

**CALIFORNIA CULTURAL AND HISTORICAL ENDOWMENT  
BOARD MEETING  
DRAFT MINUTES**

**Monday, August 30, 2004  
10:00 A.M.**

Location:       Library and Courts Building 1  
                  914 Capitol Mall, Room 500  
                  Sacramento, CA

Members of the Board in attendance:

Ms. Susan Hildreth, Chairperson  
Ms. Marie Acosta  
Ms. Donna Arduin, represented by Mr. Robert Campbell  
Senator John Burton, represented by Ms. Mary Shallenberger  
Ms. Cynthia Campoy Brophy  
Mr. Michael Chrisman, represented by Mr. Walter Gray  
Ms. Suzanne Deal Booth  
Ms. Georgette Imura  
Mr. Bobby McDonald  
Ms. Betsy Reeves  
Mr. James Irvine Swinden

Staff in attendance:

Ms. Diane Matsuda, Executive Officer  
Ms. Jennifer Ruffolo, Assistant Director  
Ms. Rachel Magana, Executive Secretary  
Ms. Michelle "Shelly" Green, Office Technician

Also Present:

Ms. Celeste DeWald, California Association of Museums  
Mr. Michael Hager, San Diego Natural History Museum  
Ms. Judy Hart, Rosie the Riveter, World War II Homefront National Historical Park  
Ms. Holly Krassner, Napa Valley Museum  
Ms. Leslie Masunaga, Santa Clara County Historical Heritage Commission  
Mr. Tony Norris, Solano County  
Mr. Paul Osaki, California Japanese American Community Leadership Council  
Ms. Melissa Post, San Francisco Conservatory of Music  
Mr. Dennis M. Power, Oakland Museum of California  
Ms. Cindy Stankowski, San Diego Archaeological Center

**1.     Roll Call**

Chairperson Hildreth called the meeting to order at 10:10 a.m. A quorum was established.

## **2. Approval of Minutes from July 13, 2004**

Chairperson Hildreth noted that a change was made to the minutes of July 13, 2004 as follows: On page 5 of 6 regarding Ms. Imura's motion – the new wording is "\$5 million be set aside as the maximum and \$25,000 as the minimum.

There were no comments from the public.

Mr. Campbell moved approval of the July 13, 2004 minutes with the noted correction; seconded by Mr. McDonald. Motion carried unanimously.

## **3. Chairperson's Report**

Chairperson Hildreth stated that AB 2690 is an enrolled bill at this time and it is on the Governor's desk. The Governor has 30 days to act on this bill. AB 2690 would allow a volunteer's time to be counted as actual resources and could be included as in-kind support towards the matching requirements.

There were no comments from the public.

## **4. Executive Officer's Report**

Ms. Matsuda reviewed the Board packet with those present.

There were no comments from the public.

## **5. Draft Grant Application and Criteria (discussion)**

Ms. Matsuda provided the following information regarding the Draft Grant Application:

- Question One – the number of pages for the applicant's response has been reduced to two typed pages.
- Question Two – The page allotment for the applicant's response has been reduced to two typed pages.
- Question Three – The applicant's response is not to exceed two pages.
- Question four – This is a two-part question. The applicant's response is not to exceed four pages with the first part of the question limited to two pages and the second part of the question limited to two pages.
- Question five – This is a two-part question and the applicant's response will not exceed 10 pages.
- Question Six – The number of pages for the applicant's response has not changed.
- On page 19, there has been a change under number two, subsection E for non-profit organizations only, requesting an IRS Form 990 or 990 EZ.
- On page 23 regarding CCHE grant application review and selection, four steps are more clearly defined regarding the review process.

- The step two process has been re-named as a content review.
- Step three shows that staff recommendation will look at the written comments that were submitted by the reviewers and put together and assign points for each question that has been asked in Part 2 of the grant application.
- The point breakdown for each question is found on pages 26 through 33 and lists the areas that will be examined within each question.
  - A more detailed explanation is provided for project goals as it relates to what is considered as capital assets.
  - Question two requires following the Secretary of Interior standards, and to include information regarding creating and sharing important stories in the voice of the first person, as well as preserving projects that do not harm the original integrity and significance of historic districts and structures.
  - Question three - emphasize that it is the responsibility of the applicant to make sure that they clearly demonstrate how their project fits within the priorities.
  - Question four includes changes showing what would be needed for CEQA compliance. Compliance would not only include physical accessibility, but informational resources of how that would be available.
  - Question five reflects a change in making sure that the match section has been added to the first part of the question and speaks to information that is considered a match.
  - Question six has not changed.
  - Step four has changed slightly in that it is more explicit about the steps the Board is to take after the staff has compiled a set of grant applications for recommendations. In addition, this section talks about the Board having the discretion to consider the range of project applications as a whole in order to select a combination of projects that serve the overall interest and objectives of CCHE.
  - Page 35 notes that the Board will meet on November 20 and 21, 2004 to hear staff's recommendations.
  - Page 36 and 37 is an outline of some of the terms and sections that will be included in the actual grant agreement between CCHE and the grant applicant.

Board comments:

- After much discussion regarding allowing Prop 40 monies to be used as a match the following motion was made:
  - Mr. Swinden moved that matching funds not be allowed to be used from the \$276.6 million that would originally have been the Endowment's to give out as part of a match towards funds that were going to be given out. Any funds that fall within those opportunity grants that were distributed should not be considered a part of the match. This does not preclude anyone from bringing forth any project they want, or to use other matching funds that they bring forward. Seconded by Mr. McDonald. Motion carried.

- The Board discussed the sectarian purposes on page 6 and felt that the last sentence reading, “In order to ensure that funding will be available to fund the selected grant projects ...” be deleted.
  - Mr. Campbell moved approval of the language with the deletion of the last sentence; seconded by Ms. Imura. Motion carried unanimously.
- Discussion regarding the definition of tribal organizations was discussed and a suggestion was made to broaden the definition to include any tribe that is state-recognized as well as federally recognized. After considerable discussion Mr. Swinden moved that the definition of tribal organization be broadened to be as inclusive as possible and to specifically state the Native American Heritage Commission’s definition of recognized tribal organizations should they have one; seconded by Ms. Brophy. Motion carried unanimously.
- Ms. Matsuda reviewed the section titled, “Frequently Asked Questions”. She directed the Board’s attention to:
  - Number 2 on page 6 – what are matching funds and why are they needed? This will be changed to clearly indicate that matching funds were created to make sure that there is illustration of community support.
  - Number 3 on page 7, “How do I illustrate that I have a cash match available to comply with the match requirement?” It is suggested that the easiest way in which people can comply with the match is to have a separate account, such as an escrow account, available where only funds for a particular project are placed into that account.
  - Number 4 – It’s the thought of the Board not to penalize efforts for raising money. Applicants will be able to take money they have raised for a particular capital campaign account as long as it is dealing specifically with the project that they are requesting funds for from the Endowment. The funds should be put into an escrow account to illustrate that this is a part of their match requirement.
  - Number 5 – If potential applicants plan to utilize non-cash contributions, they must calculate the value of those contributions by using accepted accounting practices and be prepared to document the value and actual use or delivery of the non-cash contribution.
  - Number 6 – Explains how to calculate a non-cash contribution.
  - Number 7 – The Board decided at their July 13, 2004 meeting that even though they are requiring all applicants to document a one-to-one cash match, they will allow applicants who may not have the ability to demonstrate, or to have the ability to meet this match to review their application on a case by case basis and possibly reduce the match requirement.
  - Number 8 – The Board’s intentions will be clearly reflected in this question.
  - Number 9 – Donated properties can be used to meet the match requirement.

Public Comment:

Mr. Power – He heard a comment requesting Board members to look at applications that had been rejected. Is the intent to bring the applications back to the Board for reconsideration, since the Board and not the staff

makes the final decision? His concern is that this opens the door to the suggestion of political favoritism. He also feels that if the Board is looking at applications that have already received opportunity grants, and if this puts a new applicant at a disadvantage, he feels this is unfair.

Ms. Stankowski – Requests consideration of amending the wording, “Native American archeology, history and culture.” Limiting the preservation of artifacts from one historical period would overlook history that is not always in history books.

After considerable discussion by the Board, Ms. Brophy moved to identify the match as part of the application and that the cash match be in place and accounted for in a designated account that is clearly designated prior to the time the agreement is signed, and a delineation of the non-cash will be a future topic; seconded by Ms. Acosta. Motion carried unanimously.

Ms. Acosta moved to approve the guidelines as presented and discussed by the Board at today’s meeting and to move forward and post the final set on the website for the applications for October 1, 2004; seconded by Mr. Swinden. Motion carried unanimously.

## **6. Public Comments**

Ms. Masunaga – Stated that it would be helpful if the Board could start scheduling some dates for the next round. In addition, it is hoped that workshops will be held to help those organizations that may not be knowledgeable in completing grant forms.

Ms. Post – Would encourage the Board to consider projects that deal with living legacies, and not merely those that are historic in nature. She would also like the board to contemplate the matching for a project that is already in place and the possibility that, due to timing, some of the match funds might need to be expended before a CCHE grant is actually signed.

Ms. Hart – Requested the Board to remember the power it brings in giving credibility to a project that is struggling to get off the ground.

Ms. Krassner – It is her hope that the Board will remain flexible in looking at opportunities for applicants to leverage monies that they are able to give to organizations.

Ms. DeWald – She questioned whether or not money that has already been spent on a project could be used as the match. She also stated that she would be in favor of the Board being as flexible as possible with the reimbursement schedule.

Mr. Osaki – He stated that it is noted in the guidelines that the required match could be lowered for under-served communities. He hopes that the Board would also take into account those communities that still do exist, but were displaced due to laws. Also, regarding donated properties, would like the Board to consider including actual buildings that may be in historic communities where a neighborhood doesn’t necessarily exist anymore, but

where the conservator over those historic buildings can no longer take care of them and were then donated into a community trust to be restored by the Endowment.

**7. Board Member Comments**

Board Member Brophy thanked the public for their comments. It has been incredibly helpful and enlightening to hear from the public.

Board Member Reeves thanked Ms. Matsuda for an incredible job.

There were no public comments.

**8. Administrative Matters**

Chairperson Hildreth asked for a date to be identified to hold a tentative meeting before the next Board meeting on November 20 and 21, 2004 in Sacramento. Mr. Swinden proposed that the Board to reserve the first Wednesday of November (November 3) as an alternative date.

**9. Adjournment or Continuation (action)**

Mr. McDonald moved to adjourn the meeting; seconded by Ms. Booth. Motion carried unanimously.

The meeting was adjourned at 3:34 p.m.