The Iowa Public Radio board of directors held their regular meeting January 30, 2008 at the Southside Des Moines Public Library. Present for the meeting were directors Art Neu, Warren Madden and Steve Parrott. Director Steve Carignan participated by phone. Director Kay Runge was absent. Also present were Executive Director Cindy Browne and members of the senior management team: Joan Kjaer, Wayne Jarvis, Todd Mundt, Robin Fraser and Don Wirth.

Chair Neu called the meeting to order at 1 p.m. Parrott moved and Madden seconded approval of the minutes of the previous meeting. The motion carried unanimously.

Wirth presented financial information, noting that revenues in the current fiscal year may be down as much as $500,000 in addition to the $250,000 deficit approved previously by the board. A plan to reduce the deficit back to the $250,000 level will be presented to the board by the end of February, Wirth said. He said it would likely include a reduction of $200,000 in salary expense with the remaining $300,000 expense reduction coming from other sources.

Reasons for the reduction in revenue, Wirth explained, include shortfalls in underwriting and membership revenue; station construction expenses that will eventually be paid from bond sales scheduled for March but that have to be covered in the meantime; Iowa State University’s usual practice of transferring funds for IPR at the end of the fiscal year; and an increase in prepaid revenue, such as funding from the Corporation for Public Broadcasting.

Wirth also presented a report on audits of the stations at each university. The board has considered hiring one auditor to audit the stations at each university instead of the current practice of hiring auditors at each university. Wirth discussed the pros and cons of a change. He noted that hiring one firm would result in a learning curve because of the different accounting systems in place at each university. On the other hand, hiring one firm would likely reduce the overall cost of the audits.

Browne recommended that hiring one firm be a goal for the future, but that no action be taken for the audits of the current fiscal year’s operations.

Madden moved acceptance of the report. Parrott seconded and the motion passed unanimously. Madden also moved that Wirth be given authority to arrange for the audits of the current fiscal year. Parrott seconded and the motion passed unanimously.

Wirth reported that IPR will leave unendowed funds with the University of Iowa Foundation despite earlier concerns that those funds would need to be moved. Because the UI Foundation has clarified that it has no objection to retaining the funds in its investment pool, Wirth and Browne recommended leaving them with the UI Foundation but that the board review that practice on an annual basis, in September of each year.

Wirth asked the board to approve a distribution of $100,000 each to K/WSUI and to KUNI from IPR’s centralized membership fund. This will be done regularly with funds not designated for a particular university’s stations. Madden moved approval, Parrott seconded, and the motion carried unanimously.
Fraser reported on membership fundraising. There was a deficit of $305,000 in membership compared with the budget in October, but by November that had been reduced to $146,439.

Browne reported on proposed state appropriations to IPR for the FY09 fiscal year. She and Neu met with Board of Regent members Michael Gartner and David Miles late in December. Gartner explained that he thought IPR had been included in the Regents state budget request, including $2 million in capital funding and $500,000 in operating funds. However, in the transition following Gary Steinke’s departure as Regents executive director, it is not clear whether IPR’s request was included in the Regents’ overall budget request. Miles, who has since succeeded Gartner as president of the Regents, said he would review the issue. Browne and Neu will meet with him again in the near future.

In the meantime, IPR will give a presentation to the Iowa Legislature’s House Education Appropriations Committee on Feb. 4. Browne and Neu will make calls to determine whether IPR is included in the Regents’ overall request and if not, whether IPR can make its own request to the Legislature.

Wirth requested board approval for a conflict of interest policy for IPR senior management members. Parrott moved acceptance of the proposed policy; Madden seconded; and the motion passed unanimously.

Fraser requested approval of a policy regarding the release of donor information. Carignan moved approval, Madden seconded, and the motion was approved unanimously.

Fraser then requested approval of a gift acceptance policy. Parrott moved approval; Madden seconded, and the motion was unanimously approved.

The meeting adjourned at 2:20 p.m. Board members and senior managers then took a tour of several properties that might be considered for leasing to IPR offices in Des Moines.

Respectfully submitted,

Steve Parrott, Board Secretary