

Board of Directors Meeting Minutes August 19, 2009

The Iowa Public Radio Board of Directors held their regular meeting August 19, 2009 at the Des Moines office. Present for the meeting were Directors Art Neu, Kay Runge, Warren Madden, Steve Carignan, Steve Parrott, and Mary Grace Herrington. Present from the Leadership Team were Don Wirth, Jonathan Ahl, Al Schares, Michelle Rourke, and Matt Sieren. Also present was guest Pat Deluhery.

Chair Runge called the meeting to order at 1:05 p.m.

Director Parrott moved to approve the June minutes. Madden seconded. Approved unanimously.

Discussion Items:

Executive Update:

Network Integration and Operations:

Herrington stated that due to the open position of Director of Network Operations, she is serving as interim manager for this department. She is currently mid-analysis for tower site assessments, or viewing all tower sites with the engineers to evaluate current physical resource needs. She continued, stating that these evaluations are important as over the past twenty years the engineers haven't been able to share vital information with management to prioritize tower repair. Consequently, many of the towers are in poor shape and badly need to be fixed. A great outcome of this assessment is that it has generated greater collaboration among the engineers in utilizing available parts supplies. As the engineers have seen the shape of the equipment of the other tower sites, they've found out they have like materials at their site that can be used to help replace bad parts currently in use. All of the information gathered from these visits will be shared with the new director once they are hired.

Madden stated his support of this work, also commenting that equipment should be able to be utilized outside of the university that owns it, but the organization should be sure it is relocated to where it makes the most organizational sense. Carignan commented that as this occurs more often the organization should use caution in openly changing equipment ownership, though he agreed that inventory could easily move sites.

Herrington continued, stating that the national search for the Director of Network Operations position brought back about twelve qualified applicants that will be moving into the first round of interviews. She anticipates these candidates will be narrowed down to two or three finalists to be brought on site for interview. In the meantime, and as she learns more about the Network Operations department, Herrington has found that the organization has great engineering and operations staff. The department has begun to work together as a team and less as a silo by site.

Network Operations Project Updates:

Herrington provided a quick update on the Bettendorf installation, stating that alternative tower site locations have been identified and the project timeline is moving forward as it should. Additionally, central billing and traffic is anticipated to be complete by October 1. The project was slowed a little to review business practices, and has resumed forward progression. In regards to the Digital Audio Workstation, two companies submitted bids through the RFP process. These have been reviewed, and once Master Control Supervisor Eric Jordan is on board the Network Operations team will be going into negotiations and award of bid. If all goes well, the goal is to have the bid contract awarded by the end of

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September with a project plan being released shortly after that. The exchange server project has gone through many delays, including receipt of a contract governed by the laws of Canada, which had to be sent back for correction. The Des Moines office project is in the last phases of completion. Runge commented that she absolutely loves the exterior signage, complimenting the team for their efforts on the project.

Stakeholder Communication:

Herrington shared that in four months she has completed forty-four (roughly eleven visits per month) face to face visits with leaders in Des Moines who have the ability to influence other donors or give a gift of significant impact themselves. She plans to finish her discovery visits by mid-September, moving to proposals for capital or restricted gifts mid-fall. Additionally, Herrington has developed relationships with arts leaders in the Des Moines area to further develop her understanding of Iowa Public Radio's mission statement and how that can impact the local communities.

Herrington also reported on her work with the current Friends of KUNI/KHKE and development of a "Friends of Iowa Public Radio" model. This new framework was presented to the KUNI/KHKE Friends Board, and was well received. There is a mutual goal of implementing this new model before the fiscal year end.

Herrington continued, stating that the public awareness campaign, annual report, and stakeholder letter remain on track for completion and delivery by mid-fall.

Herrington concluded sharing that she gave the Iowa Public Radio annual report at the August Board of Regents meeting, at which time the organization received an additional \$30,000.

Madden stated that the Board of Regents set new budgeting precedent in adjusting the cuts to IPR to be equal to other department cuts. He also commented that this has created angst among the University Presidents, as they feel they've lost control of their budgeting.

Financial Reports:

Wirth shared the June report with the Board, stating that Iowa Public Radio came in very close to meeting the revised budget as approved in April. He pointed out that the total net was just about exact to projection. Though the underwriting came in a little low, membership came in a little high, which balanced out. In regards to expenses, the salary line was a little over, but other operating came in a little lower to balance that out as well.

Runge inquired as to any salary savings from the realignment in mid-summer. Wirth stated that there will be little real savings for FY10, as some retirement payouts will continue for the next five years and a few other employees will continue receiving payment until the end of the fiscal year. The total payouts per year over the next five years will be about \$85,000

Wirth continued, stating that Investment Income was down, which is why there appears to be a decrease. However, this does not impact the operating line, so there really was no loss on the past year. Wirth added that the goal to this point has been to protect current reserve balances as much as possible, only drawing from them when absolutely necessary.

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Neu inquired as to whether Board of Regents restrictions on endowment investments were more strict than university restrictions. Madden responded yes, adding that as IPR approaches managing multiple ongoing funds it would probably be better to consolidate the different accounts into a single large endowment.

Herrington drew attention to the adjusted budget for FY2010, noting the additional \$30,000 as designated by the Board of Regents action.

Madden noted that though the Board made an additional \$30,000 available, the Board also restricts the amount that can be spent. Iowa Public Radio will have to approach the Regents office to expand the spending level and, if that is approved, IPR will be able to use the money.

Neu commented that he felt it would be hard for the State Legislature to pay their direct portion of the money as set aside in the spring budget. He stated that it sounds increasingly likely that there will be a mid-year reversion following the revenue estimating conference the first week of October. Madden added that a real read of the state projections shows discouraging numbers. He anticipates FY2011 being a real challenge, especially as federal stimulus funding goes out the door then too. Wirth pointed out there is a budgeted \$180,000 cushion in anticipation of these types of funding changes.

As a final budget note, IPR has received notification that the bonds have sold, so \$1.9 million in capital funding should be available starting this fall.

Action Items:

Policy approval

Carignan moved to approve for implementation all policies in the Iowa Public Radio policy handbook. Seconded by Madden. Motion approved unanimously.

Information Items:

News Team Development:

Ahl shared the News department plan to tighten the content and direction of Iowa Public Radio's two talk shows, "The Exchange" and "Talk at Twelve," as it is currently difficult to define the difference between the two. In addition to clarifying purpose of each show, this change improves branding opportunities for both shows and IPR. Ahl stated that "The Exchange" will move to noon and be the "hard news" show, while "Talk at Twelve" will move to 10 am and be renamed "Talk of Iowa," which will be the Iowa "flavor of Iowa" show. Greg Shanley will host "Talk of Iowa," and one of his projects with this show will be to develop more recurring segments building on the expertise around the state, with an example being the development of a "food day" special.

Parrott inquired as to whether the University Presidents would be invited to participate in the new shows. Ahl responded that IPR will invite them in when there is a specific current event topic related to their work that they can provide input on.

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Parrott also asked about listening numbers for the two shows as they currently are. Ahl responded that the ratings for the two shows are nearly identical with weekly come around 50,000. He added that these mid-day numbers are very strong for the format.

Parrott then inquired about Java Blend and whether it would still be broadcast live on Fridays. Ahl responded that it would not be broadcast anymore during the talk shows, but that the show will still be recorded and broadcast on Studio One.

Ahl also shared that an action through the realignment was moving the remaining talk show staff to Iowa City. With the new arrangement this team will be able to communicate with each other and share their combined resources, generating a better product more efficiently.

Department Reports:

Music:

Schaes reported that the expanded Studio One schedule has received a very positive response. He then discussed some changes that would go into effect with Karen Bryan's retirement, specifically that Hollis Monroe would move into her mid-day spot and that Stage and Screen would be taken from the air while the program is evaluated for ongoing service to the mission. Schaes included that there has been listener concern that IPR intends to turn the Classical network to a syndicated service, removing the tie to local. Herrington added to this by stating that when the changes go into effect on September 1, of the 116 hours on the Classical network, 65% would be produced locally, with only 35% syndicated.

Parrott asked about whether there should be concern with all the on-air voices being male. Schaes said that effective with the realignment the staff is much smaller, which means that staff such as Jacqueline Halblom will frequently fill in when the regular hosts have a conflict.

Carignan asked about the listening curve for Classical music. Schaes responded that the peak is in the morning and curves down the rest of the day.

Madden asked how long the new format would stay this way. Schaes responded that it will be a 90 day exploratory period, during which the changes will be evaluated and decisions made as necessary.

Neu asked whether the shows going on hiatus could be rotated so that the content remains on the air for listeners. Ahl responded that there have been several shows in the public radio industry that have gone on long after their original staff have died, which is a dangerous approach to programming.

Development:

Rourke shared that overall, philanthropic funding for the past year saw little gain, closing at \$3,450,892. Corporate funding contributed heavily to this, as it was down 22% over the past year. Fortunately, membership saw a large increase, which buoyed the low corporate funding total.

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Rourke also shared that tickets for A Prairie Home Companion have been selling really well, of the original membership ticket packages few remain. Tickets will go on sale to members on September 26 and will open to purchase by the general public on October 9.

Development and Marketing is also very excited about the new e-communications system. This will give IPR the opportunity to mass mail updates electronically to members, generating cost savings and sharing more information with these important constituencies. The goal is to introduce this as a renewal opportunity as well.

News:

Runge inquired as to what Iowa Public Radio plans for the anniversary of the Krushchev visit. Ahl responded that IPR has already highlighted this with an hour long feature on the talk shows and there are plans to do another feature closer to the date. Additionally, the reporters will be doing a few on-air spots highlighting the visit. On the actual day of the anniversary one of the talk shows will focus on US/Russia relations from an Iowa perspective.

Runge asked about Market reports. Ahl shared that ISU Extension representative Doug Cooper is retiring at the end of January, at which time the Extension service will no longer continue providing market reports.

The question was raised whether IPR would continue market reports independent of ISU Extension. Ahl responded that IPR will not do this. However, he is working with Extension to decide how to continue agriculture coverage in the future. He stated that IPR will not take agriculture off the air with Cooper's retirement. The agriculture service will change shape, but it will not go away. The Board expressed their concerns about how to share and distribute this information.

Staffing Update:

Rourke shared that a search has been begun to fill the Development Officer vacancy left by Aaron Jennings. This position will be domiciled in the Des Moines office.

Ahl shared that current Morning Edition Host Al Kern is retiring effective February 1. This position will be moved to the Des Moines office. The search has started for this position, with the goal of having the new host beginning work in mid-January so they can start hosting on February 1.

Runge reviewed the staff farewells, inquiring as to the position vacated in the membership department. Herrington stated that AshLea Anderson's position would be temporarily filled to assist in basic clerical duties, but the position itself is under review.

Des Moines Office Ceremony:

Herrington shared that IPR will publicly thank Principal Financial Group for their financial support of the Des Moines office. This reception will be October 20 from 5 – 7 pm.

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Other:

Pat Deluhery commented that Iowa Public Radio and National Public Radio are filling a hole left as print journalism goes into collapse. Adding that IPR seems to compete with ourselves as NPR produces its own materials. Ahl shared that if IPR produces great programming relevant and compelling to its listeners, this isn't a conflict.

Executive Session:

Madden made motion to enter Executive Session pursuant to section Iowa codes 21.5(j) to discuss the purchase of real estate. Motion was seconded by Neu. By roll call:

Carignan: Aye
Madden: Aye
Neu: Aye
Parrott: Aye
Runge: Aye

Entered executive session at 3:30 pm.

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

Carignan: Aye
Madden: Aye
Neu: Aye
Parrott: Aye
Runge: Aye

Exited Executive Session at 3:50 pm.

Runge adjourned the meeting at 3:50 pm.

Respectfully submitted,
Matt Sieren, Executive Assistant