

(DRAFT MINUTES)

Pacifica Foundation, National Finance Committee held on June 26, 2012

Convened 5:37 PM / PT

In Attendance: Ken Aaron, Jim Boyd, Bill Crosier, Campbell Johnson, Marcus Jetter, Kim Kaufman, Tracy Rosenberg, Barbara Wiperman, Lavarn Williams - Quorum present

Agenda:

1. Roll Call
2. Appoint temporary one-night only secretary
3. Approve Agenda
4. Logistics – July 24th meeting and committee blackout dates
5. Financial Transparency Check-in
6. Workgroups Check-in, nothing to report from WPFW, WBAI ?
7. Budget schedule updates
8. A-K pledges and interstation pledge transfer protocol re: simulcasts
9. Community events rre: fiscal sponsorship and off-foundation income
10. Audit/CPB Update
11. Update on Motion for Interstation Transfers
12. Cost of conferences

2. Jim Boyd volunteered/appointed as temporary secretary

3. Agenda approved as amended without objection

4. Logistics – July 24th meeting and committee blackout dates : The committee meeting set for July 24th was cancelled because it is on the day after the PNB in-person meeting. The committee discussed dates for committee meetings in July that are not available because technical staff will not be available to stream the meeting and the committee will select meeting dates later.

5. Financial Transparency Check-in: Comments were received from Ken Aaron on the Financial Transparency document distributed by Tracy Rosenberg. Other comments are from members of the NFC are welcome.

6. Workgroups Check-in : The Chair reported that there was no Workgroup report for WPFW, that the Workgroup for WBAI met once and will continue to gather information

7. Budget Schedule Updates: The stations reported on the status of their budgets:

KPFT – budget was passed by the Budget and Finance Committee and it will be submitted to the LSB at its July meeting.

KPFK – Finance Committee has not yet received a viable budget from management.

KPFW – divided into working ad hoc groups, no full document has been prepared, a provisional document may be submitted to the LSB at its July meeting and a full budget document may be submitted to its LSB at the August meeting.

WPFW – no budget received from management but General Manger has agreed to provide a budget document by the end of June.

8. A-K Pledges And Interstation Pledge Transfer Protocol Re: Simulcasts And Out Of Area Pledges : The Committee discussed that KPFA and KPFK have simulcasts originating out of Berkeley and the division of pledges during these simulcasts has become an issue. Two issues are present:

A. There is a discrepancy of \$8,000 - \$15,000 in the amount of pledges made during the simulcasts;

B. Are pledges only split between stations when a simulcast is broadcast on those stations or are pledges also split between stations during the full program schedule.

The process at KPFA for taking pledges and recording relevant data was discussed. The need for a national policy for distributing pledges between stations was discussed and Ken Aaron agreed to submit a draft document for a national policy for future consideration by the NFC.

9. Community Events Re: Fiscal Sponsorship And Off-foundation Income: The committee discussed questions concerning the payment of community event expenses directly out of the revenue from the event, instead of payment from station bank accounts after the event revenue is deposited, leaving no

documentation of the true costs of the expenses of the events. In addition, community events joint-sponsored with other 501(c)(3) organizations may result in a division of revenue and expenses that are not properly documented by the stations. Ken Aaron proposed that all community events should give full disclosure to the LSB of all community events and the expenses and he moved, after amendments, that:

All events a station is involved with in excess of \$5,000.00 in expenses shall be fully disclosed in writing to the Executive Director for written approval for presentation to the station's LSB to include a full description of the event, a list of names of all principals involved and a list of all anticipated fees, costs, consultant fees and ancillary expenses.

On a vote of 3 For and 5 Against / Motion failed

11. Update On Motion For Interstation Transfers: (Heard out or order) The Chair reported that the NFC did not get a report on Motion For Interstation Transfer/Adjustment and Lavern Williams will submit a report shortly.

10. Audit / CPB Update : Lavern Williams reported to the committee that the Washington DC financial audit required more information that was not located in the city and, for this reason, the audit was dropped by the auditors.

Lavern Williams reported that the final draft of the Foundation audit was received June 15, the reconciliation was completed June 20 and Ross Wisdom was finishing the 990 returns.

Lavern Williams reported that the CPB auditor gave observations of its audit and the major issue was the AFRs did not include the cost of highend premiums. This omission will result in a penalty that will require a refund for the grant years 2009 and 2010. Another issue of ticket sales for WBAI is being resolved. The results of the audit will cause the CPB grant payments to be delayed and they will be received in July instead of April.

12. Cost Of Conferences: Ken Aaron mentioned that the recent NFCB conference cost the Foundation \$5,000-\$10,000 and future conferences will also cost the Foundation and the stations, including coverage of the political conventions, the Foundation in-person conferences in Berkeley and LA. The committee discussed the cost/benefit of these conferences and Ken Aaron moved that:

The attendees at the NFCB conference will submit written reports to, and the Executive Director will make a presentation at, the in-person meeting as to what took place and what was gained.

On a vote of 5 For, 1 Against and 2 Abstentions / Motion passed.

The Committee set the next meeting of the NFC for July 10, 2012

On Motion To Adjourn by Campbell Johnson, there being no objections, the meeting was adjourned at 8:00 PM / PT