

Board of Directors Meeting Minutes June 24, 2009

The Iowa Public Radio Board of Directors held their regular meeting June 24, 2009 at the Des Moines office. Present for the meeting were Directors Art Neu, Kay Runge, and Steve Parrott. Director Warren Madden attended by phone. Director Steve Carignan was absent. Present from the Leadership Team were: Mary Grace Herrington, Don Wirth, Jonathan Ahl, Al Schares, Michelle Rourke, and Matt Sieren.

Chair Runge called the meeting to order at 2:03 p.m.

Director Neu moved to approve the April minutes. Parrott seconded. Minutes approved unanimously.

Discussion Items:

Executive Update:

Network Operations:

Herrington shared that she has assumed the strategic duties of the network operations director position until the new director is hired. She has also split the day-to-day duties between two staff for the interim period – Steve Schoon is Interim Director for Network Engineering Operations, Steve Petersen is Interim Director for Network IT Operations.

Following the announcement of Jarvis' retirement, the network operations department held its first ever full staff project update meeting. Because they had not had regular update meetings, that staff has different understandings and expectations of network projects, which has slowed work important to the organization's success. Herrington commented that it will be very important to get the department working together and communicating regularly.

In this interim position, Herrington has discovered that the decision to freeze the hiring of a Master Control Operator has been detrimental, and plans to review this decision in greater detail.

Parrott inquired as to the role of a master control operator. Herrington responded that this individual is the front line task person that operates the board where all of the on-air programming will be distributed from.

Bettendorf:

Herrington provided an update that the construction schedule for the tower broadcasting IPR's News/Studio One signal in the Quad Cities has experienced a setback, as the tower lease has yet to be signed. This has largely been due to communication delays between the landlord and their primary leaser. However, the net ops team has developed a plan with an alternative tower site if the current option falls through. The alternative plan would allow construction to begin in October, just a little behind the initial plan.

Traffic & Billing:

Herrington commended Chief Engineer David Knippel for his work as project manager on the traffic and billing software system install (Allegiance). He has readily adopted the new Project Management format and is setting a high bar for excellence in this area. The traffic and billing system will streamline data

Board of Directors Meeting Minutes June 24, 2009

input and billing output. This is also an important step in achieving the milestone of distributing all IPR programming from one Master Control center. The project is on track for completion September 1.

Digital Audio Workstation:

Digital Audio Workstation (DAW) or Master Control is behind schedule. This project was initially scoped in 2008, then for several reasons got off schedule. The project was re-initiated this spring and is currently in open bid process. It is anticipated that there will be three proposals submitted by the deadline of July 2, with thorough review and assignment of a project manager following. Herrington expects a contract to be awarded by August 30. Training will follow the install of the hardware and software and take about 90 days, so the project should be completed and Master Control fully functional somewhere in November to December. Though this project faced an initial delay the team is not too far behind schedule and will be working to catch up quickly.

Parrott inquired about how IPR staff get notified when the program feed goes off the air. Herrington responded that this will be a piece further flushed out as the project moves forward, but the plan is to establish an organization-wide “communication tree” for connecting in those situations. She also assured the Board that she would keep them apprised about how the phone tree is set up.

Internal Server:

Server is a little behind schedule, but is moving again now. This is important because it further connects each site to the network, streamlining internal communications to generate more effective distribution of information.

Overall Organizational Planning:

Herrington stated that IPR recently received access to strategic planning tools through the Corporate Strategy Board. This resource will be great for strategic planning and industry and professional connections. The opportunities offered by this site will be shared at the Leadership Team this summer to move the team into tactical implementation of the initial strategic planning completed by Browne. Herrington also shared that the team would begin assembling the three, five, and ten year outlook plans for Board input and approval.

Herrington next shared that FY10 would be a stabilizing year, as the organization will complete the integration of systems and foster better teamwork in the departments. She added that there will be growth elements in the upcoming fiscal year, though the priority will be on closing current inefficiencies. In preparation for next year, the fiscal operations department has cleaned up the chart of accounts to reflect the new business model being implemented organization-wide. The new chart of accounts more clearly manages revenue lines, expense recording by department, and forecasting in a more appropriate and efficient manner. This represents the completion of another key milestone in improving the organization’s longevity.

Runge inquired about more information regarding the new business model. Herrington stated that the business model clarifies the roles and reporting of network operations and fiscal

Board of Directors Meeting Minutes June 24, 2009

operations. Specifically, in the rearrangement of account codes and realignment of staffing, both departments have clearer, more efficient structures and reporting systems.

Communications:

Herrington shared that in general terms, she and the leadership team conduct all staff meetings at each site quarterly, department team meetings at least monthly, leadership team meetings bi-weekly, and she has 1x1s with the leadership team members bi-weekly. Additionally, Herrington is in the field weekly.

Regarding Stakeholder communication, Herrington shared that she has focused her efforts on two types of calls: appointments with prospects that have the potential to give five figure gifts, and appointments with community leaders that can influence a five figure gift. First round conversations with several of these individuals have been completed, with the groundwork laid for future conversations. Herrington stated she has also had meetings with the university presidents and their foundations, with plans for these meetings to happen at least quarterly. She plans to distribute information to those stakeholders quarterly via a newsletter and the first-ever official annual report, a best-practice model which will help mature the fundraising operations.

Herrington closed the Communications discussion commenting that the Des Moines community has been very welcoming to her and her role with IPR. However, when she's in the field there are a lot of listeners that still feel pain over the merger and about Des Moines becoming the organization "center." What she's noticed is that Des Moines residents just love the service they receive without previous bias, while the other communities still feel identity loss over the unification of programming.

Advertising:

IPR will implement an awareness campaign in late summer/early fall that is meant to attract new listeners and re-engage those that have left, encouraging them to return. The idea is that the campaign will highlight the programming and the talent producing the shows. Once it is prepared, Herrington will share the media plan, including the look 'n feel, location of advertising, and frequency, with the Board. This is all still in the early conceptual stage.

Training and Development:

Conference travel has effectively been frozen until the budget situation improves. In the meantime staff will take advantage of local and regional opportunities. To this point, the leadership team has been signed up to participate in "Leaders to Go," has completed one and enrolled in another FCC compliance webinar with Dow Lohnes, and Herrington has been selected as a candidate to participate in the Greater Des Moines Leadership Institute.

Staffing Update:

Six applicants have been approved for early retirement. This is a budget relieving strategy, but is also part of the realignment for the new business model.

Board of Directors Meeting Minutes
June 24, 2009

2111 Grand Project Update:

The exterior signage installation is moving forward with completion set for August 1. After a space review it has also been determined that three more workstations can be installed to expand the office capacity to fourteen. The Studio and Control Room are both moving forward as well. These components are progressing more slowly as the IT/Operations department is strapped for human resources. The final piece of the build-out is the installation of the conference room projector and hard-wiring for the modular units.

Financials:

Wirth discussed the April and May financials, commenting that they have been tracking well with the revised budget that was approved in April. He stated that the organization will have about a \$120,000 cushion if June expenditures remain consistent with the prior months, though past experience suggests that it will come in higher overall. In any case, he felt the organization would be on track to hit the expense budget. Wirth also shared that revenue looks to be on track as well, though by the last projection Underwriting seemed a little soft and might close out at \$875,000 instead of \$950,000. The final budget close-out will be a little tighter also, as IPR will pay Jarvis's vacation and sick leave at fiscal year end. However, even with that it should still be a solid finish.

Runge inquired about what funding IPR could keep and what would have to be rescinded to the universities. Wirth responded that funding areas needing to be spent would be spent while funds that could be kept would be kept.

FY10 Budget:

Herrington introduced and reviewed the FY10 proposed budget by line item. In regards to Salary Expenditures, she noted that there are no discretionary salary changes and no incentives at any level, though a few reclassifications have gone through to increase some salaries. She stated that this also reflects early retirements and vacant positions that have been realigned.

Madden inquired about the goal for staffing size. Herrington responded IPR will be 9 – 10 headcount fewer. Wirth added that the budget figure for salaries shows phased out retirement, so it might not look like major decreases on the salary expense line this next year.

Runge asked what happened to the funding that had been initially cut and how that might impact the budget. Wirth responded that of the \$2.5 million assigned to IPR in FY2008, there is about \$600,000 remaining to spend down, with about \$400,000 dedicated to the Digital Audio Workstation project. Additionally, this year's appropriations have dedicated \$1.9 million for additional other project use, with a request to see the plan for its use.

Communications Audit:

There has been some concern among the university constituents regarding the use and value of communication services at one university versus another. In looking into this further, the university presidents have infrequently been given a document sharing with them how often IPR has used their

Board of Directors Meeting Minutes
June 24, 2009

resources (i.e. faculty as guests). Going forward this will be standard as part of the quarterly communication to presidents.

Herrington also shared that prior to compiling this document, the leadership team will complete a communications audit to understand which services IPR uses and in what quantities. Once this information is more closely tracked it will be included in the document to the presidents to illustrate for them and their staff the nonfinancial contributions they make to the organization.

Parrott inquired if membership donations for faculty, staff, and students could be tracked and monitored as well. Herrington responded that this can be done, if kept to numbers only.

Runge asked whether this tracking is really necessary to maintain the relationships with the universities. She followed up stating that if IPR truly is a statewide organization it should generate reports with a statewide approach.

Madden asked why IPR couldn't use the Des Moines address instead of using the university addresses. Herrington responded stating that could be done in the future, but as an example, because marketing had been managed in Iowa City, that address had been used. She continued by stating that as of July 1 marketing services will be centralized in Des Moines, which resolves part of the address and university concern, as mail will be sent from Des Moines and not the campuses.

Herrington added that part of the planned audit is so that IPR can thank the universities as major donors.

Parrott commented that he likes that IPR reaches out beyond the university systems, and asked why IPR doesn't show the audit results to outside constituents as well. Herrington said IPR could develop that idea as part of the constituent letters.

Syndicated Politics Show Proposal:

Herrington introduced and refreshed for the board the opportunity to produce a syndicated politics show. Ahl then provided further information on the memo provided to the board. He stated that the current economic conditions make this an inappropriate time to consider the opportunity. Among challenges for implementing a project at this time are:

1. The industry as a whole is cutting back on talk show production
2. Additionally, as NPR CEO Vivian Schiller commented, developing new programs is not in the model – with their emphasis on product distribution it is difficult to create more programs and become more efficient
3. With IPR's upcoming realignment, there will be other more time-sensitive issues to resolve first

Ahl concluded that in the future this opportunity could be explored, including a test run six months prior to and during Caucuses, to gauge its potential for success

Policy and Procedure Handbook:

Board of Directors Meeting Minutes
June 24, 2009

The board discussed and provided input on specific policies as per their instructions at the April meeting. At this time, not all policies were ready for approval; some needed further edits and would be brought back before the next meeting. Of the policies before them, the leadership team requested the board approve the Voice and Data policy.

Action Items:

1. Neu moved to approve the April and May financials, seconded by Parrott. April and May financials approved unanimously.
2. Parrott moved, Neu seconded approval of FY10 budget. Approved unanimously.
3. Parrott moved to approve the Voice and Data policy, seconded by Neu. Approved unanimously.

Information Items:

Department Updates:

Development:

Rourke provided some additional supplements to her report:

1. To date for FY09, IPR has brought in 3,000 new members
2. 914 members contributed to the Summer Drive additional gift opportunity, for an additional \$60,000
3. The goal for the Summer pledge drive was \$67,000. This drive included ticket packages for David Sedaris in Davenport and A Prairie Home Companion in Des Moines this fall. At the conclusion of the drive IPR had raised almost \$75,000 and attained 179 new members.
4. In IPR's most recent acquisition mailing, about 1% of those mailed have responded, which is considered a success in itself. Additionally, the average gift size from respondents has been \$43

Parrott asked if IPR has experienced a change in the locations of donors in Iowa. Rourke responded that she hasn't looked to see how the donor populations have changed since the merger, but that would be something to look at in the future. Herrington added that IPR has statistics on where donors have been in the past, so it will be interesting to compare that to see the membership increases and changes by county.

Rourke commented that though several listeners called in to share their frustrations about a summer fund drive, it is important to remember that the research report presented by Lewis-Kennedy stated that the best results for an IPR fund drive range between twenty and twenty-five days. At this point IPR only spends seventeen days a year doing on-air fundraising.

Rourke added that the underwriting team has secured several new state-wide corporate contributors including Structure Architects, the Association of Independent Colleges and Universities, and the Iowa Math and Science Initiative.

Board of Directors Meeting Minutes
June 24, 2009

News:

Ahl shared that “The Exchange” won a second place PRNDI (Public Radio News Directors Incorporated) award under the talk show category for Ben Kieffer’s interview with Karl Rove. He added that this award really means a lot, as it means IPR can compete with the other big public radio organizations in the US. In this category Iowa Public Radio beat Boston, Chicago, Wisconsin Public Radio, Minnesota Public Radio, San Francisco, San Diego, Dallas, and North Carolina.

Music:

Schaes announced that an expanded Studio One schedule will be implemented on July 10. This will bring back old favorites and will also offer the AAA staff the opportunity to produce new shows for listeners.

Fiscal Operations:

Wirth shared that IPR has completed the selection of an audit firm for next year. That contract is signed and preliminary work discussions have begun.

Neu made motion to enter Executive Session pursuant to section Iowa codes 21.5(j) to discuss the purchase of real estate and 21.5(i) to discuss staffing implications based on anticipated state funding reductions. Motion was seconded by Parrott. By roll call:

Neu: Aye
Parrott: Aye
Runge: Aye

Entered executive session at 4:18 pm.

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

Runge: Aye
Parrott: Aye
Neu: Aye.

Exited Executive Session at 5:00 pm.

Runge adjourned the meeting at 5:00 pm.

Respectfully submitted,
Matt Sieren, Executive Assistant