

Minutes for the October 21, 2004 Pacifica National Board Audit Committee meeting.

Present: Max Blanchet, Marnie Tattersall, Jan Goodman, Terry Goodman, Teresa J. Allen, Susan Young, R. Paul Martin, Berthold Reimers

Guest: Ben Garcia for the Pacifica National Office Staff

Quorum reached. 8:38 PM (ET) meeting convened by Teresa Allen.

Ms Allen announced that the next meeting date was October 26, at 7:30 PM (ET)

Motion: (R. Paul Martin) "Agenda will be:

1. Elect Chair and Secretary
2. Discuss charge and responsibilities
3. Review date for next meeting with Auditor
4. Adjourn" (passed)

Elect Chair and Secretary

Chair

Jan Goodman Nominates T. Allen

Teresa Allen chair by unanimous consent.

Secretary

Motion: (Terry Goodman) "R. Paul Martin be Secretary *pro tem* for this meeting and Terry Goodman be Secretary *pro tem* for the next meeting." (passed)

Discuss charge and responsibilities

What must the Audit Committee do? Sarbanes-Oxley Act requirements are discussed. United Way has educational materials for Boards.

Ben Garcia will make a PDF file of the United Way stuff from Susan Young and send it to everyone.

Ben Garcia talks about the costs of doing audits. The FY 2004 audit will cost from around \$55,000 to \$65,000.

Berthold Reimers asks for what auditors will do. Ben Garcia goes over some details. Important to have things ready for them before they ask for it. Invoices reviewed, etc.

Max Blanchet asks should we choose a station to do a full audit of every year? Ben Garcia, good idea, they can do it, but we have to find out what the cost would be.

Berthold Reimers asks about procedural manual that auditors would use. Ben Garcia says we are going to try to do that. Make it so all stations can follow the same pattern.

Jan Goodman says that in LA whenever there are big fundraisers they are supposed to keep track of money but they don't really keep track of it. The money is put all kinds of places. Very critical of this procedure. Ben Garcia:

important, we have to account for it, must be received and booked correctly.

Susan Young wants Management letters. Auditors should list Management improvements that are needed.

Teresa Allen wants someone to take charge of this issue.

There needs to be an "Events admissions policy."

Susan Young asks if the auditor has already been selected? Ben Garcia: yes, the one we've been using.

Susan Young wants more information about auditors, adequate rotation.

R. Paul Martin what about Pacifica-wide policy we were told about at WBAI in May? Does it exist? Ben Garcia: doesn't know if a procedure or policy has been determined yet.

Jan Goodman leaves at 9:21 PM (ET).

Teresa Allen reminds everyone that at next week's meeting we'll be paying \$200 an hour for the auditor we'll be talking to.

Berthold Reimers suggests all questions be sent to the Secretary so we can avoid asking questions that have already been answered.

Susan Young endorses that but the committee should also ask if the auditor sees any problems with Management?

Max Blanchet asks about October 26, meeting.

Teresa Allen it's our official meeting with the auditor before he goes to the Pacifica National Board.

Sonali Kolhatkar joins the meeting at 9:35 PM (ET).

Ben Garcia says this auditor has been doing it for us 2001-2003. Will be in California October 27-29, and will give audit no later than February 15, 2005. Will come back for a week in the middle of November.

Motion: (T. Goodman) "Excuse absences of William Walker, T.C. Smythe and M. Maldonado." Reimers and Blanchet accept under protest. (passed)

Motion: (T. Goldman) "The next meeting be Tuesday October 26." (passed)

Whoever appointed Ambrose Lane Sr. needs to appoint a replacement.

Motion: "We start a Pacifica National Board Audit committee list on Yahoo!" (passed as amended)

Amendment: "to be maintained by the committee Secretary" (passed)

Motion: Reimers "All requests from the committee members will go to the Secretary with cc to the chair so they can be forwarded to the CFO, and the answers will come back from the CFO to the committee through the Secretary with a cc to the Chair, and the Secretary will send the replies to the

committee.” (passed without objection)

Berthold Reimers - wants 2 or 3 people to compile some executive summary of issues for the committee to consider. Send cc to working group. Berthold, Max and Ben will do this.

Teresa Allen asks if there are any more questions to Ben. There are none. Says we should all read the reports.

Berthold Reimers asks Garcia if we could be sent spreadsheets instead of PDF files? Ben Garcia: we should ask CFO.

Motion: (Susan Young) “To adjourn” (passed)

adjourned 9:58 PM (ET).

Respectfully submitted by R. Paul Martin Secretary *pro tem*.
(These minutes were approved on 10/26/04)