

2005-04-02 PNB Meeting Minutes

Temporary Secretary Mike Martin

Chairman Ambrose reconvened the meeting at 9:15 a.m. and asked for LSB Chair reports.

LSB Chair Reports

- Susan Young, Chair, KPFT, LSB - Chair Young explained the progress on the creation of the program counsel and KPFT plan to buy down needed fundraising days because of a reported \$150,000 shortfall; Community Advisory Board and Committee of Inclusion have been very active and provided additional input on the structure and operation of LSB. Chair Young emphasized the spirit of cooperation that has been emphasized by the local board.
- Don White, Chair, KPFK LSB Chair White reported that KPFK is focusing on outreach, opening up committee process to be more inclusive. The LSB has excellent collaborative relationship with GM, working on a program to accommodate independent producers. K had a \$1,400,000 fund drive, placing them in surplus. Added two new co-directors in the news department and are working on field representatives.
- Jim Brown, Chair, WPFW LSB Chair Brown indicated that WPFW started the year with a retreat; decided to develop a comprehensive outreach plan. The station had four town hall meetings and special events involving programmers. WPFW programming coverage provided special airtime to taxi cab strike, to the appreciation of that union. WPFW also devoted six hours of airtime on the new stadium issue in Washington, which impacted the city council decision on the process.
- Vajra Kilgour, Chair, WBAI, LSB Chair Kilgour reported that the LSB is in search for an interim general manager. CAB is diverse with 50% women, and 50% diversity. Outreach and fundraising committee is meeting regularly and are attempting multilingual station outreach. Finance committee is evaluating the possibility of moving station to another location. WBAI is preparing to launch a pledge fulfillment requirement telephone campaign. Board asked questions as to the contradiction between the union contracts which has different parameters in selecting the General Manager as compared to the Bylaws. It was confirmed by the WBAI chair that the full LSB was not going to be involved in approving the GM but that the LSB had representatives on the search committee.

Audit Report Mr. Ross Wisdom

Mr. Wisdom reported that there were no material weaknesses in the accounting process of the network. He identified three items of concern. 1) Allocations in the ledgers at the stations could be improved; KPFA was a model in the way this should be done. WBAI and KPFK could improve in this area. KPFT was adequate. 2) There was no process for handling petty cash and such a process should be instituted. 3) There was no check and oversight system of the premium inventory. Mr. Wisdom commended the creation and implementation of monthly accounting procedures, which are now up to date. The Foundations books and records current, accounting software is current as to 60 days. The balance sheet of the audit report reflected total assets of \$6,396,584. This figure excludes intangible assets such as items relating to the license and value of the signals of the network, which are excluded from the report. The audit is not designed to identify irregularities or fraud and the audit committee could direct more investigation be done in this area.

Governance Report Dave Adelson, Chair

Dave Adelson, Chair of Governance, reported the following motions from his committee.

GOVERNANCE COMMITTEE RESOLUTION Motion by Adelson

WHEREAS, the interim Pacifica National Board in its votes of September 21, 2002, called for the immediate establishment of a National Commission on Affirmative Action and Equality which would include both Pacifica activists and respected academic and community leaders to develop a detailed action plan on issues of inclusion throughout the network,

WHEREAS, the interim Pacifica National Board in its votes of September 21, 2002, supported the adoption by the next board of a bylaws amendment creating meaningful affirmative action for disenfranchised groups in the election of local and national boards, therefore be it

Resolved, that the Pacifica National Board shall establish a Blue Ribbon Commission, whose members shall be identified by the ad hoc National Committee of Inclusion then recommended to the PNB with the advice and input of the Executive Director, in order to attain qualified legal opinions from civil right attorneys and scholars on what forms affirmative action measures in Pacifica's staffing, programming and governance might take, that said Commission be comprised of qualified attorneys, anti-racist activists, and legal and cultural leaders of communities of color.

Motion to Amend by Heffley, seconded by Saba.

To add, further resolved that all legal opinions retained by this committee shall be presented in full and in writing as part of the committees report .

Motion to Amend by Heffley failed. 8 9

Motion by Roberts to re-refer to committee, second by Laforest
- defeated 8 9.

Motion by Adelson to Adopt resolution as presented - passes
11- 4.

PUBLIC COMMENT PERIOD 1 HOUR

National Finance Committee Report Mike Martin, Chair: Mr. Martin offered the following NFC resolutions:

NATIONAL FINANCE COMMITTEE RESOLUTIONS Motions by Martin

NFC BUDGETARY PROCEDURE MOTIONS

1) Motion by Martin Regarding Adoption of 2005 Pacifica Budget

Whereas, the board at its October 1, 2004 meeting in Washington D.C. authorized a 2005 Budget with provisos:

Whereas those provisos included changes to accommodate the following:

1. The WBAI Budget

2. Changes in the training line item for National Board expenses.

3. Changes in the funding for legal expenses.

And whereas also incorporated in the Budget there were 2 items that changed due to new information:

4. KPFA Total Income was corrected to accommodate an error that added \$39,309 in additional revenue

5. PRA Total Income reduced by \$39K, and Capital was reduced by \$24,548

Be it resolved that this Finance Committee recommend to the PNB that the November 11, 2004 presented budget as stated above be ratified as the Network Budget for review and approval by the PNB at the April 2005 Meeting in New York City.

Motion adopted without objection.

2) Motion by Martin Relating to Preservation of One Month Operating Reserve

It is hereby reaffirmed that it is the Financial Policy of The Network that

each station unit and the National Office shall budget have at the end of the year one month operating reserve. The finance committee will further develop a policy on surplus reserves within this fiscal year.

*Motion was approved by the iPNB at the 2003 New York City meeting.

Motion adopted without objection.

3) Motion by Martin Relating to Quarterly Forecasting

It shall be the policy of the PNB in the budget monitoring policy that each quarter the budget is to be re-forecast when:

- a) Any variance from the Board approved budget greater than 10%, and shall include a written comment explaining the variance.
- b) Any re-forecasted budget or line item shall not alter the requirement that each station unit and the National Office retain 1 months operating reserve by the end of each fiscal year.

The PNB expressed concerns about the 10% requirement in the reporting of variances and asked the NFC to explore this further. Martin withdrew the motion for reconsideration by the NFC.

NFC REPORT ON THE IMPLEMENTATION OF THE ANTIRACISM AND DIVERSITY RESOLUTIONS

Martin presented a report from the NFC entitled The Hiring of Two Antiracism and Diversity Coordinators and the Feasibility of a National Day of Fundraising.

Discussion occurred on the exact mandate of the NFC in providing this report. Because the mandate of the NFC was unclear regarding its charge from the previous meeting due to lack of minutes, the matter was pulled down by Martin for reconsideration by the NFC.

NFC REPORT ON FINANCIAL DISCLOSURE PROCEDURES

Martin explained that the NFC had met jointly with the General Managers to discuss the implementation of NFC resolutions on financial disclosure that were adopted on December 20, 2004. Martin reported that in the spirit of collaboration, the NFC adopted revised resolutions that accommodated the concerns of the General Managers and that these resolutions offered were with the agreement of the General Managers.

A request to divide consideration of the seven resolutions was made, and the

Chair divided consideration of the Motions, ruling that resolution number 7 be considered separately.

Martin offered the following resolutions 1-5, with one accepted friendly amendments by Walker and Martin to resolution number 2, which is underscored.

1) Inter-unit Transfers

Resolved that: a) The National Finance Committee shall be notified of all unbudgeted interdivision transfers of funds, of the reason for the transfer, and of the repayment or reimbursement schedule, if any is applicable; b) that any unbudgeted interdivision transfer of funds in excess of \$5000 shall require approval by the National Finance Committee; and that any unbudgeted interdivision transfer of funds in excess of \$20,000 shall require approval by the PNB. In the event of an emergency where it is not possible to gain NFC or PNB approval in advance of the transfer, the NFC or PNB shall be notified by email prior to the transfer and the transfer shall be presented to the NFC or PNB for subsequent ratification after the fact.

2) Monthly Expense Line Items

Resolved that quarterly expense line items that are at least 10% at least or \$10,000 (non including amounts under \$1000) whichever is lesser, over budget for the months shall be explained in written notes that accompany the quarterly income statements; the GMs will make these notes for each unit and the CFO will make the notes for the national unit and the PRA. The CFO will make monthly notes for the national office and PRA quarterly. If there is a meaningful financial variance at any station between these periods, the CFO shall provide a short written explanation of same.

3) Policy on Reporting Fundraising Information (Committee Substitute Motion by Hicks, seconded by Bediako)

Resolved, that the LSB Treasurers in concert with the local General Managers shall receive the key benchmark report (MEMSYS) of membership data, fulfillment rates, pyramid ratios, renewal rates, pledge fulfillment rate, on-air fundraising reports. The GM's shall also provide a verbal report from the GM to the LSB showing the number of days for each fund drive, and the LSB Finance Committees shall receive such monthly MEMSYS reports from LSB Treasurers.

4) Active Membership

Resolved that the National Finance Committee in concert with Pacifica Management and the Elections Committee build or identify an information management system that accurately tracks the number of active members (including persons who have contributed \$25 or more or who have volunteered 3 hours or more during the previous 12 months) by the June PNB meeting. The intent of this resolution is to enable a monthly report of active membership. (passed without objection)

5) Policy on Monthly Reporting of Financial Information to LSB's.

Resolved that, the station General Managers shall provide monthly station financial reports (Income Statements) to their respective Local Finance Committees, when they close their books each month, at the time they transmit their information to the national finance office.

Resolutions 1-5 adopted without objection

Motion 6 by Martin Relating to the Policy on Monthly Reporting of FTE s:

Members of the National Finance Committee and PNB will be provided by their local General Manager with quarterly FTE reports of all individuals by positions, including consultants. A similar quarterly report will be provided to the NFC and the PNB by the National Office. This shall not prevent the NFC from monthly review of this information and in any event a quarterly review shall be presented to NFC.

A discussion occurred clarifying that it was the intent of this motion that the FTE reports of employees and consultants include the FTE, the specific title of the FTE, and the specific line item expenditure for the FTE. After a protracted discussion, Martin offered the following amendment, seconded by Roberts:

As a condition of receiving this information, any member of the PNB or NFC must sign a confidentiality agreement and that information is to be provided securely once the agreement has been signed.

This Amendment was adopted without objection

Martin moved adoption of NFC motion No. 6. A record vote was requested by Schroell. A record vote was taken. The motion prevailed 10 yes, 6 no, 2 abstentions.

William Walker no

David Adelson yes

Bob Lederer Abstain

Joe Montes yes

Ambrose Lane Chair

Marty Durlin yes

Sarv Randhawa yes

Maria Armoudian yes

Patty Heffley no

Ngozi Kamau no

Rob Robinson yes

Fadi Saba Yes

Julie Chavez- Rodriguez absent

Ray Laforest Abstain

Mike Martin Yes

Mark Roberts Yes

La Varn Williams Yes

Donna Warren no

Michael Tarif Warren no

Wendy Schroell no

Zarinah Shakir Abstain

10 yes

6 no

3 abstentions

CFO Report

Lonnie Hicks, the Pacifica CFO offered a Budget Report with a power point presentation offered long term financial projections and a 90 day plan. General Managers reported specific station by station 90 day plans.

Respectively Submitted by _____, Secretary
of the PNB