

Historic Huguenot Street

Family Associations, HHS Board and HHS Staff

Operating Agreement

Adopted September 24, 2008

Last Updated February 12, 2014

Descendants of Historic Huguenot Street (Huguenot Historical Society, New Paltz, N.Y. dba Historic Huguenot Street hereinafter referred to as “HHS”, Huguenot Street”, or “Corporation”) are vital to the support of the organization. Over time, a number of descendants have organized into what are known as Family Associations. These associations were formed mostly in the 1960’s. The Family Associations were formed to preserve and protect certain properties owned by Historic Huguenot Street, develop genealogies, support the Huguenot-American heritage as well as to develop members and supporters of HHS.

Family Associations have inspired another valuable part of HHS history: the valuable collections of stories and histories of the families of early New Paltz, including their journey from Europe, through New Netherlands, Kingston, Hurley and then to Historic Huguenot Street. The work of the Family Associations is important to reaching out to the estimated 30 million descendants of Huguenot Street. Collectively, the Family Associations and HHS share the responsibility to preserve Huguenot Street, its collections and archives for future generations.

This document reflects a collaborative effort between all Family Associations and the HHS Board through work of the Family Collaboration Committee (FCC) that was formed in the spring of 2007 (see Section II below.) While working on this document, it came to the attention of the Family Collaboration Committee that, for several years, Member Family Associations considered themselves to be separate subsidiary organizations of HHS. In fact, Member Family Associations legally are the same entity as HHS. In clarifying the roles of the respective organizations, the FCC also opted to incorporate into this document various relevant rules and regulations that are required by the IRS, New York State and the State University of New York, which is the chartering organization for HHS.

The Family Collaboration Committee and Historic Huguenot Street have jointly established procedures contained herein to clarify the task of managing the broader Historic Huguenot Street. The policies and procedures serve as an umbrella, providing for the mutual protection of HHS, the Family Associations, and the Family Funds. It is intended that these legal responsibilities, as well as the policies and procedures that govern our working relationships, are contained solely within this document, either by reference or directly.

Family Associations

Descendants and/or other members of the Corporation may choose to align with certain Family Associations as provided for in the HHS Bylaws. There are ten associated organizations of HHS. Each of the associated organizations has its own bylaws and governance structure.

Member Family Associations

Certain Family Associations are authorized by the Board of Trustees to consult with and act pursuant to the direction of the Corporation in the fulfillment of the mission of the corporation. These Family Associations legally are part of the Corporation (“Member Family Associations” or “MFA”) and function as affiliated organizations.

Eight Family Associations are MFAs. Any and all of the activities of MFAs are activities of HHS. MFAs and HHS have the same federal tax ID, 501(c)(3) tax-exempt status, financial reporting, and legal and regulatory filings. These associations also share all membership information with HHS and may be authorized or dissolved by the Board as appropriate.

The following are MFAs: Bevier-Elting, Crispell, Deyo, Freer-Low, Gerow, LeFevre, Magny, and Schoonmaker. MFAs may be authorized or dissolved by the HHS Board as appropriate.

Independent Family Associations

Family Associations may be associated with, but not legally be a part of the Corporation. These organizations, *Independent Family Associations (“IFA”)*, have their own and separate tax status, fund-raising activities, trust funds, reporting and filing requirements. There are two Independent Family Associations: DuBois and Hasbrouck.

Notwithstanding the shared attributes of the Independent Family Associations, there are several differences in their respective agreements with HHS. One significant distinction between the two is that presently the Hasbrouck Family Association shares membership information with HHS, whereas the DuBois Family Association does not.

I. Leadership and Vision

The HHS Board has legal responsibility to provide vision, strategy, sound financial oversight, and inspiration and leadership across the nationwide activities of HHS, including MFAs.

II. The Family Collaboration Committee

The Family Collaboration Committee (FCC) will serve as the main communication vehicle between the HHS Board and the Family Association Boards.

A. Mission of the Family Collaboration Committee

To strengthen relationships between HHS and the Family Associations by improving communication, understanding and trust in order to further our common goals.

B. Objectives of FCC

1. Identify, prioritize and address specific opportunities that will result in actionable recommendations to HHS and Family Association Boards.
2. Likewise, identify barriers to success in fulfilling the objectives, with recommended resolutions to the respective boards.
3. Determine an efficient, ongoing forum for effective interaction between HHS and the Family Associations.

C. FCC Membership as of February 12, 2014

Bob Hasbrouck (Hasbrouck FA), JoAnn Dourdis and Doug Deyo (Deyo FA), David DuBois (DuBois FA), Sam Schoonmaker (Schoonmaker FA), John Lefevre (LeFevre FA), James Elting (Bevier-Elting Family Association), Dan Crispell, Roger Crispell (Crispell FA), Phyllis Crawford (Freer-Low FA), Jean Fiore (Gerow FA), Ken Schoonmaker (Magny Family Association), Mary Etta Schneider (HHS Board and FCC Chair), and Taylor Stoermer and Rebecca Mackey (Directors.)

D. Priorities identified by FCC Committee - Updated as of February 12, 2014

1. Clarify and standardize the use of family trust funds (Completed – as documented herein)
2. Improve treasury functions and financial reporting (Understanding completed, but not fully implemented)
3. Clarify maintenance cost assessments for Family Association-related properties
4. Development and Membership plans for HHS and MFAs
5. Collect History of Family Association descendants
6. Review by-laws of HHS and the FAs
7. Sales Tax procedures and monies collected from sales.

III. Bylaws and Charters

- A. MFAs abide by the bylaws of HHS. Independent Family Associations abide by their respective agreements with HHS. (See HHS Bylaws Amended as of June 29, 2013.)
- B. Family Associations will support their respective charters (if any), bylaws, mission and goals that, in many respects, overlap with HHS. HHS Bylaws require MFAs to submit their bylaws, mission and goals, including subsequent revisions, to HHS for review and approval.
- C. HHS will review and approve, in a timely manner, the MFAs bylaws, mission and goals, and any subsequent revisions thereto.
 - 1. The President of HHS will appoint representatives of the HHS board to review submissions on behalf of the HHS board. The two board members, together with Directors, will review proposed changes. Bylaw revisions deemed to be substantial or somehow in conflict with HHS bylaws will be submitted to the HHS board for approval.
 - 2. Comments will be provided to the MFA within three weeks. If, in their judgment, the HHS representatives believe proposed changes are significant, a vote of the HHS board will be required at the next regularly scheduled board meeting.
- D. MFAs need to comply with HHS bylaws and remedies. If an MFA does not comply with HHS bylaws, HHS will make every effort to understand the nature of the breach and respond appropriately. These efforts may include, but not necessarily be limited to, attempting to contact the Family Association Treasurer via email or phone, notifying the MFA President via email of the breach and writing a letter to the MFA President, return receipt requested.

After making reasonable good-faith attempts to work with the MFA to remedy a breach of the bylaws, HHS reserves the right, among other actions, to immediately notify the holders (banks or otherwise) of any of the MFA General Operating Funds that those funds are to be immediately moved to an account held directly by HHS for the benefit of the MFA.

For the transfer of supervision of MFA General Operating Funds to HHS, HHS will make a good faith effort to work with the MFA to determine whether (1) a general operating funds account for the benefit of the MFA General Operating Funds would be established at HHS, or (2) the General Operating Funds account would be combined with any existing MFA Trust Fund, or a in a newly created MFA Trust Fund if donor restrictions require such separation. With any such transfer of MFA General Operating Funds to HHS, HHS will continue to make these funds available only for legally permitted MFA activities (in the case of any General Operating Funds), and only for sole use or benefit of that MFA's associated property (in the case that the funds are transferred to the MFA Trust Fund Account.) If the MFA does not have an associated property, as provided in the HHS Bylaws, the funds may be used to contribute to maintenance costs of the overall site.

If compliance is not attained after exhausting all reasonable attempts to remedy default, then the matter will be put before the HHS Board of Trustees. Further actions may or may not include removal of the MFA's affiliation with HHS. Removing an MFA from its affiliation with HHS shall require that the MFA be removed from all HHS communication; donors and the MFA will no longer have access to the tax-exempt status of HHS; the MFA must desist from any other formal or informal linkages, associations or affiliations with HHS; and MFA Members will lose all rights and privileges of HHS membership, including but not limited to the right to vote and attend meetings.

- E. The FCC should review the Charters and Bylaws of HHS and the MFAs at least once every five years.

IV. Historic Properties

- A. MFAs may not own real property.
- B. The Family Associations and HHS will consult with each other on preservation of the Family-associated historic property.
 - 1. As part of the annual budgeting process, HHS will consult with the Family Associations on annual plans for maintenance, capital projects, and long-term site planning in the context of overall HHS priorities, as well as the proposed sources of funding for each of these categories of expenditures.
 - 2. HHS Annual Budget Priorities.

The following process, for determining with the MFAs HHS Annual Budget Priorities, was approved by the HHS Board and FCC October 9, 2007.

- a. MFAs are invited to select a representative(s) of all MFAs to sit on HHS Historic Preservation and Finance committees.
 - i. The MFA representative on each committee is a voting member of the respective committee
 - ii. As a working member of the committee, the MFA representative will provide input on early stage draft budgets for buildings and grounds, finance, and fundraising
 - iii. These committees serve as a main forum for proposing priorities to the HHS board for buildings and grounds, finance, fundraising, and membership
 - iv. HHS will hold a meeting with all Family Association Presidents/FCC to solicit feedback on the preliminary budget
 - a. The meeting will include the President and Directors of HHS, as well as relevant HHS committee chairs.
 - b. The Directors will present a preliminary budget for HHS (in its entirety)
 - c. The meeting will focus on giving all Family Association presidents the opportunity to give feedback on the proposed plan before it is submitted to the HHS board for approval.
 - d. The Family Associations specifically will review three levels of family associated property expenditures as well as the respective sources of funding:
 - i. Ongoing maintenance for the properties
 - ii. Large expenditures for capital projects
 - iii. Long-term site planning and use of buildings and grounds

Sources of funding for each of the categories of expenditures will be identified

- e. All planned fundraising activities for both the Family Associations and HHS will be reviewed.
- C. A major fundraising responsibility for each MFA is to contribute funds for maintenance of its family-associated historic property. MFAs not connected with specific properties are expected to contribute to the cost of maintenance of the historic site.

The Director of Operations will propose procedures for assessing Family Association contributions' for maintenance. The process must be consistent, fair, and revealed to all Family Associations. The procedures must also determine what happens when a Family Association is not able to contribute funds for maintenance.

Instructions for Funding of Repairs/Maintenance of Family Associated Historic Properties by Member Family Associations

May 12, 2008 (revised 2/14/2014)

<u>Property/Family</u>	<u>Payment Amount</u>	<u>When Payment Made</u>	<u>Purpose of Payment</u>	<u>From What Funds</u>
Hasbrouck	Apply for funding for 100% of costs + actual hours for HHS staff	Est.paid in Jan/Feb; yr-end adjustment reconciles over/under payments	A.Hasbrouck House	Hasbrouck FA (Helene Anderson bequest)
Hasbrouck	\$7,000/year per legal agreement. Apply for any additional funds if available.	Send bill in Jan Give est'd costs & prior year costs Ask for add'l \$\$\$	Jean Hasbrouck House repairs	Hasbrouck FA
Bevier-Elting	100% of costs, send bills HHS advises President	1X/year	Maintenance of B-E House	B-E FA fund
Crispell	100% costs for amounts over Historic Value of Fund. HHS advise President	1x/year	French Church	KP & R Crispell investmt fund
Crispell	\$500	1X/yr	HHS gen'l expenses	Crispell FA
Deyo	100% of costs, may come from trust funds. Family to review.	1X/year	Deyo House	Deyo FA
DuBois	Apply for funding	1X/year or as needed	DuBois Fort	DuBois invest fund (Newsome Trust)
DuBois	\$500 per legal agreement	1X/yr	HHS gen'l expenses	DuBois FA
Freer	100% of costs	1X/year	Freer House	Freer FA *send notification to Marian & Phyllis that HHS is withdrawing from family fund
Gerow	100% of costs	1X/year	Quaker Meeting House	Gerow FA
LeFevre	Excess of \$1,000 in FA checking account	1X/year Send bill	LeFevre House - repairs	LeFevre FA
Magny	None currently assessed	Unrestricted		Magny Fund

V. Trust Funds Management

The HHS Board and MFAs work to support a common goal of honoring the intent of donor contributions to HHS. HHS provides oversight of funds entrusted to the organization's care. Ultimately, the MFAs and HHS collectively have to answer to HHS "shareholders" – the donors. In order to effectively execute these responsibilities, the following policies and procedures have been established and adopted by the Family Associations and HHS Board.

- A. HHS Investment Policy will be reviewed annually with MFAs. (See HHS Investment Policy dated March 8, 2013.)
- B. In investing and expending MFA Trust Funds, HHS shall consult annually, or more frequently if circumstances require, with the Family. Moreover, no such temporarily or permanently restricted family funds, nor the income there from, may be used by HHS for general activities or for any activity not contemplated by the original gift.
- C. MFA Trust Funds arise from all membership fees, donations, bequests and gifts made to an MFA or to HHS for the benefit of an MFA. These funds usually are designated for the use or benefit of a particular MFA's associated property and associated activities.
 - 1. All Trust Funds are maintained and invested by HHS as trustee for the donor.
 - 2. Trust Funds are designated as either Permanently Restricted (original principal must be maintained; or Temporarily Restricted (100% of the donation is available for the designated purpose.)
 - 3. HHS will distribute quarterly to the Family Associations a report that summarizes the status of the individual fund, its designation as either Temporarily Restricted or Permanently Restricted, and the overall performance of the fund. If further clarification of investments within these categories is required, the Director of Operations or HHS Treasurer should be contacted.
 - 4. Checks for any dues or donations solicited by the MFA gifts must be in the following form: "To Huguenot Historical Society, New Paltz, N.Y. with the XYZ Family Association noted in the memo line of the check." These must be forwarded immediately to the HHS Director of Operations.
 - 5. House expenses generally will be withdrawn from Trust Accounts once a year, usually in January, unless major capital expenditures require interim funding.

HHS will submit to MFAs requests for withdrawals from Trust Funds to cover the prior year's property expenses. Expenses will be those actually incurred, including HHS labor. The MFA will promptly review the request. If the MFA and HHS agree to the relevant expenses, the funds will be withdrawn from the Trust Fund within 30 days. Any disputes not resolved by the Director of Operations and MFA will be presented to the Finance Committee for discussion and resolution.

IFAs and HHS have legal agreements that govern some support for the IFAs associated homesteads. Other funding will be applied for by HHS to the IFA as with any other independent grant source.

Family Association Related Investment Funds: Restrictions in Use As of February 12, 2014

Fund Name	Historic Value (Restricted Principal)	Perm Restricted or Temp restricted	Restrictions on Use
Anton. Crispell	\$110,000	Perm Restricted	Use for General HHS Expenses
Bevier-Elting	None	Temp Restricted	For Bevier-Elting House
Charles J. Hasbrouck Scholarship Fund	\$25,000	Perm Restricted	For scholarships (limited to three colleges and courses of study). Does not require Huguenot Ancestry. By vote of Trustees, can be used for internships
Deyo Membership	?	Unrestricted	Needs approval from family for use. Withdraw income annually & remit to FA at yr end
Dorothy DuBois Walker Beach I	\$130,359	Perm Restricted	Up to 10 scholarships for students of Huguenot Descent attending colleges in the U.S. which have ideals exemplified in the Society's purpose of existing and to be designated as the DuBois Family Association Scholarships in the name of Dorothy DuBois Walker Beach.
Dorothy Beach II	\$130,265	Permanently Restricted	Use for General HHS Expenses
DuBois Fort (formerly Alice DuBois) Includes Newsome Trust funds	None	Temporarily Restricted	For DuBois Fort expenses
Gerow Fund	None	Temporarily Restricted	For Quaker Church if FA funds don't cover expenses
Hasbrouck Grimm	\$50,000	Permanently Restricted	For Grimm Gallery
Freer-Low Family Related Fund (includes Helen W.Rhoades \$24,000 bequest)	\$24,200	Permanently Restricted	For Freer House & FA activities. W Rhoades is to be used for Freer Low House
Katherine P & Reuben Crispell (Fr.Chur)	\$60,000	Permanently Restricted	For French Church, but in emergency, \$10K can be used for general HHS repairs.
Kenneth J. Hasbrouck, Sr. Fund	\$8,375	Permanently Restricted	For scholarships, and internships, if no scholarship given for 2 years. Does not require Huguenot Ancestry.
LeFevre Family Association	None	Temporarily Restricted	For LeFevre House. Needs approval from family for use.
Lewis Trust	\$10,000	Permanently Restricted	Held in CD's at Ulster Savings Bank. Requires insured instrument.
Magny Family (Trust) Fund	None	Temporarily Restricted	Have expressed interest in supporting library

VI. Reimbursement of MFA Expenses

- A. MFAs will be provided with reimbursement for expenses from one Operating Account, administered by the HHS, to which MFAs will submit receipts for reimbursement.
 - 1. HHS will fund the Operating Account from its unrestricted funds.
 - 2. Reimbursement to the MFA Officer or vendor will be prompt and within standards used for all HHS accounts payable.
 - 3. HHS will not unreasonably withhold reimbursement.
 - 4. If requested by the MFA, expenditures not endorsed by MFA Treasurers will be denied reimbursement.

VII. Reporting

HHS will report MFA activity to its Treasurer on a quarterly basis, including revenue (dues and donations, etc.) expenses and Trust Fund Activity. Donations and dues will be broken out by donor, type of gift, and gift restrictions, if any.

VIII. Contracts and Employees

- A. MFAs shall not hire employees.
- B. MFAs shall not enter into any contracts.

IX. Compliance with HHS Policies

- A. HHS and all MFAs shall be aware of and comply with all HHS Policies and Procedures.
- B. All HHS Board members, committee members, employees and volunteers and all officers of MFAs shall submit annually, to the Director Operations of HHS, completed and signed Conflict of Interest forms.

X. Family History and Genealogy

Family history, stories and genealogy are a valuable component of Huguenot Street. Family Associations have the primary responsibility for compiling this research.

- A. Family Associations will research and perpetuate the respective family history and genealogy.
 - 1. To facilitate communication with the HHS board, Family Associations will provide HHS board trustees copies of all FA newsletters. Copies can be provided either by electronic or regular mail.
 - 2. Likewise, HHS will support and perpetuate descendant's history and genealogy. As the official depository of family history HHS will:
 - b. Provide a publicly available place for all published genealogies.
 - c. Protect and maintain any family-associated historic document that fits within the collection scope of HHS in the same standard as other HHS documents.
 - d. Support sales of family-related materials through the museum shop and other venues as appropriate.
 - e. Provide Family Association members with access to the library and archives.
 - f. Assist Family Associations with their annual meetings.
 - 1. Arrange for meeting space, provide referrals for speakers and have staff/board available to address questions and concerns
 - g. Assist Family Associations with newsletter messaging regarding HHS and other family associations.

- h. Provide Family Associations with consultation and advice on the storage and management of their association records.

VII. Membership and Fundraising

Generating memberships and cultivating donors are shared responsibilities and important to preserve and enrich HHS. In order to effectively use the collective activities of HHS and the MFAs, the FCC has developed the following guidelines.

- A. The primary development focus of the MFAs is the generation and development of memberships that will fund the maintenance of the family properties.
 1. MFAs offer memberships and accept donations under the 501(c)(3) umbrella of HHS.
 2. MFA memberships will largely focus on:
 - a. Genealogy/Family History/Newsletters and other activities of the association
 - b. Historic property associated with the Family Association
 - c. Preservation of the street as a whole
 3. Family Associations are encouraged to promote membership in the respective association.
 4. The Family Associations will provide HHS with accurate membership records (excluding DuBois Family Association, which is not obligated to share membership information with HHS) and appropriate dues. (See HHS Membership Policy dated July 22, 2008; HHS Gift Acceptance Policy dated July 12, 2005 and HHS Donor Privacy Policy dated July 12, 2005.)
 5. Each Family Association shall set its own dues and membership categories.
 - a. In order to coordinate fundraising activities across HHS and the Family Associations, the Family Collaboration Committee recommends that, beginning in 2010, membership years for the HHS and the Family Associations shall run from January – December. In order to coordinate solicitation of donors across HHS and the Family Associations, membership solicitation for all Family Associations shall run from January through March 31st of each calendar year. The FCC also recommends that HHS not initiate fundraising campaigns during this period of time.
 6. Beginning January 1, 2014, MFAs that have combined their checking accounts with the Trust Funds will no longer be required to allocate \$10 of their membership fees to HHS activities. All memberships and donations collected on behalf of the MFAs will be deposited to the Family Trust Fund.
 7. HHS and the MFAs work together to increase the collective membership.
 8. Each MFA may, with HHS Board approval, solicit or raise additional funds for special projects.
- B. The primary development focus of HHS will be donor cultivation, including cultivating the membership of MFA as well as grants.
 1. MFAs will work actively with HHS to identify members who have the potential to become major donors.
 2. HHS will report annually to the Family Associations on development, programs and marketing plans for HHS.
 - a. The report will include, but not be limited to, development themes for the upcoming 1-3 years, special events that will require Family Association support, etc.
 3. HHS and the Family Associations will coordinate, to the extent possible, fundraising and membership activities across HHS and the individual Family Associations.

- C. HHS will coordinate with the MFAs to create annual development and marketing plans.
- D. Separate agreements govern membership of the Independent Family Associations.
 - 1. IFAs shall remit membership records and dues equivalents according to their individual agreements.
 - 2. IFAs will inform HHS of any proposed fundraising that intersects with HHS' interests.
