

APPROVED MEETING MINUTES

PUGET SOUND PUBLIC RADIO OCTOBER 26, 2017 FINANCE & AUDIT COMMITTEE MEETING 12:00 PM – 1:30 PM

Upon notice duly given, the MEETING of the **FINANCE & AUDIT COMMITTEE** (the “Committee”) of KUOW, Puget Sound Public Radio (PSPR) meeting was held at the offices of KUOW in the Performance Studio B on October 26th at 12:00 PM.

PRESENT: Jon Schorr (Chair), Randy Hodgins, Haeryung Shin, Caryn Mathes and Mark Ashida (SPC Chair)

CONFERENCING IN: Andy McGovern and Steve Hill

ABSENT: Susan Queary and Maryfrances Lignana

GUESTS: Michaela Kay, Sullivan Peterson

ALSO ATTENDING (STAFF): Janice McKenna and Fieta Robinson

I. Meeting Called to Order

Chair Jon Schorr welcomed the Committee members and called the meeting to order at 12:08 PM.

II. Conflict of Interests

There were no conflicts of interests.

III. Approval of Minutes

Mr. Schorr called for the approval of the minutes of the Joint Committee meeting with SPC on June 12, 2017. Mr. Hodgins motioned and Mr. Hill seconded; with no objections the Committee approved the minutes as presented.

IV. FY17 Audited Financial Report

Michaela Kay, from Peterson Sullivan, presented the results from the FY17 financial statement audit. The auditors gave an unmodified opinion on the financial statements, and found no deficiencies in internal controls. In addition, Michaela discussed certain financial ratios and metrics and new accounting standards that will affect KUOW in coming years.

V. Statement of Investment Policy

A revised redraft of the Investment Statement Policy was provided to the Committee for review and discussion. Mr. Schorr gave an overview of the redlined changes made to the policy based on feedback from the Executive Committee. Members discussed the benefits for streamlining the policy and the possible implications for renaming the endowment fund. Mr. Schorr moved to table the discussion until the next Finance and Audit Committee meeting; the committee agreed. A second revised redraft will be presented at such time.

VI. Adjournment

There being no further business, Mr. Schorr adjourned the Finance & Audit Committee meeting at 1:28 PM.

Respectfully Submitted by
Jon Schorr, Chair
Fieta Robinson, Board Liaison

APPROVED MEETING MINUTES

PUGET SOUND PUBLIC RADIO

OCTOBER 26, 2017

FINANCE & AUDIT COMMITTEE MEETING

12:00 PM – 1:30 PM

ACTION ITEMS

1. Management to present Ad Campaign Plan at next Board Meeting.
2. Management to research pros and cons for contract workers vs. hired staff.

APPROVED MEETING MINUTES

PUGET SOUND PUBLIC RADIO

JANUARY 30, 2018

FINANCE & AUDIT COMMITTEE MEETING

12:00 PM – 1:30 PM

Upon notice duly given, the MEETING of the **FINANCE & AUDIT COMMITTEE** (the “Committee”) of KUOW, Puget Sound Public Radio (PSPR) Board was held at the offices of KUOW in the Performance Studio B on January 30, 2018 at 12:00 PM.

PRESENT: Jon Schorr (Co-Chair), Haeryung Shin, Steve Hill, Filiz Efe McKinney, Christopher Jay and Caryn Mathes

CONFERENCING IN: Susan Sigl (Co-Chair), Cameron Hewes

ABSENT: Randy Hodgins

GUESTS: John Patnaude, Bernstein Investments

ALSO ATTENDING (STAFF): Janice McKenna and Fieta Robinson

I. Meeting Called to Order

Chair Jon Schorr welcomed the Committee members and called the meeting to order at 12:04 PM.

II. Conflict of Interests

There were no conflicts of interests.

III. Approval of Minutes

Mr. Schorr called for the approval of the minutes of the October 26, 2018 committee meeting. Mr. Jay motioned and Ms. McKinney seconded; with no objections the Committee approved the minutes as presented.

IV. 2017 Year End Review of Investments

John Patnaude gave a brief re-introduction of Bernstein Investments for the benefit of the new members and provided a history of the relationship and changes that have occurred since inception.

Mr. Patnaude offered his view on the capital markets and then reviewed 2017 performance for each account. His firm has recommended an increase in international stocks and outlined their plan to reduce US stocks from 70% to 60% with that 10% going into the international and emerging markets. He is working with Mr. Schorr to further discuss their plan and to incorporate it in the revised Investment Policy Statement (“IPS”).

V. Investment Policy Statement

A revised redraft of the Investment Statement Policy was provided to the Committee for review and discussion. Mr. Schorr gave a brief history and explanation of the changes made to the policy. Members discussed the benefits for streamlining the policy and the possible implications for renaming the endowment fund. Mr. Schorr will work with Mr. Patnaude to further discuss Bernstein’s recommendations and to finalize the revised IPS. The revised IPS will be routed to members for review and comments; then presented to the Board for approval.

APPROVED MEETING MINUTES

PUGET SOUND PUBLIC RADIO

JANUARY 30, 2018

FINANCE & AUDIT COMMITTEE MEETING

12:00 PM – 1:30 PM

Cash Reserves Policy

Ms. McKenna gave a brief history on the past cash reserves practice for cash account. She reminded members that the Board requested management have three months operating reserves. There was discussion on the guidelines/plan for transferring cash to investment accounts. Management will provide the committee with an update plan for review.

VI. Endowment Policy

The committee discussed the various investment pools, cash flow practices and purpose. Mr. Schorr explained that the revised IPS will include a section that addresses the endowment account. The committee will redraft the rules for donor restricted funds. Members agreed that a separate document be created to address donor related inquiries regarding the board designate endowment purpose.

Mr. Schorr informed new members that the Board agreed to a practice of approving a % drawn from the endowment account when approving the fiscal year budget.

VII. 2018 Finance & Audit Work plan and Charter

Members reviewed the 2018 work plan and charter. Mr. Schorr discussed that next steps for accomplishing upcoming tasks and the establishment of an investment subcommittee. He suggested that investment subcommittee have at least four members with expertise in managing investment funds and that it be chaired by Ms. Sigl. Mr. Schorr requested a motion to propose the creation of the Investment Subcommittee for approval by the Board at the next meeting. Mr. Jay motioned and Ms. McKinney seconded; there were no objections.

VIII. Adjournment

There being no further business, Mr. Schorr adjourned the Finance & Audit Committee meeting at 1:33 PM.

Respectfully Submitted by
Jon Schorr, Chair
Fieta Robinson, Board Liaison

APPROVED MEETING MINUTES

PUGET SOUND PUBLIC RADIO

February 22, 2018

FINANCE & AUDIT COMMITTEE TELECONFERENCE

11:00 AM – 12:00 PM

Upon notice duly given, the TELECONFERENCE MEETING of the **FINANCE & AUDIT COMMITTEE** (the “Committee”) of KUOW, Puget Sound Public Radio (PSPR) Board was held on February 22, 2018 at 11:00 AM.

CONFERENCING IN: Susan Sigl (Co-Chair), Jon Schorr (Co-Chair), Cameron Hewes, and Christopher Jay

EXCUSED: Randy Hodgins, Haeryung Shin, Steve Hill, and Filiz Efe McKinney

ALSO ATTENDING (STAFF): Caryn Mathes, Janice McKenna and Fieta Robinson

I. Finance & Audit Investment Subcommittee (“FISC”)

A subgroup of the Finance Committee was asked to convene a meeting via teleconference to discuss a charter for the proposed Investment Subcommittee. Members were asked to review the updated redline drafted version of the Investment Statement Policy for final review by the Executive Committee on February 28, 2018 before going to the full Board for approval.

II. Meeting Called to Order

Co-Chair Susan Sigl welcomed the Committee members and called the meeting to order at 11:03 AM. She reviewed the purpose for the meeting.

III. Investment Policy Statement (“IPS”) Review

An updated draft of the Investment Statement Policy was provided to the Committee and Management for review and discussion. Management expressed their concerns with the language regarding cash flow for the operating account and the objective for the short term reserve pool. The Committee discussed the current process for operating funds and structure for liquidating short term reserves when necessary. Mr. Schorr will review the investment categories and refine the language to provide more clarity. The committee agreed to make some minor adjustments to the language in the IPS and route to the Executive Committee for review.

IV. Investment Manager Review

The Committee discussed the Investment Manager’s recommendation regarding U.S Stock vs Emerging Markets Allocations from 70% to 60% U.S. stocks with 10% difference going to emerging markets. Mr. Schorr motioned for approval; with no objections, the Committee approved the allocation change. Mr. Schorr will reach out to Manager to make the change immediately.

Purposed Finance & Audit Investment Subcommittee Charter

Members discussed and reviewed the FISC Charter. With no objections, the Committee approved the charter for the Investment Subcommittee; it will be presented to the full board for discussion and approval at the next meeting.

V. Adjournment

There being no further business, Ms. Sigl adjourned the Finance & Audit Committee meeting at 12:09 PM.

Respectfully Submitted by
Susan Sigl, Co- Chair
Fieta Robinson, Board Liaison

APPROVED MEETING MINUTES

PUGET SOUND PUBLIC RADIO

April 17, 2018

FINANCE & AUDIT COMMITTEE TELECONFERENCE

12:00 PM – 1:30 PM

Upon notice duly given, the MEETING of the **FINANCE & AUDIT COMMITTEE** (the “Committee”) of KUOW, Puget Sound Public Radio (PSPR) Board was held on April 17, 2018 at 11:00 AM at the KUOW Office.

Attended: Susan Sigl (Co-Chair), Jon Schorr (Co-Chair), Randy Hodgins, Cameron Hewes, Haeryung Shin, Steve Hill, Filiz Efe McKinney and Christopher Jay

ALSO ATTENDING (STAFF): Caryn Mathes, Stewart Meyer, Dana Faust, Karyn Andriesen and Fieta Robinson

I. Meeting Called to Order

Co-Chair Jon Schorr welcomed the Committee members and called the meeting to order at 12:03 PM. There was a short introduction of personnel and members. He reviewed the purpose for the meeting.

II. Conflict of Interests

There were no conflicts of interests.

III. Approval of Minutes

Mr. Schorr called for the approval of the minutes of the January 30, 2018 and February 22, 2018 committee meetings. Mr. Jay motioned and Ms. McKinney seconded; with no objections the Committee approved the minutes as presented.

IV. Management Revenue Predictions and Landscape

KUOW management discussed strategies for increasing station revenue and key factors driving revenue predictions in the FY 19 Budget. They shared details of the dynamics of projecting individual donor behavior, the potential for major gifts and grants and the landscape for business revenue.

Ms. Andriesen and Ms. Faust shared history on the giving/support behavior of traditional audience. When audience increases and ratings go up business support has an increased underwriting contracts and diversity of business categories and it allows for higher rates. They also discussed how long it takes to convert a listener to a donor. On average 11% of our broadcast audience converts to new members. If a new member is a multi-year giver for 3 years, they are likely to remain with KUOW.

Mr. Meyer spoke about marketing initiatives - the Ad Campaign and digital plan for reaching audiences in different ways and methods for deepening the conversation and strengthening relationships. He also shared information on the upcoming email campaign to further integrate KUOW into our audience's daily habits as a partner who helps keep them informed and gets them ready for their day; working closely with Development and Business support to invest in more digital channels and suggesting ways to strengthen messaging to KUOW membership/contributors. The five marketing initiatives for planned for FY19 (Audience Insights, Digital Marketing, Events, Partnerships, Brand Awareness & Communications) are designed to fill the funnel with prospects and move them down the funnel by deepening our engagement with them via email, events, social media, etc. to increase KUOW's likelihood of converting our prospects to members.

Members gave feedback on new revenue approaches, packaged initiatives and sponsorship opportunities. Management discussed cost-efficiencies for a digital first approach in Business and

APPROVED MEETING MINUTES

PUGET SOUND PUBLIC RADIO

April 17, 2018

FINANCE & AUDIT COMMITTEE TELECONFERENCE

12:00 PM – 1:30 PM

Individual Support. There was discussion about key indicators and metrics for email campaigns and relationship building. Management will reach out to the Committee for their suggestions.

V. Adjournment

There being no further business, Mr. Schorr adjourned the Finance & Audit Committee meeting at 1:33 PM.

Respectfully Submitted by
Jon Schorr, Co- Chair
Fieta Robinson, Board Liaison