

Finance
December 15, 2009

Attending: Erin, Arthur, Bob, Paula, Debbie, Nia, Mel, Anthony

Absent: Steve, Rolf

Visiting: Alicia Olsen

- 1) Check in.
- 2) Minutes: November minutes approved by acclaim with one change from Mel.
- 3) Action Items: October/November action items reviewed. See “pending” below.
- 4) Alternative Banking: Discussion of Sean’s alternative banking presentation. They don’t have a bank yet, so we’re not taking any organization at this time.
- 5) Strategic Planning:
 - a) Anthony is on the board at Willamette Valley Development Officers’ Association (WVDO), a membership organization. It’s been all volunteer, but it tripled in size. At the end of 2008, they sent out an RFP for strategic planning. They received about 15 responses. They picked the Canoe Group for their consultants. This was a brand new firm that no one on their steering committee was familiar with them. They were the only group that really offered answers to the questions and also didn’t fit WVDO into their pre-made model. Canoe got to know the organization before making the plan. Marta and Michael are from nonprofit arts organizations and had a lot of consulting experience. It was a ten-month process. Everything was on the table, even the organization’s name. The board was very involved; it’s primarily a board-run organization. They surveyed internal and external stakeholders: members, similar organizations, non-member organizations to find out why they weren’t members. It was data driven, but they also walked the organization through the process so that they could make their own strategic plan. They worked through the emotional components of change, navigated heated conversations. They’ve helped with implementation. They changed their board structure to make it less siloed. They were able to understand how they benefit members, how to communicate that, what program changes to make, who else is doing this work and what are our gaps. They work with large groups with lots of differing opinions and they do market research. We had budgeted \$100,000 for the grant application for planning and marketing. WVDO spent about \$50,000. Anthony recommended doing decision making and organizational structure first. Arthur discussed the need for understanding our listeners and marketing as soon as we can, but we also need clarity on staff and board roles and participation so we don’t spend the money without results. It took about 75% of the WVDO’s board’s time over a year. There was a concern of our organizational capacity and willingness to change but also concern about our budget deficits. Anthony recommends having them do an initial assessment and have them propose a timeline and steps. Discussion of not being ready for whole process now, but needing to do foundational work. Discussion of open bidding process. Anthony had recommended Canoe because he’s worked with other consultants.

- Discussed the need for commitment, deadlines and followthrough. We applied for Meyer grant to do a project like this, but we didn't get the grant. This was board approved. However, we still have items like marketing and strategic planning that need to be done. Finance recommends bringing Canoe group in to speak with a group of board and staff. **Erin** will bring to December board meeting. **Arthur** will let staff know Finance is working on it. **Anthony** will bring more documentation of the WVDO RFP process.
- 6) November Financials: Review of good news/bad news and financial statements. **Debbie** will see how the GSB charges for the EEO report this year compared to last year. **Debbie and Anthony** will revisit our banking costs. Underwriting & Advertising commission were moved off of the contra-income line and into salaries because we weren't getting an accurate picture of costs. The CPA's recommended to move it if we weren't getting good info because it will now make reconciliations. **Debbie** will do an mid-year and end-of-year analysis and presentation for Underwriting, Membership and Development. Salaries is running under due to commissions being included and being under budget. Premiums looks high, but it's actually on track due to the large t-shirt purchase. The training expense was Sun's development training that starts in January. We'll see \$4,300 from OCF in December. Anthony asked if we're getting a higher return on endowment versus bank accounts; in that case we may want to cancel distributions and take money out of the bank accounts instead; **Debbie** will research. **Debbie** will check with John to see if we've tracked all the server expenses. Arthur is meeting with Radio Korea tomorrow.
 - 7) Credit card security: PCI-DSS compliance. We installed the scanning program and filled out the profile, but there is a long questionnaire that we haven't completed, so we got a notice of noncompliance. We have to write a security policy. **Debbie and Arthur** will develop a security policy and Debbie will complete the questionnaire with input from Zale. Anthony said they're looking to see if the data is protected, what happens to it when its finished, who has access at each step, how long do we keep data. Anthony said it's critical to get this done ASAP because having a problem will have serious consequences. **Debbie** will talk to them on the phone again to find out the timeline. She took the webinar a month ago.
 - 8) TABLE Historical expenses: Tabled to give Debbie more time to prep.
 - 9) TABLE Membership Analysis: **Arthur and Debbie** will get from **Andrew** in January.
 - 10) Membership Dues policy: Presented background and propose policy. Discussion on whether \$20 is too low, perception of low price diminishing value. **Arthur** will ask Andrew. How many members and new members do we get at \$20, and do they upgrade over time? Would we lose new members if we increased? Finance would like board to examine basic and low income numbers as being potentially too low after 20 years. Finance Committee supports the policy with feedback to the board that the rates may be too low. Passed by consensus.
 - 11) Policy 15-ownership and distribution: Presented background and propose policy. Finance committee supports policy by consensus.
 - 12) RACC Grant: Former volunteer Ryan White approached us about doing an opportunity grant with RACC. This means that we wouldn't be able to do an

opportunity grant for two years, but after speaking with them, it appears highly unlikely that we would qualify during that period for an opportunity grant. We can still do project grants. Committee discussed that this is a good opportunity for publicity and developing relationship with RACC. Also good for Youth Coordinator position. More next month.

- 13) Development committee: Request for development list of upcoming events. Paula has been to two Development Committee meetings. Development is doing a lot of activities. Big 100 Art Sale, DJ benefit tomorrow night at the Report for \$5 donation, Square Dance is Saturday, January 30th at Mt Tabor Theater. Only cost is \$100 for sound person, we may also offer square dance ticket premiums on the drive, Bob McChesney and John Nichols major-donor event on January 20th, Blazer game April 12th—we get \$5 per ticket that we sell. We commit \$200 to tickets. If we sell 50 tickets, we can offer a special item like after-game free throws. We also get a table near the front door. Raffle application is being submitted. Grand prize \$2,500 vacation, second airfare to b&b in Mexico, and third prize is New Seasons gift cert--\$25 tix. A restaurant night is also being considered for a benefit.
- 14) TABLE Alternative currency
- 15) Next Finance meeting is January 19th.
- 16) Pending: Paula posting minutes and financials to web, Debbie will do historical analysis, Mel is working on a KPFA finance analysis.