

**KSPS - PBS**  
**Board of Directors**  
**November 21, 2019**

**Members Present:** Ann Hurst, Roberta Brooke, Nancy Ledebor, Vinnie Alsonso (phone), Adam Munson, Don Anderson, Jeffrey Adams, Linda McDermott, Craig Gracyalny, Marti D'Agostino, Shannon Scheiwiller,

**Members Absent:** Monica Samper, John Heideman, Klay Dyer

**Staff Present:** Gary Stokes, Dawn Bayman, Sandra Kernerman, Judi Frers

**Guests:** Steven Jarvis, Ryan Brown Clifton Larson Allen  
EWU students: Dakota Mullikin, Jacque Loverme, Davian Clavon, Fahad Alassem, Sarah Baxter

**Consent agenda:** Move Ann/ 2nd Roberta passed unanimously

**Audit Review:** evaluation of internal controls making note of deficiencies:

No major deficiency

One significant deficiency: ACH transactions should have more review

Minor: credit card and expense reimbursements should have more review and stages of processing

Invoice approval: some need physical initials and review

Overall the audit experience was well done, proper records were provided, no real issues.

Governance Letter: one adjusting entry related to depreciation leading to a decreased depreciation for the year. Controls put in place. New mandatory accounting standard adopted by the organization.

Changes will be made to address deficiencies internally

We have received an unqualified opinion.

Minor changes to donation restriction accounting, new standards pending in upcoming years.

Thanks to staff especially Darcy for excellent preparation for the audit.

Motion to accept the audit: Don / Jeff passed unanimously as presented.

**Finance:**

- Revenue exceeding expectations, timing issues with expenses leading to a current deficit which is expected to resolve.
- Revised Reserve policy: propose to reduce reserve policy to make the organization more nimble and impact to liquidity status. Discussion of history of reserve fund development. Adjust to 3 months of salary costs for the trailing 12 months, requires \$524K. Also line of

credit requires us to maintain \$500K. Proposal is to change from 3 months of expenses to 3 months of salary. Discussion ensued: nimbleness allows us to fund new positions due to less cash held in reserve. Hold less cash that is not invested. Motion Don / 2nd Jodi: passed unanimously as submitted

- Endowment distribution: \$29,579.58
  - motion to accept all Endowment governance policies as submitted (non-substantive changes): Jodi/Jeff, all policies approved unanimously
  - Please see submitted overview document for Major Gifts.

**Altruist Progress Report:** Donald Summers here November 13, 14. Business plan revised, new draft received 11/21/19. Version 5 will be submitted for further review by KSPS friends/family. Gary will prepare the document for distribution. Will likely lead to expansion of production department to support addition outreach projects.

**GM / Development Updates:**

Gary: PBS payment vs. CPB revenue cash flow difficulties will be helped by changes in reserve policy. Please see report as submitted. Kudos to production department for the many awards NETA award, Emmy award, etc. in the past year.

Dawn: Thanks to Sandra Kernerman for progress in major and planned gifts, endowment growth. Please see submitted Power Point presentation for Giving Overview. Major message, we count on membership to fund the station and we need to increase the diversity of our giving. Discussion/questions.

**Committee Reports:**

Lifelong Learning: no report

Governance Committee: with regard to Board turn-over / terms: the Board is in a position where a significant number of members will term out at the same time. Jeff would like to add one board member to take over an unexpired term (2017-2020). Roberta and Jeff will move into another rotation to even out the transition. Propose that Rosemary Selinger will join the Board, (former KSPS Board member, community activist). We are not adding a Board position, just re-balancing the terms. Selinger, Brooke, Adam will serve a term and be re-voted in next year.

Motion to invite Rosemary Selinger to join the Board: motion Hurst / 2nd Brooke

**Adjourned at 5:59pm**

**Next meeting: January 23, 2020**