

Minutes for the regular National Finance Committee meeting September 11, 2018.

Meeting convened at 8:53 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Ken Aaron, Nick Arena, Chris Cory, Joseph Davis (Chair), R. Paul Martin (Secretary), P.K. McCary, also attending was the Executive Vice President of NETA (National Educational Telecommunications Association) Anita Sims.

Agenda:

1. Roll call
2. Approve agenda
3. Minutes approval
4. Report from Anita Sims of NETA
5. Status of budgets approval
6. Reports on budgets from each unit
 - A. National Office
 - B. KPFA
 - C. KPFK
 - D. KPFT
 - E. WBAI
 - F. WPFW
7. Identify blocks and actions needed to enable progress
 - A. WPFW
 - B. WBAI
 - C. KPFT
 - D. KPFK
 - E. KPFA
 - F. National Office
8. Status of previous motions presented
9. New Business
10. Adjourn

Approve agenda 8:59 PM (ET)

Motion: (Joseph Davis) “To approve the agenda.” (Passed as amended without objection)

Amendment: (Joseph Davis) “To add 30 minutes for a report from Anita Sims of NETA and Q&A after ‘Minutes approval.’” (Passed without objection)

Minutes approval 9:00 PM (ET)

Motion: (R. Paul Martin) “To approve the minutes of the July 10, 2018, meeting.” (Passed without objection)

Motion: (R. Paul Martin) “To approve the minutes of the August 14, 2018, meeting.” (Passed without objection)

Report from Anita Sims of NETA 9:04 PM (ET)

The Executive Vice President of NETA told the committee that NETA has been looking at every station and the National Office, which gave her a better understanding of the Staffs and work flow, along with the skill sets of the individuals and other information. She said that this has put everything in perspective with regard to NETA not being able to receive information. She said she wrote a report with some recommendations. This report includes where NETA is at with Great Plains and why they can't get reports; NETA still can't get into Great Plains fully. They are working on it all. They have a new strategy to move forward and deal with the auditors and the FY17 audit, another team is working on an FY18 audit. They are not able to get into the system and that's delaying them. She said that they didn't realize when they started that things like bank statements, etc. was not being keyed into Great Plains. There is a huge backlog of work. She said that if they can remote in they can keep it up to date. She said it was very informative to have gone through that process and to have met all the General Managers. She said that they have recommended they start working with General Manager of WPFW so that NETA can do their accounting, she said that WPFW is not using Great Plains anyway. She said that NETA has someone working with the pension plan. They are at the point of being able to pull together the FY19 budget. They have templates from prior years, they've just gotten it, and will reach out to stations and they hope to pull it together. They have written up recommendations which they'll give to the interim Executive Director next week. They have been working with the auditors and have a timeline for the FY17 audit. They found that FY16 had not been closed on the system and no one in Pacifica knows how to do that. When they get access their people who know Great Plains will be able to close FY16 so that accounting can go forward. She said that several things are in limbo until they can get access to Great Plains and she has asked the interim Executive Director to expedite that.

The Committee discussed the report. In answer to a question the Executive Vice President of NETA said that they have asked the interim Executive Director to escalate sharing with the stations. She wondered if NETA came across as threatening to some people at the stations. She said that the largest problem is financial data not being keyed into Great Plains; she said that the reconciliations at one station are in arrears by about two years.

In answer to a question regarding Great Plains access for NETA and work flow at stations with no Business Manager she said that she could send the committee an E-mail she had sent to the National Office. She said that NETA people can log into Great Plains but they can't see any detail or key data in, they have to ask Staff to do it and the Staff can't do it. She said that yesterday they'd gotten all of the bank statements and they hope they can mimic reconciliations from that so they can key in data and move forward. She said that they have recommended that NETA go ahead and pick up the work at the stations that do not have accounting staff. She said that NETA uses MAS500 software and can run reports or create a file they can post to Great

Plains so it can go to the general ledger. In answer to a question, the Executive Vice President of NETA said that KPFA and the National Office never keyed their reconciliations in, and that the issue that NETA is having with getting access to Great Plains is a permissions issue. They tell people in Pacifica every day that this is a problem. There was a discussion of Pacifica having upgraded the Great Plains software, but no one having the time for Staff to be trained on it. In answer to a question the Executive Vice President of NETA said that when they get access they can run prior years and get information for the audits, but that since 2016, no one has done a fiscal hard close on the system. There was further discussion about getting NETA Staff access to Pacifica's Great Plains accounting software.

The Executive Vice President of NETA said they'd be looking at the financials now if there weren't this roadblock and that an audit is due in October that needs to be gotten ready. She said that they'd gone through the Management Letter and they're seeing what they can do. She said that each station has had obstacles. She said that NETA has helped the auditors file the FY17 990 form place holder and that they'd met that deadline.

Motion: (Joseph Davis) "That the NFC recommend that the PNB direct the interim Executive Director to direct each unit to prioritize NETA interactions, and that each unit should report on said work in progress, or explain why said work is being delayed."

Amendment: (Ken Aaron) "To add at the end 'within four days.'" (Passed without objection)

Motion as amended: "That the NFC recommend that the PNB direct the interim Executive Director to direct each unit to prioritize NETA interactions, and that each unit should report on said work in progress, or explain why said work is being delayed within four days." (Passed without objection)

The Executive Vice President of NETA said that she could attend the next NFC meeting on October 9, 2018.

Status of budgets approval 9:39 PM (ET)

The Chair noted that we had approved the FY19 budget timeline and that according to that timeline everything should be done in about four days, which is not going to happen. He said that we should talk about how close each unit is to sending in a completed FY19 budget. He said that since the interim Executive Director/iCFO was not on the call that we would skip the National Office reports.

KPFA - The KPFA Director said that the KPFA Business Manager did submit a FY19 budget at the last KPFA LSB meeting, but it hasn't been finalized. He said that there was some confusing stuff on the budget worksheet. He said that he'd asked the KPFA Business Manager some serious questions about it and hasn't gotten an answer yet, and that the budget has not been finalized. He said that for a preliminary copy it seems pretty reasonable. He said that there are mislabeled columns and he's trying to get clarification on what the columns are supposed to read. He's looking to get a corrected copy. It's still a work in progress.

The Chair said that he would like to have all of the draft FY19 budgets in for the October meeting.

KPFK - The KPFK Treasurer said that they would have a preliminary budget meeting tomorrow night. He said that income and balances are looking good. He said that KPFK has started to get Nielson reports. They looked at them for the second quarter and they showed some indications that were enlightening. It's just one indication. He said that KPFK was having a benefit on September 15th, with Chris Hedges, who will be speaking at KPFA then later in the week at KPFK.

KPFT - The KPFT Treasurer said that they were meeting on September 18th, with the commitment to get something done. She said that they had two hurdles, less money coming in due to the General Manager's decision to lower the on-air fund raiser goal and the problem of dealing with the things that had to be done. She said that they need standards for processes, that there should be a vendors list and the station should get three different bids rather than getting things in other ways like through friends or because someone happens to want a particular thing.

WBAI - The WBAI Treasurer said that things are still pretty much where they were for the last meeting. The WBAI local Finance Committee tried to meet on September 6, but the WBAI General Manager did not show up and the local Finance Committee did not reach a quorum. There are problems with the WBAI draft FY19 budget. As noted at the last meeting this is a deficit budget and the deficit will probably be even larger than projected because the Summer on-air fund raiser had an average daily tally of less than \$6,000 a day.

WPFW - The WPFW Treasurer said that they have not been able to make much progress on FY19 budget because they don't have access to actuals from FY18. They don't have a local source for accounting nor do they have anything from the National Office, though they have asked for it. He said that they have also asked NETA for monthly actuals for FY18. He said that they have been tracking the FY18 budget against bank reconciliations given by the Business Manager in KPFK. He said that they were ahead of budget for FY18, they had a successful mini-on-air fund raiser and got about \$175,000 in actual deposits. They project breaking even in FY18. He said that they could take their FY18 numbers and project them to FY19 but they don't have actuals. He said that he sees now why they haven't been able to get month to month financial information with the Executive Vice President of NETA saying they can't get into Great Plains. He said that they can get this work done quickly once have the information, but he can't promise they will have that information by the next NFC meeting.

Identify blocks and actions needed to enable progress 9:53 PM (ET)

The Chair asked for recommendations from the stations for specific things that the NFC can do to help them get what they need.

WPFW - The WPFW Treasurer said that they need the monthly WPFW P&L.

WBAI - The WBAI Treasurer said there are two issues, one is that it's going to be a deficit

budget, and the NFC has insisted on a surplus budget in the past. Getting the General Manager to show up at local Finance Committee meeting would be helpful. The NFC has already passed motions in that regard.

KPFT - The KPFT Treasurer said that one problem may be solved with getting a new General Manager, since the acting General Manager has resigned. She said that some think that bankruptcy is still the way to go and that that might be a hurdle. She said that maybe we need to make a commitment to do our best and meet our responsibilities.

KPFK - The KPFK Treasurer said that they have a new General Manager, he'd been the interim General Manager before. He'd worked in a corporate show business job and brought in new knowledge, inspiration and attitude and is bringing KPFK from the '60s to the 21st Century. He's trying to promote networking and other venues; he's sent out a survey to the public, is getting the Nielsens and doing other activities which are showing increased energy and vitalization at the station, he has the support of the Staff.

KPFA - The KPFA Director said it was important to make sure someone is actively working to remove the impediments to NETA getting into the Great Plains software. He said he'd heard from the KPFA Business Manager while we were on the call and she had helped him figure out what's wrong with the columns. He said he could scan and send it. He said it's showing a \$300,000 surplus for FY19.

Status of previous motions presented 10:03 PM (ET)

The Chair reported that the motions that were passed by the NFC on June 12, 2018, were brought to the PNB. He said that the motion regarding bequest procedures was not passed by the PNB, and that the PNB had decided to delay dealing with it. He said that regarding the other motion passed by the NFC regarding procedure reporting he had asked the interim Executive Director at a Strategic Planning Committee meeting what the progress on that had been and the interim Executive Director said that there had been no significant progress made in getting that information.

There was a short discussion of these developments.

Motion: (R. Paul Martin) "To adjourn." (Passed without objection)

Adjourned 10:09 PM (ET)

Submitted by R. Paul Martin, Secretary.