



3729 Cahuenga Blvd. West - N. Hollywood, CA 91604
Main phone: (818) 985-2711 - Fax: (818) 763-7526 - Studio phone: (818) 985-5735

DRAFT AGENDA – 10/18/20

***Teleconference*
Local Station Board (LSB) Meeting**

Oct. 18thth, 2020 - LSB Agenda (10:30 a.m.)

OPEN SESSION (200 minutes)

- I. Call to Order / Opening Business (30 mins)
 - a) Reading Mission Statement (B. DeSoto)
 - b) Roll Call
 - c) Approve Proposed Agenda
 - d) Approval of Excused Absence Requests
 - e) Approve Minutes from previous meeting

- II. Public Comments #1 (7.5 mins)

- III. General Manager Report & Discussion (30 mins)

- IV. Public Comments #2 (7.5 mins)

- V. Directors Reports & Discussion (20 mins)

- VI. Public Comments #3 (7.5 mins)

- VII. Committee Reports (70 mins)
 - a) Governance Committee. (15 mins)
 - Motion (accepted & adopted by Gov. Committee) - Resolved that any future new business item brought up at an LSB meeting, unless it must be urgently dealt with, will automatically be sent to an appropriate committee or to the Governance Committee to assign to a committee for discussion prior to consideration by the LSB. Members are urged if at all possible to bring proposed motions to an appropriate committee for consideration prior to the LSB, with the Governance Committee meeting shortly before the LSB as a last resort.

 - b) In consideration of Allan Beek’s motion for a Continual Townhall, committee moved and approved the establishing of an ad hoc Committee to develop this Continual Townhall proposal.
 - Original Motion: That radio station KPFK shall have a “Continual Town Hall” facility installed, roughly as described in the document “Description of the Continual Townhall” and further, the KPFK LSB instructs the KPFK staff to cooperate with installation and operation of the Continual Town Hall.

 - c) Finance Committee (30 mins)
 - 1. Treasurer Report

- 2. Finance Chair Report
- d) Outreach Committee (15 mins)
- e) Fundraising. (5 mins)
 - 1 LSB Listener engagement
- f) Programming Oversight Committee (re-establish) (5 mins)
- VIII. Public Comments #4 (7.5 mins)
- IX. New Business (10 mins)
- X. Closing Business (5 mins)
- XI. Announcements (5 mins)
- XII. Adjourn

Lawrence Reyes - Director's Report – 10/18/20

My report will reflect the PNB Committee work I'm currently doing with the following committees first as a member of a committee or as a Chairperson of the following committees. As Chairperson of the Personnel Committee we are meeting on a Bi-weekly basis looking at Resumes, posting Executive Director's announcement to many Job Search Websites entities as well as developing questions to the candidates with the agreement of the agree upon Interview format by the Personnel Committee. Further, the Executive Director job Posting is now open from October 15th and will close on November 15, 2020. Immediately, follow by ranking of the candidates follow by scheduling interviews and follow by a recommendation to the PNB from the Personnel Committee of the Final three candidates for the ED Position in early beginning of December. The next PNB Personnel Committee will be meeting on October 26th at 8:30 PM Eastern Time, 7.30 PM Central time, 5:30 Pacific Time streaming on www.kpftx.org...

As Chairperson of the PNB Governance Committee, we are working on reviewing the existing By-laws and collating Past and On-going policy and vetting Propose New By-Laws Amendments and Working Sub-Committees to work on these Governance issues.

I'm also of service to the following Committees, Coordinating, Strategic Planning and I'm also a Pacifica Pension Plan Trustee.

Lawrence P. Reyes
KPFK Listener PNB Director

DIRECTOR'S REPORT
BY
JAN GOODMAN
To the
KPFK Local Station Board
October 18, 2020

1. Finances:

a. On October 1, 2020 the PNB formed **an Ad Hoc Committee on Loan Repayment**. I do not believe that that committee has met yet.

b. As has been/will be reported, KPFK has been running at a deficit recently. Starting in April or May he proposed strategic budget cuts, but was stopped from proceeding until the last few months. He proposed many cuts, which are detailed in previous reports he provided to the LSB & PNB, but instead of allowing those cuts the PNB and executive director insisted on making the cuts to staff, without even allowing the GM to ask if there were people who wanted to do a voluntary departure, cut hours or so forth. It is now public knowledge that the result has been that the News Department at KPFK has been decimated, despite the fact that cutting hours, etc., would have resulted in more immediate savings, because when you cut someone entirely, one has to pay severance and vacation pay in big lump sums, pretty immediately. And the station is about to be eviscerated further, and not with a scalpel, but with a hatchet and this is going to have devastating effects on our station.

c. Related to the finances is the fact that the GM is reaching out to Board members, listeners and donors to step up and donate to KPFK before we have to do all of these devastating cuts, but, in usual Pacifica Fashion he is being attacked for being transparent and attempting to call everyone's attention to the problem--And that at least part of the problem is structural. He is not alone in discussing this matter. The Attorney General has stated it, the Corporation for Public Broadcasting has stated it, our Auditors have also said it, and FJC, and our lender has also alluded to it. It makes one wonder why he is being attacked for essentially stating the obvious. **WE ARE PRETTY MUCH DEAD BROKE AND NEED TO DO SOMETHING ABOUT IT.** I hope that everyone on the LSB will get on board and start helping with fundraising and outreach, as some clearly have done & I'm sure will continue to do.

d. Also related to the finances, it is interesting to note that the PNB hasn't begun to talk to or about the other stations that are running in the red. I wish I knew why that is not happening or when those other stations will be discussed on a National Level.

e. As a result of the financial position in which we, Pacifica, find ourselves, i.e. the inability to repay the FJC loan when it comes due in April, I considered what course I, as a Board Member and fiduciary, could follow to help Pacifica in our current situation. I contacted FJC and spoke to the President of the Board and the Chief Legal Officer. I clarified that I was calling as a Board Member, and not as a representative of the Board. The purpose of my call, I explained was to explore whether there might be a possibility of extending the loan directly, between FJC and Pacifica.

They told me about FJC and its role and mission. They also made it clear that they were familiar with Pacifica, its background and especially, the Empire State Building situation. They expressed their concerns about Pacifica, its finances, changing leadership and governance, and that they were happy that FJC has been able to help us survive. They also told me that all the loans which they provide under the program we are involved with carry the same interest rate: 3% over prime.

I also brought them up to date a bit about Pacifica, and a tad about myself, including the fact that I have been involved in numerous political and Non-Profit organizations, including Pacifica Governance for about 16 years and that in my “off hours” I’m a lawyer who has been involved in helping structure numerous business deals, including the “Pacifica Bridge Loan” in 2018, etc.

During the course of that conversation I explained the progress that Pacifica had made in getting its Audits more current, the fact that there was a Bylaw amendment process underway which had the potential of changing the governance structure of Pacifica, but made it clear that the PNB was divided on the subject. I also explained that Pacifica was not currently in a position to pay back the loans on its current maturity date, and that we were pursuing various financial options. I also answered whatever questions they asked, to the best of my ability.

As a result of that conversation, Pacifica’s progress towards getting its audits current, and the fact that there is serious discussion and potential Bylaw Amendments relating to reducing the Board size and structure to enable Pacifica to become more stable and more able to face the financial and other challenges that it faces, they were encouraged enough that FJC is willing to tentatively offer to extend the loan to Pacifica for another year, with the same terms, without interruption and without additional financing costs.

I asked them about whether this tentative offer needed to be kept confidential, and they told me that that was not necessary. They are pleased to let people know about the services that they have provided to Pacifica and that they offer others.

Hopefully the Pacifica National Board will take this opportunity to extend the loan quickly so that we can concentrate on helping Pacifica move forward. Of course I will be happy to help facilitate this.

Being of service to Pacifica so that it can flourish has always been my goal. I hope that this is another step in that direction. Here is the letter from FJC regarding this matter.

*FJC A Foundation of Philanthropic Funds
520 Eighth Avenue, 20th Floor, New York, NY 10018; Telephone No. [212] 714-0001;
Fax: [212] 714-0303*

TO: Lydia Brazon, Interim Executive Director, Pacifica Foundation, ED@Pacifica.org
Alex Steinberg, Chairperson, Pacifica National Board, PNBAlex@gmail.com
FROM: Lorin Silverman, President, FJC
DATE: October 14, 2020
CC: Jan Goodman
Mark Cohen, FJC – Chief Legal Officer

FJC was pleased to recently be updated by Pacifica Board Director Jan Goodman regarding the progress being made by the Pacifica Foundation during the past 2 ½ years.

As you may know, one of FJC's missions is to support public media, including Public Radio. We try to help public media survive and thrive by financially supporting institutions through tough times, encouraging practices which will be likely to make them more financially resilient in the future, and by helping them overcome tough times. The FJC loan to Pacifica Foundation was made in support of this mission.

Director Goodman informed us that during the 2 ½ years of the loan period, progress had been made in bringing Pacifica's audits more current. We are happy to see progress being made toward financial stability in this area. She urged that extending the FJC loan would allow Pacifica to continue making progress in bringing the audits current, and making the additional changes necessary to create a more functional structure.

Based on our experience and Pacifica's history and present situation, it is clear that Pacifica is still struggling and that some serious changes are probably in order. We are happy to see that our loan has given Pacifica time to make needed changes. We understand that Pacifica is now considering a new board structure which will reduce the size of the Board, enabling it to provide more stable leadership while maintaining its historic democratic nature. In order to allow more time for this process, FJC is willing to consider extending the loan for another year past its April, 2021 maturity date.

This extension would include the current terms, and would be made without additional fees attached. FJC understands that Pacifica has committed to apply at least half of the proceeds of any bequests it might receive during the extension period to the FJC loan.

Director Goodman asked if FJC was willing to have its role in supporting Pacifica publicized. We told her that we are pleased that we can be of service to Pacifica and are happy to let others know about the services that we have provided to Pacifica. FJC is proud to continue creating innovative and customized philanthropic solutions for the nonprofit community.

We hope this potential one year extension will allow Pacifica to financially stabilize, reorganize its structure, as well as hire professional, experienced management, so that it can grow its listenership and thus its donor base. If so, we look forward to working with your team, including Ms. Goodman, to facilitate this.

[Lorin Silverman, President, FJC}

Directors Report by Jan Goodman, 10/18/2020 - Continued

2. There seems to be a new strategy evolving regarding how minority voting groups at LSBs are proceeding to achieve their goals, when they are outvoted on the local level, but when their compatriots on the National Board are in the Majority. The local minority grouplet, which does not get a majority vote to support their position on the local LSB, then presents their position via a motion presented by one of their members or friends who are on the National Board Majority, and then the National Board passes that motion, which has the effect of undoing whatever the local board is wanting to do. I am being rather general here, because these matters have been in Executive session and I do not want to be accused of breaching confidentiality. I'm not necessarily opposed to having a National Board make decisions about Local actions, but I do think that it is important that people know that this is happening, as part of the action going on the PNB.

a. See for example, this excerpt from the PNB Agenda for the meeting of October 1, 2020:

“6. Motion on KPFT Management & Selection Review Comm. – Dewayne Lark 15 min.

I move that the PNB allow Director DeWayne Lark to report on the Management and Selection Review Committee of the KPFT LSB. Further, the PNB shall direct that the MSRC Chair report on the process and procedures that have been utilized in the search for a General Manager of KPFT. “--Submitted by DeWayne Lark, PNB Director, (KPFT)

MARKING ADULT MEMBERS OF THE PNB TARDY or NOT

3. On October 1, 2020, the PNB spent about 45 minutes debating which of the following two motions which were on the Agenda should be passed:

“a) I move that only the terms absent or present be reported on the PNB minutes by the Secretary. A member is considered present if they attend any part of a PNB meeting. – Dewayne Lark

[or]

b) From this time forward the Secretary shall list the names of the members present at the Roll Call as well as the number present at the roll call. When members arrive after the roll call, they shall be noted as arriving in the minutes when their presence is noted. – Grace Aaron. “

[Note by JG—as opposed to in the recent past, when people were being marked tardy by the secretary, if they did not respond during roll call.]

It was finally resolved that Directors would be marked present by the Secretary, Grace Aaron, if they were present for any part of the meeting, and the practice of indicating that they were tardy, or in some other manner indicating that they were late and appearing to attempt to “shame” them would be discontinued.

Reports by the other PNB Directors have covered most other topics.

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Jan Goodman
KPFK, 90.7 FM, Los Angeles
310-458-7213 or 310-729-2394

Director's Report October 2020 from Grace Aaron

I would like to announce that I will most likely be resigning from the KPFK LSB and the Pacifica National Board at the end of November or early December. I will also be resigning from the position of PNB Secretary. The reason for this is that I have already served 5 consecutive years on the Pacifica National Board and per the Pacifica Bylaws I cannot serve again on the PNB until I have taken a 1 year break:

Article Five, Board of Directors of the Foundation, Section 2: Term

The term of a Director shall be one (1) year. A Director may serve no more than five consecutive one-year terms. A Director shall not be eligible for further service as a Director until one year has elapsed after the termination of a Director's fifth consecutive one-year term.

Jan Goodman is also termed out of the PNB. She may serve until a new PNB is elected in January. I have chosen to resign before my 1 year PNB term is over so that I can have the option of running for the LSB again in the next LSB election which will begin next June.

The PNB has met mostly in closed session since our last LSB meeting except for 1 Open Session on Sept. 24, 2020. In that session an Ad Hoc Committee on Loan Repayment was formed. Jan Goodman reached out to the lender of the \$3.2 million loan and began some sort of negotiation. It should be noted that she did this without the knowledge or approval of the PNB or the iED. All details of this should be kept confidential despite statements to the contrary on the part of the lender per the following Bylaws citation:

Article Six, Meetings of the Board of Directors, Section 7: Open Meetings

All meetings of the Board of Directors and its committees shall be open to the Members and to the public, with the exception of those meetings dedicated to or predominantly regarding personnel, proprietary information, litigation and other matters requiring confidential advice of counsel involving commercial or financial information obtained on a privileged or confidential basis, or relating to a purchase of property or the use or engagement of services whenever the premature exposure of said purchase or sale, in the Board's sole opinion may compromise the legitimate business interest of the Foundation. In the event that all or a portion of a meeting is closed, the Board shall indicate in its notice of said meeting that the meeting or a part of it shall be closed. In addition, within a reasonable period after the closed meeting, the Foundation's Secretary shall post on the Foundation's website a general statement of the basis on which all or part of said meeting was closed.

The following has been reported out from recent PNB Closed Sessions:

Report Out from PNB Closed Session of Sept. 24, 2020:

The PNB continued discussions with KPFK GM, Anyel Fields; iED, Lydia Brazon; and Union Attorney, Warren Nelson, regarding the PNB directed cuts to expenses at KPFK of at least 30%.

The PNB also discussed sensitive financial, legal and contractual matters.

Report Out from the PNB Closed Session of October 8, 2020:

The PNB continued discussions with KPFK GM, Anyel Fields, iED, Lydia Brazon. and Union Attorney, Warren Nelson, regarding the PNB directed cuts to expenses at KPFK of at least 30%.

The PNB also reviewed the 2018 Auditor Management Letter, got an update from the iED, Lydia Brazon, about sensitive issues and also got a legal update from Arthur Schwartz, Pacifica Legal Counsel.

Our National Committees have been meeting regularly. The Strategic Planning Committee had some discussions about accepting corporate underwriting. Some Directors are in favor of some sort of underwriting on a limited basis. I have stated my opposition to underwriting.

Some items from my last report bear repeating.

Over the last few years much progress has been made by the National Board and management of Pacifica. Go to https://pacifica.org/good_news_200824.php for a detailed list.

Our 2018 Audit has been completed and the 2019 Audit has started. The completion of the 2019 Audit would make it considerably easier to secure grant and major donor funding and we may eventually be able to regain Corporation for Public Broadcast funding, which has in the past brought us about 10% of our total revenue. Regaining that funding would go a long way to toward financial stability.

Our abysmal Charity Navigator score has improved from the worst possible category to one slightly less negative. This is a step in the right direction.

The National Personnel Committee has begun a search for an Executive Director. You can access the job description here:

https://boards.greenhouse.io/livingstonassociates/jobs/4136258003?gh_src=fc38345a3us

You can assist with this search by helping to publicize this job opening to qualified applicants.

That's all for now!

In peace,

Grace Aaron, PNB Director and National Board Secretary

Finance Committee Report October 18, 2020
From Kim Kaufman, Chair

At the October 14 FC, 30 minutes before the meeting, we received draft budget #6. At the previous meeting we asked, by motion, for any new draft delivered at least one day before the meeting. We have repeatedly asked the BM for written reports and in advance of meetings. We received a written report four minutes before the meeting. This is especially disrespectful to one of our members who is hard of hearing but disrespectful to us all since it precludes us from being able to ask questions about the report which, in this case, was different from the verbal report.

The budget purports to be “balanced.” It is based on some sort of personnel cuts, none of which have been discussed with SAG-AFTRA and thus are in no way agreed to by anyone yet. There is also a cut to central services which has in no way been approved by national. Some line items I thought had been established were changed, including new wishful thinking revenue, some expenses inexplicably cut and other problems which, due to the budget’s late arrival, were not able to be identified until after the meeting. This draft budget is DOA. There’s little more the FC can do with the budget until payroll and central services is determined. Management does not seem to take making a budget as seriously as the dire situation would seem to demand.

In June, I had asked for 1) a fund drive chart used in the 2) budget template. Neither has been done. The FC suggested fund drive days be budgeted at \$15k per day, which was arrived at based on the historical data. Management set the current fund drive based on \$19k per day. Until two days ago the drive was doing about \$12k+ per day. As of Friday evening the daily average was at almost \$14k because of higher last two days. This seems due to third party fundraising shows and repeats of same. These shows, almost all from Margaret, are pitches for donations to some other non-profit with a 50-50% split between them and KPFK. Our listeners have been very generous with these “dire circumstances” pitches. The flip side is that the “premiums” are at 50%, not the usual 10-12% for the regular thank you gifts. This is a familiar gimmick for management to get rosier per day averages but the high back end costs add up and historically have resulted in a net loss to KPFK. Among other problems with this, it is disallowed by CPB recipients.

The FC suggested six fund drives per year for 21 days each as a way of decreasing fund drive days in hopes of getting listeners back. It seems clear that management will extend this current drive until at least the end of October. Unfortunately, in this presidential election cycle of potential high listener interest, KPFK will spend this entire month in drive.

I met three times with management and NETA on the budget. Correct ways of itemizing some expenses were recommended but have been ignored. This makes cash flow reporting difficult.

The FC asked the BM to explain a couple of items having to do with credit card fees but he was unable to do that. We asked for an explanation of the way the web income is being reported.

We received some numbers in a word document that provides no clarity. We need to see the actual documentation for all the revenue but, according to management, Allegiance is still not providing the kind of information that was promised.

KPFK had to borrow \$42k from another unit on September 29 for October 1 payroll. The FC gets sporadic Accounts Payable reports that do not seem to reflect the real nature of what KPFK owes. We're waiting for the September financials from NETA which are taking longer to complete due to fiscal year end.

I don't know how KPFK will get through November. There seems to be a lack of urgency from management and the PNB.

Kim

Chair, KPFK LSB Finance Committee

kim.kafman@att.net

323-810-6476

cc: PNB

NFC

Lydia Brazon, iED

Anitia Sims, iCFO

DESCRIPTION of the CONTINUAL TOWN HALL

As proposed by Allen Beek (10/18/20)

Letters in at talkback@kpfk.org

Collection available at readback.kpfk.org

This is a blog to which anyone (chiefly listeners) can send email letters, giving no name as “author”, or their e-address, or a pen name, or their true name. Anyone can search the collection by author, or subject, or date, or key phrase. Conversations may grow with several letters on the same subject.

Since anyone with email can send letters to talkback@kpfk.org, it is inevitable that things NOT part of the conversation turn up in the talkback Inbox. To deal with them, censoring is needed. Some may be letters to individuals; these are forwarded to the individual. Some may be illegal, obscene, or insulting to one of the other authors. The censors return these to the sender with a polite explanation of why KPFK regards them as unsuitable --- perhaps with help at amending them.

The censors are a team of KPFK volunteers interested in this work. At the moment, I (Allan Beek) am the only such volunteer. I feel sure that if I get over-loaded, I will be able to find others to help out. A couple of years ago, I handled the responses to talkback@kpfk.org for several months. It was very light work.

But censor response is a rather serious matter: The response is “The Voice of Pacifica” but is spoken by an untrained volunteer. Pacifica is exposed to disgrace or legal action if the volunteer (in all innocence) says things that would be disastrous if officially spoken by Pacifica.

For protection, we have a collection of Standard Answers for cases where the censor must communicate with the author of an email. The Standard Answers are screened by management and legal advisors to be sure they are safe to use. The censors are limited to using ONLY those Standard Answers.

Approved emails are forwarded from talkback@kpfk.org to readback.kpfk.org. So readback is sort of a glorified Inbox. It has the ability to receive emails and make the searches described above, and to download any selected letter. After one year, letters are removed.

Talkback@kpfk.org is a standard email terminal; the censors are provided with the password. They forward incoming emails to readback, or to the intended individual, or with a Standard Answer to the author, or to the SPAM disposer.

If a censor finds the conversation interesting and wants to join in, they send their contribution from their home computer, using any name they choose. They do not say they are a KPFK employee. If their comment is pointless unless they suggest they are a KPFK volunteer, OK. But try to avoid this.

A website designer has offered to program readback at a price I can afford.