

MINUTES

GOVERNOR'S TASK FORCE ON ENDOWMENTS AND PHILANTHROPY

Montana School Boards Association Conference Room
Thursday, February 17, 2005

Present:

Sue Talbot, chair	Galen McKibben
Barbara Anthony	Sharen Peters
Dale Burgeson	Dennis Peterson
Linda Coulston	Alberta Rivera
Donna Davis	John Scibek
Mike Halligan	Jim Soft
Judy Held (via VisionNet)	Peter Sullivan
Amy Kelley	Judy Wing
Brian Magee	Ralph Yaeger
Tim McCauley	

SPECIAL CONSIDERATIONS

Ralph asked that the minutes reflect how much the Task Force appreciated Clark Pyfer's contribution over the years, and our sadness at his loss.

The group thanked Bob Vogel for making his luxurious conference room with its VisionNet connection available to the Task Force for this meeting!

APPROVAL OF DECEMBER MINUTES

Sue asked if any changes need to be made to the December minutes. Ralph moved to accept the minutes as distributed; Linda seconded the motion. The group unanimously approved the minutes by voice vote.

2005 LEGISLATURE UPDATE

In Aidan's absence, Sue asked Mike Halligan to give an update on the Legislature. Mike noted that while they aren't feeling the financial squeeze of previous sessions, there might be budget overruns. They are waiting for the Governor to state his priorities. Looking to save \$60-80 million, the tax committee has a list of all of the tax credits and will be looking at them after Transmittal. He thinks that the Endowment Tax Credit has enough support behind it that it's not threatened, but nothing is certain.

Judy Wing asked whether there were any other bills aimed at regulating nonprofits. Mike said not that he's seen. Brian noted that there are several bills still in draft form (which, at this point, may never make it to committee). One addresses excess compensation of officers/directors, and another is titled "Financial disclosure and auditing requirements for nonprofits." He thought that this was perhaps a harbinger of things to come in Montana. There was discussion about similar issues being discussed before Congress, now that several states have passed "transparency laws." Judy Wing suggested that perhaps the group should be proactive, promoting legislation encouraging fiscal responsibility in nonprofits. Brian responded that the Montana Nonprofit Association would be looking into that very closely. He discussed the Independent Sector Panel on Nonprofit Reform, a 25-member panel that was created at the request of Senators Baucus and Grassley of the Senate Finance Committee. Brian sits on one of the organizational working groups, which will help the Panel make recommendations to the Committee. He said that the Panel will be holding several open forums and comment periods, and that

their “Interim Report” should be released within a few weeks. (The report is posted on the MCF web site. www.mtcf.org. Click on the “News and Events” button, and then on “Senate Finance Committee Considers Nonprofit/Foundation Reforms.”) **Brian will notify Task Force members about any possibilities for involvement.** Overall, Brian thought the conversation a good and necessary one, given that public trust in nonprofits is at an all-time low. He suggested people visit www.IndependentSector.org for more information.

Sue asked for a report on HB 495, which would have changed the Endowment Tax Credit. The bill was tabled, but it was noted that the deadline for tax bills to be heard is later than the normal transmittal date, and that bills can be pulled off the table, so it is worth watching.

REGULAR MEETING DATE

Sue was pleased to have both Sharen Peters and Alberta Rivera attending the meeting; neither can attend on the regular second Thursday meeting date. She suggested the meetings be moved to the third Thursday, and asked for a vote. All attending agreed. **THE NEW REGULAR MEETING DATE WILL BE THE THIRD THURSDAY OF THE MONTH; THE MARCH MEETING WILL BE HELD ON THE 17TH.**

CARE ACT UPDATE

John Scibek reported that since there has been a leadership change in the Senate (Sen. Daschle had been blocking the bill from going to conference committee in protest over Democrats being excluded) the bill perhaps had a better chance of moving. That said, the package is still too expensive given the federal deficit. He suggested putting energy behind the stand-alone IRA rollover bill, which would allow people reaching a certain age to roll over their IRA into a charity without taking a potentially taxable distribution. He said that Sen. Baucus has been apprised of this bill. Jim noted that the IRA-rollover bill would be nearly revenue neutral (some think it would actually be a revenue-generator), but that it would require a unified front to move it. He said that he would be in a conference phone call about the bill the next day, and agreed to inform the group about the results of that call.

Judy Wing asked whether the CARE Act provides additional funding or faith-based initiatives. Jim said no, it just brings them to the table. He explained that the CARE Act is a bunch of charitable incentives, one of which is the IRA rollover. He stressed that it is NOT the same as the “Faith-Based Initiative.”

FINANCIAL REPORT

Ralph distributed the Task Force Statement of Activities from December 1, 2004 through January 31, 2005. It showed \$1,225 in contributions and \$1,339.25 in expenses for and ending fund balance of \$4,492.94. Ralph reported that the Task Force received several generous additional contributions since this report: \$1,000 from Benefis Healthcare Foundation, \$2,500 from the MSU Foundation, and \$2,500 from the UM Foundation. Page two of the financial statement was a Statement of Activities for Legislative Session Consulting, which showed \$3,500 in contributions (\$1,000 from the Central Montana Foundation and \$2,500 from Montana Community Foundation) and \$2,500 in expenditures for an ending fund balance of \$1,000. Sue thanked Alberta, Dennis, and John for the contributions. She noted that in her fundraising letter she’d stressed that the Task Force we not asking for a donation but rather asking them to think about the contribution as a membership or marketing tool, that their planned giving departments already have directly benefited from the Task Force’s work.

John asked whether we’d received a contribution from DA Davidson. Ralph said that Linda Reed would be asking them and Wells Fargo to make a contribution toward our lobbying efforts.

There was discussion about fundraising assignments:

- **Linda Reed is working with DA Davidson and Wells Fargo.**
- **Ralph will talk to Spence Hegstad about the Fish, Wildlife & Parks Foundation and with Jay Vogelsang about Carroll College.**
- **Tim and Judy will contact local United Ways.**

GOVERNOR RELATIONS

Ralph drafted a report to the Governor beginning with the history of the Task Force and the first Governor's Conversation out of which the Task Force was created (Josh wrote the original text). **Ralph will e-mail the draft to all TF members for comment.**

Sue asked about the timing of a meeting with the Governor. It was agreed to wait until after the legislative session. Sid Armstrong had suggested that Lt. Governor Bohlinger be asked to be the official liaison to the Task Force, and to regularly attend meetings if possible, since he has much invested in the Endowment Tax Credit legislation. Sid also suggested that both the Governor and Lt. Governor be pictured on the web site home page. All agreed. **Sue will work with Sid about setting up a meeting in April.**

ENDOWMONTANA WEB SITE

The attendees split into two groups to work on the web site redesign: one tackled the overall content (which Galen attended) and the other worked on the FAQs. **Amy took notes for that group and will forward them to Galen.**

NEXT MEETING

It was agreed that the next meeting would be held on Thursday, March 17, from 10 a.m. until 2 p.m. at the Montana School Board Association.

Meeting adjourned at 1:30 p.m.