

Finance Committee Regular Meeting - May 24, 2007

MINUTES

A regular meeting of the PNB Finance Committee was called to order at 5:24 pm PDT by Chair LaVarn Williams with Terry Goodman serving as Secretary. The minutes of 3/22/07 and 4/09/07 were approved.

Attendance

Present: Dave Adelson, Baruti Bediako (arrived before 7:00 pm), Brian Edwards-Tiekert (arrived at 5:39 pm), Jane Gatewood, Terry Goodman, Lonnie Hicks, Sandra Rawline, Berthold Reimers (arrived at 6:58 pm), and LaVarn Williams.

Absent: Thomas Ruffin, Bob Sanborn.

Revised Agenda

- 1) Roll Call and Approval of Agenda (5 minutes)
- 2) Approval of Minutes – 3/22 and 4/09 (5 minutes)
- 3) Next Meeting –Thursday, June 21, 2007 @ 8:00 PM EDT (5 minutes)
- 4) RFP Proposal (5-10 minutes)
- 5) CFO Report & March Financials (20 minutes)
- 6) Planning Timeline (10 minutes)
- 7) 2007 Committee Priorities and Goals (5 minutes)
 - a) Work in Subcommittees
- 8) Financial Policies & Procedures Manual (5 minutes)
 - a) PNB Finance and Audit Committees Joint Teleconference
 - b) Pacifica Station Bill-Back Policy
- 9) Operations Meeting in July (5 minutes)
- 10) New Business (5 minutes)
 - a) Public Access to Station and Pacifica Financial Statements
- 11) Adjournment

** Times are for guidance only **

1. Roll Call and Approval of Agenda

The Agenda was revised and approved without objection at 5:49 pm. There was mention of an Executive Session to begin at 10:00 pm EDT for review of legal expenses.

2. Approval of Minutes

The March 22nd and April 9th meeting minutes were approved without objection on the motion of Jane Gatewood at 5:51 pm.

3. Next Meeting

The motion of the Chair was amended in discussion. The committee agreed without objection to meet on Thursday, June 7, 2007 at 8:00 pm EDT and on Thursday June 28, 2007 at 8:00 pm EDT.

4. RFP Proposal

A motion tabled by adjournment at the prior meeting was considered.

Motion from Terry Goodman that the NFC finds that the CFO's proposal to allocate up to \$45,000 annually towards projects approved by award through an RFP process is financially feasible for the current fiscal year if national mail drop revenue remains on projection.

Motion failed by substitution.

Substitute Motion from Lonnie Hicks (as amended on the motion of Brian Edwards-Tiekert) that the National Finance Committee finds that the CFO's proposal to transfer \$50,000 from the current budget for Other Programming to projects approved by award through an RFP process is financially feasible for the current fiscal year. The NFC makes no findings on the merits of the actual proposal.

Motion tabled without objection for consideration after the CFO Report.

Motion passed without objection at 7:37 pm, with Brian Edwards-Tiekert abstaining.

Substitute Motion from Dave Adelson that the National Finance Committee finds that the CFO's proposal to allocate up to \$50,000 to projects approved by award through an RFP process is financially feasible for the current fiscal year. If the proposal is approved by the Pacifica National Board, the Finance Committee recommends that up to \$20,000 come from the Other Programming budget and that up to \$30,000 come from mail drop revenue.

Motion tabled without objection for consideration after the CFO Report.

Motion failed by a roll call vote. Y: 0, N: 6, A: 1

Yes: none

No: Bediako, Edwards-Tiekert, Goodman, Hicks, Rawline, Reimers

Abstain: Adelson

Motion from Dave Adelson (as amended on the motion of Terry Goodman) that each approved RFP project shall include a detailed budget. There shall be monthly monitoring of approved RFP projects by the National Finance Office and quarterly summary reporting on these projects to the PNB National Finance Committee by the CFO.

Motion divided without objection from the failed substitute on the motion of Brian Edwards-Tiekert.

Discussion postponed by meeting adjournment.

5. CFO Report & March Financials 6:24 pm

The CFO reported on the March financials with some mention of April financials and responded to questions from committee members.

Motion from Terry Goodman that the National Finance Committee recommends that the Pacifica National Board, pursuant to its authority under Article Three, Section 1(A) of the Foundation Bylaws, vote to adjust the minimum contribution for Listener-Sponsorship membership in the Foundation from

\$25 to \$30 annually.

Motion postponed to the meeting of June 28 without objection, on the motion of Terry Goodman.

Each LSB Treasurer is to request a local station "Pyramid of Contributions" Memsys report to inform committee discussion of this proposal. The maker of the motion additionally suggested LSB discussion in advance of committee consideration.

6. Planning Timeline

Discussion postponed by meeting adjournment.

7. 2007 Committee Priorities and Goals

A summary by Jane Gatewood of Committee priorities and goals identified by committee members was distributed by email prior to the meeting (see Appendix A).

Discussion postponed by meeting adjournment.

7a. Work in Subcommittees

Discussion postponed by meeting adjournment.

8. Financial Policies & Procedures Manual

A draft Manual from the CFO was distributed to committee members by email prior to the meeting. The committee chair is to send a message by email to committee members in advance of the joint meeting with the Audit Committee including suggestions on how their individual input may best be prepared or coordinated for submission to that committee.

8a. PNB Finance and Audit Committees Joint Teleconference

Motion from Terry Goodman that the Finance Committee and Audit Committee meet on Monday, June 18th at 8:00 pm EDT.

Motion passed without objection.

8b. Pacifica Station Bill-Back Policy

This agenda item may become mooted by inclusion of relevant policy in the draft manual.

Discussion postponed by meeting adjournment.

9. Operations Meeting in July

Discussion postponed by meeting adjournment.

10. New Business

10a. Public Access to Station and Pacifica Financial Statements

Discussion postponed by meeting adjournment.

10b. Review of Legal Expenses

A summary of Foundation legal expenses from the CFO was distributed to committee members by email prior to the meeting. The announced closed session for review of this summary was cancelled without objection. Committee members are to review the summary and advise the Chair if they have questions that require the scheduling and notice of a closed session.

11. Adjournment

The meeting was adjourned without objection at 7:50 pm PDT.

Respectfully submitted,

Terry Goodman, Secretary

These minutes were approved on 6/07/07.

Appendix A - Proposed Goals & Objectives for 2007

(CJG 03-01-07, based on prior versions from LW and BE-T)

FINANCE / PLANNING MODELS

1. Work toward integrating the budget process with meaningful planning and goal setting (Ongoing)
2. Initiate steps to identify the long-term impacts of existing salary models within the network and exploration of options (300 days)

FINANCIAL REPORTING, OVERSIGHT, POLICIES

3. Review and approve a network-wide financial policies and procedures manual. (45 days)
4. Work with CFO to increase Timeliness, Clarity, and Consistency of financial reporting including, but not limited to:
 - a. Review and approve a standard network-wide chart of accounts. (60 days)
 - b. Implement quarterly headcount as approved by the PNB.
5. Review and approve budgets for all network units in a timely fashion. (Ongoing, beginning now, with completion by Aug 30th (180 days)
6. Review and approve a PNB meeting expense policy.
Policy to include Director Responsibility for the additional expenses of late reservations, early arrivals, extra stays, and long distance phone calls billed to hotel rooms. (90 days)
7. Review and approve a policy to guide investment of restricted endowment funds and cash surpluses. (120 days)

ONGOING PROJECTS

As of March 1, 2007

PNB meeting Expenses

- CFO to report on expenditures for last 5 PNB meetings and each future meeting including: transportation (including airfare), hotel lodging and meeting rooms, food and miscellaneous, and estimate of national staff time spent in support of these meetings.
- National Office, LSB's and Station management: Work to reduce annual meeting cost by 10%, with half of any achieved local savings being devoted to increasing the outreach budgets of stations that meet their portion of this goal.

Legal Expenses

- CFO to prepare monthly report on legal expenses including forecast / trends over prior years;
- NFC to prepare summary of already adopted motions related to legal expenses and procedures.
- Consider need for PNB to approve major Foundation legal settlements

New Partners Initiative

(ED and CFO) identify funds in National Office budget to explore outreach with potential new partners for the Pacifica network and propose RFP process for disbursement of these funds.

(ED and CFO) identify creative sources within network and in community at-large that expand the Mission (???) and have potential to develop additional revenue streams.

Archive Restoration Project

Work with Archives Committee to generate off-air fundraising as a revision to the PNB approved motion authorizing income transfers from the stations whose source of funds is primarily on-air fundraising.