

Finance Committee Meeting – December 17, 2004

MINUTES

A teleconference meeting of the PNB Finance Committee was convened at 12:59 PST on December 17, 2007 with Dave Adelson serving as Chair and Secretary Pro-Tem. The minutes of 12/10/04 were approved.

Present: Dave Adelson, Baruti Bediako, Henry Cooper, Carol Spooner, Donna Warren (arrived at 1:06 pm), Sandy Weinman, LaVarn Williams

Absent: Lonnie Hicks, Alice Shields, Paul Surovell

Welcoming of new member Bediako.

Election of Secretary pro-tem to replace Paul Surovell:

Dave Adelson agreed to serve in absence of any other volunteer. Accepted without objection.

Proposed agenda:

- 1) WBAI Budget
- 2) October Financials
- 3) Status of prior action items/resolutions and proposed resolutions

Agenda **approved** without objection

(note: added 4) Approval of Minutes for 12/10/04, 5) New Business and 6) scheduling of next meeting to the end of the agenda)

1) WBAI Budget

Baruti will request a MEMSYS report from WBAI mgmt and transmit to the NFC by 12/22/04. Report should include total amount pledged and total amount filled to date.

Donna Warren joined the call at 1:06 pm

2) October Financials

We received the October Income statement and revised September/year end Balance Sheet from the CFO this morning.

Questions re: October Income statement.

The first half of the annual CPB money has come in (half comes in the Fall, half in the Spring). It is recorded in the cash and capital budget as held at the NO. Some has been distributed to the stations. Carol would like information on how it is distributed to the station. WBAI

appears to have received its CPB money (\$150K), but not the other stations. When will the CPB money be distributed to the stations?

National Office gross salaries appear to be \$13K (28.7%) over budget for the month of October.

Board expenses (PNB meeting expenses) for Oct. meeting occur in Oct. financials. This meeting was intended/budgeted for Sept. This amount will be *over-budget* for this category for this year.

LaVarn is going draft recommendations for a process for analyzing election and board expenses being charged to the stations.

Baruti: Is there an accounting procedure manual for the stations?

We will revisit October Financials at next regular meeting of the NFC.

3) Status of prior action items/resolutions and proposed resolutions

a) status of prior action items

- That Henry Cooper call Teresa Allen to follow up with her on the audit committee's follow-through with the auditor on inter-division transfers.

Status: done. Teresa was going to follow up with Carol and Paul Surovell. Carol has not heard from Teresa to date. Henry will follow up with Teresa.

- The committee had not yet received the October financial reports for review. Chair Adelson agreed to query the CFO concerning when the October financial reports will be ready.

Status: done. We received the Income Statement this morning. We need to check on the timeline for posting financials at pacifica.org

- That the finance committee receive a monthly report from each station of the number of active members (persons who have contributed \$25 or more during the previous 12 months).

This passed without objection at the 12/10/04 meeting.

Motion to amend by Carol Spooner to add members who have volunteered 3 hours or more during the prior 12 months. Second by Cooper. **Passes** without objection.

- ask KPFK management for information on its successful fund drives. The motion was amended: That Dave Adelson will talk to the station management and report back to the Finance Committee on the successful KPFK fund drives.

Status: Dave has not yet had the opportunity to do that. Will try to have it done by next NFC meeting.

- That the Station General Managers shall provide monthly preliminary 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.

Status: This passed without objection during the 12/10/04 meeting – this shall be included in the NFC report to the PNB.

- That stations fund-drive revenues in excess of goal be exempted from central services payments. At the 12/10/04 meeting this motion was tabled for further discussion at this meeting. It was suggested that another approach would be to exempt stations from payment of Central Services once they had paid the budgeted Central Services amount for the year.

Motion by Spooner to table until the first meeting of the next NFC meeting after the seating of the new PNB. Second by Cooper. **Motion to table passes** without objection.

b) proposed resolutions

1) **Motion** by Spooner (seconded by Cooper):

- Resolved that:

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; that any unbudgeted interdivision transfer of funds in excess of \$5,000 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.

Passes without objection

2) Motion by Spooner (second Cooper)

- Resolved that:

Monthly expense line items that are 10% or \$10,000, whichever is lesser, over budget for the month shall be explained in written notes that accompany the monthly income statements.

Motion by Spooner to amend to read (second by Cooper):

- Resolved that:

Monthly expense line items that are 10% or \$10,000 (not including amounts under \$1000), whichever is lesser, over budget for the month shall be explained in written notes that accompany the monthly income statements.

Amendment passes without objection

Motion as amended passes without objection

3) Motion by Spooner (seconded by Warren)

- Resolved that:

The National Finance Committee shall receive monthly on-air fundraising reports showing the number of days for each fund drive, the total amount pledged, the total amount of fulfilled pledges, and the fulfillment rate, for each station fund drive for the previous 5 quarters, and the LSB Finance Committees shall receive such monthly reports for their respective station.

Motion to amend by Warren (second by Williams) as follows:

- The National Finance Committee shall receive the monthly MEMSYS on-air fundraising report showing the number of days for each fund drive, the total amount pledged, the total amount of fulfilled pledges, and the fulfillment rate, for each station fund drive for the previous 5 quarters, and the LSB Finance Committees shall receive such monthly reports for their respective station.

Amendment passes without objection

Motion as amended passes without objection

4) **Motion** by Spooner (seconded by Cooper)

- Resolved that:

The NFC recommends that policies be developed concerning the accumulation and use of station reserves for purposes other than operating expenses, including but not limited to, reserves for capital projects, equipment purchases, severance obligations.

Passes without objection

5) **Motion** by Spooner

- Resolved that:

The NFC recommends that a policy be developed concerning payment of Central Services to the National Office on station listener support income in excess of the amount budgeted for the year.

Duplicates a prior pending motion - **fails** for lack of second.

4) APPROVAL OF 12/10/04 minutes

Motion to approve by Cooper (2nd Spooner)

Passes without objection with Bediako abstaining

5) NEW BUSINESS

Proposal by Bediako that we develop a proposal to establish a threshold for explanation of budget shortfalls. Baruti will draft proposed language.

Adelson will draft NFC report for upcoming PNB meeting, including listing of all policies recommended by NFC for PNB approval

Motion by Bediako to schedule a special meeting of the NFC to deal WBAI situation.
Approved without objection. Adelson and Bediako will communicate re: timing of availability of information. Adelson will call meeting as soon as we know Lonnie's availability.

Meeting **adjourned** at 2:25 pm PST

Respectfully submitted,
Dave Adelson
Secretary Pro-Tem

These minutes were approved on 12/10/2007.