

**Kentucky Historical Society Executive Committee
Friday, October 16, 2009
Thomas D. Clark Center for Kentucky History
Frankfort, Kentucky Historical Society**

Members present: Bill Black, J. McCauley Brown, Sheila Mason Burton, Bennett Clark, Mike Duncan, Charles English, Ruth Korzenborn, Nancy O'Malley, Robert Rich, Renee Shaw

Members absent: Walter Baker, Yvonne Baldwin, Terry Birdwhistell, Fred Brashear, Verna Fairchild, John Hardin, John Kleber, Karen McDaniel, Louis Stout, Richard Taylor, J. Harold Utley

Guests present: Jim Wallace, KHS Foundation; Leslie Miller, KHS Foundation; Bill Dexter, General Counsel, Tourism, Arts & Heritage Cabinet; Lindy Casebier, Deputy Secretary, Tourism, Arts & Heritage Cabinet

Staff present: Scott Alvey, Jody Blankenship, Lisa Cleveland, Jennifer Duplaga, Lynne Hollingsworth, Keith Jackson, Jim Kastner, Leslie Miller, Corky Mohedano, Linda Redmon, Kent Whitworth, Theresa Young, Marilyn Zoidis

Executive Committee President Mike Duncan called the meeting to order in the Brown Forman Corporation Kentucky Room at 1:05 p.m.

WELCOME

President Mike Duncan welcomed members and guests.

After a motion from Bennett Clark and a second by Sheila Mason Burton, the minutes of the July 17, 2009 meeting were approved.

Recognition

KHS Executive Director Kent Whitworth thanked outgoing board president Robert "Mike" Duncan and board members Mac Brown, Bennett Clark, Charles English, and Richard Taylor for their service to KHS. He also thanked Judge William Engle and Judge Bill Cunningham, both of whom resigned from the Executive Committee due to their judicial responsibilities after serving three years and one year, respectively. Mr. Whitworth noted that Richard Taylor has recently been appointed by Governor Beshear to serve on the KHS Oral History Commission.

President Duncan expressed appreciation to Jim Wallace for his dedication and leadership to KHS. Mr. Wallace is retiring at the end of the year with over thirty years of service to KHS, the last three as Executive Director of the KHS Foundation.

Board Committee Reports

Nominating Committee - Ruth Korzenborn presented the KHS nominating committee report on behalf of John Kleber, chair. The nominating committee met in August and September and reviewed nominees to be elected at the annual KHS meeting on November 6, 2009. A motion was made by Ruth Korzenborn and seconded by Bennett Clark to adopt the slate of officers and new board members as recommended by the nominating committee. The motion passed. Mr. Duncan thanked nominating committee members John Kleber, chair; Ruth Korzenborn, Fred Brashear, Karen McDaniel, and Tip Richmond, KHS Foundation Board.

KHS Executive Committee Slate of Officers and board members

Officers - 2010

Robert Rich – President
Sheila Mason Burton - 1st Vice President
J. McCauley Brown – 2nd Vice President
Bill Black, Jr. – 3rd Vice President

Class of 2013 Board member nominees

Brian Mefford, Bowling Green (Chairman & CEO, Connected Nation, Inc.)
Mike Mullins, Hindman, Knott County (Executive Director of Hindman Settlement School)
Patti Mullins, Corbin (Whitley Co. Board of Education & Recording Secretary for KY. DAR)
Sue Speed, Jefferson County (local historian)

Class of 2010 (Fill unexpired term of Justice Bill Engle)

Jim Claypool, Northern Kentucky (retired history professor at NKU)

Class of 2012 (Fill unexpired term of Justice Bill Cunningham)

Derrick Hord, Fayette County (Central Baptist Hospital physician recruiter – Lexington)

Governance Committee - As chair of the Governance Committee, President Duncan reported the Executive Committee Board instituted in 2008 a formal evaluation process of the KHS Executive Director position and assigned the process to the Governance Committee. Board members and senior staff members completed and submitted a 2009 performance evaluation questionnaire for Executive Director Kent Whitworth. Mr. Duncan asked Robert Rich to present the committee's evaluation report.

Robert Rich stated 14 performance evaluation responses were received to-date. He reminded board members and staff present to submit their completed performance questionnaire to him. Of the fourteen responses, the evaluation was very positive. The Governance Committee will share comments from the questionnaire with Kent Whitworth following the board meeting.

Finance Committee – Sheila Mason Burton reported the Governor's forecast committee recently announced a potential \$163 million shortfall for the current fiscal year. KHS has not been asked to prepare for this additional budget reduction. The baseline budget that will be enacted by the General Assembly by April 15, 2010 for the next biennium will be the same amount as the current fiscal year - \$6.4 million. Additional monies will be allotted for defined calculations that include salaries, rent, and utilities, but the baseline will be the same. In response to a request by the Tourism, Arts and Heritage Cabinet to identify areas for additional funds, KHS identified restoring operational funding for the oral history and folklife programs. However, it is highly unlikely that these "additional items" will be funded. A positive note is that KHS has been awarded three Transportation Enhancement grants: \$1,050,000 for Civil War commemorative activities and two grants totaling \$128,000 for historical markers. In kind resources can be used to provide the necessary match for all three projects.

Kent Whitworth noted that from January 1, 2008 to the present, the general fund appropriation for KHS has been reduced by 27.2%. Including Trust and Agency funds this amounts to more than \$1 million.

Strategic Planning - Robert Rich reported that those present at the strategic planning retreat in May approved four goals that would be the focus of the strategic planning process. A task force was formed for each of the four goals. Research has been collected and some goals have been restated. The expanded statements are **Goal #1) The Kentucky Historical Society will be a central partner and significant resource in promoting history education to Kentucky and those interested in Kentucky history; Initiative #2) KHS will develop relationships in all 120 counties by using our assets to connect with and support communities of historical interest through partnerships that build shared local and statewide capacity; Goal #3) KHS will become a market/marketing driven organization; Goal #4) Fund Diversification – KHS will diversity its funding by**

growing private sector support, securing federal and state grants, increasing earned income and marketing its facilities, images and services to generate funds to fulfill the Society's mission. Mr. Rich noted semi-final reports on each goal were in the board books for review. Some priorities were modified to reflect changes in resources and budget. KHS staff will draft an integrated strategic plan document for review by the task force that will be presented for adoption by the Executive Committee.

Corky Mohedano, KHS staff member, stated a report with initial results from a public survey recently completed by Preston-Osborne, Inc. was included in the board books. The survey showed 14% of the respondents were aware of KHS and 45% could not name any historical organization within the state.

Robert Rich commented that the survey by Preston-Osborne was in addition to the membership survey conducted last spring.

Goal #3 team leader Mike Duncan stated for KHS to become a market driven organization, we must reach out to primary audiences such as student/teachers, and partner with other organizations. This will help to increase interest in history among young people.

Team leader Mac Brown reported that Goal #1 touches on every aspect of KHS with the real issue to address is the KHS collections. The public and scholars want access to the collections. He stated the team recognizes the benefits of partnerships with other institutions to share best practices. It is important to focus on individual areas to conserve resources and not to overlap.

Team leader Sheila Mason Burton stated Goal #2 is inter-related with the other three goals. It is important to identify ways to market KHS and to attract donors.

Team member Jim Wallace remarked that research for Goal #4 found that most states have one consolidated membership and annual fund program. KHS markets a membership campaign and a separate annual fund program. The team proposes to combine the membership and annual fund into one unified effort to be more efficient. A donor would automatically become a member of KHS, but would have different benefits based on the amount of the donation.

Discussion Items

KHS Foundation staff member Leslie Miller stated the current KHS membership structure is confusing to members and the profit margins are non-existent. Donors do not always know whether their donation is tax deductible or partially deductible. Realigning the membership structure will focus on increasing the amount of donations and will make all donations and memberships tax deductible. Publications received as part of a membership would be based on the level of donation to make the program more profitable.

In response to Ruth Korzenborn's question regarding the Foundation's tax status, Mike Duncan stated realignment of the membership structure can be done in the right way. Additional information on this issue will be presented at future board meetings.

Next, Kent Whitworth summarized opportunities to enhance the visitor experience to KHS through a combination of media, theatrical techniques and interpretive education. He referred to a summary sheet in the board packets. The KentuckyShow is a high definition 32 minute multi media presentation that currently is shown at the Kentucky Center in Louisville. One option is for KHS to be a second venue for the KentuckyShow by retrofitting the Rosenthal permanent gallery space to create a small custom theatre for media and live theatre. The capital expense to pursue the KentuckyShow is approximately \$700,000 - \$900,000. This includes retrofit of gallery space, equipment & installation and Design & Project Management. A fee of \$2-\$3 would be paid to the KentuckyShow for each person who sees the show at KHS. The KHS admission fee could be raised from \$4 to \$7. Option two would be production of a customized KHS presentation with cost of production estimated at \$150,000. The capital expense to retrofit space and purchase equipment would be comparable to the KentuckyShow.

The amount of time to research and develop a new presentation for KHS would be a challenge with our current resources. Mike Duncan, Kent Whitworth and John Hall visited with Governor Beshear to discuss funding for a multi media project. Mr. Whitworth noted no decisions are required but wanted the board to know conversations are taking place.

In response to Mac Brown's question, Mr. Whitworth stated production costs for the KentuckyShow were over \$1 million.

Mike Duncan remarked that new technology and equipment should make new production costs lower and negotiable.

Kent Whitworth described the "Gateway" study by Gallagher & Associates design firm with concepts for Commonwealth Hall to engage visitors and to make KHS a more dynamic place to visit. Board members viewed slides of designs including a patchwork quilt, map and icons of Kentucky history that could be displayed on the walls inside the Thomas D. Clark for Kentucky History through a hybrid of paintings and media. The design firm suggested the exterior of the building include the statement "I am Kentucky" with quilt squares and faces of Kentuckians displayed on the building. This project is also in discussion stage and no decisions have been made on designs.

Jim Wallace stated potential funding for portions of this project could be derived from an unrestricted bequest received by KHS from the estate of Hilary J. Boone.

Staff reports

Jim Wallace invited board members to attend the Abraham Lincoln Society Gala to be held on October 19. This year's gala focuses on exploring the legacy and heritage from sports legends. The honorees are Muhammad Ali Family, Harold Henry "PeeWee" Reese Family, Adolph F. Rupp, Jr., Tori Murden McClure, Patrick Alan "Pat" Day, Tom Hammond. Personal memorabilia of the honorees will be on exhibition for this one night only. Tom Leach will be master of ceremonies. Each honoree will speak on what they believe are signature moments in their lives. In addition, \$35,000 has been raised to-date for the Elizabeth Lloyd Jones Student Scholarship Fund that pays for students to visit KHS. Mr. Wallace thanked Mac Brown for contributions to the gala by Brown-Forman Corporation.

Communications Director Lisa Cleveland gave an overview of upcoming KHS events at the Frankfort candlelight tour on November 12-14. In its 29th year, KHS events will revolve around the exhibition "Kentucky Military Treasures: Selections from the Kentucky Historical Society Collections." KHS will sponsor its second annual Kentucky state employee appreciation day on November 12. Gifts for military care packages are being collected for Military Missions, Inc. Local school children have decorated The KHS military treasures Christmas tree. Musical performances and museum theatre are scheduled, a large train display will be in the Brown Forman room, and discounts will be given in the 1792 store.

Jim Kastner, KHS Library Administrator, reported that KHS has joined the Federation of Genealogical Society (FGS). The FGS, a family history/genealogy organization, was founded in 1976 and represents more than 500 member organizations and their individual members. The FGS provides products and services to member societies, and publishes a magazine. The 2010 national meeting will be held in Knoxville with KHS and East Tennessee Historical Society as co-sponsors. With approximately 1,500 participants, KHS staff members Lynne Hollingsworth, Don Rightmyer, and Stuart Sanders will be presenters at the conference. The KHS library will be open at special times around the annual meeting to accommodate an estimated increase in visitors.

Ruth Korzenborn remarked that the National Genealogical Society will decide in November whether its 2012 annual meeting will be held in Covington or Cincinnati. Both locations will be an opportunity to position Kentucky as a key player in genealogy and family history.

Next, Marilyn Zoidis highlighted the KHS online exhibition “Kentucky Military Treasures” that was launched in August 2009. She thanked the Kentucky Veterans Trust Fund for contributing \$20,000 to fund the project and staff members Bill Bright, Tony Curtis, and Lindsay Merritt for their work on the project. Ms. Zoidis encouraged board members to visit the online exhibition with stories from the War of 1812 to current services, oral histories, an introduction from KHS Director Kent Whitworth, behind the scenes stories from curators, and teacher resources. Board members were shown views of the new gallery exhibition “Kentucky Military Treasures: Selections from the Kentucky Historical Society Collections” which officially opens in the Keeneland Gallery on Veterans Day. A formal opening ceremony will be held on November 12 with Adjutant General Tonini, Commissioner Lucas of the Department of Veterans Affairs and Executive Committee Board member General Fairchild as part of the program. A new KHS theatre performance on the Vietnam War will premier with the exhibition.

Marilyn Zoidis reported the Kentucky Military History Museum arsenal building will reopen on Saturdays only beginning on November 14. A flag raising ceremony will be held to celebrate along with free admission. Visitors will tour the first floor of the arsenal. The Museums to Go Travelling exhibition which was introduced at the 2009 Kentucky State Fair and highlights the old state arsenal will be on display and available to tour the state. The Kentucky Department of Military Affairs has appropriated \$90,500 to begin design work for a new military museum.

Old Business

Executive Committee Board member Charlie English reported the proposed Memorandum of Understanding between the KHS Foundation and KHS defines the unique relationship with a state organization and its Foundation Board. He recommended to the Governance Committee that each Board not require mandatory attendance by the Board presidents to Board meetings but to cooperate with the other Board and keep their respective Boards apprised of the actions of the other. The MOU will be addressed again at the January 2010 executive committee meeting.

Lynne Hollingsworth gave an update on funding initiatives. KHS has been awarded a three year Transportation Enhancement grant of \$1,050,000 for Civil War commemorative programming at KHS, historymobile and museums to go exhibitions, education materials, and online exhibitions. In addition, two grants totaling \$128,000 were awarded for the historical marker program. By Governor Beshear’s Executive Order, KHS was named the administering agency of the Civil War Sesquicentennial Commission.

New Business

A motion was made by Sheila Mason Burton and seconded by Ruth Korzenborn to formally endorse the distinguished service award recognition to the honorees at the upcoming Abraham Lincoln Society gala. The motion was approved.

President Duncan noted KHS has received two open record requests from the Herald Leader that deal primarily with personnel matters. Open record requests are processed through the Tourism, Arts & Heritage Cabinet. The Herald Leader has asked Kent Whitworth to participate in an interview with a reporter and has asked for a copy of today’s Board book packet. Mr. Duncan acknowledged that Executive Committee board members may receive a call from a reporter requesting information about KHS. Board members can choose whether to talk to a reporter or refer the reporter to Lisa Cleveland or other Cabinet representatives.

There being no further business, a motion was made by Sheila Mason Burton and seconded by Mac Brown to adjourn the meeting. The motion passed. The meeting adjourned at 2:55 p.m.

Respectfully submitted,
Theresa Young