

Minutes for the regular National Finance Committee meeting April 23, 2013.

Meeting convened at 8:36 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Jim Boyd, John Cromshaw, R. Paul Martin (Secretary), Tony Norman, Michael Novick, Tracy Rosenberg (Chair), Manijeh Saba, Richard Uzzell, Barbara Whipperman.

Agenda:

1. Roll Call
2. Approve Agenda
3. Approve minutes
4. Chair's Report - Depreciation / CPB 2014
5. Complete 1st quarter reviews: KPFFK, KPFT, WPFW
6. KPFFK Lockbox Update
7. Motion from WBAI LSB
8. PRA Repayment Plan Request
9. Motion from Uzzell: Due to WBAI being so far out of budget after the 2013 1st quarter, the NFC recommends that the PNB instruct the GM to make adjustments to the budgets (to include personnel layoffs) in order to bring the budget back into balance by the end of the 2013 fiscal year
10. National project crowdsourcing project
11. Recovery plan implementation protocol
12. Pledge handling for syndicated programs (old business)

Motion: (Richard Uzzell) "To approve the agenda." (Passed as amended without objection)

Amendment: (R. Paul Martin) "To add the following motion from the WBAI LSB to the agenda, 'That the NFC ask the interim Executive Director for a written report as to why the audit is still not done and whether or not the 140 day waiver for the CPB has been applied for and granted.'" (Passed without objection)

Approve minutes 8:42 PM (ET)

Motion: (R. Paul Martin) "To approve the minutes of the April 2, 2013, meeting." (passed 5 for, 0 against, 2 abstentions)

Chair's Report - Depreciation / CPB 2014 8:45 PM (ET)

The Chair was called into the National Office to approve new, shortened, depreciation schedules for FY12. The changes she approved were: General Ledger 1300 Furniture had been 10 years, that has been reduced to 5 yrs, General Ledger 1350 Computer Systems was 5 years, and has been changed to 3 years. General Ledger 1510 Building Improvements was shortened from 30 to 25 years, General Ledger 1520 Building Improvement was shortened from 30 to 25 years, Leasehold Improvements was 10 years, now it is consistent with the duration of the lease on the property.

The CPB has completed its audit for FY09 and FY10 which covered the period from October 1, 2008, to September 30, 2010. The CPB had problems with how we declared fair market value for premiums used. We will have to pay back the excesses in the grants in FY14. That money will be deducted from the 2014 grants. The CPB audit letter has been placed on the CPB site. The amounts each station will have deducted from their FY14 Community Service Grant will be:

Station	Amount to be withheld
KPFT	\$6,749
WPFW	\$19,595
KPFA	\$24,249
KPFFK	\$40,903
WBAI	\$41,744

Pacifica will be re-filing for FY11 and FY12 and there will be no penalties for those years. Pacifica will value premiums used in on-air fund raisers the way that the CPB approves from now on.

Complete 1st quarter reviews: KPFFK, KPFT, WPFW 9:03 PM (ET)

KPFT - The station had a late Summer on-air fund raiser that caused money to come in late and a silent campaign that increased listener support. The station spent lot more than budgeted for premiums. The station's golf tournament which is usually held in the Autumn will be held in June this year. The KPFT Business Manager is working for two stations, KPFT and WBAI, her salary is supposed to be split between the two stations, but the National Office is putting all of her salary on KPFT.

The Chair suggested ways in which the Business Manager salary can be adjusted. The committee discussed the report.

KPFK - The station found that it was spending too much on premiums for the on-air fund raisers. They are making adjustments to stop that. The station is spending 92 days doing on-air fund raising, which they consider to be too many days pitching. The KPFK FY13 budget included two severance packages, but there's been no change in payroll, except for increases. Management is convinced the station will end FY13 in the black, and will make a larger than normal effort, in last 6 months of FY13, to do it. The former KPFK Treasurer, who is currently Chair of their local Finance Committee, has reported that as of March 31, the KPFK Business Manager is reporting a net deficit of \$24,269, but the local Finance Committee Chair thinks that KPFK is running more like a \$60,000 to \$65,000 net deficit, resulting in the station being maybe as much as \$200,000 worse than budget. It was also reported that KPFK has replaced their transmitter. The station is now up to its full FCC licensed power level. \$10,000 of the transmitter cost was paid for by an anonymous donor who paid the money directly to the equipment provider. They are looking for how to account for that donation in the FY13 budget.

The committee discussed the report. It was suggested that the \$10,000 donation for the transmitter be entered into the books as a cash donation with a ledger note about the details of the donation.

WPFW - The station had its on-air fund raisers in December and February and they were reasonably successful, there is another on-air fund raiser scheduled for May. The station has to move, but it has gotten an extension for staying in its current building until May 25. The station can pay its bills at this time and has enough money to move, and the station can also afford to pay for a temporary place for a while if it has to.

The committee discussed the report. The topic of getting documents from the National Office was brought up. The Chair told the committee that Pacifica has hired a new CFO. His name is Raul Salvador and he starts work on May 9. The NFC demand for financial documents has been received and confirmed by the National Office and they understand. The National Office says that the FY12 audit needs to be the priority, however.

KPFK Lockbox Update 9:23 PM (ET)

The Director from KPFK reported that there was a meeting of the KPFK local Finance Committee last week and the issue of the lock box came up. Committee members say that they were told that training had taken place, and that the KPFK General Manager had said that the lock box would be fully operational by the May on-air fund raiser, which starts on May 14. The General Manager has since said that he didn't recall saying those words and that he has nothing more to add. Everyone needs a user ID and password in order to access the lock box. It should be set up by this coming Wednesday at the latest. Today the General Manager said he'd had difficulty in working with USPS on this, and they may not have the lock box fully operational by the time the next on-air fund raiser starts. There may be some issues regarding getting MEMSYS to generate statements showing actual receivables based on bank entries from the lock box.

Motion: (Tracy Rosenberg) "The NFC strongly recommends to the PNB and to the KPFK General Manager that the implementation and functioning of a lock box system at KPFK, as required by the FY10 and FY11 outside auditors, must be completed prior to the May 14, start date of the Spring on-air fund raiser." (Passed 7 for, 0 against, 2 abstentions)

The above motion will also be cc'd to the new CFO.

Motion from WBAI LSB 9:59 PM (ET)

Motion: (R. Paul Martin) "That the NFC ask the interim Executive Director for a written report as to why the audit is still not done and whether or not the 140 day waiver for the CPB has been applied for and granted." (Passed 7 for, 0 against, 2 abstentions)

PRA Repayment Plan Request 10:16 PM (ET)

The Chair noted that the committee had met with the Pacifica Radio Archives (PRA) Director at the last meeting. She went over the details.

Motion: (R. Paul Martin) "That the NFC recommend to the PNB that the stations pay their 2½% levy for the Pacifica Radio Archives directly to the Pacifica Radio Archives." (Passed without objection)

Motion: (Jim Boyd) "Whereas the Director of the Pacifica Radio Archives has asked that From the Vault be aired on all Pacifica stations, the NFC recommends that the Programming Committee address this Pacifica Radio Archives request." (Passed without objection)

Motion from Uzzell 11:02 PM (ET)

Motion: (Richard) "Due to WBAI being so far out of budget after the 2013 1st quarter, the NFC recommends that the PNB instruct the General Manager to make adjustments to the budgets (to include personnel layoffs) in order to bring the budget back into balance by the end of the 2013, fiscal year." (Fails 4 for, 5 against, 0 abstentions)

Adjourned 11:28 PM (ET)

Submitted by R. Paul Martin, Secretary.