

Board of Directors Meeting Minutes
June 29, 2006

The Iowa Public Radio Board of Directors met Thursday, June 29, 2006, at 1:40 p.m. in Iowa City at the Levitt Center for University Advancement. Members present were Art Neu, chair; Kay Runge, Steve Carignan, Steve Parrott, and executive director Cindy Browne. Also in attendance were Joan Kjaer (WSUI/KSUI), Wayne Jarvis (KUNI), Don Wirth (WOI), Diana Gonzales (Board of Regents office), and Steve Firman (Friends of KUNI). Warren Madden was absent.

Chair Neu called the meeting to order. Parrott moved and Carignan seconded approval of the minutes of the May 24 meeting. Motion carried. Carignan moved and Parrott seconded approval of the minutes of the June 9 meeting. Motion carried.

Financial report

Wirth presented the financial report, noting that the only uncertainty is whether equipment expenses will be incurred in FY06 or FY07. WOI is still working on an agreement with Iowa Public Television regarding the new tower in Ottumwa, so it seems most likely that the expense of constructing the tower will be incurred in FY07. Wirth also noted that the financials for June will not be ready at the July meeting because all three universities attempt to include as many expenses as possible before closing the books on the fiscal year. Audits of the stations should be completed by November, he added. Audits must be filed with the Corporation for Public Broadcasting by Nov. 30 in order for the stations to receive their first distribution of CPB funding for FY07.

Wirth also reported that the accidental death of Leo Deters, a well-known Iowa radio tower builder, will delay the construction of digital capability for WOI's AM station. Instead of the goal of having that in place by June 30, the completion is now set for Nov. 1. Iowa Public Radio sent condolences and flowers to the Deters family.

Runge asked if salary increases for the new fiscal year would reflect the increases of the universities where the stations are located. Browne confirmed that to be the case. The average increase across the stations will be 3 percent.

Browne reported that the Executive Director's budget for FY06 would be underspent by approximately \$50,000. These funds will be used to support next year's increased expenses.

Jarvis reported that UNI has restored a proposed \$250,000 reduction in university support for KUNI for FY07. Wirth reported that ISU President Geoffroy has announced that ISU's support for the radio stations will be reduced by \$100,000 in FY08. Browne said that the multi-year management agreements currently being pursued by IPR with the Regents and the universities should help stabilize university support.

Wirth noted that there have been some successes in trimming costs for programming by combining the stations into IPR. American Public Media has allowed IPR to purchase its programs as a network, saving \$20,000 over what the stations paid individually. Similarly, the combined stations have saved \$6,000 in membership fees with the Development Exchange. The issue has been raised with both National Public Radio and Public Radio International, but no decisions have been made.

Listening Project

Browne requested board approval to hire TRAC Media of Tucson, AZ, to assist in conducting IPR's listening project. She explained that the company has pioneered new ways to listen to community needs, asking not about specific radio programs that listeners prefer but more about their community itself. Questions that TRAC Media asks include: Do you see yourself living here in five years? What challenges and opportunities does the community face? Where do you get your information? What role does public radio play in your life?

Runge asked how the listening project would differ from the development audit. Browne said the 180-page development audit has been received and will address issues including IPR membership, major giving, underwriting, corporate support and planned giving. An executive summary of the report will be presented to the board in July, she noted.

Parrott moved and Runge seconded approval of the proposal to hire TRAC Media to assist with the Listening Project. Motion carried unanimously.

Federal support for public broadcasting

Browne summarized recent Congressional action regarding funding for public broadcasting. She noted that Minnesota Senator Norm Coleman and Connecticut Senator Chris Dodd had written a letter asking that federal funding be restored to the current level. They will deliver that letter to Senators Specter and Harkin. Senator Grassley has also signed the letter, she said.

In a related matter, Browne reported that IPR efforts to obtain transition funding from the Corporation for Public Broadcasting continue. Runge asked what contingencies there were in case that funding does not materialize. Browne said that IPR has not overextended itself in spending other funds on projects. If the transition funding is not obtained, a number of proposed projects will be dropped.

Senior leadership team recruitment

Senior leadership team recruitment is progressing, Browne said. On site interviews are scheduled for two of the four positions: director of content and media and director of finance. On site interviews for the director of development position are scheduled for July 19th. Interviews for director of network operations will be held in late July or early August. Responding to a question from Runge, Browne said all members of the senior management team should be in place by Sept. 1.

Deputy Director position

Browne requested board approval for the creation of another member of the senior leadership team, a deputy director. She explained that as executive director, she needs to change her focus from 90 percent internal to half internal and half external. The deputy director will assume some of the current internal duties of the executive director that do not fall under the duties of the other senior management team members. In addition, the deputy director must be able to meet with external constituents to extend IPR's reach in that arena. It is likely that the deputy director will be hired through an internal process, Browne noted.

Parrott moved and Runge seconded approval of the proposal. Motion was approved unanimously.

Miscellaneous reports

The strategic planning process is moving ahead, Browne reported. Sessions have been held with all staff members. The report from TRAC Media should be available in November, which will allow staff to combine internal and external information so that they can develop the major goals for the strategic plan.

The project to connect all three stations with T-1 lines is complete, allowing the stations to send programming in multiple directions. In an effort to garner more publicity for the accomplishment, Browne said that the public announcement might be connected to a joint programming effort.

Kjaer reported that composer Michael Kimber of Cedar Rapids has been declared the winner of a contest to provide original theme music for the upcoming series of concerts by Iowa symphonies. He was given a \$200 prize but donated it back to the stations, she noted.

WSUI/KSUI underwriting

The board unanimously approved a resolution commending WSUI/KSUI underwriters Stephen Bobek, Helen Pantazis and Iona Myers for exceeding projected underwriting revenues for FY06. As of the week of the meeting, the three had brought in \$382,000, which was \$130,000 more than projected in the FY06 budget. Following the meeting, IPR board members and Browne visited WSUI/KSUI and Neu read the proclamation to the staff.

Friends of KUNI

Jarvis and Firman updated the board on issues relating to the Friends of KUNI, which raises funds for KUNI and has had a contract with the station in the past to spend the funds raised on the station's behalf. The problem with the contract, Firman noted, is that it put the Friends of KUNI in a management position, which is contrary to Federal Communications Commission regulations and contrary to the intent of the Board of Regents in creating IPR as the governing body for the public universities' radio stations.

The Friends group will be meeting in July to discuss the cancellation of the contract and the possibility of a process whereby the station management would present the Friends with a budget and ask the group's advice. Firman said that either the University of Iowa Foundation or the Iowa State University Foundation might eventually hold the funds now held by the Friends.

Jarvis thanked Firman for his efforts to guide the Friends group through the transition to Iowa Public Radio. He also thanked Browne for her talks with the Friends at a May meeting. Browne credited members of Friends for expanding their ideas about what their organization can do, not only for KUNI programs but also for the other stations in IPR.

Management agreement

Browne reported that results of a June 19 meeting to discuss proposed management agreements. Attendees included Browne, Neu, Madden, Wayne Reames and Mark McCormick of the Belin Law firm, which is assisting IPR; Regent president Michael Gartner, Regent office executive director Gary Steinke, Regent staffers Tom Evans, Susan Anderson, Pam Elliott Cain, Diana Gonzales, and Diane Staley from the Attorney General's office.

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Browne said that the IPR representatives agreed to support the Regents and Regents staff, who expressed a desire to protect the universities' radio station assets. To that end, it was agreed that the Regents must review and approve agreements with other stations that may become part of IPR. Similarly, the Attorney General's office requested that the management agreements with other stations include provisions that university and other stations funds would not be co-mingled. All parties also agreed with that proposal.

As a result of the meeting, Wayne Reames will re-write the proposed management agreements, the IPR subcommittee and Regents staff will review them and then forward to the IPR board. If approved by the IPR board, the agreements will be submitted for review and approval to the Board of Regents. The presidents of the Regent universities will also be co-signers of the agreements.

Browne said she believes that the proposed management agreements will allow IPR to be self-sustaining, much as community radio licensees are, but still maintain their relationships with the Regent universities. She said the agreements should be completed by the end of October.

Des Moines office space

Browne continues to examine the possibilities for office space in Des Moines. She has consulted with the Pappajohn Higher Education Center about other and/or additional space but is also looking at other locations.

The meeting adjourned at 3:35 p.m.

Respectfully submitted,

Steve Parrott
Secretary