

Minutes of the KPFK Local Station Board Meeting of 07/21/05

A regular meeting of the KPFK Local Station Board was held on Thursday, July 21, 2005, at the UCLA Downtown Labor Center, 675 Parkview Street, Los Angeles, CA 90057. The Chair, being in the chair and the Secretary being present. The minutes of the previous meeting of June 25, 2005 were approved as amended.

Twenty-two members were present, constituting a quorum: Grace Aaron, Dave Adelson, Sara Amir, Maria Armoudian, Lydia Brazon, Marie Deary, Israel Feuer, Jan Goodman, Terry Goodman, Kimberly King, Sonali Kolhatkar, Arturo Lemus, Alan Minsky, Ed Pearl, Reza Pour (arrives at 7:45pm), Margaret Prescod, Julie Chavez Rodriguez, Madeleine Schwab, Rodrigo Argueta Vargas, Donna Warren, Don White and Lamont Yeakey.

Also present: General Manager Eva Georgia, Treasurer Casey McFall and Secretary Carol Nealy.

Two Members were absent with an excuse requested prior to meeting: Bill Gallegos and Sherna Gluck.

Authority and Notice: This meeting was authorized by the adoption of a regular meeting schedule on January 10, 2005. Notice was posted on the KPFK web site beginning on July 14, 2005. (See Appendix A.) Announcements were broadcast beginning 7 days before the meeting, pursuant to the schedule recommended in the Foundation Bylaws.

AGENDA ITEM I: CALL TO ORDER, CALL OF THE ROLL, WELCOME AND ACKNOWLEDGEMENTS, REVIEW AND APPROVAL OF THE AGENDA, APPROVAL OF LSB MINUTES, APPROVAL OF EXCUSED ABSENCES

The meeting is **called to order** at 7:16pm.

The proposed agenda is amended and **approved**. (See Appendix B.)

WELCOME AND ACKNOWLEDGEMENTS

The Chair recognizes in attendance Nigerian labor organizer and journalist Mr. Dele Aileman, recently released from a five-month detainment at the Lancaster Immigration Detention Center.

APPROVAL OF LSB MINUTES

Motion: Sonali Kolhatkar moves to approve the Minutes of the last meeting.

Motion passes: Y:20, N:0, A:0 (Minutes amended by next motion.)

APPROVAL OF EXCUSED ABSENCES

Motion (as amended): Grace Aaron requests that Donna Warren's absence from the last LSB meeting be excused and that the minutes just approved be amended to so reflect.

Motion passes: Y:20, N:0, A:0 (2/3rd required)

Motion: Grace Aaron moves that excused absences be granted for today's meeting for Bill Gallegos and Sherna Gluck.

Motion passes: Y:18, N:0, A:2

AGENDA ITEM II: COMMENTS BY THE CHAIR

The Chair makes the following comments:

1. Thanks to Marty Oaklander for donation of a sound system.
2. Concern over governor's veto of funding for UCLA Downtown labor center.
3. Are KPFK LSB members of PNB committees at full capacity?
4. I will relinquish the chair during the report on Programming Oversight.
5. I will be out of Los Angeles from August 3 to August 17, 2005.
6. Many thanks to ALL who worked so hard on KPFK Town Hall Meeting.

AGENDA ITEM III. Old Business:

1. PROPOSALS FOR NEW COMMITTEES

[A]MEMBER ISSUES COMMITTEE, [B]EDUCATION COMMITTEE, [C]WORKPLACE ISSUES COMMITTEE 7:37pm

Motion: Terry Goodman asks that the LSB waive readings of his motions for the purposes of referral to committee.

Motions referred without objection.

Motion: Terry Goodman moves to refer his committee resolutions and a resolution on committee structure to the Governance committee.

There was no public comment.

Motion passes: Y:18, N:0, A:2

(See Appendix C for Terry Goodman's motions.)

2. BOARD TRAINING 7:40pm

Dave Adelson agrees to follow up in the PNB Coordinating Committee on the question of national funding for LSB Board Training.

3. MOTION ON LSB-LISTENER COMMENT LINE 7:42pm

Motion: Madeleine Schwab moves that this topic be tabled to Old Business at the August LSB meeting.

Motion passes: Y:16, N:4, A:1

4. HOW LETTERS APPROVED BY LSB [HUSTLER MAG] WILL BE USED 7:48pm

Chair **rules** that these letters are public record and can be used at will.

5. COMMUNITY RELATIONS 7:55pm

Margaret Prescod **announces** that a forum is being planned for the fall and will take place in south Los Angeles to address black and brown issues. Margaret Prescod requests assistance from members of the LSB in working on this project and **distributes** a written report on the "Draft Proposal Re Community Forum on Black/Brown Interrelated History and Present Situation". (See Appendix D for written report.)

Julie Chavez Rodriguez **gives** a verbal report.

AGENDA ITEM IV. PUBLIC COMMENT 7:59pm

Public Comment was heard.

AGENDA ITEM V. GM REPORT 8:20pm

General Manager Eva Georgia **gives** a verbal report. (See written report in Appendix E.)
The General Manager addressed questions and comments from the LSB.

AGENDA ITEM VI. REPORT BY PACIFICA NATIONAL BOARD DIRECTORS / DONNA WARREN MOTION 8:49pm

Donna Warren **gives** a verbal report. (See Appendix F for written report.)

Motion: Donna Warren presents the following motion:

Be it resolved, That all LSB delegates participate in at least one national committee.

Motion referred to the Governance Committee.

Motion: Terry Goodman moves that the above motion be referred to the Governance Committee.

Motion passes: Y:10, N:0, A:1

Motion (as amended): Donna Warren presents the following motion:

Be it resolved that the KPFK LSB direct its PNB directors to push for the PNB to search for and hire a full-time internal auditor at a comparable salary plus benefits for all 5 sister stations to visit each station on a regular basis to ensure the accounting systems of the stations are adequate, to perform annual incurred costs, and to perform specific cost audits as needed.

Motion referred to the Finance Committee.

Point of order: Adelson points out that the above discussion is new business and not actually a report.

Well taken. The Chair rules that this motion is new business.

Motion: Donna Warren moves that her motion be referred to the Finance Committee for further discussion.

Motion passes: Y:10, N:0, A:6

Maria Armoudian **gives** a verbal report. 9:11pm

No written report was submitted.

Julie Chavez Rodriguez **gives** a verbal report. 9:14pm

No written report was submitted.

David Adelson **gives** a verbal report. 9:16pm

No written report was submitted.

VIII. FINANCE/BUDGET REPORT 9:24pm

Casey McFall **gives** a verbal report. (See Appendix G for written report.)

Lamont Yeakey **gives** a verbal report. (See Appendix H for written report.)

Motion: Lamont Yeakey moves as follows:

The General Manager of KPFK may not forward any money to the National Office of Pacifica outside of the normal operating expenses, namely those delineated by our FY05 budget. Moreover, KPFK funds shall not be released to the Pacifica Foundation. The LSB empowers its Finance Committee to take these measures to insure sound KPFK budget oversight in accordance with the By Laws for Pacifica, Amended 2002, Article VII.

Motion fails for lack of a second..

Point of order: Kimberly King suggests that we hear public comment on the above motion before hearing additional comments from the LSB.

Well taken.

Motion: David Adelson moves that the LSB reconvene on Saturday, July 30th to further discuss these and additional financial issues.

Motion passes: Y:9, N:1, A:4

IX.BYLAWS WORKING GROUP REPORT 10:29pm

Lydia Brazon **gives** a verbal report. (See Appendix I for written report.)

(**Announcement** from the Chair: \$142 was collected at this meeting in support of the Dele Aileman defense effort.)

The meeting was **adjourned** at 10:34pm until Saturday, July 30, 2005 at a location to be determined by the Chair.

Carol L. Nealy

KPFK LSB Secretary

[These minutes were approved on 7/30/05]

APPENDIX A - Public Notice

The KPFK Local Station Board regular meeting for July will be on Thursday, July 21, 2005 at 7:00 p.m. at the UCLA Downtown Labor Center, 675 South Park View Street, Los Angeles, CA 90057-2206, across from the east end of MacArthur Park between Wilshire Blvd. and 7th St.

An executive (closed) session will convene at 6:00 p.m. in the same venue prior to the 7:00 p.m. public session. The executive session will deal with both personnel issues and issues connected to possible litigation.

Directions: Traveling east on Wilshire, pass Vermont and continue on past Hoover until you reach MacArthur Park... turn right on Park View and you will see the Labor Center immediately on the right.

Posting Refs:

http://www.kpfk.org/index.php?option=com_content&task=view&id=591&Itemid=100
http://www.kpfk.org/index.php?option=com_events&task=view_detail&agid=230&year=2005&month=07&day=21&Itemid=63<http://disc.server.com/discussion.cgi?disc=165346;article=38531>
<http://disc.server.com/discussion.cgi?disc=203188;article=7737>

APPENDIX B - Approved Agenda

KPFK Local Station Board [LSB] Meeting

Thursday, July 21, 2005 - 7:00 p.m.

UCLA Downtown Labor Center - 675 Parkview at McArthur Park

Note: In keeping with our new Board policy, public comment will come before all votes and a period of "open" public comment will come later in the meeting. A Time-keeper will close monitor the time used to guarantee listener-sponsors a full 30 minutes of comment.

- I. Call to Order, Call of the Roll, Welcome & Acknowledgements, Review and Approval of the Agenda, Approval of LSB Minutes, Approval of Excused Absences [6 minutes]
- II. Comments by the Chair-- LSB participation on PNB Committees, [1 minute]
- III. Old Business: [20 minutes]
 1. Proposals for new committees [a] Member Issues Committee, [b] Education Committee, [c] Workplace Issues Committee (T. Goodman) [d] Committee Structure
 2. Board Training [T. Goodman]

3. Motion on LSB-Listener Comment Line
4. How Letters Approved by LSB [Hustler Mag] will be used
5. Community Relations [2 mins]
- IV. GM Report [12 minutes]
- V.PNB/Directors' Report [15 mins]
- VI. Finance/Budget Report [50 minutes]
- VII. Committee Reports [a] Governance [b] Management Review [c] Programming Oversight, [d] Arts [e], Outreach, [f] Committee of Inclusion [all committees 10 mins= 60 minutes]
- VIII. Bylaws Working Group Report [5 mins]
- IX Town Hall Meeting Report [5 minutes]
- X. Remainder of Public Comment
- XI. Next Meeting, Adjournment [2 minutes]

APPENDIX C - Motions by Terry Goodman

MOTION by Terry Goodman

Member Issues Committee

Resolved, That a standing advisory committee shall be established to be named the Member Issues Committee, and that the duties of this committee shall include:

- a) to identify the responsibilities of the LSB and the station with respect to the local membership, including openness, accountability, notice, records maintenance, privacy, and premium fulfillment.
- b) to monitor station and LSB compliance with and fulfillment of their various responsibilities to the local membership.
- c) to report to the LSB quarterly on incidents of failure and the status of pending membership-related complaints within this radio station area.
- d) to work with the LSB and the General Manager in finding ways to improve compliance and fulfillment.
- e) to review public comment received by the LSB in meetings or by other means and to refer such comments to appropriate committees or suggest items for the LSB agenda.
- f) to perform other such related tasks as the LSB may assign and to report and recommend to the LSB as circumstances require.

MOTION by Terry Goodman

Education Committee

Resolved: That a standing advisory committee shall be established to be named the Education Committee, and that the duties of this committee shall include:

- a) to search out, evaluate, and recommend training for LSB Members, management, and staff, and
- b) to perform other such related tasks as the LSB may assign and to report and recommend to the LSB as circumstances require.

MOTION by Terry Goodman

Workplace Issues Committee

Resolved, That a standing committee of the LSB shall be established, to be named the Workplace Issues Committee,

- a) that this committee shall initially include between two and five LSB members,
- b) that this committee shall initially include one unpaid staff representative LSB member,
- c) that if more than five LSB members express a willingness and desire to serve on this committee, then the initial membership of this committee shall be determined by STV election,
- d) that the chair pro-tem of this committee, for the purpose of calling a first meeting, shall be the member receiving the most votes,
- e) that, in the event that committee seats are filled without a vote, the LSB presiding officer shall select a chair pro-tem,
- f) that the committee shall select its own chair,
- g) that the committee shall meet and develop an initial list of issues for its consideration and report this progress at the next regular LSB meeting,
- h) that such additional individuals as the members on the committee shall from time to time choose by majority vote may also be appointed,
- i) that the ratio of staff members to listener-sponsor members on this committee shall not exceed 1-to-3,
- j) that the ratio of paid to unpaid staff members on this committee shall not exceed 1-to-1,
- k) that three consecutive absences from regular committee meetings shall remove a committee member, unless this would leave the committee with less than 2 LSB members or violate a mandated ratio,
- l) that this committee is authorized to hold closed meetings when considering subjects for which an LSB meeting may properly be closed, and
- m) that the duties of this committee shall include:
 - 1) to review and recommend policies and procedures related to the workplace that are not covered by existing union contracts, including but not limited to temporary and volunteer staff,
 - 2) to assist the LSB in making sure that procedures are in place for the fair resolution of internal disputes, and
 - 3) to perform other such related tasks as the LSB may assign and to report and recommend to the LSB as circumstances require.

Further resolved, That if this resolution is adopted by a 2/3rds vote of the LSB, then issues clearly related to its assigned duties may be automatically referred to the Workplace Issues Committee.

MOTION on Committee Structure by Terry Goodman

Whereas, The rules for special committees apply to the first time a standing committee is created. (RONR p. 4751-6) *and* if the method of appointment of committee members is not in the resolution then it is an incomplete resolution. (RONR p. 164, l. 9-10; p. 473, l. 24-26)

And Whereas, A committee may not begin its business until its members are chosen and announced to the LSB, unless the resolution creating the committee says that the committee may begin to act before the announcement is made back to the LSB. (RONR p. 167, l. 26-29)

And Whereas, A committee requires a quorum to act and unless the number of the members of the committee are known no quorum may be calculated. "The quorum in a committee is a majority of its membership unless the assembly has prescribed a different quorum." (RONR p. 482, l. 23-25)

And Whereas, Each committee may be in the best position to review the knowledge, skills, and perspectives of its initial membership and determine what additional knowledge, skills, and perspectives it needs in order to fairly and properly fulfill its duties.

Therefore Be It Resolved, That the KPFK Structure/Governance Committee shall prepare a Special Rule for LSB consideration, addressing such considerations as:

- a) the initial, minimum, and maximum number of committee members, if any
- b) the manner by which members are chosen
- c) the ratio of staff to listener representatives, if any
- d) other mandated ratios, if any
- e) the quorum requirement, if other than a majority
- f) the manner by which additional members may be appointed, and
- g) such other related matters as appropriate to this rule

And Be It Further Resolved, That after such changes as are necessary to obtain approval by a 2/3 majority of the KPFK Local Station Board, the basic structural rules thereby agreed upon shall apply to each committee subsequently created, as a Special Rule, unless the resolution establishing the committee specifies otherwise.

APPENDIX D - Black/Brown Organizing around a Public Forum
(Copy of handout at meeting requested from Margaret Prescod)

APPENDIX E - GM Report

WEB REPORT FOR KPFK.ORG

July 20th, 2005

Total Website Hits Between July 1st & July 20, 2005 2,144,135
Online (Live) listeners (average day) between July 1st & July 20 11,383
Average Listening time for live stream 3h 12min

SUMMARY

(Chart omitted)

- The busiest times for web visits are between 8am - 10am Weekdays

Note: At least 47,981 visits in July have originated from US Government and Military locations

- The most popular destinations on our site are:

1. Program Schedule
2. Events Calendar
3. Uprising! Info
4. Roy of Hollywood Info Page
5. Democracy Now! Info
6. Today on Beneath the Surface
7. Aware Program Info

- Our Online Audio Archive Library usage has grown dramatically.

- Note the Bandwidth usage in the chart below.

- We have doubled the amount of listeners accessing our streaming archived programming.
- Site usage overall is really gaining momentum as well.
- We have gone from less than 2 million hits in Feb, to almost 4.5 million last month.

In depth statistics can be viewed at <http://www.kpfb.org/awstats/awstats.pl>

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Reference Memo
GARVEY SCHUBERT BARER
A PARTNERSHIP OF PROFESSIONAL CORPORATIONS
June 2005

PAYOLA ALERT.
RECENT DEVELOPMENTS UNDERSCORE THE IMPORTANCE OF COMPLIANCE WITH
THE FCC'S PAYOLA AND SPONSORSHIP IDENTIFICATION RULES

The FCC is calling upon the public to act as watchdogs to catch violations of its payola and sponsorship identification rules. In a recent speech to the Media Institute, FCC Commissioner Jonathan Adelstein called upon the American public to help the FCC in monitoring and enforcing its rules against undisclosed promotions:

“Earlier this month, I spoke before 2,500 engaged citizens at the National Conference on Media Reform. I asked them to hit their record button when they saw what appeared to be an undisclosed product placement, a video news release or a news segment that looks like an advertisement. I promised to insist on an investigation of any serious problems they raised. I will continue to call on all viewers and listeners in this country to act as watchdogs for the FCC.”

Since Commissioner Adelstein's appearance at the Media Institute, the FCC has issued the attached "fact sheet" on the payola rules. Adelstein, commenting on the importance of this development, said that broadcasters really need to take the rules seriously:

“We are enlisting everyone who watches and listens to the media in the effort to catch violations of our payola rules. Like a Neighborhood Watch program, putting viewers on alert will help us enforce the law and deter future abuses. It serves as another reminder that there is an unequivocal legal obligation - up and down the chain of production and distribution - to disclose all forms of payola.”

Free Press, a media activist group, has responded to Commissioner Adelstein's challenge by filing a formal complaint with the FCC citing commentators on the Today Show who allegedly promoted products while not disclosing financial ties to the manufacturers. This is not just a television issue; it affects all broadcasters. The Armstrong Williams case is an example of a radio personality who touted a product.

(Media Memo is published by Garvey Schubert Barer. It contains information necessarily of a general nature that cannot be regarded as legal advice. The firm will be pleased to provide additional details and to discuss matters contained in Media Memo as they may apply in specific situations.)

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PACIFICA AT THE FINANCIAL CROSSROAD
WHAT TO DO HOW AND WHEN
A BLUEPRINT FOR PACIFICA'S FUTURE -- A PROPOSAL

At May 2005, Pacifica's financial report reveals a pattern which has been with us for several years. The issues in those patterns, similarly, have been with us for some time and have now reached a crucial point.

For the benefit of those who have not followed closely the finances of the Network the summary below might be useful.

PATTERNS

Generally over the last fifteen years Pacifica has seen a pattern where listener spikes in support have correlated with:

- o The two Iraqi wars (1991 and 2004-2005)
- o Crisis at the Network (especially in the 2001-2002 period)
- o Talent driven factors (such as the rise of Democracy Now)

We have seen our subscribers age (the average age is currently 52 years)

We have seen Network revenues flatten in the last three years -- flat but at levels higher than they have ever been in the history of the network, and, simultaneously, the level of Network solvency has never been greater.

Yet despite these accomplishments, (and they have been tremendous) our financial forward motion has been hampered by:

- 1- Rising costs especially in the salary area
- 2- Rising premium costs and fundraising
- 3- A fund drive system where one bad drive at a given station can negatively effect the entire network.

This latter point is exactly where we are at the present time.

WBAI in its last drive missed the drive goal by 400k thereby placing the station in a precarious situation. The plan now is to conduct a mini-drive starting July 18th with the goal of raising 325k. The problem is that even if that drive is successful the station would, in the month of September, nonetheless, have a deficit of 250k. Moreover, at the present time WBAI has been unable to meet its current obligations--having to postpone certain operating expenses and has not been able to pay the National Office Central Service expenses and other expenses totaling close to 250k.

In previous years the shortfall at a station like WBAI could be handled with support from the National Office, (allowing a given station to postpone its obligations to the next drive) and/or the National Office would ask other stations to advance-pay their obligations to bridge the gap. However, this year is different.

Other stations are this year, having financial difficulties of their own. KPFA has already dipped into its savings for close to 300k and has several deferred maintenance needs which cannot be deferred much longer. KPFT has a cash short fall and is struggling to balance its budget needing at least 30-60k to do so. WPFW has some resources but that station is facing the need to accumulate anywhere from 350k to 750k in the situation where the station lease runs out in the fall. KPFK is

doing better than other stations but has only a small reserve of 95k. The National Office has perhaps the biggest problem of all.

- o The WBAI shortfall of 400k created immediately at the National Office an 80k shortfall (20% of the 400k)
- o The funding cycle for the National Office was never rational to begin with but, now in this scenario, this funding cycle becomes impossible. For example:

A given station may have pledges of 1 million dollars in a given month but those funds do not come in immediately. Typically, half of the funds come in the first 2-4 week period and the rest of the funds may not materialize for 3-4 months.

This means that the National Office has to float the funds for the station over the 4 month period. That is to say the National Office has to “advance” the funds, pay the bills (insurance, medical, dental, programming, Board meetings, travel and then try to get reimbursed by the stations who themselves are having to wait four months for their funds from the listeners. This creates a 4 month funding gap at the National Office.

We survived last year by raising over a million dollars at the National Office over the last 14 months -just what was needed-4 months times our costs= one million dollars (our costs total 250k per month.) However, this system cannot sustain large shocks such as an 80k shortfall in one month cannot sustain in a context where no station has cash reserves to help out.

To be clear this Network at 16.8 million per year in revenues requires 1.4 million per month to operate. In the month of May 2005, 3 million or so was available in cash. This cash has to last 4 months May-September and properly we need 6 million dollars to bridge that gap. Even contemplating summer drive proceeds there will be a shortfall of potentially at least a million dollars.

So, given this short-run challenge what can be done?

PROPOSAL

DEVELOP A PACIFICA RENEWAL CAMPAIGN

Detail:

In the second or third week of September 2005 the Network, including PRA, all stations would:

- o Air a three-day broadcast whose theme would be Pacifica’s Renewal- For the next 56 Years- Keep Independent Media Independent
- o Air a Broadcast identifying the capital needs, digital needs programming and transmitter needs to keep Pacifica on the air over the next 56 years.
- o Broadcast three-hour highlights of each station, its history, accomplishments and goals
- o Broadcast comedy drama and cultural material from Pacifica’s Archives
- o Incorporate Pacifica’s Affiliates their goals and accomplishments
- o Highlight upcoming programming initiatives

- o A mail drop would also accompany the three-day broadcast. The mail drop would highlight each station, the Broadcast schedule and other materials-- all with the theme of sustaining Pacifica over the next 56 years.
- o Broadcast live the September confirmation hearings of the Supreme Court nominee as special to our listeners.
- o Our theme: we bring our listeners what mainstream media do not.

APPENDIX F - PNB Director Donna J. Warren Report to the LSB

Date: July 21, 2005

From: PNB Director Donna J. Warren

Re: Report to the LSB

The following KPFK LSB members sit on the following national committees:
(LSB MEMBER POSITIONS APPEAR IN THIS ORDER)

Committee

Director

Delegate

Delegate

Finance

Dave Adelson

Casey McFalls (treasurer)

Governance

Dave Adelson

Grace Aaron

Lydia Brazon

Technology

Dave Adelson

Terry Goodman

Sonali Kolhatkar

Negotiations

David Adelson & Maria Armoudian

Audit

Donna J. Warren

Jan Goodman

Terry Goodman

Archives

Donna Warren

Sherna Gluck
Lamont Yeakey

Ad Hoc Natl COI
Julie Rodriguez

COI
Julie Rodriguez
Rodrigo Vargas
Kimberly King & Bill Gallegos

Elections Review
Julie Rodriguez
Bill Gallegos
Kimberly King

Coordinating
Julie Rodriguez & Dave Adelson

Programming
Maria Armoudian
Arturo Lemus
Alan Minsky

Affiliates
Maria Armoudian

Bd-Staff Relations
Maria Armoudian
Don White

Development
Maria Armoudian

Personnel
Vacant

The following 7 LSB delegates DO NOT SIT on any committee - Ed Pearl, Israel Feuer, Madeleine Schwab, Margaret Prescod, Marie Dreary, Reza Pour, and Sara Amir.

Successful committees demand we all participate.

Please send corrections to Donna J. Warren at cottry@sbcglobal.net.

I like to make the following motion: Be it resolved that all LSB delegates participate in at least one national committee.

The June 27th PNB teleconference met in executive session. Therefore, no report is given.

New Law on Audit Committees

In November '04 new regulations were issued by the government for Charities With Gross Revenues of \$2 Million or More, governing the establishment and maintenance of an Audit Committee [Government Code section 12586(e)(2)]

Because of this new law, staff reps resigned from the audit committee. The new law also says that members of the finance committee may serve on the audit committee, but cannot comprise 50 percent or more of the audit committee. Our bylaws prohibit finance committee members from serving on the audit committee. Why? I don't know.

I am not certain this new law pertains to Pacifica. Are we a charity? Do we report to the attorney general? These questions will be researched and reported on at the next LSB meeting.

Motion for in-house auditor:

On June 15, 2005, the national audit committee passed the following:

Resolved the national audit committee scope the work of an internal auditor for all 5 stations, submit the analysis to the national office for reply, and if the analysis shows that hiring such an auditor would benefit Pacifica, request the PNB to hire an internal auditor.

PNB Director Donna J. Warren moved at the PNB level the motion to hire an auditor. The motion was referred to the finance committee but no resolution from the finance committee has yet been received.

Director Warren asks the LSB to make the following motion.

Be it resolved that the KPFK LSB direct its PNB directors to request the PNB to search for and hire a full-time internal auditor at a comparable salary plus benefits for all 5 sister stations to visit each station on a regular basis, to ensure the accounting systems of the stations are adequate, to perform annual incurred costs, and to perform specific cost audits as needed.

APPENDIX G - Finance Report Committee Report

**KPFK Finance Committee
Report to the LSB
July 21, 2005**

BUDGET

Three budget workgroup meetings were held to begin the process of developing the FY 05-06 Budget.

Several systemic issues have prevented the committee from providing a complete budget for review by the LSB. Additional meetings are scheduled to address the budget.

The committee has budgeted funds to address all priorities expressed by the LSB, and include:

- 1) News Stringers
\$40,000 annually
Line item 6671 *News Department*
3 stories per day, 5 days per week, \$50.00 per story

- 2) Training for Volunteer Programmers
\$22,000 annually
Line item 6701, *Other Programming*
Program components
 - 4 10-week training sessions held quarterly;
 - 2-hour classes;
 - 10-15 students per class/session;
 - Total 40-60 volunteer programmers trained

Budget breakdown:

Trainers @ \$250 per session	\$13,000
\$50 stipend per participant	3,000
Training materials	4,000
Other Expenses	<u>2,000</u>
Total Program	\$22,000

- 3) Outreach
\$20,000 annually:
 - \$ 4,000 – line item 6760, *Advertising/Promotion*
 - \$10,000 – line item 6780, *Other Development*
 - \$ 6,000 – line item 6781, *Major Donor Expenses*
- 4) Community Projects
\$5,000 seed money
Line item 6780, *Other Development*

- Funds to be made available for community projects through an RFP process.
- Process for releases of RFP, priorities for funding, RFP evaluation and grantee selection; process for documentation, reporting and project evaluation to be completed by start of third quarter;
- Funds to be released at start of 4th quarter;
- Percentage of surplus from future fund drives to be set aside for this fund.

5) Governance Expenses

\$12,000 annually

Line item 6591, *Local Board*

Budget breakdown:

Translation for LSB Meetings	\$1,200
Venue rental	1,800
GM & PD Evaluation	3,000

Town Halls:

Translation	\$ 100
Child Care	100
Food	100
Security	150
Venue	300
Web streaming	<u>250</u>
Total	\$1,000

X 2 meetings 2,000

LSB Discretionary	<u>4,000</u>
TOTAL Governance	\$12,000

OTHER ITEMS

The committee is focused on determining the status of surplus funds as a result of inter-unit transfers, and “bill-backs” to the National Office.

The need for a new budget format is becoming increasingly clear. A workgroup at the national level is being formed.

National financial matters will have an impact on KPFK’s budget that must be addressed immediately.

Respectfully submitted.

Casey McFall

APPENDIX H - Finance Report by Lamont Yeakey
(Copy of handout at meeting requested from Lamont Yeakey)

APPENDIX I - Bylaws Working Group Report

RE PROPOSED BYLAWS AMENDMENT

Recommendation to the PAC/GOV Cmte; To propose an amendment for passage at the September, 2005 PNB meeting to shorten the length of time to apply for candidacy and lengthen the time for ballots mailing and return. To accomplish this we propose the following timetable:

July 15 initial reports are due from LSB GOV committees or by-laws working groups to PAC/GOV.

July 19, 2005 PAC/by-laws Working Group meeting at 8:30PM ET, 5:30 PM PT

PAC/GOV (proposed) meeting July 22 (R. Hopefully 4 directors on the PAC/GOV Committee will propose the amendment, if not, we need at least 2 more to sign onto this prior to the July 22. (This meeting is proposed so that the recommendation for the amendment is made at the July PNB meeting--on Sunday 9/25).

PAC/GOV will propose the amendment at the July 25 meeting to allow 60 days for by-laws required, 60days notice prior to the vote by the PNB (September 25).

September 25, 2005 PNB votes on the amendment.

Week of September 26 thru September 30 all five LSB's will meet to vote on the amendment.

-----ORIGINAL-----PAC/GOV BYLAWS WORKING GROUP DATES

Nom Open-----7/25-----7/25

Record Date-----8/31-----8/16

Nom Close-----9/25-----8/25

Ballots Mld-----10/15-----9/30

Ballots Due-----11/15-----11/15

Ballots Counted by---12/1-----12/1

PROPOSED BYLAWS AMENDMENT

ARTICLE FOUR

DELEGATES

SECTION 5. ELECTION TIME FRAME

In a Delegate election year, the nominations for vacating seats shall open on July 25th and remain open for thirty one (31) days, closing on AUGUST 25th. The national and local election supervisors shall thereafter prepare the written ballots for each radio station, listing all of the candidates and setting forth all other information required by these Bylaws. Ballots shall be mailed, or otherwise made available, to the Members on SEPTEMBER 30 (or the following day if SEPTEMBER 22 is a mail holiday). To be counted a ballot must be received on or before November 15th (the "Election Close Date"). All ballots shall be held sealed until the Election Close Date. If the required quorum of ballots is not received by the Elections Close Date, then the Elections Close Date shall be extended by two additional weeks. The national and local elections supervisors shall have up to 15 days after the Election Close Date to count the ballots and to certify the results to the LSBs, the Board, and the Members, which result must be reported by December 1st or, if the Election Close Date was extended, by December 15th, and shall be posted on the Foundation's and the radio stations' websites. If no quorum of ballots is obtained by the extended date, then those Delegates whose terms would have expired upon the election of new Delegates

shall remain in office until the next regularly scheduled Delegate election. Member Record Date will be AUGUST 16.

