

WBAI treasurer's Report
June 12, 2013

The National Finance Committee (NFC) met on May 14, 2013, May 28, 2013, and June 11, 2013. The NFC only got some new financial documents from the National Office last night and there are serious flaws in those documents, the new CFO only last night's NFC meeting and he said that he was not comfortable with releasing the flawed financial documents. He said that the major problems in the documents were caused by mis-coding of entries in the accounting software and not reconciling accounts for many months.

The FY12 audit is not done yet. The PNB Treasurer, who is also the NFC Chair, reported that the auditor said that the pre-audit prep work is 90% completed and that he anticipates making the June 30, deadline.

The National Office has liquidated Pacifica's Charles Schwab stock account, which is worth about \$250,000. The money was used to cover expenses at WBAI, especially the back payroll, back rent to Silverman and the Empire State Building rent. The account was from the days of the interim Pacifica National Board and is at least a decade old. The signee on the account was then Executive Director Dan Coughlin.

The NFC is discussing "crowd-funding" for some off-air fund raising projects.

In a discussion at the NFC it was felt that the PNB motion which mandated that, "the WBAI LSB and the WBAI Staff shall present to the PNB a written plan for the survival of WBAI for the next two to three years," intended that this be a joint report from the LSB and Staff. This is, of course, totally unrealistic. It was felt that if more than one plan is submitted they will probably all be accepted.

The May 30, 2013, payroll was made on time. The June 1, 2013, Empire State Building rent was paid on time.

The CFO said that he will be streamlining the way things are done at the National Office. He also said that he visited with the current auditor, Armanino McKenna LLP, and together with someone from that office had visited the previous auditor. He said that they had found that the quality of the previous auditor's work papers was of the lowest standard and was not adequate. He said that the interim Executive Director will be talking to the CPB about extending the June 30, deadline for Pacifica's audit. He believes that by the end of this week he will send out an update on the progress of the audit.

The FY14 budget preparation is behind schedule at all stations.

The General Manager has sent out an E-mail extending the Spring on-air fund raiser by four days on an emergency basis to raise more money. He says, and the CFO concurs, that WBAI does not have the money to make the June 15, and June 30, payrolls, nor the July 1, Empire State Building rent. The rest of the Pacifica Foundation may not be able to cover WBAI's expenses later this month and early next month.

There was a meeting of the LSB's Finance Committee on May 21, 2013. Much of the meeting was spent on a report from the General Manager about the move to 388 Atlantic Ave., where WBAI has signed a lease for a floor of the building for a rent of \$4,800 a month. The offices are in the process of moving there. The General Manager said that the studios will move to that location once all of the cabling, phone lines, etc. are fully installed.

The LSB's Finance Committee had scheduled a meeting for June 4, but we were unable to gain access to the 26th floor despite numerous calls to Management seeking entry.

R. Paul Martin
WBAI LSB Treasurer