rogers asked if there was anything the FMFH can do to assist in the move. Dr. Parsons stated that having a letter of support would help and staff could provide language to the board for a letter of support. Dr. Parsons added that board members can send letters of support independently as well if they do not want to wait on the board to vote for a letter. Mr. Birtman advised that work should begin on a letter as soon as possible. Ms. Rogers asked Mr. Birtman if he would be willing to coordinate drafting a letter. Mr. Birtman stated that he would do whatever he could to help. Dr. Parsons stated that he believed he could get Mr. Birtman some specific language to help him draft a letter to the legislature.

Ms. Barton let the board know that there is no date yet set for when the museums will open back to the public. As such, the museums continue to plan virtual events. Florida History Day has already gone virtual and the 20th of May Celebration is likely to be virtual as well. Dr. Robinson added that the next virtual event is a History at High Noon that will be released to the MFH's Facebook page on Tuesday, January 26. Dr. Robinson also let the board members know that the FMFH did submit the final payment to the Mel Fisher Maritime Museum for the Spirits of the Passage traveling exhibit.

Ms. Rogers asked Ms. Silcox if there were any updates from the History Shop. Ms. Silcox stated that she did not have a lot of updates, although she did state that Shop staff are moving forward with semi-annual inventory the last week of January. Ms. Juarez asked Ms. Silcox if she was planning to open during committee meetings. Ms. Silcox stated that she had not made a definitive decision, but the New Capitol location does have signage up that indicates people can shop online or by appointment. Ms. Silcox stated that the Capitol location likely will open for the organizational session in a few months. Ms. Rogers asked if Ms. Silcox had contact information for the legislators and if she was able to contact them. Ms. Silcox stated that she does not have that kind of information. Ms. Juarez said that she could provide that

information. Ms. Barton said that as a state employee Ms. Silcox might not be able to e-mail legislators directly, but staff could check on that with the Department of State's legislative affairs and/or legal staff.

VII. Other Business

A. Upcoming events

Ms. Rogers said that several upcoming events had already been discussed, but asked Ms. Barton and Dr. Robinson if there were any other upcoming events they wanted to highlight. Ms. Barton said that there were not any other events to discuss, but she did want to let the board members know that work had begun in the museum galleries to fix some leaks that had developed in the ceiling. Mr. Birtman asked if the leak problem was as bad as it was before the installation of the flooring in the plaza or if it was worse. Ms. Barton said that the leaks are nowhere near as bad as before, but since the museum is closed, this seemed like a good time to potentially fix the leaks permanently. Mr. Birtman stated that he hoped the board members would be updated on the status of the leaks at future meetings.

B. Wrap Up—Summary of Meeting Accomplishments

Ms. Rogers opened the floor for questions or comments. There were none. Since there were no questions and no members of the public on the call, Ms. Rogers suggested ending the meeting.

VIII. Public Comment:

IX. Adjourn

Ms. Rogers asked for a motion to adjourn the meeting.

MOTION TO ADJOURN THE MEETING: Ms. Guilday
SECOND: Dr. Moore
MOTION PASSED WITH NO OBJECTION

The meeting adjourned at 11:12 a.m.

Presented by Ms. Laura Rogers, Chair

Dated: _____