

Board of Directors Meeting Minutes August 30, 2006

The Iowa Public Radio board of directors held its monthly meeting Aug. 30 in Cedar Falls at the University of Northern Iowa. The meeting was preceded by a luncheon with UNI President Ben Allen and members of the Friends of KUNI.

Board members present were chair Art Neu, vice chair Kay Runge, Steve Carignan, Warren Madden, Steve Parrott and executive director Cindy Browne. Others present were Todd Mundt (IPR director of content and media) Joan Kjaer (WSUI/KSUI), Wayne Jarvis (KUNI), Don Wirth (IPR director of finance), Liz Conklin (Friends of KUNI), Steve Firman (Friends of KUNI), and Judy McCoy Davis, consultant from Des Moines. Wayne Reames of the Belin Law Firm in Des Moines joined the meeting by phone for a discussion of proposed management agreements.

Neu called the meeting to order at 1:15 p.m. Carignan moved and Runge seconded approval of the July meeting minutes. Motion carried unanimously.

Director of Content and Media

Browne introduced Mundt, who is the new IPR director of content and media. Mundt praised the work that the stations have done in collaborating and noted that when combined with the results of the IPR Listening Project, he expects to have a unified, IPR-wide plan for news, information and entertainment programming by the end of the calendar year. Among his early goals are having all three stations collaborating with a single host for NPR's Morning Edition and All Things Considered shows and expanding Talk of Iowa statewide.

Financial report

Wirth gave the financial report. IPR underspent its projected budget in FY06 because some major equipment purchases and expenses were put off until the current fiscal year. One positive outcome of that may be the opportunity to fund-raise for those capital purchases once an IPR director of development is hired. He said he would present revised budgets for the stations and IPR next month.

All three stations are undergoing audits as required by the Corporation for Public Broadcasting. The stations may hire one audit firm for the next audit, which will allow for the creation of a consolidated report. Firman reported that the Friends of KUNI has also completed an audit of its finances. He asked that future requests for proposals for audits for the three stations include an audit of the Friends finances, too.

In addition, Wirth said he and others from the stations are working on reformatting current financial reports so that the current executive director budget will be folded into an IPR operating budget in the future. Browne noted that the new format will allow the board and others to examine individual stations financial information as well. Parrott suggested a portion of an upcoming meeting or a special meeting be dedicated to helping board members understand how to read the financial reports. Browne agreed to arrange a session on that topic.

Bridge funding

Browne reported on the IPR projects being undertaken with bridge funding from the stations. The development audit is finished and was completed under budget. The recruitment of the senior leadership team continues. The Listening Project is on track but there is no invoice yet on that project.

Senior leadership team recruitment

Browne reminded board members that two members of the senior leadership team have been hired: Mundt for content and media and Wirth for finances. Interviews for the director of network operations were held Aug. 29 and an announcement of the appointee will come in mid-September.

The search for the director of development is continuing in an effort to get the strongest possible pool of candidates, Browne said. Candidates for interviews are being qualified by Helen Kennedy of Lewis-Kennedy, the firm that completed the IPR development audit, consultant Judy McCoy Davis and Wirth. Two or three candidates will be brought to Des Moines for interviews on Sept. 21.

Listening Project

The Listening Project is underway. Portions of the project completed include a telephone survey of 600 randomly-selected Iowans and an internet survey, which has been completed by 480 listeners to date. Browne reported on preliminary results, cautioning that they are truly preliminary. 44 percent of the people surveyed by telephone listen either occasionally or often to IPR stations. 45 percent call their communities “excellent,” and 80 percent say they expect to be living in their Iowa communities five years from now. 70 percent said they believe they have a “large” to “moderate” opportunity to make their community better. 59 percent said public radio could help make communities better.

The Listening Project continues in September with focus groups involving community leaders and community volunteers in Ames, Cedar Falls, Des Moines and Iowa City.

Management agreement

Major issues remain to be resolved before management agreements with the universities and the Board of Regents can be concluded, Browne noted.

Reames reminded board members that IPR has been established with the idea of becoming an Iowa non-profit organization that then will develop contractual agreements with the Regents and the universities to provide management services for the radio stations. The possibility of IPR purchasing other radio frequencies in order to expand statewide coverage has always been considered an appropriate goal.

However, he said, the Iowa Attorney General’s office believes that Iowa’s constitution says that state money cannot be used to fund private entities and that Regents funds cannot be used for IPR unless IPR is limited to purposes and benefit of the Regents.

Reames believes that interpretation is not supported by case law, and he cited the recent Iowa Supreme Court decision regarding the Iowa State Foundation. He noted that while the ISU Foundation was found to be conducting state business on behalf of ISU, the Supreme Court declined to call the Foundation a state agency.

A serious complication of this disagreement is that IPR cannot raise funds until it has management agreements with the Regents and the universities. At the same time, because of sub-inflationary increases in state appropriations for operating expenses, the universities are seeking to reduce cash support for the radio stations.

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Board members agreed that the next step is to have Regents President Michael Gartner, Browne and Neu meet with each university president and the IPR representative from that university, in an effort to push for a resolution to the issue.

Governance survey

McCoy Davis led the board through a review of individual board members' responses to a survey on governance, noting that there was widespread agreement that the top three roles of the IPR board should be:

- An oversight body assuring accountability of the organization
- A group giving support/direction to the chief executive
- A policy-making body

Given lesser importance as board roles were fund-raising, acting as community ambassadors, representing the groups each director serves, and a group of experts who can be called upon for professional advice. McCoy Davis counseled that the board will need to develop strategies to accomplish those activities that fall outside of the top three roles identified.

Executive session

Runge moved and Carignan seconded a motion for the board to enter executive session to discuss the performance of IPR executive director Browne per Iowa Code § 21.5(1)(i). Roll call vote was as follows: Neu, yes; Runge, yes; Carignan, yes; Madden, yes; Parrott, yes. The executive session began at 4:16 p.m. At 5 p.m., the IPR board came back into open meeting. Runge moved to approve a bonus of 5 percent of Browne's base salary of \$120,000 and a 3 percent salary increase in base salary for her for FY07. Madden seconded the motion, which passed unanimously.

Madden moved that Neu be authorized to amend Browne's contract to reflect the increase in base salary. Carignan seconded. The motion passed unanimously.

The meeting adjourned at 5:05 p.m.

Respectfully submitted,

Steve Parrott
Board Secretary