

Board of Directors Meeting Minutes
April 22, 2009

The Iowa Public Radio Board of Directors held their regular meeting April 22, 2009 at the Des Moines office. Present for the meeting were Directors Art Neu, Kay Runge, and Warren Madden. Director Steve Carignan attended by phone. Director Steve Parrott was absent. Present from the Leadership Team were: Don Wirth, Jonathan Ahl, Joan Kjaer, Al Schares, Michelle Rourke, Matt Sieren, and Wayne Jarvis. Also present was guest and community representative Pat Deluhery.

Chair Runge called the meeting to order at 1:08 p.m.

Director Neu moved to approve March minutes. Madden seconded. Minutes approved unanimously.

Discussion and Decision Items:

Financials:

Wirth brought the Board's attention to the March financial report, noting that actual revenues and expenses have been compared to the revised FY09 budget, which utilizes more realistic numbers. He also pointed out that the Production Expenses category reflects a higher expense percentage, commenting that that percentage shouldn't increase by much through the end of the Fiscal Year as the NPR fees for programming have been fully paid. Wirth also pointed out that the interest and investment income line has been modified to reflect the spendable portion of IPR's investment income or loss, not the total earnings loss. Herrington commented that this change addresses the concern raised by Director Carignan at the prior meeting.

Neu inquired as to what the state and Universities have actually been providing as their appropriations. Wirth replied that IPR received \$492,500 from the state, \$500,000 from Iowa State University, \$586,000 from the University of Iowa, and \$599,000 from UNI. It was also commented that these contributions would be included as separate income lines on the financial reports in the future.

Neu then asked what the organization has heard regarding state funding for FY10. Herrington replied that the state has proposed maintaining prior year budget amounts, so at this point Iowa Public Radio tentatively anticipates \$492,500. However, once the legislature approves their FY10 budget IPR will know exactly what its appropriation will be. Wirth added that the organization has anticipated multiple funding options, which can be adapted as necessary to match actual funding amounts from the state and universities once they announce their contributions.

Following additional brief discussion on the financials, Madden moved to approve the revised FY 09 budget. Seconded by Carignan. Approved unanimously.

Information Items:**Policy & Procedure Handbook:**

Herrington introduced the policy and procedure handbook to the Board, providing details of the expanded policies. She commented that these are very standard policies, and many have been collected from the universities and Board as appropriate. She then asked the Board to review the policies by the next Board meeting in June, at which time they should bring comments or suggestions for final revisions. IPR plans to launch the policy book throughout the organization on July 1.

Frequency Applications:

Herrington introduced a document listing the frequencies IPR applied for three years ago, which was developed in response to a request made by Director Neu during the March Board meeting.

Jarvis provided more detail about the status of the applications, in particular noting that the FCC allows three years from award of the frequency and issuance of the construction permit to build and start broadcasting. He added that if IPR doesn't build by the construction deadline set by the FCC, the frequency gets returned to the pool and can be applied for by any interested party during the next non-commercial application period.

Runge asked about frequencies that IPR doesn't plan to act on and whether the organization can apply for them during the next round. Jarvis responded that IPR cannot re-apply for the signal the next time, but could ask for an extension on the Construction Permit period.

Jarvis also pointed out that a Minneapolis applicant won the Storm Lake signal, but that IPR might have the opportunity to apply for a new license around that area during the next application round as there is another signal that was not acted on.

Jarvis next pointed out the awarded signal in Marion, and commented that it could be valuable to IPR, but cautioned that there could be large start-up and ongoing expenses, with additional limitations of tower availability in that area.

Madden inquired as to whether IPR would need to build a tower to broadcast the awarded Mason City frequency. Jarvis responded stating that there is possibility to lease from a tower owner, but IPR will need to further investigate to discover whether that is the most viable option.

Runge asked if there are unclaimed frequencies in Iowa. Jarvis replied that there are very few, and of those left, most are in the process of being acted on. He added that he anticipates there being very few frequencies of interest to IPR during the next round because the majority were acted on this round.

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Neu inquired into whether IPR won and is selling the Atlantic signal or is backing out of its application. Jarvis clarified that IPR is selling its stake in the frequency to another applicant to gain back legal and service fees.

Wirth asked for support from the Board in accepting a buyout for the Atlantic frequency, which would be between \$4 – 5,000, covering the cost of legal fees and engineering expenses associated with the application. Madden moved to support Iowa Public Radio in selling its stake in the Atlantic frequency. Neu seconded. Approved unanimously.

Neu inquired about attaining a signal in Council Bluffs. Herrington responded that she's having some informal luncheons to gather more information on what is in that area and what possibilities might exist.

Herrington closed the conversation stating that before IPR asks for any decisions from the Board regarding this information, further detail on the Return on Investment would be provided, including population impacted, potential revenue versus costs, etc.

Department Updates:

News:

Politics proposal:

Ahl shared an opportunity presented to him by Arnie Arneson and Steffan Schmidt about creating a nationally syndicated show. The document provided to the Board provides information and open ended questions that IPR will look into as this opportunity is further investigated. Ahl commented that there are a lot of questions to answer, such as how this program would serve Iowa Public Radio's audience. Thus, Ahl is planning to perform a thorough discovery process.

Ahl stated that his first step in analyzing the feasibility of the opportunity will be to record and distribute pilot programs to a few key players across Iowa and the United States. In releasing these pilots he will be looking for listener and stakeholder interest and identifying potential revenue to manage the cost of the project. Ahl would like to bring a proposal to the next Board meeting once he has received and analyzed feedback from the pilot programs. The proposal would have more answers and a clear direction.

Herrington added that two parts of this opportunity are sharing the New Hampshire/Iowa connection with the country and illustrating the interaction of academics and professional practice. Herrington continued by endorsing Ahl's proposal, stating that now seems to be a good opportunity to put a pilot together, send it out, and gauge the response before deciding to syndicate.

Madden inquired into whose resources would be used. Herrington stated that Arneson and Schmidt want IPR to provide the resources.

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Neu inquired as to whether any of the IPR stations had ever produced a syndicated program. Wirth responded that “Chin Wag” had been syndicated in the past.

Neu asked what IPR would get out of a nationally syndicated show in addition to recognition. Ahl responded that recognition and credibility is the big piece, but syndication also provides access to a higher caliber of talent if the show goes beyond IPR listening range. Wirth added that there is a revenue opportunity as well.

Neu commented that he would be interested in a further analysis of the opportunity, including costs and revenue opportunities.

Carignan commented that he didn’t feel much interest for the program outside of the electoral cycle. Madden agreed that this didn’t have much intrigue for him either.

Ahl then discussed IPR’s fall 2008 audience data numbers and News & Music numbers. The two takeaway messages in the data are that listenership is up and the merger of three stations to one IPR is working.

Runge asked whether this information could be put on the website. Ahl commented that he would look into it and report back.

Music:

Schares shared that Studio One will expand its AAA music offerings at the start of July, which is in response to the requests of listeners. This means there will be several changes to the News schedule, including removing duplicate programming and bringing back several shows that had gone away in the past few years.

Neu inquired as to the format of Night Music and World Café. Schares provided further information about the type of music played on those programs.

Development:

Rourke shared the results of the Spring Membership Drive, noting that they are preliminary but very positive. She also mentioned that several donors have self-identified as having a strong affinity with Iowa Public Radio. Those donors will be assigned to Development staff for future individual solicitations and cultivation.

Neu asked whether IPR has a means of tracking lapsed donors. Rourke responded that the membership department does track this information and will send out an appeal in the next few months to bring back those that have lapsed over the past year.

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Rourke closed providing an update about end-of-year plans, including a brief on-air drive and new event/ticket opportunity packages. She also mentioned that Development is starting real tracking of data and should see positive, reportable results by the end of the year.

Fiscal Operations:

IPR released the RFP for audit quotes and had an informational session with potential bidders; bids are due back on the 27th. Wirth asked for guidance on the Board's input and participation in review of the bids and selection of the vendor. The Board felt that IPR could select the vendor, they will provide the final approval. Wirth commented that IPR would provide the Board with the final recommendation by e-mail, with the official vote occurring in June.

Wirth added that insurance policies are in renewal and there appear to be no increases in cost.

Communications:

Kjaer reminded the Board that the upcoming newsletter will be the last one printed.

Other Items:

Herrington discussed Board member ticket opportunities and usage. She stated there are two types of events IPR participates in: media sponsorship of outside events – which includes working carefully to cultivate and work with donors and potential major donors – and IPR originated events – events that IPR creates, funds, and should generate profit. Herrington requested further information from the Board regarding its expectations of tickets for events.

Runge responded that in the past the Board had tickets set aside on reserve for the Board (which they would pay for) – however, if those tickets eventually got taken the Board would buy its own tickets.

Carignan commented that his staff are given complimentary tickets for themselves, which if they choose to use are considered a taxable benefit. Carignan doesn't give complimentary tickets to the board or others unless there is a business purpose behind it.

Madden included that he doesn't expect to get free tickets to anything, and expects that designated IPR tickets can be used in the donor context.

Neu agreed with the discussion, but requested that the Board receive priority opportunity for getting tickets.

Carignan added that he would like to be asked to work the events as well.

Neu made motion to move into executive session pursuant to Iowa codes 21.5(j) to discuss the purchase of real estate and 21.5(i) to discuss staffing implications based on anticipated state funding reductions. Motion was seconded by Carignan. By roll call:

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- Carignan: Aye
- Madden: Aye
- Neu: Aye
- Runge: Aye

Entered Executive Session at 2:50 p.m.

Motion made by Madden to leave Executive Session. Seconded by Neu. By roll call:

- Carignan: Aye
- Madden: Aye
- Neu: Aye
- Runge: Aye

Exited Executive Session at 3:28 p.m.

Runge adjourned the meeting at 3:29 p.m.

Respectfully Submitted,
Matt Sieren, Executive Administrative Assistant