

**MINUTES**  
**GOVERNOR'S TASK FORCE ON**  
**ENDOWMENTS AND PHILANTHROPY**  
 Department of Labor Conference Room  
 Thursday, October 19, 2006

**Members Present:**

Sue Talbot, Chair	Brian Magee
Sid Armstrong	Tim McCauley
Steve Browning (by phone)	Jodi Medlar
Linda Carlson	Dennis Peterson
Linda Coulston	Bill Pratt
Steve Daniels	Alberta Rivera
Dorcie Dvarishkis	Jim Soft
Mike Halligan	Peter Sullivan
Judy Held (by phone)	Josh Turner
Jean Jenkins	Judy Wing
Amy Kelley	

**APPROVAL OF SEPTEMBER MINUTES**

No corrections were noted on either the September Task Force meeting minutes or the October 10 conference call meeting held by the subcommittee on fiscal sponsorship. Peter moved to accept both sets of minutes as distributed; Jodi seconded the motion. The group unanimously approved by voice vote.

**FINANCIAL REPORT**

Josh reported in Linda Carlson's stead that the Governor's Conversation subcommittee she chairs has raised \$31,000 thus far (which is not wholly reflected in the financial statements prepared by the Montana Community Foundation (MCF), as they cover the period from September 1, 2006 through September 30, 2006), well exceeding the \$25,000 goal. MCF provided three financial statements: the Conversation statement showed \$10,500 in contributions (\$10,000 from Cathy Cambell and \$500 from the Dennis and Phylis Washington Foundation; an additional contribution of \$10,000 was made by the University of Montana on October 2nd) and \$5,971.08 in expenses for a fund balance of \$14,560.90; the Lobbying statement showed \$1,000 in contributions (from Rocky Mountain College) and no expenses for an ending fund balance of \$1,500; the Operating Expenses statement showed no new contributions and \$30 in expenses for an ending fund balance of \$5,420.20.

Sue proposed that fundraising for TF overhead be postponed until after the Conversation. All agreed that a year-end, pre-legislature appeal would be a good idea.

**UPDATE ON FISCAL SPONSORSHIP**

Brian reported that his board of directors held a meeting on September 25th at which time a motion passed to approve, in principle, moving forward on developing a memorandum of understanding (MOU) with the TF on becoming its fiscal sponsor. He noted that there was very good discussion on the issue, with the main concern being the future direction of the TF – an issue he noted that the TF has been asking itself – and what structure would best accomplish the desired goals and activities of the TF. The board felt it was not a “best practice” to have an autonomous group attached to it long term; that having MNA as the fiscal sponsor for the TF is not a long-term solution. That said, the board wishes to help the TF through this transition phase, which they envision as lasting more or less one year. The MOU will define this transitional period. If the TF decides down the road that it neither wants to become a 501(c)(3) nor be officially associated with state government, then it would have to more formally associate itself with MNA, which would assume more governance and control over the TF.

Brian pointed out that the TF doesn't have many options right now. He noted that the board understands the need to move quickly on this issue; the Executive Committee has been empowered to make a final decision at its November 14 meeting.

Steve Browning already drafted an initial MOU; MNA board member Kathy Kenyon, a Billings attorney, drafted a memo laying out core issues and how the board wishes the relationship to go forward. Steve and the subcommittee assigned to this issue will redraft the MOU. If approved by the MNA board, Brian will work with Linda Reed on the transition from MCF to MNA.

Steve made a motion that MNA become the fiscal sponsor for the TF. Bill Pratt seconded the motion. All approved. Mike Halligan asked about the timeline. Brian anticipated board approval on November 14th, and expected that the MOU would be finalized before that meeting. He was unclear how long the transition from MCF would take, but would request a December 1st date. Linda Reed had indicated her desire to have the transition completed before the year's end.

Steve revised his motion: that the TF continue negotiations with MNA on fiscal sponsorship with the assistance of MCF. Bill seconded the motion. All approved.

### **TAX CREDIT RENEWAL LEGISLATION**

Jim Soft reported that he has not yet gotten an appointment with DOR's Derek Bell about proposed changes in the language of the bill pertaining that would disallow gift for buildings to qualify for the endowment tax credit. Steve said that Derek had called him this week and is ready to discuss the language. Steve didn't think there would be any opposition from DOR on incorporating those changes, which reflect changes in the federal UPMIFA law.

There was discussion about whether the administration and DOR would agree to increasing the corporate rate to 30%. Steve noted that the fiscal impact of that change is fairly significant, although not a lot of money in budget terms (approximately \$300,000). **Dorcie volunteered to call Budget Director David Ewer and try to make an appointment with him following the TF meeting; Mike agreed to go with her.** (NOTE: Dorcie and Mike met with David Ewer at 2:30 that afternoon; he was open to the idea of increasing the corporate percentage, but no agreement was made at the meeting.)

Sue asked all TF members to keep their eyes and ears open for any talk among legislators or others about allowing gifts to buildings to qualify for the credit. Dorcie said that UM President Dennison had spoken with commissioner Sheila Sterns to say that the University is behind the separation of these two issues, given that the spirit of the credit is to build endowment, not buildings. Dorcie said she also made Dean Eck of the law school aware of the issue.

Steve noted that because of this concern, the TF should definitely have a lobbyist for the session. Sue reported that Aidan is resistant to filling that role this year; **Sue will discuss with Aidan whether or not she is willing to lobby on behalf of the TF.** All agreed that Aimee Grmoljez, who partnered with Aidan lobbying for the TF two years ago, should be asked if she is available. Steve noted that she is pregnant with twins, although she will be lobbying for other entities. Brian noted that Aimee will be representing MNA at the legislature, and that she sits on their policy council. Brian will also be at the capital this session. Other suggestions for possible lobbyists included Bill Johnson and Mona Jaimison. **It was agreed that the lobbyist issue would be revisited at the next TF meeting.**

Sue distributed the list of associations pulled together by Steve and amended by Brian, and asked TF members to assign themselves to talk with various associations about renewal of the tax credit. She also distributed contact sheets for members to record meetings with legislators and others.

### ENDOWMONTANA WEB SITE

Dennis reported that he and Dale Bergeson have been working on drafting anecdotes for the planned giving section of the web site. He distributed sample anecdotes for feedback. All agreed that the approach was a good one, and that it is better to use simple, generic examples than real examples, although gathering real examples as testimonials would improve the site as well. **Dennis will follow up with Galen about how the anecdotes will be implemented on the web site, and will make sure the type is large enough for “older eyes.” He said they would get this done before the Conversation.** Peter made a motion to adopt Dennis’s work. Josh seconded the motion. All approved.

### GOVERNOR’S CONVERSATION STEERING COMMITTEE REPORTS

Josh reported that the briefing paper is coming along, albeit slowly, and that it is full of very good information including a report on the MCF Transfer of Wealth study.

**Sid requested that all TF members RSVP to Jackie Williams ([jacwilliams@mt.gov](mailto:jacwilliams@mt.gov)), and asked for help following up with other invitees.** She noted that there is limited space, and that they will be using the Helena Trolley to shuttle people to the Governor’s residence. Josh asked for volunteers to take notes during the conversation. **Amy and Dorcie volunteered to bring laptops to take notes.**

Bill reported on the panelists that have accepted, and went through the small groups that still need moderators (this is where the recommendations and action steps will be developed). Assignments were made for calling invitees. Sid reported that the Governor decided not to invite any reporters to the event, but that it will be videotaped and the notes will be used for the proceedings report. **Sue asked steering committee members to e-mail TF members if they need any help before the Conversation.**

### OTHER BUSINESS

Judy Wing announced that she is retiring from United Way after 25 years, and therefore will be retiring from the TF as well. She will be attending the Conversation, and suggested that a new person from United Way be appointed in her stead.

### NEXT MEETING

Because the regular third Thursday meeting would be the day after the Conversation (November 16<sup>th</sup>), it was agreed that **the next TF meeting would be December 7<sup>th</sup>. Sid will find out if the Dept. of Labor conference room is available; Amy will find out if the NWPPC room is available.**

Meeting adjourned at 1 p.m.