



**CHAUTAUQUA INSTITUTION
BOARD OF TRUSTEES
Saturday, May 3, 2025
Athenaeum Hotel Parlor
Chautauqua, New York**

DRAFT MINUTES

Trustees Present:

Michelle Adelman, Matt Benson, Veronica Biggins, Laurie Branch, Nancy Gibbs, Karen Goodell, Paul Hagman, Izumi Hara, Terry Horner, Candy Maxwell, Steve Messinger, Mike Metzger, Gwen Norton, Bob Obee, Rich Osborne, David Peckinpugh, Dave Pelton, Jill Penrose, Marnette Perry, Sara Ponkow, Larry Thompson, Steve Zenczak

Trustees Absent:

Rick Evans, Sarah Hagen McWilliams

Others Present:

Sebby Baggiano, Geof Follansbee, Amy Gardner, Michael Hill, Dana Lundberg, Debbie Moore, Shannon Rozner, Laura Savia, Karen Schiavone, Angela Schuettler, John Shedd, Tamara Silzle, George Snyder, Melissa Spas, Jordan Steves, Deborah Sunya Moore, Amit Taneja, Vanessa Weinert

I. Open Meeting Session I

Ms. Maxwell called the meeting to order.

Upon motion duly made and seconded, the Board moved to executive session, inviting Mr. Lundberg.

II. Executive Session I

Upon motion duly made and seconded, the Board approved exiting executive session and returned to open session.

III. Open Meeting Session II

A. Approval of Minutes

Upon motion duly made and seconded, the Board approved the minutes of the February 8, 2025, regular meeting as distributed.

Upon motion duly made and seconded, the Board approved the minutes of the March 10, 2025, and March 31, 2025, special meetings as distributed.

B. Report of the Chair of the Board

Ms. Maxwell provided an update on the leadership transition efforts underway, including the retention of a communications firm to help develop strategy, messaging and materials related to the transition, which is funded by a donor and has no impact on the 2025 budget. Ms. Maxwell acknowledged ongoing efforts to appoint an interim executive, emphasizing that this remains the Board's top priority. She assured the staff who were present that the Board is working diligently to find the right candidate and appreciates everyone's patience. Finally, Ms. Maxwell reported that the search for Chautauqua's next president is also underway on a parallel track.

1. Appointment of Inspectors of Election

Ms. Maxwell discussed the requirement that Inspectors of Election be appointed to tally votes in the Class B election this August, in case there is a contested election requiring written ballots.

Upon motion duly made and seconded, the Board passed a resolution appointing Shannon Rozner, Amit Taneja, Amy Gardner, John Shedd, Jennifer Stitely, and Dana Lundberg or Myra Blasius 2025 Inspectors of Election.

C. Report of the President

Dr. Hill opened by expressing gratitude for the celebration of his tenure that occurred the evening before and took a moment to honor the late Joan Brown Campbell and Jean-Pierre Bonnefoux. He then called for questions regarding a status update on 2025 operational priorities that was provided in the pre-read materials. No questions were raised.

Dr. Hill discussed a new initiative piloting two concerts outside the Summer Assembly Season, one before the Season's start and one after its end. He discussed plans to test alcohol concessions near the Amphitheater for these two concerts, noting that while this is standard at other venues, it represents a cultural shift for Chautauqua. He invited the Board to help issue spot and refine the approach to this initiative. Ms. Sunya Moore shared insights from her collaboration with other arts venues, emphasizing that beverage sales account for most of the net revenue at these peer venues. The goal of this initiative is to pilot a responsible model that enhances patron satisfaction and could evolve into a future revenue source. Discussion covered logistics, security, and managing potential challenges, including trained staff for safety and compliance.

Dr. Hill then reflected on his eight-year tenure as president, recounting milestones such as the Amphitheater renovation; the Promise and Boundless campaigns; expanded accessibility initiatives; the strengthening of local and state government relationships; the launching and later refreshing of the Institution's strategic plan, *150 Forward*; and the endowing of the Climate Change Initiative. He highlighted Chautauqua's resilience during challenges like the COVID-19 pandemic and the August 12, 2022, attack, underscoring significant growth in budget, philanthropy, and impact. Dr. Hill concluded by reaffirming Chautauqua's commitment to progress and thanked the Board, which responded with a standing ovation.

1. **Approval of Institutional Voice Policy**

A draft Institutional Voice Policy was reviewed and discussed the previous day by the Board.

Upon motion duly made and seconded, and without further discussion, the Board approved the Institutional Voice Policy. The final policy is attached as Appendix A.

D. **Committee and Other Reports**

1. **Executive Committee**

There was no report from the Executive Committee.

2. **Budget & Finance Committee**

a. **Approval of Change to Capital Expenditures Policy**

Budget & Finance chair, Laurie Branch, noted that her committee will collaborate with the Architectural Review Board to ensure the Capital Expenditures Policy and the Architectural & Land Use Regulations align with each other, specifically in terms of the Board's authority to approve capital projects on Institution-owned facilities. Discussion occurred, focused on the approval process for capital projects. It was determined that the Capital Project Checklist should be considered for updates.

Upon motion duly made and seconded, the Board approved updates to the Capital Expenditures Policy, as outlined via tracked changes in the pre-read material. The updated policy is attached as Appendix B.

b. **Approval of Policy Governing Investment in Short Term Financial Vehicles**

The Committee had presented a draft of this policy to the Board at its February meeting and recommended its approval.

Upon motion duly made and seconded, the Board approved the Policy Governing Investment in Short Term Vehicles. The final policy is attached as Appendix C.

c. **Passing of Resolution Related to a Piano Purchase**

The Committee recommended the Board pass a resolution approving a budget amendment and waiving competitive bidding to allow for the purchase of a new piano.

Upon motion duly made and seconded, the Board passed a resolution amending the 2025 capital maintenance budget and waiving the competitive bidding requirement in the Capital Expenditures Policy to facilitate the purchase of a piano. The resolution is attached as Appendix D.

d. **Passing of Resolution Related to Paying an Insurance Deductible**

The Committee recommended the Board pass a resolution approving a \$100,000 budget amendment to allow the Institution to pay the insurance deductible for a claim related to water damage at the Amphitheater.

Upon motion duly made and seconded, the Board passed a resolution amending the 2025 capital maintenance budget to facilitate the payment of an insurance deductible. The resolution is attached as Appendix E.

e. **Passing of Resolution Related to Institution's Equity Contribution to the Chautauqua Hotel Company**

The Committee recommended increasing Chautauqua Institution's equity contribution to the Chautauqua Hotel Company by \$104,000 to cover the expense of repairing the Hotel's porch roof. It was made clear that the damage was caused by heavy snow and not by structural issues with the porch.

Upon motion duly made and seconded, the Board passed a resolution increasing the Institution's 2025 equity contribution to the Chautauqua Hotel Company to facilitate the hotel's payment of roof repair costs. The resolution is attached as Appendix F.

f. **Passing of Resolution Related to Execution of a Contract**

The Committee recommended allowing management to contract with Exponent Partners for work on Project 360. Exponent Partners has been a partner since the project's inception and has delivered satisfactory work. A competitive bidding process that resulted in the choice to work with Exponent Partners took place at the start of the project.

The amount of the contract exceeds management's signing authority, so management sought authority to execute a new contract with Exponent Partners and a waiver of competitive bidding requirements given the ongoing nature of the relationship with this vendor.

Upon motion duly made and seconded, the Board passed a resolution authorizing management to execute a contract with Exponent Partners and waiving the competitive bidding requirement in the Capital Expenditures Policy. The resolution is attached as Appendix G.

g. **Passing of Resolution Related to Capital Project at Dance Studio**

The Committee recommended passing a resolution to amend the capital maintenance budget and waive the competitive bidding requirement under the Capital Expenditures Policy to facilitate the purchase of a partition door for the McBride/Verdy dance studio, noting that it took eight months from the time a gift was received to fund the project to find someone able and willing to do the work and provide a quote.

Upon motion duly made and seconded, the Board passed a resolution approving a \$100,000 amendment to the capital maintenance budget and a waiver of the competitive bidding requirement to facilitate the purchase and installation of a partition door at the McBride/Verdy dance studio. The resolution is attached as Appendix H.

3. **Marketing & Brand Strategy Committee**

Mr. Peckinpugh reported that the Committee held two educational sessions, one in February and one in March. The sessions, which were recorded and saved in the Board portal, focused on digital and video content strategy and the website redesign, respectively. In April, the Committee met and reviewed KPIs and dashboards, which were shared as pre-reads for this meeting. Mr. Peckinpugh shared that sales are ahead of 2023, but behind 2024 and discussed average sales pace throughout the year, noting that about a third of sales occur in

Quarter 1, a third in Quarter 2 and a third in Quarter 3. Ticket sales are being monitored closely as economic uncertainty continues to impact them. Loss of Canadian business remains a significant concern because Canadians make up 8-10% of the Institution's patron base. Ms. Weinert and her team are leveraging dynamic pricing to adapt to evolving circumstances.

During the April meeting, the Committee also discussed the Institution's communications strategy, focused on engagement, adaptability and transparency. Also highlighted were the plans to maximize the impact of the PBS documentary and leverage media relations more effectively. Lastly, the Committee reviewed the Institution's earned media strategy for 2025-2027, focusing on regional, weekly and radio/broadcast partnerships.

4. **Nominating & Governance Committee**

Mr. Zenczak reported that the Committee's work has focused on moving Trustee candidates through the interview process to fill five vacancies.

5. **Audit Committee**

Ms. Norton reported that the Committee met on April 24 and received a report on safety and security planning for the 2025 season from Ms. Rozner. The bulk of the April meeting was spent conducting a thorough review of the 2024 audited financial statements with the Institution's auditor, BDO. The Institution received a clean opinion.

Upon motion duly made and seconded, the Board accepted the 2024 audited financial statements as distributed.

6. **Human Resources & Compensation Committee**

Ms. Penrose noted that her report was given during executive session.

7. **Development Council**

Mr. Osborne reported that the Council met on April 23, at which time the Council reviewed dashboard and fundraising reports that were included as pre-reads for this meeting. He highlighted the progress of the Boundless campaign, noting that it has surpassed \$146 million and is on track to reach the \$150 million goal, likely during the Summer Assembly if not before. The Council discussed how to proceed with Boundless if the goal is reached early.

The Council addressed broader strategic initiatives and fundraising efforts. They examined the growing industry-wide trend of decreased unrestricted giving and its impact on the Chautauqua Fund. Regarding the Chautauqua Fund, the Council discussed the impact of multi-year pledges that are set to expire after 2025. There was an emphasis on the need to re-engage those donors who may renew their commitments and identify new potential donors to support ongoing initiatives.

The Council received updates from staff on property acquisitions and gifts. The necessary documents to process the IOKDS Chapel gift have been signed and are in hand, and the Council anticipates taking title to the property within the week.

Finally, Mr. Osborne reviewed policies the Council recommends for sunseting because they have been incorporated into other policies, mostly the Gift Acceptance Policy. These policies were reviewed at the Board's February 2025 meeting and no further discussion occurred.

Upon motion duly made and seconded, the Board approved sunseting seven policies related to bequests; tree memorials; endowment of facilities; gifts-in-kind; mailing lists and naming of facilities.

The Board took a moment to acknowledge and celebrate the fact that the \$150 million campaign goal, the largest in the Institution's history, is within sight.

8. Architectural Review Board

Ms. Hara offered a brief background on the work and structure of the Architectural Review Board ("ARB"), noting that it is the only public-facing committee of the Board. The ARB considered three applications at this quarter's meeting, which occurred on May 1. Two applications were approved and the third was not approved, but the ARB provided feedback to the homeowner and expects the homeowner to return with a modified application next quarter.

E. Report of Hotel Board

Mr. Hagman had no report but asked that Trustees review Ms. Beckstrom's presentation from the previous day's educational session, noting that it had been uploaded to the Board portal.

F. Report of Chautauqua Foundation

Debbie Moore presented the Foundation's report in Mr. Renjilian's absence. Ms. Moore reported that the endowment has increased from \$141 million to \$147 million with an additional gain of \$1 million in April. The Foundation's Investment Committee is scheduled to meet in Philadelphia with the Foundation's investment advisor.

Ms. Moore shared the results of an efficiency report on endowment use, noting there was an increase in efficiency.

Finally, Ms. Moore reported the Foundation's Investment Committee added a new non-voting participant to that Committee.

IV. Adjournment

Upon motion duly made and seconded, the Board approved adjourning the meeting.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Shannon D. Rozner
Corporate Secretary
Chautauqua Institution Board of Trustees

Adopted by the Chautauqua Institution Board of Trustees, May 3, 2025

CHAUTAUQUA INSTITUTION INSTITUTIONAL VOICE POLICY

Chautauqua Institution's mission is to explore the best in human values and the enrichment of life through a program that explores the important religious, social and political issues of our times; stimulates provocative, thoughtful involvement of individuals and families in creative response to such issues, and promotes excellence and creativity in the appreciation, performance and teaching of the arts.

The shared values that frame this work are:

- Multigenerational and multidisciplinary engagement through the arts, education, religion, and recreation
- The dignity and contributions of all people
- Dialogue to achieve enhanced understanding that leads to positive action
- The serenity, tradition, safety, and ecology of Chautauqua's historic grounds and surroundings
- A balance between Chautauqua's heritage and the need to innovate

As an organization that exists to convene diverse perspectives and persons to explore important issues of our times, it is important that we are viewed as a trusted, impartial convener. This statement, therefore, calls for Institutional restraint when it comes to making public statements that reflect an opinion, belief or position on political, religious, or social matters. Restraint will help the organization to maintain Chautauqua's recognized role and mission as an impartial convener of dialogue, discussion, and constructive disagreement toward achieving deeper understanding, leading to empathy.

As such, Chautauqua Institution as an organization, and staff and volunteers with accountability for leading or animating this mission and exemplifying the Institution's values through position or programs will generally refrain from making public statements that reflect an opinion, belief or position on political, religious, or social matters that could be interpreted as reflecting an Institutional viewpoint.

In rare instances when Institution leaders believe it is critical to the Institution's mission and values, or its business, operational or strategic interests, to take a position on political, religious, social or policy matters that are intended to reflect an Institution viewpoint, that may be done at

the behest of or in consultation with the Institution president and the Board of Trustees. Such statements will typically be issued over the signature of the Institution President or Chair of the Board of Trustees.

If any member of the volunteer, leadership or staff teams has a question on whether a statement they wish to make falls within the purview of this policy, they may direct such inquiries to the Secretary of the Corporation who will engage leadership and Board members appropriately in providing direction. <See Public Speech Policy and Government Relations Policy>

Adopted by the Chautauqua Institution Board of Trustees, December 9, 2024

Updated by the Chautauqua Institution Board of Trustees, May 3, 2025

CHAUTAUQUA INSTITUTION

CAPITAL PROJECT REVIEW AND APPROVAL POLICY

1.0 Policy Purpose

The purpose of this policy is to document and define the principles by which Capital Projects are reviewed and approved at Chautauqua Institution.

2.0 Policy Scope

This policy applies to Chautauqua Institution as well as its President, senior officers, and any other individual who participates in the planning, review, approval or execution of Capital Projects.

3.0 Policy Statement

Capital Projects are essential to the mission of Chautauqua Institution. The substantial resources of time, human resources, philanthropy and other forms of financing required for the successful planning and execution of projects require careful review and approval.

3.1 **Approval of Capital Project Expense:** The authority to approve overall financial expenditures for Capital Projects rests with the Board of Trustees (“Board”). Most Capital Projects will be approved by the Board during the annual budgeting process, where Annual Maintenance Capital projects are presented to the Board. For these projects, the Board will review and approve: 1) a total capital expenditure amount; and 2) a line- item listing of projects showing scope and cost for all projects greater than \$25,000.

Once the Annual Maintenance Capital spending plan is approved by the Board of Trustees, the Vice President of Campus Planning and Operations has the flexibility to prioritize projects identified as the year progresses and further information concerning priorities arises (“Capital Changes”).

If the cost of the Capital Changes can be covered by offsets elsewhere in the approved Annual Maintenance Capital spending plan and the total project cost is less than \$25,000, no action is needed.

If the cost of the Capital Changes can be covered by offsets elsewhere in the approved Annual Maintenance Capital spending plan and the total

project cost is \$25,000 or more, the Vice President of Campus Planning and Operations will report such changes to the Chief Financial Officer and the Budget & Finance Committee as soon as reasonably possible.

If the cost of the Capital Changes cannot be covered by offsets elsewhere in the approved Annual Maintenance Capital spending plan, then the Administration will present the proposed amendment to the budget to the Board's Budget and Finance Committee who may then recommend the proposed amendment to the budget to the Board for approval. The proposed expenditure shall not occur unless approved by the Board. See **Appendix A** for further guidance on escalations needed in the approval process.

3.2 Design, Commencement of Construction, and Ongoing Project Oversight: Once the capital expense has been approved by the Board, the authority to approve the design and the commencement of construction as well as the responsibility to provide continuing oversight of each capital project varies in accordance with the total cost of a project as outlined below. All design work must adhere to the Architectural and Land Use Regulations of Chautauqua Institution unless otherwise approved by the Board.

For projects $\leq$ \$50,000:

- Design is approved by the Vice President of Campus Planning and Operations in consultation with the President and the heads of the impacted departments to ensure organizational needs are being met.
- Commencement of construction is approved by Vice President of Campus Planning and Operations in consultation with the President and CFO to make sure funds are available to complete the project. This includes contract signature approvals in accordance with Exhibit C.
- Ongoing Oversight is provided by Vice President of Campus Planning and Operations.

For projects $>$ \$50,000 but $\leq$ \$250,000:

- Design is approved by the President in consultation with the Vice President of Campus Planning and Operations and the heads of the impacted departments to ensure organizational needs are being met. See Appendix B for involvement of Board depending on circumstances.
- Commencement of Construction is approved by the Executive Vice President and the CFO jointly to make sure funds are available to complete the project. This includes contract signature approvals in accordance with Exhibit C.
- Ongoing Oversight is provided by the President and Vice President of Campus Planning and Operations with material deviations from the construction plan and/or funding plans reported to the Budget & Finance Committee as soon as they are known by the Vice President of Campus Planning and Operations.

For projects $>$ \$250,000 but $\leq$ \$500,000:

- Design is approved by the President in consultation with the Vice President of Campus Planning and Operations and the heads of the impacted departments to ensure organizational needs are being met. See Appendix B for involvement of Board depending on circumstances

- Commencement of Construction is approved by the President in consultation with the CFO to make sure funds are available to complete the project. This includes contract signature approvals in accordance with Exhibit C.
- Ongoing Oversight is provided by the President and Vice President of Campus Planning and Operations with material deviations from the construction plan and/or funding plans reported to the Budget & Finance Committee as soon as they are known by the Vice President of Campus Planning and Operations.

For projects > \$500,000:

- Design is reviewed by the Board in consultation with the President to ensure organizational needs and ALU regulations are being met.
- Commencement of construction is approved by the Board in consultation with the President and the CFO to make sure funds are available to complete the project. This includes contract signature approvals in accordance with Exhibit C.
- Ongoing oversight is provided by the President and Vice President of Campus Planning and Operations with material deviations from the construction plan and/or funding plans reported to the Chief Financial Officer and the Budget & Finance Committee as soon as they are known by the Vice President of Campus Planning and Operations.

To facilitate the Board's review and approval of the design and commencement of construction of a new capital project costing >\$500,000, the Administration shall prepare a Capital Project Checklist similar to that attached hereto as **Appendix B**. This checklist may be updated from time to time by the Board at its sole discretion.

An endowment plan must be articulated prior to Board approval; however, the funds are not required to be in hand prior to approving the commencement of a project.

3.3 Capital Projects Outside the Approved Annual Maintenance Capital Budget: For any contemplated expenditure that is not included in the approved Annual Maintenance Capital budget, and which cannot be absorbed by the budgeted capital expenses already approved by the Board, the following applies:

The Administration will present the proposed amendment to the budget to the Board's Budget and Finance Committee who may then recommend the proposed amendment to the budget to the Board for approval. The proposed expenditure shall not occur unless approved by the Board.

3.4 Financial Funding Plan for All Capital Projects: Capital Projects with a total project cost of more than \$50,000 must have a financial funding plan, including capital, operating and maintenance, and programmatic funding, approved by the President and Chief Financial Officer.

The financial funding plan is a critical element of the success of any Capital Project, regardless of total project cost. Realistic and available financial resources must be identified at the earliest possible stages of a project, the project scope must be developed in a manner commensurate with those resources, and fiscal discipline must be exercised at all stages of a project to ensure the appropriate and prudent use of Institution resources. The financial funding plan and project scope must address financial impacts related to and required for the success of the project.

The financial funding plan will vary according to the project type and cost. Any mix of sources (e.g., departmental funds, philanthropy, debt financing, project revenue) may be used to fund a project, provided they are documented and approved by the appropriate authority.

The approved financial funding plan will identify and define funding sources to cover all estimated and anticipated:

1. Design and construction capital costs,
2. operations and maintenance,
3. estimated costs of covering fundraising pledges in advance of receipt (if any), and
4. any other reasonably anticipated capital and ongoing expenses associated with the project.

The financial funding plan must also anticipate and describe estimated incremental program and staffing (if any) for when the Capital Project is completed, occupied, and operational and the associated planning of the responsible department/program/etc. to absorb and cover those expenses.

An approved financial funding plan will include:

- Project description and objectives
- Total project cost, inclusive of items 1-4 above
- Project schedule
- Funding source(s) equal to or greater than total project cost
- Revenue associated with the Capital Project (e.g., user fees; incremental programmatic revenue enabled by the project, etc.)

At the design authorization stage, the financial funding plan is expected to be preliminary in nature, as detailed scope and associated expenses are determined and developed during design; however, the preliminary financial funding plan must be realistic and determined to have a high likelihood of success prior to the initiation of design. In addition, for design to be approved for any project, the full anticipated cost of design must be identified and available through existing Institution resources or philanthropy and approved by the appropriate authority.

At the construction authorization stage, the financial funding plan must be final and complete, with clear financial targets to receive approval from the appropriate approval authority to proceed with construction. A final and complete financial funding plan will identify and document all anticipated expenses and commensurate sources of funding.

Capital Projects will be monitored at all stages (planning, design and construction) by the appropriate oversight body as outlined in section 3.2 for adherence to and consistency with the project scope and approved financial funding plan.

For projects that exceed \$250,000, one hundred percent (100%) of the expected project cost must be raised prior to construction commencing. If philanthropy is the main source of funding for the project, formal signed pledges must be in hand. However, it is understood these pledges may, in some cases, be collected over a period of time. In those cases, where cash is not fully available immediately, a bridge financing plan must be developed by the Administration and approved by the Budget & Finance

Committee prior to commencing construction.

Because Chautauqua Institution is barred from pledging assets as collateral for any purpose, the Budget & Finance Committee must be informed of any bridge or other financing plan that would involve indebtedness, in any form whatsoever, prior to any officer of the Institution executing such an instrument.

3.5 For all expenditures on capital projects, the Board's Expenditures Policy (including use of Requests for Proposals and Competitive Bidding) and the procedures developed by the Administration to implement those policies shall be adhered to.

4.0 Responsibilities

All individuals to whom this policy applies are responsible for becoming familiar with and following this policy. Institution senior staff with oversight duties are responsible for promoting the understanding of this policy and for taking appropriate steps to help ensure and enforce compliance with it.

Exceptions to this policy must be authorized at the Board level.

In all circumstances, the Executive Committee may act on behalf of the Board pursuant to the Bylaws.

5.0 Related Policies

Expenditure Policy

Annual Budget Review and Adoption

Appendix A

Capital Budget: Process for Approving Annual Budget and Amendments

Expenditure Type	Other Criteria	Example	Administration Process ¹	Board Process
Budget Approval: Overall Annual Capital Maintenance Budget including line-item approval of projects costing \$25,000 or more	Aligned with five-year proforma		Administration proposes to B&F	- Board committees recommend key inputs/assumptions - B&F recommends budget to BOT - BOT approves annual budget
Budget Reallocation: New capital projects paid for from funds <u>Inside the Total</u> approved Annual Capital Maintenance Budget	Projects less than \$25,000	Substitution of projects based on availability of resources and timing during the year, but consistent with long-term capital maintenance plan	No action needed	No action needed
	Projects greater than \$25,000 but less than \$500,000		Informs B&F of proposed expenditures and offsets used to absorb unanticipated expense	Captured in capital budget variance reporting
	Projects greater than \$500,000		Informs B&F of proposed expenditures and offsets used to	- B&F reviews and recommends - Design reviewed by the BOT²

¹ All Administrative processes are subject to internal policies (“Internal policies”) including but not limited to: Conflict of Interest; Competitive Bidding; Sole Source Vendors; Blanket Check Requests; Contract-signing authority.

² Review focused on conformance of design concept with ALU district regulations.

Expenditure Type	Other Criteria	Example	Administration Process ¹	Board Process
			absorb unanticipated expense Prepares Capital Project checklist	- Commencement of construction approved by the BOT - Variances reported to B&F
Budget Amendment: New capital projects paid for from funds Outside the Total approved Annual Capital Maintenance Budget	Projects less than \$500,000 regardless of whether funding has been obtained or cash reserves are being used		Refers to B&F for recommendation to amend budget	- B&F reviews and recommends amendment to budget to BOARD - BOARD approves amended budget - Variances reported to B&F
	Projects greater than \$500,000 regardless of whether funding has been obtained or cash reserves are being used		- Refers to B&F for recommendation to amend budget - Prepares Capital Project checklist	- B&F reviews and recommends amendment to budget to BOARD - Design reviewed by the BOT³ - Commencement of construction approved by the BOT - Variances reported to B&F

³ Review focused on conformance of design concept with ALU district regulations.

Appendix B

Chautauqua Institution Capital Project Checklist

- ☐ Identify how the proposed project is consistent with long-range planning and strategic direction
- ☐ Describe the project scope and timing in detail sufficient to allow the Board to make an informed decision.

Detail how stakeholder input has been solicited in preparing the proposal

Detail how the project has been communicated to stakeholders

- ☐ Provide detailed estimates for the cost of the project and an overview of the competitive bids obtained
 - ☐ What alternative construction contract options were considered?
- ☐ What competencies are needed to manage the project?

What impact will the proposed project have on Chautauqua's commitment to Carbon Neutrality by 2050?
- ☐ Identify all sources of funding as well as details on timing and source of funding and confirm all philanthropic commitments are signed.
- ☐ What is the cash flow plan for managing the project?
- ☐ What is the plan to fund the ongoing annual operating expenses of the facility, including program related expenses?
- ☐ What is the plan to fund the ongoing capital maintenance/repair expense of the facility?
- ☐ Confirm all proposed Capital Expenditures associated with the project have been submitted to the finance department and that the CFO is satisfied with these planned expenditures.

This checklist has been reviewed and approved by the

following: President _____

EVP _____

SVP Advancement _____

Appendix B

VP Campus Planning_____

CFO_____

Director _____

Date_____

Appendix C

Summary Chart for Contract Signing Authority For all Types of

Capital Expenditures

These contract authorizations are intended to facilitate the signing of contracts within large projects.

Expenditure Type	Other Criteria	Example	Administration Process ⁴	Board Process
One-time contract for goods and/or services/capital	- Total anticipated contract costs equal to or less than \$250,000 - Expense is included in an approved budget or amended budget for current year	Temporary art installation	Administration follows internal controls	No action
	- Total anticipated contract costs greater than \$250,000 - Expense is included in an approved budget or amended budget for current year	New roof on Turner	Administration follows internal controls President submits request for authorization to the Full Board or Exec Committee	Board authorizes President to sign contract
Multi-year contract for goods and/or services	Total anticipated contract costs across all years	Contract for security consulting services	Administration follows internal controls	No action needed

⁴ All Administrative processes are subject to internal policies (“Internal policies”) including but not limited to: Conflict of Interest; Competitive Bidding; Sole Source Vendors; Blanket Check Requests; Contract-signing authority.

ExpenditureType	Other Criteria	Example	Administration Process ⁴	Board Process
	equal to or less than \$500,000 Expense is included in an approved budget or amended budget for current year and in the pro-forma budget for future years.			
	- Total anticipated contract costs across all years greater than \$500,000 - Expense is included in an approved budget or amended budget for current year and in the pro-forma budget for future years.	CRM software implementation over 3 years	Administration follows internal controls President submits request for authorization to the Full Board or Exec Committee	Board authorizes President to sign contracts over time and as needed to implement the entire project so long as the total of all contracts remain in the approved scope and budget.
Multi-vendor contracts for capital project	- Total anticipated contract costs across all vendors equal to or less than \$1,000,000 - Expense is included in an approved or amended budget for a	Renovating a playground using multiple contractors	Administration follows internal controls	No action needed

ExpenditureType	Other Criteria	Example	Administration Process ⁴	Board Process
	single year or multi-year capital project			
	• Total anticipated contract costs across all vendors greater than \$1,000,000 • Expense is included in an approved or amended budget for a single year or multi-year capital project	Renovating the Colonnade using multiple contractors over multiple years	Administration follows internal controls President submits request for authorization to the Board	Board authorizes President to sign contracts with multiple vendors over time and as needed to implement the entire project so long as the total of all contracts remain in the approved scope and budget.

Adopted by the Chautauqua Institution Board of Trustees, May 3, 2025

CHAUTAUQUA INSTITUTION POLICY GOVERNING INVESTMENT IN SHORT TERM VEHICLES

1. Policy Purpose

The purpose of this policy is to document and define the parameters under which Chautauqua Institution's funds (other than Chautauqua Foundation funds) may be invested.

2. Policy Scope

This policy addresses investments in the context of cash reserve funds, excess cash and short-term restricted funds (designated by the donor as restricted in nature pending a condition is satisfied). It also encompasses donations received into the Chautauqua Fund that may, from time to time, be in excess of immediate operating cash requirements but are expected to be used over the short term (defined as two years or less).

This policy does not address funds raised for the Chautauqua Foundation as endowment funds. Those funds are recorded separately by Chautauqua Foundation and governed separately by its Board of Directors.

3. Policy Statement

Oversight of the assets of Chautauqua Institution shall be administered by the Board of Trustees (the Board). Particular to any reserve funds, excess cash and short-term restricted funds, the Board is responsible for approving the general investment policies for this group of assets as recommended by the Budget & Finance Committee.

The Board has delegated the responsibility for maintenance and management of such funds to the Administration with oversight by the Budget & Finance Committee. The Administration will always be mindful of its responsibility to preserve these assets, and it is understood that the Administration will utilize the Investment Guidelines and Constraints below for selecting and evaluating any short-term investment vehicle for such funds.

A. Investment Objectives. In consideration of the intent of these funds and their potential to be held for a short-term horizon to assist in the funding of ongoing operations, an investment strategy that seeks a low risk, liquid portfolio preserving capital has been adopted for this asset type.

B. Investment Guidelines and Constraints. Short term realization of return in low risk, liquid vehicles will focus on the following as appropriate vehicles for investment:

- i. ***Cash and Short-Term Investments:*** For the purposes of this investment policy, cash equivalents are defined as fixed income securities with original maturities of less than two years and should be made with utmost concern for quality. Examples of such investments are:
 1. *Money market funds*
 2. *Certificates of Deposit*
 3. *US Government Treasury Bills and/or Treasury Bonds*
 4. *Bank savings accounts*
 5. *Bank sweep accounts*
- ii. ***Equity Securities:*** It is not appropriate to invest in an individual equity security or an equity portfolio as the risk of value decline is too great in the short term. This investment type lends itself to long-term investing which is not appropriate when investing for a time horizon of two years or less. Further, it is equally inappropriate to invest in speculative investments of any kind, examples of which might be, alternative currencies, real estate, precious metals, high-yield bonds etc.

C. Oversight Review. The Budget & Finance Committee shall be kept apprised by the Chief Financial Officer or their delegate from time to time, but no less than quarterly, of how reserve or excess cash is being invested and ensure such investments adhere to this policy.

4. Responsibilities

All individuals to whom this policy applies are responsible for becoming familiar with and following this policy. Institution senior staff with oversight duties are responsible for promoting the understanding of this policy and for taking appropriate steps to help ensure and enforce compliance with it.

Exceptions to this policy must be authorized at the Board level.

In all circumstances, the Executive Committee may act on behalf of the Board pursuant to the Bylaws.

5. Related Policies

N/A



WHEREAS, the Board's financial policies require board approval for amendments to the Capital Maintenance Budget, expenditures in excess of certain limits and for waiver of the competitive bidding requirement; and

WHEREAS, executive management wishes to amend the 2025 Capital Maintenance Budget to allow for the purchase of a new concert piano at the cost of \$135,550; and

WHEREAS, the purchase of the piano will be fully funded by immediate cash philanthropy and therefore will have no impact on our cash position; and

WHEREAS, the donor is prescribing that the piano be purchased from a particular retailer, making competitive bidding impossible;

NOW THEREFORE, BE IT RESOLVED, that the Board hereby amends the 2025 Capital Maintenance Budget to include the purchase of a concert piano for \$135,550;

RESOLVED, that the Board waives the competitive bidding requirement for the purchase; and

BE IT FURTHER RESOLVED, that the authorized officers of Chautauqua Institution (the "Institution") be, and they hereby are, directed in the name and on behalf of the Institution to execute and deliver all such other agreements and documents as they or any of them may consider necessary or appropriate to enable the Institution to carry out the intent and to accomplish the purposes of the foregoing resolutions.



WHEREAS, the Board’s financial policies require board approval for amendments to the Capital Maintenance Budget and expenditures in excess of certain limits; and

WHEREAS, executive management wishes to amend the 2025 Capital Maintenance Budget, to increase the overall budget to allow for the payment of the \$100,000 insurance deductible related to the recent damage in the Amphitheater from unrestricted cash;

WHEREAS, executive management has represented to the Board that this payment cannot be absorbed in the existing Capital Maintenance Budget without negatively impacting necessary maintenance projects;

NOW, THEREFORE, BE IT RESOLVED, that the Board approves an increase in the overall Capital Maintenance Budget of \$100,000 to accommodate the payment of the deductible to the applicable insurance company; and

BE IT FURTHER RESOLVED, that the authorized officers of Chautauqua Institution (the “Institution”) be, and they hereby are, directed in the name and on behalf of the Institution to execute and deliver all such other agreements and documents as they or any of them may consider necessary or appropriate to enable the Institution to carry out the intent and to accomplish the purposes of the foregoing resolutions.



WHEREAS, Chautauqua Institution (the “Institution”) is the sole shareholder of the Chautauqua Hotel Company (“Hotel”); and

WHEREAS, the Hotel has encountered the need for emergency repairs to its porch roof due to winter snow damage which will cost \$104,000; and

WHEREAS, the Hotel does not have adequate funds in its 2025 Capital Maintenance Budget to cover this cost; and

WHEREAS, upon the recommendation by the executive management of the Institution and the Budget & Finance Committee of the Board of Trustees of the Institution, the Institution plans to assist the Hotel in paying for these repairs by making an equity contribution to the Hotel;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves a \$104,000 equity contribution to the Hotel in fiscal year 2025 from the Institution’s cash reserves;

BE IT FURTHER RESOLVED, that the authorized officers of the Institution be, and they hereby are, directed in the name and on behalf of the Institution to execute and deliver all such other agreements and documents as they or any of them may consider necessary or appropriate to enable the Institution to carry out the intent and to accomplish the purposes of the foregoing resolutions.



WHEREAS, the Board’s financial policies require board approval for expenditures in excess of certain limits and for waiver of the competitive bidding requirement; and

WHEREAS, executive management would like to execute a \$375,000 contract with Exponent Partners, the software implementation provider for the Project 360 initiative; and

WHEREAS, Exponent Partners participated in an earlier competitive bidding exercise for implementation of Project 360 and was the winning bidder, but Chautauqua Institution (the “Institution”) is contracting for each phase of the project separately to preserve flexibility;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes a payment of \$375,000 to Exponent Partners and waives the requirement for competitive bidding on the contract obligating the Institution for such payment; and

BE IT FURTHER RESOLVED, that the President of the Institution be, and they hereby is, directed in the name and on behalf of the Institution to execute and deliver all such other agreements and documents as they may consider necessary or appropriate to enable the Institution to carry out the intent and to accomplish the purposes of the foregoing resolutions.



WHEREAS, the Board’s financial policies require board approval for amendments to the Capital Maintenance Budget, expenditures in excess of certain limits and for waiver of the competitive bidding requirement; and

WHEREAS, executive management wishes to amend the 2025 Capital Maintenance Budget to allow for the purchase and installation of a paired-panel operable partition for McBride/Verdy dance studio (the “Partition”) at a cost of \$100,000; and

WHEREAS, the purchase of the Partition will be fully funded by cash philanthropy received in August 2024 for dance facility improvements; and

WHEREAS, executive management has represented to the Board that despite their best efforts, multiple bidders were not available for the purchase and installation of the Partition;

NOW THEREFORE, BE IT RESOLVED, that the Board hereby amends the 2025 Capital Maintenance Budget to include the purchase and installation of the Partition for McBride/Verdy dance studio at a cost of \$100,000; and

RESOLVED, that the Board waives the competitive bidding requirement for the purchase and installation of the Partition for McBride/Verdy; and

BE IT FURTHER RESOLVED, that the authorized officers of Chautauqua Institution (the “Institution”) be, and they hereby are, directed in the name and on behalf of the Institution to execute and deliver all such other agreements and documents as they or any of them may consider necessary or appropriate to enable the Institution to carry out the intent and to accomplish the purposes of the foregoing resolutions.