

WFHB BOARD OF DIRECTORS

BOARD MEETING MINUTES for Monday May 23rd, 2016, 6:00pm

Hooker Conference Room #245, City Hall

201 North Morton Street, Bloomington, IN

I. CALL TO ORDER ATTENDANCE OF BOARD MEMBERS

- a. Called to order at 6:06pm. Present: Bertolt Sobolik, Angela Backstrom, Sheryl Mitchell, Jerry Stern, Louis Malone, Sarah Ryterband, Kelly Wherley (recorder).
Guests: Jean Hollinger, Darin Bagley. Board members not present: Pamela Davidson, Tom Henderson, Maria McKinley.

II. OPEN FOR PUBLIC COMMENT

- a. No public comment.

III. REVIEW / APPROVAL OF MINUTES

- a. Louis Malone moves that minutes approval be pushed and done online.
(Minutes were late and not enough members had a chance to review.) Sheryl Mitchell seconds. Motion passes. Angela Backstrom requests earlier submission.

IV. GENERAL MANAGER REPORT

Facilities

- Leak in ceiling in Southwest corner of lobby discovered on 5/18. Contacted Paul Daily at Ivy Tech about it.
- Paul Daily wants WFHB to notify the City of Bloomington and CFC property before commencing the maintenance to the 98.1 tower, and would like Ivy Tech to be named on the vendor's insurance.
- Lawyers representing the Brown County Water Department sent us a letter saying WFHB would be responsible for \$4451.33 of the costs associated with removing and replacing the tower on the Lanam tank. Jeffrey Morris is working with the water company and the lawyer to see if this fee can be reduced if we have our own contractors reinstall the tower.
- One of the CD players in the air room malfunctioned and needed to be replaced.

Fundraising

- Dorothy is working on a new one-sheet for potential underwriters.
- Dorothy and Hondo are working on plans and materials for the John Hartford Music Festival.

Programming

- Joe and Jim are initiating meetings with Lotus, the IU Ethnomusicology Department, and the IU Archives of Traditional Music about collaborating on an Arts and Culture program.
- Joe is working on a replacement for The Ins and Outs of Money on Aging.
- Joe is working with some volunteers on a program about prisons.
- Jar is taking responsibility for recording and trafficking PSAs.
- Jim gave a talk at Non Comm on the graying of community radio.

Staff

- Planned absences: DD – 5/30; GM – 7/7-11, 7/21 (half day), 7/22; MD – 6/10-27; ND – 5/27-6/5.

Technology

- Evidence was found that test.wfhb.org was compromised using the serveit login. I believe this was a copy of WFHB.org before the redesign and migration from Drupal to WordPress, but I can't confirm this. I added a redirect from this subdomain to wfhb.org to take it off line. Tom Henderson and I decided to delete the serveit login. Doing so removed the time tracking application ServeIT created for WFHB.
- Jim Thrasher is working on bringing the station into compliance for SoundExchange reporting. There doesn't seem to be an easy or reliable way to download and archive the logs from ShoutCheap, which needs to be done at least every 48 hours in order to get all of them (not every 5 days as was documented previously.) Jar Turner is going to archive these manually on weekdays and I will do it on weekends. JT is working on a parser to convert them in to the format that SoundExchange needs. When he was working on this, he discovered many server errors in the logs. He modified the ShoutCheap configuration to eliminate these.
- I donated a 4TB hard drive to the station for Jim to store the high-quality music archive.
- Brett Pflingston is working on creating a staging server for wfhb.org so that we will be able to test site modifications before they go live.
- I requested a quote from Monster Digital Marketing to manage our site.

Volunteers

- Joe recruited a new Volunteer Coordinator – Sarah Hetrick
- Catherine Anders stepped up to fill the Calendar Manager role
- Jean Hollinger, Mark Richardson, Matt Iglesias, and Rick Jackson volunteered for Desk Jockey shifts. Still need to fill 9-11 every day but Tuesday. Piney Woods is covering this slot on from 10-11 on days that he is at the station. I have identified a new volunteer who I hope will take some of these slots starting next week.
- Olivia Davidson has been replaced by Ryne Shadday as producer of BloomingOUT
- Araceli Gomez plans to leave her job at the City of Bloomington and will no longer be producing Hola Bloomington after July 8th (as of last week, the city had not advertised the job)

a.

V. COMMITTEE REPORTS

a. Executive Committee

- i. Did not meet, agenda created via e-mail.

b. Finance Committee

- i. Jerry reports that the Stampfli audit is fine and we've met our threshold. The FSR form is in process and we hope to file with the CPB Wednesday or Thursday at the latest which is ahead of our May 31st deadline. Cash flow right now is about \$14,000.
- ii. A note here to say that Time Tracker through ServeIT was compromised and was taken offline. Bertolt suggests we look for a third-party service

for this facet of WFHB operations if we want to try and track hours for grant proposals and the like.

- c. Policy Committee
 - i. Hasn't met since last board meeting.
- d. Nominating and Personnel Committee
 - i. Haven't met but completed the annual meeting mailing. We had one candidate pull out of the board election and that needs to be communicated to the membership. Jean Hollinger is going to submit her questionnaire ASAP and we'll disseminate that to the membership online.

VI. OLD BUSINESS

- a. JT Tower Service, LLC Estimate - \$2,180
 - i. Bertolt reports that they're trying to schedule service this week or next and that Paul Daily suggests Bertolt ask the city for approval and also from the owner of the mall nearby. More information on this is probable early next week.
- b. Slack website demonstration
 - i. Tom Henderson was not present at this meeting. Several members have explored it and we discussed the relative merits of converting to this forum.
- c. CPB Restricted Funds Audit
 - i. (This is the major discussion for the evening.) This audit pertains to fiscal year 2014. There were two areas in which WFHB was found to be non-compliant: Our lack of a Community Advisory Board (which we have since reinstated and have minutes from their meeting in December of 2015 which should satisfy CPB requirements) and our accounting of non/restricted funds—which is a major issue. WFHB needs to furnish the CPB with a copy of its general ledger from October 1-December 31, 2015 “to evidence the station’s use of unique accounting codes.” We need to have four categories of CPB funds (restricted funds coming in, non-restricted funds coming in, restricted expenditures and non-restricted expenditures). Although efforts were made to comply with CPB accounting codes previously, they were unfortunately inadequate and our accounting codes do not currently fully satisfy the non-compliance we were cited for in 2014. CPB funds (the next payment of which is around \$22,000) could be in jeopardy—the funds are contingent upon us paying a fine (\$1,500) and demonstrating compliance in the areas we were not. We don't know how the CPB is going to react, but our next move is to notify Andrew (our contact at the CPB) and be forthright about the situation. There's no telling how the CPB is going to react. Bertolt

has been in contact with the accountant for Lotus and suggests we reach out to some of the stations identified in the original CPB report to find ways of establishing the unique accounting codes as that is an area of finance at which no one at the station is currently adept. Bertolt recommends that the board do a better job of oversight of the GM in the future as this lack has put the station in a difficult situation. Sarah Ryterband highlighted the difficult distinction that is oversight vs. micromanaging and the discomfort felt on both sides. Of course our aim, goal, and intention is to be compliant and always has been—emphasizing this to the CPB is important in our appeal.

- ii. The CPB audit is the major issue facing the station and the consequences of losing funds will be dire in a worst case scenario. We're basically two pay periods (maybe three) away from needing to dip into our credit account to make payroll—and five payrolls away from exhausting the line entirely. Bertolt feels that whether or not the 22K CPB funds come in, the board needs to strategize a plan for life after the Corporation for Public Broadcasting. In Bertolt's estimation, he does not foresee getting CPB funds in three years, and it's possible that we have received the last payment from them that we'll ever see. Ideas include staff reduction, partnering with another institution, or even selling off assets. Bertolt guesses the recent budgets passed and the decision to increase expenditures were premature and based on a growth trajectory that never materialized and we never absorbed the costs associated with those expenditures which has placed us in the cash vulnerable position we're in now. Many of these projections were based on the strategic plan and one of the major costs was the Development Director and the funding of that position is in question—both the money raised for the position, its FTE status, and length of the position. But the issue remains that WFHB can consistently count on a certain amount of funds outside of the CPB and it is likely that we need to find that base-operating budget and make a plan based on those numbers. Sarah Ryterband stresses the need to incorporate the membership as news like this is understandably a shock and in times like this their contributions—time, money, connections, ideas—are crucially important in helping determine how the station moves forward. But the reality is that we're a very few pay periods from being cashless. Bertolt suggests the board get an expert to come address this situation. Louis Malone suggests our short-term goals include finding ways to cut expenses immediately and finding a way we can get through the summer without the CPB's \$22K. Angela Backstrom

indicated that she and Jim Manion met a few individuals at NomCon who might be able to help and reaching out to them would be good.

- iii. **UPDATE May 24th, 2016:** Jerry Stern reports via e-mail that he visited with WFHB's CPA, Bob Rogers at Stampfli, and explained our problems. It turns out there is an option in QuickBooks called "classing" that can split any account (including payroll) into two or more accounts without backdating. The additional accounts can be numbered to satisfy the CPB's "discrete accounting codes" requirement in an entirely ethical manner. Stampfli employs a QuickBooks consultant who knows how to use the classing option and will teach Holly, Bertolt, and Jerry how to use it. Once learned, the arduous task of reclassifying CPB-related expenditures for the entire 2015 fiscal year can begin and we should be able to meet our two-month deadline for filing the evidence the CPB has requested (June 21). If the CPB finds our filing satisfactory, we should receive the remaining \$21,648 grant funds from the CPB by mid-July. This should be soon enough to avoid financial hardship.

VII. NEW BUSINESS

- a. Review of Articles of Incorporation
 - i. Kelly Wherley doesn't have anything to report on this, but Jerry reports he's meeting with Maurer School of Law professor Jennifer Pruzak about the Articles to help see if there's anything that needs to be updated.
- b. Spinitron, LLC Invoice - \$800
 - i. Bertolt paid this invoice and we will continue with their service.
- c. Brown County Water and WFHB Antenna - \$4,451.33 Cost
 - i. Jerry reports that Jeff Morris is looking into it and is confident in his focus and we'll have updates on this later.
- d. Resolution to change fiscal year-end to September 30
 - i. The CPB needs to have a formal, one-page resolution on this and the board votes formally on the resolution. Jerry Stern moves to move our year-end fiscal year date to September 30th, Kelly Wherley seconds (structure of motion based on CPB requirements). Motion passes. Jerry will send this to the CPB.
- e. Bookkeeping and cash projection needs
 - i. New December 1st rule: Time-and-a-half overtime pay for staff:
http://www.nytimes.com/2016/05/18/business/white-house-increases-overtime-eligibility-by-millions.html?smid=nytcore-ipad-share&smprod=nytcore-ipad&_r=0 Pushed for later discussion, though these new overtime rules will affect the station going forward and we will need to comply (letters of terms for employment, for example).

- f. Website – Names and e-mail addresses of all committees and committee members (with chairs identified)
 - i. Bertolt doesn't think we need the e-mail addresses, but we do need the names of committee members and we need to ensure the calendar reflects the actual schedule for the committee meetings (especially for board committee meetings). We discussed the requirements for publication of ad hoc committee meetings and we need to answer this question. Bertolt can update the website so committees need to simply tell him when they're meeting and he can change it.
- g. Annual Meeting After-Party
 - i. Joe Estivill offered the Player's Pub as a venue for the Annual Meeting after party which would be a pitch-in. Kelly Wherley will let the membership know that this is where the after party is happening.
- h. Board nominees – three (no longer four) for three slots
 - i. Hondo Thompson sent an e-mail today indicating he's decided not to run for the board of directors this year. Kelly Wherley will notify the membership.
- i. Underwriting Commissions
 - i. Bertolt brought up the issue that the commission agreement says that a salesperson will receive 20% of the underwriting contract, regardless of the number of times that contract is renewed, whether or not they're involved with the renewals. Bertolt recommends revising the policy to stipulate active involvement in contract renewals be required to continue commission payments after a contract has expired.
- j. Underwriting for Bloomingfoods
 - i. Bertolt got approached by a vendor for Bloomingfoods wondering what WFHB might be able to do to help Bloomingfoods. WFHB is willing to help however able and Bertolt will get back to the vendor indicating that.
- k. Volunteer Background Checks
 - i. We received a promo from the City of Bloomington Volunteer Network and we discussed its merits. Kelly Wherley will speak with the new Volunteer Coordinator (Sarah Hetrick) about what was done in the past for volunteer background checks through the Monroe County government website.
- l. Community Advisory Board
 - i. Tabled for later discussion.

VIII. ADJOURN AND RECONVENE TO CLOSED SESSION

IX. ADJOURNMENT

- a. Sheryl Mitchell moves to adjourn, Louis Malone seconds. Motion passes.
Meeting adjourned at 8:05pm.

X. SUMMARY OF MOTIONS MADE AND PASSED

- a. Louis Malone moves that minutes approval be pushed and done online. (Minutes were late and not enough members had a chance to review.) Sheryl Mitchell seconds. Motion passes.
- b. The CPB needs to have a formal, one-page resolution on this and the board votes formally on the resolution. Jerry Stern moves to move our year-end fiscal year date to September 30th, Kelly Wherley seconds (structure of motion based on CPB requirements). Motion passes.
- c. Sheryl Mitchell moves to adjourn, Louis Malone seconds. Motion passes. Meeting adjourned at 8:05pm.

Upcoming Meeting Dates:

- Monday, June 27th, 2016 (6:00pm)
- Monday, July 25th, 2016 (6:00pm)
- Monday, August 22nd, 2016 (6:00pm)