

Minutes for the regular National Finance Committee meeting July 10, 2012.

Meeting convened at 8:37 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Ken Aaron, Jim Boyd, Bill Crosier, Marcus Jetter, Campbell Johnson, Kim Kaufman, R. Paul Martin, Tracy Rosenberg, Alex Steinberg, Barbara Whipperman, also attending was Executive Director Arlene Englehardt.

Agenda:

1. Roll Call
 2. Approve agenda
 3. Approve pending minutes
 4. Budget Check-ins - all 5 stations
 5. Motion on community events record keeping. See attachment - Aaron
 6. Forbearance
 7. Check-ins on financial transparency
 8. Inter-station transfers
 9. Audit Discussion
 10. Syndicated programs and fund raising (unresolved from previous meetings)
 11. Next meeting date
 12. Action items
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Motion: (Bill Crosier) "To approve the agenda." (Passed without objection as amended)

Amendment: (Ken Aaron) "To add 'action items, and next meeting.'" (Passed without objection)

Amendment: (Ken Aaron) "To add 'inter-station transfers.'" (Passed without objection)

Amendment: (Campbell Johnson) "To add 'forbearance agreements.'" (Passed without objection)

Approve pending minutes 8:46 PM (ET)

Motion: (R. Paul Martin) "To approve the minutes of the June 12, 2012, meeting." (Passed without objection as amended)

Amendment: (Bill Crosier) "Change 'at them in the past' to 'at the meetings in the past'." (Passed without objection)

Motion: "To approve the minutes of the June 28, 2012, meeting." (Passed without objection)

Budget Check-ins - all 5 stations 8:49 PM (ET)

WBAI - The local Finance Committee has now looked at some of the largest numbers in the draft FY13 budget. Meeting space for the committee at the station is an issue as the Conference room is being used for the on-air fund raiser and the Performance Space has been booked by an acting troop. The WBAI LSB meets on August 8, and it is expected that it will consider the draft FY13 budget then. WBAI's lease expires on December 31, 2012.

WPFW - Nothing to report, the General Manager has not yet presented the local Finance Committee with a draft FY13 budget. WPFW's lease expires on December 31, 2012.

KPFT - They have been considering their draft FY13 budget. The KPFT LSB meets tomorrow and if the draft budget is approved it will be ready to present to the NFC. The May Income Statement showed Listener Support less than budgeted.

The committee discussed when to meet to consider the KPFT draft budget. Since the committee's meeting scheduled for July 24, 2012, has had to be cancelled due to its proximity to the PNB meeting, it was agreed that the committee would meet next on July 30, 2012.

KPFK - The KPFK Treasurer reported that she hasn't gotten the budget from KPFK Management and she doesn't know when she will. The local Finance committee met last week. The KPFK LSB meets on July 28.

The committee discussed the lateness of the draft budgets at some of the stations.

Motion: (Ken Aaron) "The NFC recommends that the Executive Director file reprimands in the personnel folders of General Managers and Business Managers who are more than 60 days late in providing budgets." (Passed 5 for, 3 against, 2 abstentions)

Amendment: (Kim Kaufman) "Replace '60 days' with '30 days.'" (Fails 0 for, 6 against, 4 abstentions)

Motion on community events record keeping 9:39 PM (ET)

Motion: (Ken Aaron) "That the NFC recommend that the PNB adopt the following policy,

Monitoring of Public Events

In order to promote transparency and improve monitoring of station activities the following protocol will be followed for all events conducted by stations whether done independently or in coordination with another entity:

1. A pre-event checklist shall be completed and presented to the LSB and National Office at least two weeks prior to the event and prior to any contractual commitment being made by the station. The checklist will include a description of the event, a budget, a list and description of the principals involved and intended ownership of any copyrighted material that may be produced.
2. A post-event checklist shall be completed and presented to the LSB and National

Management no later than 30 business days after the event ends This -checklist shall include a reconciliation of funds received or disbursed, all items sold, gifted or lost, and tickets sold or gifted.

3. Nothing in this protocol requires LSB or National Office approval for events. The LSB at the station and the National Office are expected to monitor event activity and exercise their authority to guarantee fiscal prudence.
4. This protocol applies to any events requiring an expenditure or obligation of \$500 or more. This protocol will also apply to a series of events scheduled over a period of time
5. The accuracy and timeliness of the checklists are the responsibility of the General Manager of the station who is also responsible for the ongoing success or failure of events held under the auspices of the station.
6. The attached checklists may be amended from time to time by the National Office.

Pre-Event Checklist

Please fill out the following items and attach sheets as necessary. This checklist must be presented to the LSB and the National Office at least two weeks prior to the date of the event and prior to any contracts or commitments being made.

Title of the event:		
Main Talent:		
Nature of Event:		
Date(s) & Time(s):		
Venue(s):		
Person in charge of Event:		
Station person liaison / in charge		
Anticipated Total Net Income:		
Full cost exposure:		
Anticipated attendance:		
Backup if talent doesn't show:		
Please attach a full budget including all expenses, staff hours' required, insurance costs, and premiums being sold.		
Please attach any contracts regarding sharing of receipts and/or expenses, commissions or stipends, and ownership of copyrighted material created.		

Who filled out this form?

Print: _____ Sign: _____ Date: _____

Post-Event Checklist

Please fill out the following items and attach sheets as necessary. This checklist must be presented to the LSB and the National Office no later than 30 business days after the final date of the event.

Title of the event:		
Main Talent:		
Nature of Event:		
Date(s) & Time(s):		
Venue(s):		
Person in charge of Event:		
Station person liaison / in charge		
Total Net Income:		
Actual amount banked by today:		
Any outstanding payables or obligations:		
Attendance (total/talent/paid/comped)		
Hours of copyrighted material recorded with some or all rights available to the station:		
Number of new member or renewal signups.		
Please attach a reconciliation of all income and expenses, staff hours required, insurance costs, premiums being sold, in comparison with the budget including all expenses,		
Please attach all signed contracts regarding sharing of receipts and/or expenses, commissions or stipends, and ownership of copyrighted material created.		

Who filled out this form?

Print: _____ Sign: _____ Date: _____”

The committee discussed the motion.

Motion: (R. Paul Martin) “To postpone the motion.” (Passed without objection)

Forbearance 9:59 PM (ET)

The possibility of asking some major creditors to agree to a forbearance on Pacifica’s debts to them was brought up. The committee discussed the topic. The Executive Director noted that the conversation was getting into contract issues that would need to be discussed only in an executive session.

Check-ins on financial transparency 10:06 PM (ET)

The Chair reported that this working group has not met, but will meet on July 12.

Inter-station transfers 10:07 PM (ET)

The Executive Director reported that this report is not ready yet because the CFO is away.

Audit Discussion 10:07 PM (ET)

The recently completed Pacifica FY11 audit was brought up. Concerns were voiced about the auditor's note that said, "... substantial doubt remains as to the ability of the Foundation to continue as a going concern as of the date of this report." The committee discussed the concerns raised by the audit and a recent article in *Current* about it.

Syndicated programs and fund raising (unresolved from previous meetings) 10:30 PM (ET)

The committee again discussed the issue of programming from one station airing on another during an on-air fund raiser and how the money from such a pitching shift should be allocated.

After the discussion the committee agreed to refer this issue to the FRAT and not have it on future NFC agendas.

Action items 10:38 PM (ET)

There were no action items.

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

Adjourned 10:39 PM (ET)

Submitted by R. Paul Martin, Secretary.