

Board of Directors Meeting Minutes  
December 19, 2013

The Iowa Public Radio, Inc. Board of Directors met on December 19, 2013, at Iowa Public Radio, Des Moines, IA. Present for the meeting were Chairman Mary Kramer, Vice Chairman JoAnn Johnson, Directors Doug West, John McCarroll and Steve Firman and Interim Executive Director Kelly Edmister. Present via phone was Director Mark Braun, Wayne Reames with Belin McCormick, PC and James Hanks with Ahlers & Cooney, PC. Director Gibson was absent.

Chair Kramer called the meeting to order at 1:00 p.m. Roll call was taken with each director stating their location.

- Mark Braun – at University of Iowa office in Iowa City, IA
- Steve Firman – present at meeting site
- JoAnn Johnson – present at meeting site
- Mary Kramer – present at meeting site
- John McCarroll – present at meeting site
- Doug West – present at meeting site

Based on the responses provided, the requirements of Section 21.8(1)(c) were satisfied and it was appropriate to proceed with the approval of the agenda.

**Agenda**

Chair Kramer requested a motion to approve the agenda. Director Firman moved and Vice Chair Johnson seconded to approve the agenda as presented. By roll call vote, the motion was approved:

<b>Braun</b>	<b>Firman</b>	<b>Gibson</b>	<b>Johnson</b>	<b>Kramer</b>	<b>McCarroll</b>	<b>West</b>
Aye	Aye	Absent	Aye	Aye	Aye	Aye

**Minutes**

Director Firman moved and Vice Chair Johnson seconded to approve the October 30, 2013 minutes as presented. By roll call vote, the motion was approved:

<b>Braun</b>	<b>Firman</b>	<b>Gibson</b>	<b>Johnson</b>	<b>Kramer</b>	<b>McCarroll</b>	<b>West</b>
Aye	Aye	Absent	Aye	Aye	Aye	Aye

Director McCarroll moved and Director Firman seconded to approve the November 4, 2013 minutes as presented. By roll call vote, the motion was approved:

<b>Braun</b>	<b>Firman</b>	<b>Gibson</b>	<b>Johnson</b>	<b>Kramer</b>	<b>McCarroll</b>	<b>West</b>

Aye	Aye	Absent	Aye	Aye	Aye	Aye
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**Chairman’s Report**

*Board training – Open Meetings law*

James Hanks of Ahlers & Cooney, PC conducted a training session related to compliance with the Open Meetings law.

*Schedule 2014 meetings*

Vice Chair Johnson moved and Director West seconded to approve the proposed schedule of 2014 Board meetings. By roll call vote, the motion was approved:

Braun	Firman	Gibson	Johnson	Kramer	McCarroll	West
Aye	Aye	Absent	Aye	Aye	Aye	Aye

The 2014 meetings are as follows:

- Thursday, March 13 – Ames, meeting location TBD
- Thursday, May 22 – Cedar Falls, meeting location TBD
- Thursday, July 31 – Iowa City, meeting location TBD
- Thursday, October 16 – Des Moines, meeting location TBD
- Thursday, December 18 – Grinnell, meeting location TBD

**Finance**

*Amended gift agreement with Friends of KHKE/KUNI*

Edmister noted that at a previous meeting the Board gave approval to adjust the gift agreement with the Friends of KHKE/KUNI. The amended agreement reduces the original \$1 million operating endowment to \$832,000. The difference of \$168,000 will be contributed to IPR on a monthly basis during the current fiscal year. This agreement is a one-year agreement and will be further reviewed after the Friends of KHKE/KUNI have had time to work with the new Executive Director.

Director Firman moved and Director West seconded to approve the amended gift agreement. By roll call vote, the motion was approved:

Braun	Firman	Gibson	Johnson	Kramer	McCarroll	West
Aye	Aye	Absent	Aye	Aye	Aye	Aye

*Finance Committee – FY13 audit reports*

Director West noted that the Finance Committee met with the audit firm to review the audit reports. Director West reported that all of the audits contain unqualified opinions and that the Finance Committee recommended signing the management representation letters.

Edmister added that the management representation letters are signed by each licensee board member with Director West signing the IPR audit letter. With the exception of KUNI's audit, which had an internal control finding, the other three entities have been completed. The KUNI finding is being disputed by IPR and is impacting KUNI's Annual Financial Report ("AFR") submission to the Corporation for Public Broadcasting ("CPB"). Edmister noted that in order for the CPB to release the entity's funds, the completed audits must be submitted by December 31. Edmister stated that she will continue to work on resolving the issue but that an extension letter may need to be prepared.

Director Johnson inquired as to how many years IPR has used the current audit firm. Edmister responded that this is the fifth year of a five-year contract. Vice Chair Johnson noted that any concerns should be addressed in the next contract cycle.

*Financial Report as of November 30, 2013*

Edmister reviewed the financial reports through November 30, beginning by noting that revenue is under budget. The variance in revenue is caused in part by the timing of the CPB funding. Additionally, with Membership revenue under budget, the decision was made to utilize an outside firm to create the year-end direct mail materials and to schedule a December pledge drive. Edmister noted that expenses are also under budget which helps to offset the revenue shortfall. The expense variance is attributed in part to delays in hiring. Edmister concluded by reviewing the cash holdings at each of the entities, noting that cash forecasts are being prepared in anticipation of divesting funds to cover shortfalls.

Chair Kramer asked about the timing of the FY15 budget process. Edmister responded that IPR's fiscal year ends June 30 so the budget process will begin in the spring with the Board of Regents approving the budget at their August 6 meeting. Chair Kramer noted that the Board should add as a future agenda item the review of university funding and independent IPR lobbying efforts. Director Firman noted that while this is a good direction, it is important to work collaboratively with the university's lobbyists as opposed to working independently of them.

Chair Kramer asked about recent staffing changes. Edmister noted that IPR's *Morning Edition* Host Sarah McCammon took a position with Georgia Public Broadcasting and that IPR's Iowa City Site Administrator Kathie Gonzales took a position with the University of Iowa. The vacancy left by McCammon has been filled by Clay Masters through an internal search. Masters' vacant position will likely be filled through a subsequent internal search. The vacancy left by Gonzales is under review, with a backfill of the position likely occurring in the Des Moines office. Vice Chair Johnson inquired about staff morale; Chair Kramer

noted that as these and other positions are filled that should help improve morale which Edmister concurred with.

Director Firman moved and Director McCarroll seconded to approve the financial report as of November 30, 2013. By roll call vote, the motion was approved:

<b>Braun</b>	<b>Firman</b>	<b>Gibson</b>	<b>Johnson</b>	<b>Kramer</b>	<b>McCarroll</b>	<b>West</b>
Aye	Aye	Absent	Aye	Aye	Aye	Aye

### **Executive Report**

#### *Litigation settlement update*

Edmister noted that the final settlement payment has been made to Mary Grace Herrington. Additionally, the litigation fees from lawsuits filed by Michael Gartner have been paid. IPR was responsible for paying \$20,000 for the lawsuits with the remaining \$15,000 covered by IPR's insurance. The on-air IPIB announcements, agreed to as part of the settlement, began airing December 16.

Edmister noted that IPR has responded to an open records request from Gartner related to the Executive Director search.

#### *Department updates*

Edmister noted that several listeners stated they appreciated hearing during the December pledge drive that university funding is declining. Director West stated that the approach was a good one to take and Chair Kramer concurred.

Edmister reported that the Insights Series "Politics and a Pint" conversation with Don Gonyea went very well and attracted a different listening demographic than past Insights Series events. Upcoming Insights Series events include a broadcast of *The Moth*, presented and recorded in Iowa City's Englert Theatre in February, and a Battle of the Chefs, which will be in Des Moines in late March.

Director West asked about the agreement with Bob Dorr. Edmister responded that the agreement had been renewed. Director Firman noted that he would like to see whether IPR could nationally syndicate Dorr's show suggesting that a discussion regarding syndicating programs be placed on the agenda at a future meeting.

Chair Kramer noted that the audience numbers appear to have experienced some growth in the past few reporting periods. Edmister responded that Al Schares had reported the numbers in the most recent book are the highest since the Fall 2008 book. Chair Kramer commended the staff on their

efforts to grow these numbers. Director West commended the support and technical staff for their efforts as well.

Director McCarroll asked whether IPR is still receiving complaints about the classical music change in the Ames area. Edmister responded that the complaints have not ceased completely but the volume continues to decrease. If Board members receive complaints or concerns they can send those to Edmister so that an IPR staff member can respond with a consistent message.

*Review of statewide signal coverage*

Edmister shared that Grinnell College has secured the necessary equipment to rebroadcast IPR's classical signal. The next step is installation of the equipment and updating the memorandum of understanding since Grinnell has requested to expand the amount of programming provided by IPR.

**Adjourn**

Chair Kramer requested a motion to adjourn the meeting. Director West moved and Director McCarroll seconded to adjourn the meeting. By roll call vote, the motion was approved:

<b>Braun</b>	<b>Firman</b>	<b>Gibson</b>	<b>Johnson</b>	<b>Kramer</b>	<b>McCarroll</b>	<b>West</b>
Aye	Aye	Absent	Aye	Aye	Aye	Aye

Chair Kramer adjourned the meeting at 4:02 p.m.