

FINANCIAL-COMPLIANCE AUDIT

Montana Historical Society

For the Two Fiscal Years Ended June 30, 2014

DECEMBER 2014

14-24

REPORT SUMMARY

The Montana Historical Society serves to promote an understanding and appreciation of Montana's cultural heritage. One way of promoting this understanding is by preserving historic places throughout the state. Currently, there are more than 1,000 Montana properties from every county listed on the National Register of Historical Places. Another way of promoting this understanding is by maintaining exhibits for the public. In fiscal year 2014, more than 32,000 people visited these exhibits.

Context

The Montana Historical Society works to preserve historic resources for future generations, provide programs that interpret Montana's past to the public, and provide assistance to all organizations that preserve and interpret Montana's history. This goal is accomplished through the operations of the museum collection, research center, Montana State Historical Preservation Office, and the education and outreach program.

Over 50,000 artifacts make up the Museum collection. This collection contains art, costumes, textiles, paper, firearms, and agricultural, cattle, and mining industry objects. This collection includes the 200 piece Charlie Russell art collection.

Publications produced by the Montana Historical Society include *Montana The Magazine of Western History* and the Montana Historical Society Press. Currently, there are more than fifty titles in print.

The Montana Historical Society relies on the contributions of volunteers. Volunteers provide a wide range of services including giving school tours, research, and administrative support. In 2014 the Friends of the Society volunteer organization celebrates its 42nd year.

Total revenues collected by the Montana Historical Society were approximately \$2.7 million and \$2.5 million in fiscal years 2013 and 2014, respectively. Revenue comes primarily from the sale of documents, merchandise, and property; grants, contracts, and donations; and federal sources.

Total expenditures were approximately \$5.9 million and \$6.5 million in fiscal years 2013 and 2014, respectively. These expenditures are primarily for personal services and operating expenses.

Results

We focused our audit efforts on the primary activity for the Montana Historical Society. This included analyzing personal service expenditures, examining support for operating expenditures, reviewing private grant revenue activity for reasonableness, inspecting federal grant revenue support, and examining the support for daily deposits. Throughout the audit, we reviewed the Montana Historical Society's control systems and evaluated compliance with selected laws and regulations. This report does not contain any recommendations to the Montana Historical Society. The prior audit report also did not contain recommendations to the Montana Historical Society.