

Board of Directors Meeting Minutes
October 1, 2008

The Iowa Public Radio board of directors held their regular meeting October 1, 2008 at the Board of Regents office in Urbandale. Present for the meeting were directors Art Neu, Kay Runge, Warren Madden, Acting Executive Director Steve Carignan, Assistant Matt Sieren, and guest Pat Deluhery. Director Steven Parrott was present for part of the meeting by phone. Also present were members of the senior team: Wayne Jarvis, Tim Coffey, Jonathan Ahl, and Don Wirth.

Chair Neu called the meeting to order at 2:14 pm. Runge moved and Carignan seconded approval of the minutes of the August 5 meeting. The motion carried unanimously.

Discussion & Decision Items:

A: Election of Officers:

Carignan made a motion to elect Runge to Chair of the Board and to elect Neu to be Vice-Chair. Motion was also made for Madden to maintain his position as Treasurer and Parrott to maintain his position as Secretary. Madden seconded. Motion passed unanimously.

B: Financial Report:

i: June Financials:

Wirth presented the June financials, noting on the Income Statement that IPR came in with a \$300,000 deficit for FY 07-08. Areas that contributed to this shortfall include Membership and Underwriting. Membership was hurt by difficulties in centralizing the processes of the three stations (the consolidation of membership databases threw off mail-flow and slowed down the renewal period) while at the same time a lot of donors stopped giving because of their dislike of the programming changes. Underwriting came up short because the department did not have full staffing for much of the fiscal year (including no one in Des Moines).

- In response to a question of whether the stations met their Underwriting revenue budgets, Wirth noted that UNI met budget while U of Iowa and Iowa State did not.
- In response to the question as to how Underwriting and Membership money is designated to IPR corporate vs. the stations, Wirth stated that all Membership money flows through IPR Inc., which is distributed to the stations as approved by the board. There is some fund retention in the IPR corporate account to pay IPR expenses (such as IPR employee salaries).
- In response to a question about hiring an Underwriter for Cedar Rapids, a new hire is not anticipated, but Iowa City reps (of which there are two) will be assigned to that area.

Wirth also pointed out that the balance sheet reflects our deficit for the year; the balance in reserves is down \$350,000 from the previous year. This was anticipated, as we are in the development phase of the organization and are making investments in it (such as capital investments or new signals). It was also noted that this is a balance sheet of liquid assets, not physical assets.

- Madden commented that at some point we should decide if we want to show the capital on the balance sheet.
- In response to the question as to whether Endowment funding is included in the balance sheet amount, Wirth stated that yes, it is.
- In response to the question about how much our university funding will decrease, Wirth commented that this upcoming year IPR anticipates a net decrease at a little under \$100,000 total.

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- In response to the question about what funding IPR is requesting through the Legislature, Wirth stated that we are asking for \$2,000,000 in capital and \$525,000 in operating expenses. The Regents have approved and included the full amount in their budget request to the Legislature.

ii: Preview of Audit:

Wirth stated that the auditors have completed the on-site data collection for the audit, which, because this is the first IPR Inc. audit, took longer than expected. The completed audit, which will be presented to the board in November, will reflect pledge receivables of about \$290,000, as well as some accrued payables. With the exception of funds such as the Principal office grant, this money will be dispersed to the stations as it is accrued. For auditing purposes at end of year, it will remain under IPR Corporate.

iii: Summary report on Revenue/Expense for 07-Present:

Wirth reviewed the revenues and expenses for the past two full fiscal years and the current fiscal year to provide comparison between years of IPR.

- In response to a question, the operating total included in this overview covers day-to-day activities, salaries, etc. It does not include capital or equipment expenses.

C: Other:

Wirth stated that in the past, he has made the recommendation to the board to distribute funds to the stations. Runge commented that he should show the board how the funds are distributed, but does not need to have this approved before dispersal.

Runge introduced guest Pat Deluhery to the board. Carignan provided more of his history and commented that Mr. Deluhery might be joining one of the new IPR Regional Boards. Delurhey stated that he is interested and excited to learn more about the organization and how he can assist in making it better.

Information Items:

A: Hiring Update:

Runge reviewed the hiring update portion of the board agenda, with more information provided about the hire for the membership manager position, accountant position, reporter position, and details of the Executive Director search. All positions are being moved forward in lieu of the Executive Director position being hired.

- In response to a question, Ahl provided additional information on the reformatting of the news hours in the morning as part of Morning Edition, with the change being implemented on November 10. He explained that this would provide more comprehensive news stories to build upon the expertise of the reporters around the state.

Carignan reviewed the listed reassigned positions.

B: Grants Update:

Runge reviewed the grants portion of the board agenda. Wirth provided some additional information on the Principal capital grant.

C: Department Updates:

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Runge reviewed the department updates portion of the board agenda. Highlights included the fall membership drive, progress on the master control room in Ames, equipment gathering for the Des Moines production room and studio, News Division restructuring, and the organization performing more work as divisions and not stations.

D: Other:

Madden asked whether there was a settlement with the Perry station. Jarvis responded that we have not heard any specific response from the FCC since this began. The two challenges have been dismissed by the commission. The board discussed planning and the lease at the 2111 Grand site in Des Moines. It was discussed that IPR will continue to push getting the lease on to the board agenda for the October meeting.

Executive Session:

Motion made by Madden to move to closed session to discuss the purchase of particular real estate and evaluate Director position descriptions. Seconded by Neu. Called to a vote:

- Runge: aye
- Neu: aye
- Madden: aye
- Parrott: aye
- Carignan: aye

Board moved into closed session.

Motion made by Madden to come out of executive session. Seconded by Neu. Motion passed unanimously.

Motion made by Madden to change position title for Director Kjaer from deputy director to communications director and remove site manager duties from Directors Kjaer and Jarvis. Seconded by Neu. Motion passed unanimously.

Runge adjourned the meeting at 5:03 pm.
Respectfully submitted,
Matt Sieren, Executive Administrative Assistant