

KSUT Board of Directors Meeting,
February 2, 2015
5:30 PM
Eddie Box Jr. Media Center, Ignacio, Colorado

Minutes

Attendance: Richard Hoehlein, President; Paula Miller, Vice-president, Linda Baker, Maria Baker, Eddie box, Jr., Williamette deKay, Chris O'Shea-Heydinger.

KSUT Staff: Bob Franklin, Executive Director

Others present: Tami Graham

Call to Order by Richard Hoehlein at 5:36 PM

Appointment of Secretary, due to the resignation of Philippa Howard. Recommendation of Linda Baker by Richard Hoehlein.

Motion: Eddie Box, Jr.

Second: Maria Baker

Voting: Unanimous

Approval of Agenda, with additions

Motion: Paula Miller

Second: Chris O'Shea-Heydinger

Voting: Unanimous

Approval of 01-15-2015 Minutes, with changes

Motion: Paula Miller

Second: Williamette deKay

Voting: Unanimous

Bob Franklin stated he was glad to be here, and appreciative of the KSUT staff.

Audit Report

Karla Clark, auditor, began her report by stating KSUT ended the year in good financial position, due to capital fund contributions, expense down and revenue up a little bit. Details of the audit report was divided into two areas: management deficiencies, or controls that should, or could, be corrected; and condition of audit. There is a management deficiency with the subsidiary ledgers (reports the Tribe receives from KSUT) because of an improper accounting system due to all the codes. An example is outstanding donations, which carry over in the books; last year this amount was off by \$3600.00, and this year it was off by \$11,000. To find where the differences are, a comparison of the Tribe's post and the station's post needs to be conducted. A remedy would be monthly accounting, which is not being done at the station. A condition of the audit is a need for full estimate, such as depreciation, and old or uncollected accounts receivable. Fortunately, station staff and Tribe are excellent about retrieving and providing requested

let Tracy know to set up an equity account, "Designated to Future Expenditures", with spending at the Board's discretion. Williamette will provide Karla with the exact dollar amount.

Executive Director Report

Bob Franklin, Executive Director, has met with Four Corners and Tribal radio station staff. At this time, he feels it is too early to provide a vision for the station. He would like a staff retreat, and stated the creativity level of the staff is "off the charts". He did an interview with Southern Ute Drum employee Robert Ortiz, which also included ideas for collaboration and cross promotion, and media convergence of broadcast and print. Other topics included: learning more about community, meeting with Tami and Richard, and conversation with Bruce Campbell, whose last day is March 6, 2015. The Development director position is to be advertised immediately. Bob stated Tanya, Chris, Sheila and Rob will create the ad. Richard stated the job description needs to be updated.

Regarding Bruce Campbell's departure, Maria will be in charge of an appropriate going away present. Richard will request a meeting with Tribal Council, where Bob will request a work session. Board members should attend, and the Tribal Planner should be ready to be available, but not necessarily be in attendance,

Capital Campaign

Tami Graham will update the current table of progress and goals. She and Bob plan on attending meetings together with prospective donors. Tami felt it important to have a local/regional person as the new Development Director, as well as for the capital campaign. Tami will report to Bob. Tami's independent contract expires March 31, therefore it needs to be updated. Bob has an updated contract for Tami to sign. The Board was informed the Gates Foundation will be visiting KSUT. Richard asked if the Carlos Sena Legacy Fund was an endowment fund or part of a community foundation. Richard also informed the Board that the capital campaign funds are at the Bank of the San Juans. Williamette asked why we are waiting for the Tribe, and we should not depend on the Tribe. Tami answered the March fund drive is dependent on tribal contributions. Also, the new Development Director needs to be involved with Bob and Tami on the fund drive. If contributions are not substantial, a loan may be required. Legacy fund was clarified as not being legacy donors; legacy donors contribute \$1,000 annually. Also discussed was the Phase I soft campaign. There is a \$5,000.00 commitment to Phase II.

Board member capital campaign contributions will be confidential and will be to Bob's attention. Bob and Williamette will be responsible for Board member donations. Board members will inform Bob what their capital campaign contribution will be at the next meeting.

Board Vacancy

Richard will contact Connie Denning. Do we want a New Mexico resident on the board?

Retention Policy will be moved to March. Bob will create a working calendar for the Board. The KSUT website has no employment information. The By-Laws will be moved to March.

Next meeting: March 9, 5:30 PM

Comment [LB2]:

information. Recognizing that revenue and receivables are a lot of work, attention needs to be given to what the station is sending to the Tribe. An example is fund-raising events; it is one event but the web pledges and the phone pledges are separate.

Rich asked if there is an \$11,000.00 difference, which one is off. Karla answered the Tribe is off, because the Tribe does not have all program listings, or codes, the station may use. The Tribe may have ten codes, and KSUT could have 20-25 codes; the extra codes are not included in the Tribe's information. Revenues and receivables are not what an auditor does; someone at the station needs to do this. This also includes pledges that are owed, which the station still feels they will receive.

Comment [LB1]:

_____ support: Advertising and expense items lacked documentation. Station staff was surprised that they did not have this. Capitalization policy: Last year it was suggested this needed to be "upped". A policy needs to be adopted to reflect expenses and fixed assets. Budget surplus: There needs to be a clear-cut policy to use the amended FY14 budget. _____ CPB requires restricted funds in grants be separate, and should be tracked at KSUT. Information was not in the general ledger, or provided to the auditor. It needs to be readily available to an auditor.

Overall, there were only two deficiencies. Independent audit report notes of interest included Liability and _____, which ended with a good financial position for 2014. Activity showed a net increase of \$179,000, making 2014 a very good year. The financial statement shows nothing out of the ordinary. Karla noted page 12, contributions and in-kind from the Tribe, \$126,000; page 15, all non-cash support numbers stayed fairly even, but was a little up from last year; and last page, removal of non-cash since there is no more depreciation on assets, creating a large number. All other numbers are normal.

After Karla's report, Richard summarized, 1) there needs to be a policy recommendation, and, 2) there is a need to fix "budget" areas (between Bob and Williamette, and check with Bruce Campbell) since information from Rob is general. Information needs to be more specific. Controls are not working as needed in accounting area, and need to change based more on procedure than policy.

Approval of audit

Motion: Chris O'Shea-Heydinger

Second: Williamette deKay

Voting: Unanimous

Discussion

Any other policy changes will be reviewed and revised by Williamette. Richard asked for a brief recommendation on how to track 50% budget surplus from last year (50% went to staff bonuses). The recommendation/suggestion is to determine what the 50% will be used for, and have surplus as retained earnings. It is not recommended to put surplus in current budget to avoid false sense of a surplus. The surplus can go in an equity section. Richard asked, if the budget is sound, could the \$19,000 current surplus could be contributed to the capital campaign. Karla stated surplus is a phantom number that is included in cash right now. To clarify the surplus, set up a separate bank account or track in equity section. Williamette stated the surplus should stay in equity. Karla will

KSUT Board of Directors Meeting
March 30, 2015
5:30 pm
Future KSUT Building

Attendance: Richard Hoehlein, Paula Miller, Eddie Box Jr., Maria Baker, and Williamette Kay

KSUT Staff: Robert Franklin and Tami Graham

The meeting was called to order by Richard at 5:35 pm.

1. The Agenda was approved by consent.

2. **Approval of Minutes**

There were no minutes available for February.

3. **Capital Campaign**

Tami gave an update on the Capital Campaign. KSUT was awarded the Gates Family Foundation grant for \$35,000; Merrion Oil & Gas Company gave \$10,000. Rich will send out Thank You cards to them. There was further discussion on what additional grant applications were submitted and an update on the progress of the worksession with the Southern Ute Tribal Council.

Tami let the board know that she is submitting weekly reports to Bob and they are in the process of preparing to market Phase II to possible donors. In the meantime, there will be an event in Farmington at either Merrion Oil or Hanson Honda.

Tami has also met with the Community Foundation regarding Phase III of the Capital Campaign.

4. **Review of Financial Statement**

Williamette and Bob will be meeting next week to go over financials as well as the audit recommendations and will present those at the next meeting.

5. **Policy Updates**

All staff that will have debit cards have signed the new policy on how they will be used.

6. Board Retreat

Paula suggested that discussion regarding possible dates for the board retreat take place once new board members have been approved.

7. Board Self Assessment and Bylaws Revisions

The self assessment will be discussed at the board retreat. Linda and Chris have been working on the bylaws revisions and will have an update at the next board meeting.

8. Filling Board Vacancies

Steve Williams submitted his resignation, therefore there is one Native American board seat to fill as well as a regular board seat. Discussion took place on the process for the search. It was decided that the Board will review all letters of interest, invite potential candidates to a board meeting and ask them a round of questions. They will be invited to stay for the rest of the meeting, with voting on the new members in executive session.

9. Executive Director Report

Bob is working with the Council secretary to review the executive summary for the worksession with Tribal Council. It was discussed that those in attendance for the worksession will be: Bob, Rob, C&PM staff, Rich, Williamette, and Eddie.

The membership drive early returns show that we are the same or exceeding last years numbers. Bob stated that he was very proud of how the staff handled the on air fund drive.

A grant was submitted to Vision Maker for Tribal Radio on the "History of Native American Public Radio" They should find out in July if they will be a recipient of this grant. This will be an opportunity for mentorship for Shiela and Lorena.

Bob is working on a policy for comp time.

Bob updated the board on the possibility of a Vista Volunteer partnership with the Boys and Girls Club.

10. Board Member Attendance

Paula will confirm board member attendance prior to meetings through an app. She will get everyone set up.

11. Next Board Meeting

The next board meeting is scheduled for April 13, 2015.

The Board entered into Executive Session at 7:20 pm

The Board exited Executive Session at 8:11 pm

12. Closing

Williamette made a motion to adjourn, Paula seconded. Motion passed with 4 for and 0 opposed.

The meeting was adjourned at 8:12 pm.