

Board of Directors Meeting Minutes
February 28, 2006

The Iowa Public Radio Executive Council (IPREC) convened at 1:05 p.m. on Tuesday, Feb. 28, 2006, at the Pappajohn Higher Education Center in Des Moines.

Members present: Art Neu, chair; Kay Runge, Steve Carignan, Warren Madden, Steve Parrott and Cindy Browne. Other attendees: Joan Kjaer (UI), Don Wirth (ISU) Wayne Jarvis (UNI), Diana Gonzalez and Tom Evans (Board of Regents office), Steve Firman (KUNI Friends) and Wayne Reames (Belin Law Firm).

Chair Neu called the IPREC meeting to order. Runge moved and Madden seconded approval of the minutes of the Jan. 25 meeting. Motion carried unanimously.

Financial Report

Wirth reported that the radio stations are on target to make their FY06 budgets. Some expense items such as programming fees are higher than might be expected at this point in the fiscal year because the entire year's expenses have been paid, he explained. Carignan asked for clarification of the "management & general" budget line. Wirth said it includes legal, audit and general operational costs. Browne said that the IPREC would be provided with budget projections for FY06 and for FY07 at the March meeting.

Transition funding and projects

Browne provided an update on an IPR request to the Corporation for Public Broadcasting for \$300,000 in transition funding. Her Feb. 8 meeting with the CPB went well and a final decision on the request should come in March or April, she said. In the meantime, she noted that the EC had previously approved \$600,000 in bridge funding from IPR stations to cover transition costs while waiting to hear whether CPB will fund them. She also reported that she will be tapping into the bridge funds for the development audit, which will lead to a proposal on how to structure IPR fund-raising, including targets for growth, revenue expectations for three to five years; and advice on how to solicit major gifts.

Two other transition projects – hiring a human resources consultant to help with recruiting of the senior management team and the Listening Project – may need to be started before we know if CPB funding is approved. Browne will e-mail the IPREC for approval to draw down funding for those projects before the next IPREC meeting.

Neu asked for information on the number of communities that would be involved in the Listening Project, and Madden asked whether the project would involve current listeners as well as the general public. Browne said the current plan calls for talking with both groups. There will be at least six focus groups around the state, including Ames, Cedar Falls, and Iowa City, as well as a phone survey and a printed survey, with the goal of obtaining 600 responses from across the state for both.

Madden asked if the survey results would duplicate what was covered in the Bornstein Report and if they would ask about the programming people want to hear. Browne said the surveys would follow the model of a public radio surveys done in Cleveland. In addition to asking about programming preferences, that survey asked about respondents' satisfaction with community life as a way of helping to identify the roles the radio station might play in civic life. Completion of the Listening Project will also help with a CPB community service incentive program that is in the offing. That program will give stations' bonus

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points in grant competition for openness and transparency, she said. The Listening Project will be undertaken in April and May and results should be available in June, Browne added.

Transition Update

Browne presented a revised IPR strategic planning process, which was downsized from the draft plan presented in January. Under the latest proposal, the IPREC's involvement will be to sponsor the process and hear reports of progress at regular IPREC monthly meetings. Madden suggested one addition to the plan's proposed "Measures of Success." The bullet item "A compelling case to attract support from individuals, corporations and foundations" was amended to include "and communities." Runge moved and Carignan seconded approval of the document and timeline. The motion was unanimously approved.

IPR space needs

Browne reported that IPR might quickly outgrow the space in the Pappajohn Higher Education Center, which has led her to investigate other options for office space in Des Moines. Madden asked whether that would include supplementary space or moving completely to another location. Browne said that the studio currently in the Pappajohn Center would have to stay but that she will investigate a number of options.

Assumptions for going forward

Browne shared her current priorities for going forward with the creation of Iowa Public Radio. They include the following:

- Getting to know the radio stations and staff members at the three universities and getting to know Iowans through the Listening Project and other meetings.
- Determining what items are important and what are urgent. The management agreement with the three universities and the Board of Regents is rising in urgency because UI President David Skorton and UNI President Robert Koob are leaving their positions.
- Getting the senior management team in place.
- Moving forward on the two-track planning effort.
- Developing an FY07 budget and fund-raising efforts.

Corporate structure and governance

IPR articles of incorporation were filed on Feb. 1, Browne reported.

The management agreement committee will be meeting March 1 to discuss two major issues: 1) who will be the signatories to the management agreements, the Board of Regents or the individual universities? And 2) Personnel issues. Carla Espinoza of ISU's Human Resources office will be on the call to help develop an approach to the latter issue.

Browne and Reames noted that they had consulted with attorneys in Washington, DC, regarding the risks of transferring university licenses to the Board of Regents. Reames said the best approach is to leave the licenses with the universities and to have the Regents and the university presidents sign the management agreement.

Reames led the EC through the latest draft of the IPR by-laws. These are the changes made from the previous draft:

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- The two community members' terms will expire in September 2008 rather than staggering those terms. Language allowing the appointment of up to six community directors was eliminated.
- It was clarified that the licensee directors would be appointed by the presidents of the Regent universities.
- Terms of the initial officers will expire in September of 2007 rather than September 2006. In addition, the terms of officers will expire at the same time a director's term expires.
- A quorum of the executive council will be a simple majority of all the members, regardless of whether they are community or licensee directors.
- Amendments to the by-laws will require a majority vote of the board of directors and will not require approval by the Board of Regents.

Runge moved and Carignan seconded adoption of the revised by-laws. Motion carried unanimously.

Fund-raising structure

Browne reported that she is collecting anecdotal information from other non-profits, including KUOW, the public radio station at the University of Washington, about the type of fund-raising organization needed to become independent and self-sustaining. One consultant, Helen Kennedy of Lewis-Kennedy, has encouraged her to talk also with Oregon Public TV. That group's experience suggested that a small executive council couldn't adequately handle fund-raising. That led to an extended discussion of whether to expand the IPREC or to create a separate fund-raising committee. Eventually, Browne said she would continue to collect anecdotal information and to work with Judy McCoy Davis, a fund-raising consultant, to develop a case statement for IPR fund-raising. A draft case statement may be completed as early as April so that it can be taken to potential donors for feedback.

Insurance coverage

Wirth reported obtaining preliminary bids for directors and officers insurance as well as employment practices liability insurance. Carignan moved and Parrott seconded that Wirth obtain full bids and that the lowest bid be accepted pending review by Chair Neu. Motion carried unanimously.

Certification requirements

Browne distributed copies of CPB certification requirements for the radio stations to be eligible for grants, including requirements for open meetings, open records, the equal opportunity employment standards. The information will be included in an IPR policy book.

IPR web page

Browne also distributed draft copies of an IPR web home page, which will have links for job postings and public comment. She asked that all EC members provide short biographies and photos for posting on the web site. The web address, which is not active yet, will be www.iowapublicradio.org

IRS filing update

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Browne and Reames reported that they are working on filing for a non-profit tax exemption for IPR with the Internal Revenue Service. Reames said he would not expect final approval until the end of calendar 2006, but said that once received, the exemption would be retroactive to the date that IPR was incorporated, which was Feb. 1, 2006. In response to a question from Wirth, he recommended that any large gifts obtained in the meantime be processed through one of the universities' foundations.

Next meeting

The next meeting was scheduled for March 30, 1 p.m., at the Pappajohn Center. Subsequent meetings were set for April 27 and May 24.

The meeting was adjourned at 3:30 p.m.

Respectfully submitted,

Steve Parrott
Secretary