

The Iowa Public Radio Board of Directors met on April 15, 2013, at the Iowa Association of Community College Trustees Building in Des Moines, IA. Present for the meeting were Chairwoman Kay Runge, Vice Chairman Doug West, Directors Art Neu, Warren Madden, Mark Braun and Steve Firman. Interim Executive Director Kelly Edmister attended from IPR. Also in attendance were Wayne Reames with BelinMcCormick and Jens Krogstad with the Des Moines Register.

The meeting was called to order by the Chair at 1:20 p.m. Director Gloria Gibson joined the meeting at 1:30 p.m.

Agenda

Vice Chair West moved and Director Firman seconded to approve the agenda as presented. Motion approved unanimously. After approval, Chair Runge requested to delay the Chairman's Report and Minutes due to Director Gibson's late arrival.

Finance

Financial Report

Edmister reviewed the financial report beginning with the statement of revenues and expenses. Edmister explained the university allocations and the state appropriation amount. Vice Chair West clarified that the university funds were those that were on the downward decline. Edmister confirmed that these funds are decreasing by 10% noting that the final fiscal year the funds will be received is 2016.

Edmister reviewed the fundraising line items noting that membership revenue is more than budget due to the March pledge drive. Edmister noted that underwriting revenue is under budget and explained that underwriting revenue is recognized when billed.

Director Madden indicated he thought there was some written follow-up regarding membership and stated that he had not seen that in the last couple of months. Edmister reported that Membership had recently compiled a list of donors who had not contributed in the last 12 months. Edmister indicated they would create a letter from the Board to send to those on the list the Board member might know personally. Vice Chair West requested that the Board be provided the list.

Director Neu inquired where the major deficit in revenue is coming from. Edmister summarized that the areas with the greatest deficit are underwriting and major gifts. Edmister concluded that the operating revenue is roughly \$1.0m under budget.

Edmister continued with the operating expenses noting that compensation is under budget due to employee attrition and the delay in backfilling and hiring planned positions. It was noted that programming fees, depreciation expense, facilities expenses and telecommunications expenses are under budget. Professional services including consulting fees and legal fees is more than budget.

Edmister reviewed the balance sheet, including write-off allowances for both member pledges and

underwriting. Accounts payable, notes payable, prepaid revenue, compensated absences, retirement benefits and deferred revenue balances were also reviewed. Edmister reviewed cash balances and investment balances and explained how the cash funding works at each university.

Director Madden inquired about the status and accessibility of the UI Foundation endowment accounts. Edmister explained the differences in each of the funds indicating that the endowed amount versus the spendable amount would be provided in future reports.

Chair Runge asked for a motion to accept the financial report. Director Firman moved to accept the financial report. Director Madden seconded. Chair Runge asked for discussion and as there was none, a vote was taken. Motion approved unanimously.

March, 2013 Pledge Drive Update

Edmister discussed the success of the spring membership campaign outlining the results including 4,400 pledges versus 3,800 and \$514k pledged versus \$469k in the previous campaign. Current plans are to hold a 3-day pledge drive in June.

FY14 Budget Process and Timeline

Edmister distributed the FY14 budget process outlining the timeline. The approved budget would need to be provided to the Board of Regents office by July 9th to be included on the August 7th docket.

Director Neu requested that the June 25th board meeting be re-scheduled. Edmister reminded them that the June meeting was to include the Cedar Falls donor reception and ribbon cutting. The June meeting was moved to Monday, June 24th. Director Gibson will invite President Ruud.

Minutes from February 26, 2013 meeting

Chair Runge asked for a motion regarding the draft of the February 26, 2013 meeting minutes. Director Neu moved the adoption of the minutes. Director Madden seconded. Chair Runge asked for discussion. Vice Chair West asked for the reasoning behind why there was a tally of the vote taken to go into closed session but not when the vote to terminate Mary Grace Herrington's employment contract was taken. Director Madden indicated that closed meeting law requires the members voting to go into closed session be recorded but actions as a board do not have to be recorded. Vice Chair West requested to see the tally of the vote recorded and suggested that they all be recorded that way unless the vote was unanimous. Chair Runge stated that the minutes would be amended and a vote on the amendment of the minutes would be taken first. Chair Runge asked for discussion. A vote was taken on the amendment that the names will be listed with the recorded vote on the termination of Mary Grace Herrington's employment contract. Motion approved unanimously. Chair Runge then stated a vote would be taken on the motion of the minutes as amended. Motion approved unanimously.

Chairman's Report

Chair Runge noted that a final arrangement with Mary Grace Herrington was still being negotiated. Chair Runge asked the Board to approve either the Chair of the Board or the Administrative Audit Committee to approve the agreement when final. Vice Chair West made the motion that the Board

authorizes Chair Runge, Vice Chair West and Director Neu to negotiate and execute any documents related to the separation from service of Mary Grace Herrington from Iowa Public Radio. The motion was seconded by Director Firman. Chair Runge asked for any comments. Director Madden responded that he did not have any problem with delegating the authority but wanted to understand the framework of the agreement. Reames suggested moving to close the Board meeting to discuss pending litigation with counsel.

Vice Chair West moved to close the meeting for the purposes of discussing pending litigation. Director Gibson seconded. A roll call vote was taken.

Mark Braun – aye
Steve Firman – aye
Gloria Gibson – aye
Warren Madden – aye
Art Neu – aye
Kay Runge – aye
Doug West – aye

The Board moved into closed session.

The Board resumed in open session.

Vice Chair West moved that the Board authorize Chair Kay Runge, Vice Chair West and Director Neu to negotiate and execute any documents related to the separation of service of Mary Grace Herrington from Iowa Public Radio. Seconded by Firman. Chair Runge asked for discussion and as there was none, a vote was taken. Motion approved unanimously.

Chair Runge distributed materials from the Executive Director search completed in 2008. Chair Runge indicated she had asked Vice Chair West to chair the search committee and had asked Director Madden to represent the Regents' licenses and Director Firman to represent the public members on the Board. Chair Runge indicated each had agreed noting that she would be ex-officio as the Board Chair.

Chair Runge asked the Board to review the distributed materials. A discussion followed regarding the need for a more concise, articulated description of responsibilities. Chair Runge replied the goal of the committee was to produce a position description and to make a decision regarding the hiring process and timeline. Vice Chair West requested that the Board email him suggestions regarding skill, experiences, job description elements and what they think is most important.

Review of Organization Chart

Chair Runge stated that the next agenda item was to review the organization chart. Edmister indicated that the organization chart was a work in process.

Edmister outlined the following changes including the Chief Executive Officer title changing to Executive

Director. Edmister indicated the vacant Director of Development and vacant Director of Programming position titles had changed from Chief Development Officer and Chief Content Officer and that these positions would be hired by the new Executive Director. Edmister indicated her title had changed from Chief Administrative Officer to Director of Finance and Administration.

Edmister outlined additional title changes to more clearly align with the changes made related to the senior staff. Director Madden noted that some of the positions indicate where they are located and that it would help him if he knew where everyone is geographically. Edmister indicated that this information would be added.

Executive Report

Edmister provided an update on recent programming changes put into place and the decision process underway regarding the anticipated programming changes with NPR's announcement that *Talk of the Nation* is being discontinued effective June 30th. NPR will replace *Talk of the Nation* with *Here & Now*. Edmister reported options in addition to *Here & Now* are being evaluated with staff involvement.

Edmister advised the Board that the Board of Regents have requested that the auditors present the IPR audit at the April 24th meeting. Roger Nearmyer with Cremers, Holtzbauer & Nearmyer, P.C. will attend.

Edmister announced the open enrollment process for benefits is in August reminding the Board that the 2-year rate guarantee with Merit had passed and that the remaining university-based employees will have the option to voluntarily transfer their employment to IPR.

Edmister responded to Board questions related to the staff in light of recent events and the on-going situation in Ames related to the lack of classical music.

After asking for any additional comments and hearing none, Chair Runge declared the meeting adjourned.