

Board of Directors Meeting Minutes December 19, 2007

The Iowa Public Radio Board of Directors held its regular meeting December 19, 2007, at the Embassy Club in Des Moines. Board members present were chair Art Neu, vice chair Kay Runge, Steve Carignan and Warren Madden. Steve Parrott was present for portions of the meeting by phone. Also present were IPR executive director Cindy Browne and members of the senior executive team Joan Kjaer, Todd Mundt, Robin Fraser and Wayne Jarvis and Don Wirth.

Runge called the meeting to order at 11:20 a.m. Motion by Carignan and second by Madden to approve the minutes of the November 8, 2007 meeting. The motion was unanimously approved.

Financial report

Wirth reviewed the October financials noting that expenses are on target with revenues presenting mixed results. Underwriting is on target but membership is a little behind. Fraser reviewed a more detailed membership revenue report which included the following points:

- The financial statements reflect cash received, not funds pledged. Much of the fall pledge drive was received in November and will appear in that statement. Fall 07 fund drive pledges were actually up compared to FY 06.
- Between the merger of the databases, including the late receipt of some data and the need to scrub out duplications, our mail effort started four months later than usual. A series of mailings are now underway for member acquisition and renewals, which should bring us back on track. Many listeners are used to receiving and responding to these letters as their preferred way of making a pledge.
- We've added a June mini-drive. According to Wirth, its results will be reported in FY 08 per auditor recommendations.

Carignan asked whether the difference between Fall '06 and '07 results was primarily the lack of advance mailing in '07 and Fraser responded that this is the case. Wirth added that we are projecting that the November-April mailings will get us back on track with that portion of the membership revenue stream. Carignan asked how many members are now in the database and Fraser responded approximately 38,000. Parrott observed that with all of the changes in IPR services and procedures, the downturn wasn't unexpected and cautioned that we need to be realistic about future revenues given the amount of turnover in the underwriting staff. Fraser agreed and noted that because underwriting contracts run into the future, the impact will be felt in FY 09 rather than this year.

State Funding

Wirth reviewed a report on FY '08 State funds expenditures through November 30, 2007 showing expenses and encumbrances of 343,293. Wirth noted that expenses are starting to accelerate as projects, especially the construction of the Ottumwa stations and several HD conversion projects, near completion.

Wirth also explained that state funds become available to IPR when the universities are able to sell the bonds. The timing is different at each university and so IPR needs funding to cover the time between the expense and when the state funds are available from the universities. The Treasurer's office at each University are offering short term loans and IPR is delaying projects as much as is practical to minimize interest payments. ISU's bonds should be issued in March 08 which will alleviate some of the cash pressure.

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Carignan asked whether both expense and revenue are reflected in the October statements and Wirth explained that these expenses are in the capital line, not the operating budget. He also clarified that we are being careful not to double report the revenue as both a loan and state funding.

It was agreed that Art would set up a time for a meeting or conference call with Michael Gartner to discuss the FY '09 state funding plan.

FY 07 IRS Form 990

Wirth presented IPR's first IRS form 990 submission which is consistent with the 1023 form approved by the IRS for our nonprofit status. He noted that we spent quite a bit of time on the narrative as many donors use this information in their research on nonprofit organizations. Madden moved to approve the form for submission. It was seconded by Runge and approved unanimously.

IPR Gift Policy

Fraser updated the board on the development of the IPR gift policy which is based on the DEI model and has been vetted by the ISU Foundation. It is currently under review by Wayne Reams, Belin Law Firm, and will be ready for IPR Board review at the January 30, 2008 meeting. Fraser asked Madden and Runge to work with him to review the policy before the January meeting and they agreed.

CPB Leadership Conference

Browne inquired about IPR Board interest in attending the CPB National Leaders conference in March 2008 to learn more about the Public Awareness Initiative. It was agreed that IPR representatives should attend. Browne will check with Parrott to determine his interest and Carignan will check his schedule.

Des Moines Space

Browne reported that little has happened since the November meeting. It was agreed that we should set a target date of September 1, 2008 to be in a new space. Browne and Runge will work with Peter Brown, realtor, to update the list of available spaces meeting IPR's needs and organize a tour of the top contenders for the January 30, 2008 meeting.

Talk Show Update

Mundt reviewed highlights of the talk show project, announcing that changes will take effect in February 2008. There was some discussion about the effectiveness of local talk programming and support was expressed for focusing on quality rather than quantity.

NCE Update

Jarvis provided an update on our most recent set of applications to the FCC, noting that some look very likely to be awarded to IPR while there will be heavy competition for others. It could take three to four years for the applications to be processed by the FCC.

The meeting was adjourned at 1:25 p.m.

Respectfully submitted,
Cindy Browne, Executive Director