

Minutes of the Archives Partnership Trust Board Meeting
4:00 pm, November 2, 2017
The Hearst Tower, 300 West 57th Street, New York, NY

Board Members Present

Stephen Pagano, Chair; George R. Hearst III, Vice Chair; Patricia Fahy, Harold Iselin, Joyce Shenker, Gary Smith and Christine Ward

By telephone: Barbara A. Brinkley, Treasurer; Jay Buhr, Kimberly Gilmore, James Hoehn and Peter Millock

Staff Present

Thomas J. Ruller, Executive Officer; Janet Braga, Director; and Jennifer Clunie, Assistant Director

Board Members Excused

Nedda Allbray, Tom Birdsey, Bronwyn Hannon, Harold Holzer and Rosemary Vietor

Guest: Mark Behan, APT Steward

Call to Order

Mr. Pagano called the meeting to order at 4:05 pm, noting the presence of a quorum.

News and Updates

Mr. Pagano thanked Mr. Hearst for sponsoring and hosting the evening's Steward Reception and providing space for the Board meeting. He noted Board meeting dates proposed for 2018 are:

Thursday, March 15 (Albany)

Thursday, June 7 (Albany)

Thursday, October date TBD (Hearst Tower, NYC)

Administrative Items

Resolution for Approval of the Minutes of the June 15, 2017, Board Meeting (Item 2.1)

The first item was a resolution to approve the minutes of the June 15, 2017, Board meeting. The motion to approve was made by Mr. Iselin, seconded by Mr. Hearst, and unanimously passed.

Resolved, that the minutes of the June 15, 2017, Board meeting are hereby approved.

Financial Reports (Item 2.2)

Mr. Ruller reported that, as of September 30, 2017, the Endowment Investment Account's net equity value was \$4,406,105. With the Operations and Projects funds temporarily deposited to the account deducted, the Actual Endowment Value was \$4,374,819. FY17-18 activity total was \$130, 758 (dividends, interest, realized gains/losses). The account for processing credit card transactions (established to keep such transactions apart from the main endowment account for security purposes) had a balance of \$16,127. The \$631 reductions line represented refunds and other fees, with a balance of \$15,496.

Mr. Ruller noted the Trust tracks both income and expenses each year, as reflected on the report; however, the State appropriation of \$300,000 has not been received as of September 30th. He is not to be overly concerned, as it is a matter of timing and the Trust has sufficient liquidity to meet its obligations (e.g., payroll). Mr. Ruller suspects by the next Board meeting (March 2018) payroll expenses will in all likelihood be significantly less than what was projected in the budget, due to the recent retirements of both Jill Rydberg and Judith Van Allen. Ms. Braga noted members of the Investment or Audit committees, or Board members with financial questions, can direct their inquiries to her. Mr. Ruller also noted that, on the next report, the grant from AT&T to preserve a number of British Colonial documents from the Hudson Valley project is wrapping up – a liquidation of those funds will be seen.

Resolution to Approve Renewing Benchmark Printing, Inc.’s Contract for Printing *New York Archives* magazine (Item 2.3)

The next item was a resolution to approve renewing Benchmark Printing, Inc.’s contract for printing *New York Archives* magazine. The renewal would be for a one-year extension, with no price increase in the contract. The motion to approve the resolution was made by Mr. Hearst, seconded by Ms. Fahy, and unanimously passed.

WHEREAS, the current contract with Benchmark Printing, Inc. for printing *New York Archives* magazine expires October 31, 2017; and

WHEREAS, the Archives Partnership Trust needs additional time to prepare, issue and complete the review of and reference checks for proposals submitted concerning entering into a new contract for printing *New York Archives* magazine, and

WHEREAS, a break in these printing services would keep the Trust from fulfilling its members benefits in a timely manner;

RESOLVED, that Trust Board approves extending the expiration date of the Archives Partnership Trust’s contract with Benchmark Printing, Inc., for printing *New York Archives* magazine from October 31, 2017, to October 31, 2018.

Resolution to Approve Renewing the Contract with 2k Design for Graphic Design (Item 2.4)

The next item was a resolution to approve renewing the contract with 2k Design for freelance graphic design services. This renewal would be the fourth of four possible one-year renewals allowed by the original contract, with the same terms as the prior year. The motion to approve the resolution was made by Ms. Ward, seconded by Ms. Fahy, and unanimously passed.

Whereas, The New York State Archives Partnership Trust’s contract with 2k Design, dated January 7, 2014, for freelance graphic design services, including but not limited to designing *New York Archives* magazine issues, membership and corporate partners program collateral, annual appeal and other campaign fundraising pieces, event invitations, advertisements, posters, and business print communications pieces, provided that the Trust may, with Trust Board approval, renew the contract for up to four additional one-year terms;

Resolved, That the contract with 2k Design, for freelance graphic design services, including but not limited to designing *New York Archives* magazine issues, membership and corporate partners program

collateral, annual appeal and other campaign fundraising pieces, event invitations, advertisements, posters, and business print communications pieces, be renewed at a cost not to exceed \$35,000 for one year for the period February 1, 2018 to January 31, 2019. All other terms of the contract shall remain in effect.

Resolution to Approve Renewing the Minnesota Charitable Registration (Item 2.5)

The next item was a resolution to approve the Minnesota Charitable Organization registration form. Per Ms. Braga, approximately 24 states (outside of New York State) require charitable registrations; the state of Minnesota requires Board approval to do so. The motion to approve the resolution was made by Mr. Hearst, seconded by Ms. Ward, and unanimously passed.

WHEREAS, sections 309.52 and 309.53 of the Minnesota Charitable Solicitations Act require charitable organizations that solicit in the state of Minnesota and that are not otherwise exempt to register as a soliciting charity;

WHEREAS, the Minnesota Charitable Organization Initial Registration & Annual Report Form requires a resolution by the Archives Partnership Trust (“Trust”) Board (“Board”) approving the contents of the document and authorizing the Trust’s officers (Executive Officer and Director) to execute the document;

WHEREAS, the Trust seeks to solicit financial contributions from individuals, corporations, law firms, and foundations in the state of Minnesota; and

WHEREAS, the Trust has completed the Minnesota Charitable Organization Initial Registration & Annual Report Form and presented it to the Board to approve the contents of the document;

RESOLVED, the Board approves the contents of the attached Minnesota Charitable Organization Initial Registration & Annual Report Form as presented at its November 2, 2017 meeting, and authorizes the Trust’s officers (Executive Officer and Director) to submit the document to the Attorney General of Minnesota.

Resolution to Amend Audit Committee Charter (Item 2.6)

The next item was a resolution to approve minor changes to the Audit Committee Charter. The motion to approve the resolution was made by Mr. Iselin, seconded by Dr. Hoehn, and unanimously passed.

WHEREAS, discussion at the June 15, 2017, Archives Partnership Trust Board meeting sought clarification of the Audit Committee Charter;

RESOLVED, the Board approves amending Sections I.A. and II.A. of the Audit Committee Charter as adopted October 29, 2014, as follows:

I. Composition of Committee and Selection of Members

- A. The Audit Committee shall consist of at least three independent members (as defined in New York State Not-for-Profit Corporation Law, Section 102). The Trust Board Chair in consultation with the Board will appoint the Audit Committee members and the Audit Committee chair. In the event the Board has less than three independent members, the Board Chair in consultation with the Board may appoint non-independent members to the Audit

Committee provided the independent members constitute a majority of members of the Committee

II. Meetings

- A. The audit committee will meet as frequently as necessary to fulfill the obligations and duties outlined in the charter. Meetings shall be convened by the Chair of the Committee or at the request of the Trust's Executive Officer or Trust Board Chair.

Annual Statement Regarding Conflict of Interest

Mr. Pagano drew attention to the Annual Statement Regarding Conflict of Interest distributed to all Board members. He requested they review and sign the document, then return it to Ms. Braga at their earliest convenience. Ms. Braga noted scanned copies emailed to her were also acceptable.

Board Committees

Audit Committee

Ms. Ward reported the Audit Committee met on August 10, 2017, with UHY auditors. Ms. Ward delivered a summary of the audit findings, noting full details could be found in the minutes of their meeting previously circulated.

Financial highlights:

- Total assets were up about \$281,000 largely due to strong market performance of investments.
- Liabilities are modestly higher due mostly to increases in: a) account payables and accruals related to payroll and fringe benefits due to being fully staffed and b) unearned revenue due to deferred membership income.
- Operations: Operating revenue is comparable to the prior year.

As noted in the draft Financial Statement's Independent Auditor's Report, UHY states that the financial statements present fairly, in all material respects, the financial position of the Trust – or an “unmodified” (clean) opinion (the highest-level opinion possible). Ms. Pendergast noted the opinion is also in accordance with government auditing standards which results in additional opinions and additional work by UHY to look at compliance and internal controls and provides additional assurance to the Trust. UHY found no significant deficiencies or material weaknesses, and will thus not be issuing a management letter. Regarding internal controls: UHY will continue to work with Trust staff to transition the year-end hard closing adjustments to the Trust (due to the need of a professional CPA), but also noted these adjustments are not considered material weaknesses or significant deficiencies.

The Audit Committee, along with the full Board, wished to recognize Ms. Rydberg for her diligent efforts in these matters and thank her for her outstanding work.

Proposed Resolution for Acceptance of FY16/17 Audit (Item 3.1.b)

The Audit Committee recommended the Board accept the audit. The motion was made by the Audit Committee and unanimously passed.

Whereas, the New York State Archives Partnership Trust Board's Audit Committee, at its August 10, 2017, meeting, examined and discussed in detail the audited Financial Statements and Compliance Report

of the New York State Archives Partnership Trust for the year ending March 31, 2017, and dated June 29, 2017; and

Whereas, the Audit Committee adopted by resolution a recommendation that the Trust Board accept these audit documents;

Resolved, That the audited Financial Statements and Compliance Report of the New York State Archives Partnership Trust for the year ending March 31, 2017, and dated June 29, 2017, is accepted by the Board.

Investment Committee

Ms. Brinkley reported that the Investment Committee met on July 20, 2017, and again on October 18, 2017. Minutes of these meetings, together with the Investment Portfolio Holdings, have been circulated to Board Members. Investment Committee members include: Ms. Brinkley, Treasurer and Committee Chair; Mr. Pagano, Board Chair; Mr. Iselin, Ms. Shenker, and Ms. Vietor.

At the July 20, 2017 meeting, Paul Murray of Janney Montgomery Scott, the Trust's investment advisor, reported that:

- On July 20, 2017, the Trust's Investment Portfolio was valued at \$4,240,866. Equity Mutual Funds/ETFs comprise about 72% of the portfolio, with the balance of approximately 28% in cash/bond funds/CDs.
- Total Return of the portfolio (as of June 30, 2017 year-to-date) was +7.18%, a little below the S&P 500, and in line with our blended index return.
- Noting it is prudent management to rebalance from time to time, and anticipating a need to raise cash as the Trust approaches fiscal year-end (March 31), Mr. Murray recommended taking some equity exposure "off the table" by locking in profits and selling 10% of each of the largest holdings, re-deploying the proceeds (about \$220,000) into a maturity ladder of CDs. This would rebalance the portfolio to roughly 66% equities, and 24% cash equivalents.
- The Committee voted to accept these recommendations, and instructed Mr. Murray to act accordingly.

At the October 18, 2017 meeting, Mr. Murray reported that:

- As of September 30, 2017, the Trust's Investment Portfolio was valued at \$4,401,431. Equity Mutual Funds/ETFs comprise about 67% of the portfolio, with 33% in cash/bond funds/CDs.
- Total Return of the portfolio (as of September 30, 2017 year-to-date) was +11.01%, a little below the S&P 500, and in line with our blended index return.
- No recommendations for major action items or strategy changes, at this time.

The next Investment Committee meeting is scheduled for January 17, 2018.

Trust Updates

Ms. Braga reported a very full Fall calendar of events, with an estimated reach of 150,000. The extent of the outreach furthers the commitment of the Trust as a statewide-minded organization, not tied to any one

organization or area – rather, a convener, helping to bring other historic organizations and projects together.

Event highlights:

1. Empire State Archives & History Award Event (September 6, 2017) –a very successful event with over 350 people in attendance, Ms. Braga wished to thank Mr. Iselin, who chaired the committee and ensured Mr. Holzer felt appreciated and honored.
2. Brooklyn Book Fair (September 18, 2017) – 100,000 people in one day! Ms. Braga thanked Ms. Allbray for the recommendation to participate.
3. Women’s Suffrage Conference & Reception (November 4th, 2017) – Over 15 organizations involved, the Trust assisted in taking the lead to make both the event and lasting relationships happen.

Stewards Program

To date, the Stewards program has 20 members, with two new additions: Dawn & Peter Johnson from Schoharie and Dr. Bill Cromie from Albany. Ms. Braga thanked Mr. Hearst once again for sponsoring the New York City Stewards Reception, this year hosting the event in The Good Housekeeping Institute’s Kitchen of the Future on the 29th Floor of the Hearst Tower. Dr. Libby O’Connell will be the featured speaker, discussing “Feeding the Fight: Food at Home and the War, 1914-1918” and the Good Housekeeping soldiers.

Work groups:

1. Membership Program – headed by Ms. Ward
2. Digital Platform – headed by Mr. Buhr. Work group is currently reviewing proposals and looking at options to build a new website that brings more features to members, including digital access to *New York Archives* magazines, the ability to purchase tickets to events online, hosting educational videos, etc.

Archives Updates

Mr. Ruller noted the concerted efforts to increase social media outreach, utilizing online tools to stay responsive to / engaged with audiences and pushing content out each day –driving mobile users to come back to the website. Ms. Braga noted that from the Trust perspective, research and strategy for new audiences is important: currently, 70% of users open on desktop (only 30% mobile), speaking to current demographics. Instagram is another channel staff are looking into – esp. in regard to sharing photos.

Mr. Ruller called attention to the November 30th event, partnering with the Historical Society for the Courts: “Documenting Our Past: Great Documents of New York Legal History,” 6:30pm at the NYC Bar Association.

Mr. Ruller thanked the Board members who were able to join the Archives and the Trust on October 24th, 2017, for the 2017 Archives Award Ceremony and Luncheon in Albany. Awardees included Rick Lord (Lifetime Achievement Award for his work with FEMA), Town of Livonia, Livingston County, Ulster County, NYS Department of Corrections, and the Student Research Awardees. Posters for the 2018 Student Research Award competition will be disseminated to Board members as well as social studies teachers, local and government historians throughout New York State.

Mr. Ruller reported the State Archives just passed the one-year anniversary of its statewide program to provide grant support and services to non-government historical repositories, historical societies, museums, etc. via DHPNY (Documentary Heritage & Preservation Services of New York). He noted the program has been tremendously successful, with constant evaluation of services performed across the state. As mentioned earlier, the project to conserve and digitize the British colonial documents from the Hudson River Valley is wrapping up – documents that have been inaccessible since the Capitol Fire of 1911 will be made available to researchers. The announcement for the Local Government Records Management Improvement Fund Grant (which provides direct funding to local governments to help them improve management and preservation of records) and application started November 1, 2017. Successful grant applications could range from \$75,000 - \$500,000. Mr. Ruller asserted the State Archives has made a concerted effort to ensure every local government in the state – town, city, village, soil and water conservation district, fire district— has at least some modicum of a records management and preservation program. Three or four years ago, the State Archives made a strong commitment to fund two bigger types of grants (\$500,00+) for shared services programs (Albany County provides a wonderful model) and demonstration grants, intended to demonstrate complicated solutions to a very difficult problem for government records (electronic mail, GIS, online building codes and building permits, etc.).

Mr. Ruller reported the current storage facilities on the 11th floor of the Cultural Education Center is full; a capital appropriation (on the books since 2008) of \$60 million dollars to build a new stewardship facility, in partnership with the State Museum, has entered initial conversations with the Dormitory Authority to perform an updated assessment of needs and plans, and begin a land search to identify a parcel to build a new facility on.

Conclusion

A motion to adjourn the meeting was made by Mr. Iselin, seconded by Ms. Ward, and unanimously passed. Mr. Pagano adjourned the meeting at 5:15 pm and thanked all for their participation.

Respectfully submitted,

Jennifer Clunie
November 22, 2017