

COMMENTARY

A State Agency and a Non-Profit Corporation in Transition

Located in the Centennial Building in Iowa City, the State Historical Society of Iowa maintains and services an ever-growing collection of library materials. The Society encourages research in these and other sources and disseminates historical information in several ways. There is a long-standing tradition of scholarly publications; since 1920, the Society has also published a magazine of popular history, *The Palimpsest*. During the 1960s, the Society began acquiring and administering outlying historical sites. Financial support for these programs comes from state appropriations, from gifts and grants, and from dues paid by the 8,400 members.

According to a state law enacted last spring, the Society is now one of three divisions of the Iowa State Historical Department. The new law, which provides for a State Historical Board to make policy for the entire Department, came as a jolt to the Society and its Board of Curators. In August, Governor Robert D. Ray took measures to facilitate a smooth transition when he appointed four former Curators to the new governing body. His six appointees are listed inside the front cover of this magazine.

The 65th General Assembly, recognizing the traditions and experiences of the state's oldest historical institution, assigned to the members of the State Historical Society the permanent responsibility of choosing half of the State Historical Board. A committee is now preparing election procedures and a slate of candidates. Society members will soon elect six Board members, one from each congressional district.

After the election takes place and the new Board convenes, this body must face some fundamental questions about the Society. One of the most basic will be to differentiate the state agency known as the State Historical Society from the non-profit corporation of the same name. The

65th General Assembly demonstrated no hostility to the corporation when it encouraged the Society (presumably the corporation) to elect officers and to conduct affairs "subject to the approval of the board."

The nature of the Society has changed over the years. When the Society was founded in 1857 it was neither an arm of state government nor a corporation. Public spirited Iowans simply associated to collect historical materials. In addition to receiving facilities from the University of Iowa during the early years, the Society also received dues and gifts from its members and a small legislative appropriation. In 1867, the Society became a corporation, "not for pecuniary purposes." This status expired in 1887. Incorporation procedures of 1892 and 1942 extended corporate existence until 1992.

Because of steadily increasing support from legislative appropriation in recent decades, the Society's 1915 denial of state agency status and its exclusive posture as a "private eleemosynary corporation" is no longer realistic nor is it acceptable to legislators. But it is unwise to terminate the corporation and operate exclusively as a state agency. A corporation can administer the gifts and bequests entrusted to the Society, solicit additional support, identify and finance special projects, and provide continuity that transcends biennial budgets.

Legal minds must ponder the details, but an arrangement between the corporation and the state institution similar to that between the state's three universities and their supportive "foundations" is desirable. Such corporations support indispensable programs but do not set policy.

The corporation of the State Historical Society should continue its existence, but it must be brought into harmony with recent legislation and current institutional needs.

P.T.H.