

Minutes for the regular National Finance Committee meeting March 13, 2012.

Meeting convened at 8:42 PM (ET) a quorum being present, the Chair and Secretary being present.

Attending: Ken Aaron, Jim Boyd, Marcus Jetter, Campbell Johnson, Kim Kaufman, R. Paul Martin, Tracy Rosenberg, Alex Steinberg, Barbara Whipperman, Lavarn Williams, also attending was Executive Director Arlene Englehardt.

Agenda:

1. Roll Call
 2. Approve Draft Agenda
 3. Election of Chair and Secretary
 4. Audit Update
 5. Budget Timeline Check In
 6. What is consequence of closed period?
 7. 1st Quarter Divisional Reports - National Office, WPFW, Archives
 8. Confidentiality Recommendation/Protocol
 9. Adjourn
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The Chair directed that the minutes note that Bill Crosier was absent for personal reasons.

Motion: (Barbara Whipperman) "To adopt the agenda." (Passed without objection)

Election of Chair and Secretary 8:52 PM (ET)

The Chair went over how these elections are to be done.

Election of the Secretary

Kim Kaufman nominated R. Paul Martin, he accepted. No one else was nominated for the office of Secretary. Without objection R. Paul Martin was elected Secretary.

Election of the Chair

Tracy Rosenberg gave up the Chair, R. Paul Martin assumed the Chair. 8:55 PM (ET)

Campbell Johnson nominated Kim Kaufman, she declined.

Kim Kaufman nominated Tracy Rosenberg, she accepted. No one else was nominated for the office of Chair. Without objection Tracy Rosenberg was elected Chair.

Tracy Rosenberg took the Chair 8:57 PM (ET)

Audit Update 8:57 PM (ET)

The CFO reported that she was gathering the documents requested by the auditor, the National Office will be following up to make sure that everyone knows what the requests are. She does not have an estimate of when the audit will be finished. Cash Flows and Balance Sheets can't be done until the audit is finished. She said she could give a preliminary cash flow, major payables and as headcount report. The auditor hasn't communicated any discrepancies. He is asking for pledges receivable. There is a deficit of about \$400,000. There is improvement at some stations with fulfillment rates. There hasn't been any feedback from the auditor with regard to the Recovery Plan.

The committee discussed the report.

Budget Timeline Check In 9:04 PM (ET)

The committee agreed to use the same timeline for the FY13 budget as was used last year, but people will be encouraged to get their information in sooner. There was a short discussion of when the CFO could meet with the treasurers about the FY13 budget.

What is consequence of closed period? 9:13 PM (ET)

A committee member asked what the definition of a closed financial period is and what is the proper way to correct things in that closed period.

The CFO said that when you close the books it means that others can no longer make changes to that month. They no longer have access. Adjustments should only be made at the National Office, and they're usually done for accounting errors. Pacifica stations attempt to close on the 5th work day of the month, but KPFA doesn't. The closing date shouldn't change from month to month. She gave some examples.

The committee discussed this.

1st Quarter Divisional Reports - National Office, WPFW, Archives 9:29 PM (ET)

National Office and Pacifica Radio Archives 9:29 PM (ET)

The CFO reported that the Pacifica Radio Archives (PRA) had revenue of \$153,763, and direct expenses of \$206,805. PRA got central services payments from stations totaling \$85,000 total. The actual does not compare well to the budget, it's off by \$135,698. PRA has a three day on-air fund raiser. In weekly meetings with the General Managers and Brian Deshazor they thought that a three day drive dedicated to PRA was not best thing to do, so Pacifica and Station Managements decided to do a two day drive and the stations would dedicate one day of credit card revenues to PRA. KPFT didn't agree and did a third day of on-air fund raising for PRA. They are trying to make up the \$135,698 variance. Direct expenses were better than budget by \$17,000. If they continue to under spend and get additional funds they are hoping to project that the negative variance will not be that way at the end of the year.

The CFO reported that the National Office still hasn't closed its books for FY11. Preliminary numbers through February show a net income of about \$95,000, budget is \$134,000. For February the revenue is actually much better than budget. Legal expenses are higher. We have to save in other areas.

The committee discussed the report.

WPFW 9:58 PM (ET)

The WPFW Treasurer reported that the station did better than budgeted with listener support revenue. Some Staff are still working at reduced salaries. Office expenses and some other expenses are higher than budgeted. More pledges are being paid by credit card, so the credit card bank charges are up. Consultants are being switched to Paid Staff. Neither the General Manager nor the Business Manager understand why the Free Speech Radio News (FSRN) line is so much higher than budgeted.

It was also reported that the station is catching up on shipping out past premiums, and has switched to using a fulfillment house to deal with some premiums.

The committee discussed the report. It was reported that the station has gotten a six month extension on its lease, but that fund raising for the move is behind what had been hoped for. Also, the location that had been previously discussed said that WPFW's financial posture was not adequate. There is now a Relocation Committee looking for a place for WPFW to move to. There have been some recent off-air fund raising events that have been successful.

The CFO said that the FSRN line is probably higher as a result of the station getting more CPB money for that line.

Motion: (Kim Kaufman) "When the quarterly reviews are scheduled the General Managers shall be invited to attend, or attend with their Business Managers, or to be represented by the Business Managers, at a dedicated time certain." (Passed 7 for, 0 against, 3 abstentions)

It was agreed that the NFC would discuss the financial issues around WPFW's move at a future meeting.

Motion: (Campbell Johnson) "To adjourn." (Passed without objection)

Adjourned 11:04 PM (ET)

Submitted by R. Paul Martin, Secretary.