

Finance Meeting – February 16, 2010

(Approved March 16th, 2010)

-Individual and Group Commitments are italicized and in bold

-Recommendations from the Committee to the Board of Directors are in bold

In Attendance

Rolf Sembrobon

Erin Brand

Arthur Davis

Debbie Rabidue

Mel Reslor

Paula Small

Jenka Soderberg

Sun Lee

Bob Crow

Nia Lewis

Excused Absence

Anthony Petchel

Meeting begins 6:10

Check-In

Employee pay reduction proposal (Jenka)

For personal reasons, Jenka asks the finance committee to recommend reducing her salary to \$28,500 a year.

Paula is concerned that Jenka would be working full-time and not getting full compensation.

Erin wants to make sure that Jenka retains her seniority with regards to the pay structure and ensure her eligibility for step increases at the time she is able to collect full compensation.

Paula recommends Jenka notify personnel committee about this request.

Arthur suggests granting a temporary reduction until Jenka gets back with further information.

Finance committee agrees to recommend granting a temporary pay reduction for Jenka. Consensus was reached.

Erin will draft motion to bring to the Board meeting on Monday, draft will be sent to finance and Jenka for feedback.

Discussion on KBOO Board News re: Station Manager Position (Arthur)

Arthur's last day will be tomorrow. He has been layed-off and the position will not be filled. See attached

statement from KBOO Board regarding the resolution on this issue.

Debbie feels this is a great loss for KBOO. Debbie has appreciated his mentorship.

FC Statement re: KBOO Board News re: Station Manager Position (Paula)

Paula would like to issue a statement from the Finance Committee clarifying the committee's role in the resolution regarding Arthur's lay-off and that the Finance Committee was not consulted on this matter.

Paula will include this statement along with the posting of the Board statement and Finance minutes.

Discussion re: Treasurer Responsibilities & Advisory Role of Finance Committee (Erin)

At the last Board meeting the Board approved a policy regarding board committee liaison roles and duties. Erin is going to try and get in the habit of better reporting between board and finance, including sending out an email after board meetings with information that is pertinent to finance committee. Erin will take meeting minutes, send draft minutes to committee members, update approved minutes and post minutes. Paula is able to post minutes on the website. Erin is open to additional suggestions about what committee members would like the treasurer/board liaison to be responsible for.

Development Department Update (Sun)

Sun asked for clarification about the expenses regarding the Amy Goodman event last November. Debbie will look into this discrepancy, line 35 of development spreadsheet. Debbie also needs to reissue the development income report and send to finance.

Sun explains how the budgeting was done for events income. The raffle application has been submitted. Blazers night is March 31st. Dine out for KBOO Night will be Wednesday, March 24th, participating restaurants for this month will be in the surrounding Burnside area. In the future Development would like to plan these restaurant nights in different neighborhoods each time.

Sun is training with Jim Lewis to develop different giving levels. For example, a \$250 to \$499 level, \$500 to \$999, etc. He will be working with volunteers to decide what kind of benefits each level of donation would receive; recognition and access are what to keep in mind when deciding incentives.

Jim Lewis is a national fundraising consultant that is based in Portland and has worked with many public and community radio stations. He was part of the NFCB station assessment a few years ago.

Arthur stated that the development income goals are very ambitious, Sun is doing a great job trying to meet these goals. Arthur also highlights the successful promotions that have gone into the development events.

Bob sought clarification on development income being divided between 'events' and 'development income'. He also stated that events and programs in this first year can be built upon and anticipated in subsequent years, which will also indicate a successful development position.

Debbie is seeing positive movement in Development and says we should all be excited about it.

Review January Meeting Minutes

Paula and Mel will send Erin minor changes; upon update the minutes will be approved. Debbie was absent from the last meeting and abstained from approval.

Update on January Action Items

Paula checked with Sean Ongley about his proposal but it has changed and he will come back once his plans have been revised.

Arthur informed Bruce Silverman of Scott Forrester's interest in helping with a grant writing project.

Debbie added yields to the data sheet.

Debbie has not checked with John about server expenses....but will!

Debbie will footnote regarding \$4,000 on Pittman Grant.

Debbie will present the historical income and expense analysis report for the March meeting.

Strategic Planning Update (Arthur)

A group of staff and board met with members of the Canoe Group to discuss different options regarding strategic planning. They discussed the possibility of conducting a workshop to educate board and staff about what strategic planning is.

The Canoe group put together a proposal about next steps if we wanted to move forward with a workshop. Their proposal for a pre-planning piece and a training element comes to \$2,800. They didn't see KBOO ready for a start to finish project so it would be a step by step process. Canoe group suggests starting the components of this proposal in March.

Erin would support this proposal if there is a resounding yes from staff, board and committees. If not, this is not the best way to use our money.

Paula asked who would be picking a pre-planning group. Arthur responded that the board would pick members of this group and that the board is the driver of strategic planning, the staff would implement it.

Arthur recommends that we do this first step, there could be benefit in having common language and frame of reference for the future.

Bob recommends that a pre-planning group lean toward being composed with more staff than board. Bob says this preliminary workshop sounds good because of the cost of the initial proposal and that it can be a real motivator, without being fully committed.

Debbie says it is good that after an initial workshop we would have the option of exploring other consultants.

Debbie supports the idea of planning for future stability.

Paula wants to know where the money would come from. Arthur says it would come from the fund balance and be a one-time expense on the auxiliary budget.

The Finance Committee recommends moving forward with accepting this proposal and spending an estimated \$3,000 to do the preliminary planning and workshop with board and staff. This support will be communicated to board and staff.

Board Note (Paula)

For an update on the status of a listener's guide, Paula suggested people go to board. The March guide will be the last in its present form. Erin stated that the board approved the budget for the guide, but staff would be the appropriate people to ask about the future of the guide. Debbie and/or Sun will take this information about communication to the staff meeting on Tuesday.

Finance Department Update (Debbie)

Debbie proposes that in the absence of a station manager, Mel Reslor work 5 hours a week to verify the cash activity for internal control. In this position Mel would also take on the job of receiving banking and any other financial statements to do the front end work of reconciliation. This would be through the end of the fiscal year to give the board and staff time to figure out the management structure at the station. Debbie also requests \$500 to make a proposal to Wilken and Company to train Mel in doing this work. Mel will come back to finance with an update about how effective this position is within a two months of his start date. Personnel committee will be asked to come up with a title for this position and a job description. Finance committee approves and will recommend this proposal to the Board.

Debbie would like Mel to start on March 1st. Debbie will come up with tasks for the interim hire to present at the board meeting on Monday. She will work with Linda from Wilken and Co. to come up with job duties. Arthur quotes policy #53 on hiring practices regarding temporary and interim employees to support Chris appointing Mel, instead of opening a hiring practice at this time, especially in light of this position possibly changing throughout the year.

Mel would need to report to Chris, it is inappropriate for him to report to Debbie, though he will work with her.

The staff recommended that if the finance committee and board approve this idea, to notify the personnel committee of any changes. If approved, Chris as acting Station manager could appoint Mel as an interim hire.

Debbie will talk with Bruce Silverman about getting a locked box for bank statements to be put in.

January Financial Statements Review (Debbie)

All Committee members need to review the January financials and get back to the committee with any questions and comments. Debbie recommends focusing on line 15 on page 5, which is the winter pledge drive income.

Good news. Membership is over budget by \$9,600, even without the GiveGuide added to totals. Newswire under budget.

Bad news. Underwriting and advertising is under budget, Arthur recommends checking in with staff about this. Paula notes that advertising revenue is still being brought in by the program guide.

Finance asks that we get an update from staff about the status of Underwriting. Paula will contact Chris and/or Justin in this regard. Debbie will look at monthly trends in underwriting over the last year.

Paula will ask Andrew to forward his regular monthly membership report to the finance committee.

KBOO Wins RACC Grant (Arthur)

Ryan, Arthur and Debbie will be meeting so Debbie can get a better understanding of the grant. Ryan and Erin Yanke will be working with Roosevelt High School to do an oral history project.

Sun will oversee grant projects, including this one, from now on. Exception being NTIA grants which Chris will manage.

Meeting Ends at 9:08pm

Attachment regarding the Station Manager Position
Arthur Davis and Station Manager Position

At the January 25th KBOO Board meeting, the Board of Directors accepted the recommendation from Arthur to lay him off. This was done in order to affect budgetary savings which will decrease the deficit, and in light of the unsustainable nature of the station manager position in its current form. This was a very difficult decision to come to. Arthur has provided valuable guidance and insight to the Board, and in collaboration with the KBOO community has accomplished a great deal.

Though Arthur's service at KBOO precedes his time as station manager, his three-and-a-half plus years in the position have brought positive changes with tangible results. Arthur's priorities during his tenure have been to improve behavioral expectations and conflict resolution; as seen by the adoption of the KBOO House Rules and subsequent trainings related to this matter. He has also worked with the programming committee to enhance program quality and scheduling, reconfigured Finance to bring about a more simplified and efficient department, and worked with Sun to create a viable and productive Development Department as an additional stream of revenue and public relations for the station.

Arthur's final date of employment is yet to be set, but will occur sometime in mid-February. No decision has yet been made about station management in the interim. We will be working with Arthur and the staff over the next few weeks to further a transition that is effective and congenial; there are a lot of bases to cover.

A permanent replacement for Arthur will not be sought at this time. We are approaching this situation as an opportunity to evaluate KBOO's annual operating expenses, organizational structure, decision-making process

and the culture at the station that, at times, can be very challenging. We see this as a chance for everyone at KBOO to commit to deep reflection, not only to identify our shortcomings and areas for improvement, but also to reaffirm the inspiring and empowering mission at KBOO and set common goals for the future.

We hope that after he leaves as station manager, Arthur will return to the radio station volunteering in the areas of strategic planning, fundraising, and finance. We truly wish him all the best in whatever life brings, and thank him for his long years of service to the station.

KBOO Board of Director's – January 27th, 2010