

Board of Directors Meeting Minutes April 4, 2005

The Iowa Public Radio Executive Council held its inaugural meeting April 5, 2005, in Iowa City at the Iowa Memorial Union on the campus of The University of Iowa. The meeting was convened at 9 a.m. All members present: Art Neu, Carroll; Kay Runge, Des Moines; Warren Madden, Ames; Steve Carignan, Cedar Falls; and Steve Parrott, Iowa City. Guests were Dr. Diana Gonzalez, policy and operations analyst with the Board of Regents, Des Moines; Joan Kjaer, interim director of Broadcasting Services, University of Iowa; John Hess, director of broadcasting services, University of Northern Iowa; and Bill McGinley, general manager of the WOI Radio Group, Iowa State University.

Background for new members

Warren Madden provided Neu and Runge with background information on the IPR, noting that the Board of Regents had recently voted to add two non-university members to the executive council and had approved the nominations of Neu and Runge. There will also be some consideration of adding an ex officio member to the executive council when a Friends of IPR organization is formed, Madden said.

IPR Executive Council Organization

Madden recommended that Neu be named IPR executive council chair and that Runge be named vice chair. The recommendation was accepted by unanimous consent.

Parrott agreed to take minutes for the meeting. Council members agreed that at subsequent meetings, the hosting university and radio station would provide a knowledgeable administrative staff member to take minutes.

IPR Executive Director Search Process Update

Madden provided an update on the progress of the search for an executive director of IPR. Tom Livingston Associates of Baltimore, Md., has been retained as search consultant and after interviewing university presidents, radio staff personnel and other key constituents on each campus, developed a job description and an advertisement that has already been published in the trade magazine Current (both are attached). It was agreed that the ad should also be listed with job lines at each university. Council members also asked that the ad copy be corrected to extend the deadline for applications and to change the wording "successful incumbent" to "successful candidate."

A search committee of representatives from each campus has been appointed, Madden noted. Search committee members are: Gonzalez, Kjaer, John McCarroll, director of University Relations at ISU; Don Wirth, business manager of WOI; Carolyn Stewart Dyer, University of Iowa professor of journalism; Steve

Firman, KUNI Friends president and Waverly pharmacist; and Robin Gurien, training and career development coordinator with Human Resources, UNI.

The current plan is to have Livingston Associates winnow the list of applicants and nominees to about a dozen candidates for the search committee to review. From that list, the search committee will select finalists to bring to each campus for interviews. The final decision on the executive director will be made by the executive council. Neu asked that the search committee be instructed to submit only names of candidates that are acceptable with the expectation that the executive council could choose any of those candidates.

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Runge asked what the expected salary range is for the executive director. Madden noted that the search consultant has recommended that it be \$120,000 plus benefits. There was also discussion of the location of the office of the executive director. Possibilities discussed included one of the campuses as well as the Pappajohn Center in Des Moines.

Neu asked that the search consultant and the search committee members be invited to the next meeting of the IPR executive council.

Update on possible transition funding

Kjaer, Hess and McGinley reported on their efforts to develop transition funding for IPR through the Corporation for Public Broadcasting (CPB). They said that Tom Livingston was providing help for that project on a pro bono basis.

Hess has communicated with Greg Schnirring, senior director of radio at the CPB about providing funding for the executive director and the ED office for a three-year period. Initial talks suggested funding of \$500,000 for the first year, \$300,000 for the second, and \$200,000 for the third. Schneer said CPB may be interested because it sees Iowa as a model for other states to create a public radio network, but the CPB would also like to ensure that there is “significant consolidation” of the Iowa radio stations before approving transition funding.

The station managers and Livingston will develop a first-year budget to share with CPB including the salary and benefits for an executive director, two or three other positions, offices and office equipment for those personnel, and the expenses for a number of consultants that may be used in the transition to deal with issues including staff, technology, programming, fund-raising, underwriting, marketing and finances.

Carignan asked that the transition budget submitted to CPB be shared with the entire executive council. Neu directed the managers to provide that information at the next meeting of the IPR.

Discussion followed on what issues should be addressed by the executive council prior to the hiring of an executive director and what issues should wait until after that person has been hired. It was agreed that the executive council would attempt to move forward on issues including staff, technology, programming, development, and finances but that initiatives may need to be modified following the hiring of the executive director.

Budget and Funding IPR

Madden asked that the station managers work together to prepare an FY06 budget for the three stations that could be combined into an initial IPR budget. It was agreed that the budget should include information about operating budgets and endowments, including both restricted and unrestricted funds. Carignan said he would consult with the Friends of KUNI on the issue of endowment funds, and Madden and Parrott agreed to consult with the foundations at their universities on the same issue.

Carignan also asked that the managers work together to create a combined monthly financial statement that can be reviewed by the executive council.

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One issue for the IPR to consider in constructing a unified budget will be how the Friends of KUNI and the university foundations view “donor intent.” McGinley shared some e-mail correspondence that he had on that issue with Walt Gillette, director of individual giving at WAMU Radio in Washington, DC. (Copy attached). While Gillette said most non-profit organizations that dissolve allow for unused contributions to be transferred to another non-profit organization with a close affinity, he concluded by stating the “your best defense is to do your best to substantially comply with your members’ original intentions.”

Areas Viewed as Problematic with Merger

Neu asked council members to articulate potential problem areas that will need to be dealt with by the executive council in the coming months. These were the concerns and questions raised:

- Listener concerns about the loss of their favorite programs on the existing radio stations.
- The universities are concerned about maintaining their historical association with the radio stations.
- A survey of listeners in all three stations’ primary areas and a survey of potential listeners in western Iowa was proposed.
- How do we retain the unique qualities of what the existing radio stations offer.
- How and when will IPR be marketed as an organization? Should it be phased in or started on a specific date? Should the council hire a consultant to advise on a marketing plan?
- What additional staff members need to be hired in the first year besides the executive director?
- What should the council attempt to accomplish before hiring an executive director? Neu noted that the Regents expect the executive council to move ahead with all deliberate speed, which will require making some decisions prior to the hiring of the executive director.
- Large sections of the state, especially in western and southwestern Iowa, do not have access to public radio programming. There is no statewide news and information entity to cover the entire state and provide a sense of community.
- Can we approach public radio stations owned by community colleges to enhance programming and extend service? Stations in Sioux City and Council Bluffs were mentioned in particular.
- Back-biting among the stations must end.
- How should the university presidents be involved in decisions about the IPR? After all, they will effectively be contributing about \$600,000 a year in operating funds.
- There is a need for more deliberate and complete communications among executive council members and the station managers.
- Can the Friends of KUNI be “morphed” into a statewide 501(c)(3) organization?

The meeting was adjourned at about 10 a.m. for a tour of the Broadcasting Services facilities at the University of Iowa.

The meeting was reconvened at 12:30 p.m. in Cedar Falls at the offices of KUNI/KHKE radio stations on the University of Northern Iowa campus. All executive council members and station managers were in attendance and were given a tour of the KUNI/KHKE facilities.

Statewide Friends Organization

Guests for the first item of discussion were members of the Friends of KUNI organization: Liz Conklin, vice president; Grant Veeder, secretary; and Steve Sinnott, past president.

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Sinnott reported that the Friends of KUNI are unsure of how to proceed in following the recommendation of the Bornstein Report that they be the model for a new statewide Friends of IPR organization. He noted that the group has existed for more than 30 years with a strong fiduciary responsibility to the donors to KUNI and KHKE. Their top priority at this time is making certain that donor and listener concerns about programming, the use of funds donated specifically for KUNI/KHKE, and fiduciary responsibility are addressed. On the other hand, he added, the Friends of KUNI would be willing to serve as the model for a statewide organization with the understanding that reorganization would be a cooperative effort involving donors and listeners from the other stations.

In meetings held around the region, Sinnott said donors and listeners told Friends of KUNI that they did not want to see KUNI/KHKE change programming, especially programs such as Night Music, Live From Studio One, Down on the Corner, and BackTracks. Conklin added that listeners spoke in favor of the stations retaining their identification with their universities. Donors expressed concerns that their donations would be used to expand service to western Iowa instead of being funded from listeners in those areas. In addition, concerns were expressed about whether existing endowments would be turned over to an IPR endowment and how the IPR budget would be constructed. Finally, the Friends of KUNI asked if a member of the statewide Friends organization would have a seat on the executive council and if so, would that person be allowed to vote.

Neu said there were no answers to all of those questions at this point. However, he said that from his perspective, each of the radio stations should keep its blocks of programming but have options for picking up programming for others. He suggested that the first order of IPR business should be to bring all three university stations under the IPR umbrella, to concentrate on expanding in unserved areas of the state, especially western Iowa, and to eliminate competition among IPR stations in areas that are served by more than one station.

Runge added that the merger of the stations would work “if we have the right attitude.” She asked that the station managers prepare a simple document of programming to help everyone determine where programming overlaps. She noted that in the end, all listeners should still have access to the programs they desire but that it may be on a different station.

Neu thanked the Friends of KUNI members for attending the meeting and noted that the next step would be for the executive council to make some decision on the concerns raised and get back to the Friends of KUNI about future efforts to create a statewide organization.

Update on Licensing Issues

The station managers led a discussion of issues pertaining to licenses.

McGinley provided copies of memos from the Washington, DC, law firm of Dow, Lohnes and Albertson regarding the issue of who should eventually hold the licenses for the radio stations in IPR. Council members were asked to review the memos before taking action at a subsequent meeting.

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The station managers provided a briefing on pending license applications by WOI and KUNI around the state, along with a primer on how the point system adopted by the Federal Communications Commission (FCC) for awarding licenses works.

Maps of Iowa indicating the areas covered by current IPR stations were distributed, along with maps for proposed stations for which licenses are pending with the FCC. Those include stations in Perry, Ottumwa, Oskaloosa, Fairfield, Marion and Bettendorf.

Discussion followed on the issue of making a settlement offer with American Family Radio, which is competing for licenses in many of the same areas. The executive counsel authorized McGinley to approach AFR about a proposed settlement, but the decision was rescinded following the meeting on the advice of a consultant.

The topic of licensing issue also included discussion of the possibilities for expanding IPR programming to western Iowa. A number of alternatives were suggested, including approaching community college public radio stations in Sioux City and Council Bluffs to gauge their interest in some form of partnership for making more public radio programming available in those parts of the state.

The executive council also gave McGinley authority to work with More Service, More Channels, to collect data about potential radio frequencies available for IPR to extend public radio service to western Iowa.

The date of the next meeting was set as April 25 in Ames. The executive council will meet in the morning with the search committee and search consultant and then meet in the afternoon with the station managers.

The meeting adjourned at 3:30 p.m.