

1. CALL TO ORDER at 6:00 p.m. by the Board of Directors' President, David McWilliams, at the NW Access Television Studio, 4 Academy Drive, St. Albans. Present for the board were Rick Tatro, Vice-President, Mrs. Marilyn Grunewald, a director returning for her second term and Ms. Elizabeth Malone, Executive Director. Absent were Bill Walker, Lori Jordan, Gregg Gervais, Joey Russo, Larry Dugan, and Jack Bergeron.

2. **Financial Manual** (attached)

The chair advised that Mrs. Grunewald had put this document together along with help from Ms. Malone. "We'll hear your presentation, he told Mrs. Grunewald, and then go through section-by- section." Ms Malone-"And perhaps hear a little history?"

Mrs Grunewald-"Basically, when I came in here, one of the things that I had time to do was look at policies and bylaws and various things with another set of eyes and put some things together for you. This is one of the things you see before you.. The other thing down the road is obviously your bylaws and pulling out some of the policies that don't belong in your bylaws and correcting it in terms of procedures etc. The important thing with a document like this, and why it's important to have it, is that when we look at any organization or when you think that you're in trouble, the very first thing anybody does is follow their policies. If you're following board policies and board procedures, you're pretty much okay. That's why on the other end it's really important to get this right. I actually took a document that Caring Communities had and adapted it to what I thought our needs were. Then Elizabeth took it and she made changes based on practice. This needs to not only reflect your practice now but it's what you as a board and your Executive Director - and I guess I'm back on the board - feel is the most appropriate. So that's where this whole thing came from."

Mr Tatro-"Would you say, Marilyn, that this is kind of a marriage with the Employees' Handbook?" Mrs Grunewald-"No. It's totally separate. Those are all separate things. What you really need - and you've got policy and you've got procedure - but this particular document is a combination of policy and procedure. Sometimes you just have an Employee Handbook and that 's your policy Then you have procedures separately. I don't think it's necessary in this organization to do it that way. I think they can be intertwined. So this is really intertwined. This was my best first shot at it. Then Elizabeth took it and made it more aligned with some of the things that seemed like better procedures to use as she got into the job. We kind of thought maybe we should go through section- by- section and not make a presentation but have you ask questions or suggest any concerns to us."

Ms Malone-" Section 1, starts with just the description of the organization. There's nothing new. There are the mission statement and whatever bylaws and the values and goals that are right out of what we came up with when we worked together in October. Are there any thought on that?" Mr Tatro-"No, but on our 5-year goals, I can't

remember about the hiring of a Community Outreach Coordinator." Ms Malone-"Yes. that was one of the goals that's kind of been in limbo." Mr Tatro summed up the sequence of events of hiring within the organization over the past year, pointing to the fact that hiring a full-timer after the death of Paul Legassey had been a Godsend. He added, "But I'm not really sure what this Outreach Coordinator is going to do."

Ms Malone responded that the idea had been it would be a self-funded thing. She explained they had discussed the usefulness of having someone able to write grants and to work on projects. Mrs Grunewald-"Right The idea of fund-raising came out of that discussion." Mr Tatro questioned the wisdom of an Outreach Coordinator pursuing sponsors in this economy. Ms Monroe agreed, saying their emphasis had been mainly on acquiring grants. She said, "Maybe I should be more specific." Chair-"Make it a "grant writer". Mrs Grunewald-"Yes." Mr Tatro made the point that the proposed hiring of an Outreach Coordinator had kind of scared him because he thought they were maxed out at 3 full-time employees. Ms Malone-"Yes. Maybe if we could put something more specific in because it was truly one of the goals that we came up that night." Mrs Grunewald-" Right. I think a good thing to do is maybe, at the next board meeting, pull out that information because there was more than just hiring a Community Outreach Coordinator. There was some detail to that and I can't remember it." Mr Tatro-"I can't either. Just reading this, it was so vague and generic to me and of course I saw dollar signs." Mrs Grunewald-"Yes. I extrapolated that from the goals and I can't remember the conversation." Ms Malone-"What if I just tossed in the words to hire a "Grant -funded" Community Outreach Coordinator?" Mr Tatro-"That would be better." Ms Malone-"That's a huge contingency." Mr Tatro-" Right. I'll go on record - as far as the sponsorship stuff, it's just not going to fly. TV and radio can't get enough advertisers right now, and to get a 15- second spot on a one -hour show, it's just not going to happen."

Ms Malone-"So are you comfortable with "Grant-funded" Community Outreach Coordinator if I toss that word in there?" Mrs. Grunewald-"I don't think you should do anything with that right now until we pull up all the information." Mr Tatro-"As long as you're not specifying, which you're not, that it's going to be a full-time position." Ms Malone-"I remember this specifically - that it was my group that came up with that. It was going to be self- funded. That was always our thinking on that." Mr Tatro threw in the example of hiring a person at \$30,000 a year to set up sponsorships, which person might come up with sponsorship for the year in the amount of \$2,000. Ms Malone-"Yes but Community outreach is a lot more than getting sponsorships." Mrs. Grunewald-"That's what I was going to say."

Mr. Tatro recalled a public meeting in the recent past in which they had invited a live audience to come up with ideas for new programming for the station. He noted that the Executive Director had been able to gather a number of good ideas from the public on that occasion. He said, "We can do that every day of the year - but unless we act on those ideas, nothing happens." He suggested that a Program Director could take the top 5 or 10 ideas that caught everyone's attention and pursue them. Mrs. Grunewald-"That's

a good job for the Program Director." Ms Malone-"Well done. Anything else on this section? Section 2 is basically the entire rest of the manual."

The Chair said he had discussed with Ms Malone the question of including the following statement: "To improve picture quality through the installation of fiber optics and other technology available to fulfill the Northwest Public Access goals..." (He paused to relate the cost of installing such wiring currently as being in the neighborhood of \$15,000.) He added that the foregoing statement had to be included in there in the event they ever moved to another location where they would be installing fiber optics. Mr. Tatro said he had read that line about fiber optics. He said, "How much is this for show and how much is reality? We've talked about this many times over the years. So why not do it now? What are we waiting for?" Ms Malone explained it was an ongoing goal such as their goal of improving picture quality. " She told Mr Tatro, "I believe we tabled it until after the new principal gets started. That's what we discussed; so perhaps until next fall."

Mrs. Grunewald explained that whenever they put their goals together, like at the end of the year, they talked about it. She said that was a good time to ask , "Have we reached that goal? If not, why not? Is that goal still important? You asked, Rick how much of this is for show and how much is real. None of these goals is carved in stone. This is what your vision is. This is what you're reaching for. I think that's how you need to look at those." Mr Tatro-Okay." Chair-"Any more question on Page 3?" Ms Malone said that page 3 started Section 2, which was the body of the manual, and the introduction stated the purposes for it. Page 4, she said, is General Practices and Internal Controls, etc. "I wanted to be sure that everything that's on the paper is what we actually do," she said. Mrs Grunewald- It also gives you a place to start from if your Executive Director of the Board feels changes need to be made. You have something to work from."

Ms Malone -"Starting at the bottom of page 5, you're getting into the nuts and bolts of what the information is that you want to change. Then we have the big charts of Responsibilities for Delegation of Authority. That's on page 6. Section 3. She inquired of the board if the chart make sense. Chair-"It gives better guidelines for us." Ms Malone noted that recommendations went to the Board of Directors who had final approval. Moving on she said the Treasurer in reality was not currently particularly active. She qualified that by saying that there was pretty much nothing the treasurer was doing that the president was not seconding. "Questions?" (None) Under Section 3 - Ms. Malone said the Chart of Accounts was not attached as of this time and would be modified this month. Chair-"Page 8.

Section 4 - Budgeting. Ms Malone said, "Again, this is what happens already. I worked with the staff to create a budget, which goes to the president first and then the full board for approval. That budget process continues on through page 9. Mrs. Grunewald-" To be consistent, under Budget Approval on page 9, it should read that the final budget package will be submitted to the full board for approval. That keeps the language consistent." Ms Malone-"Any other thoughts on the budget section?"

Ms Malone-"Next is Cash Investment Management on page 10. This is like, as Marilyn said, the good marriage of practice and it truly is what we currently practice with reconciling accounts." Mrs. Grunewald- "Yes. And it protects your employees and the board from fraud. That's a big piece of the stock image." Ms Malone- "After Cash Management, or after Banking Reconciliation, we have Asset Management, which starts on page 11. That is really not for us because we don't practice depreciation. We use a cash- basis accounting system as opposed to the more traditional accrual basis. It's much easier to use a cash-basis accounting. She said that was the reason why in this section they were far off on the numbers. "We pulled out the accrual-based language."

Chair-"One of the things I talked about with Elizabeth was about cables and wires where we don't need bar codes. I asked her if in the case of a lot of our equipment were we being kept up to date and she said yes. Bar codes give you major peace-of- mind." Ms Malone-"Yes. I just feel so much more peace-of-mind when the inventory is done and accurate." The discussion continued on the topic of bar codes.

Ms Malone noted under Purchasing that they pretty much observed traditional practices for any business organization. Mr. Tatro inquired if this document included anything on the subject of purchases and obtaining competitive bids. Ms. Malone replied that there was no such language included but she would remedy that. Mrs. Grunewald recalled having seen verbiage on competitive bidding. Chair-"Yes, on page 12. Ms Malone - "Yes. Under Purchases, Section 3, under Capital Equipment." It was noted that there was a reference to obtaining 3 bids when the amount in question was \$2500 or more. Mrs. Grunewald-"That statement should be in there. " This discussion led to the decision that there should be a separate section on the topic of bidding practices. Ms Malone said she would look for some traditional bidding language. She told the board, "That has been our practice, just so you know. I always get bids typically for cameras."

Ms Malone-Accounts Receivable. She reminded the board of the studio's practice of not receiving cash from credit cards at this time. "It's all just through checkbook cash." Chair-"I forgot to ask you about this one. On page 14, Line "D" - Funds Received, "Funds must be placed in an envelope and sealed." Ms Malone- "That would be cash receipts. On-site receipts would be if we had some sort of an event like Field Day where we're selling T-Shirts, and, yes, we should be following that policy. She said staff members would be expected to use a cashbox and envelopes. She pointed out that on-site receipts were among the few things they hadn't done yet but they appeared to be good guidelines in case they ever practiced it. Mr Tatro referred to page 13, #2, Letter, "A". "Backtracking, he said, Why would a personnel credit cards ever come in to play here? Do you not have the company credit card?" Ms Malone-"Yes. I have. I was talking about this with David. My only thought is what's the difference between reimbursing somebody for using their credit card as opposed to using their own cash, as long as they have a receipt."

Mrs. Grunewald-"Right. The question I had here about Special Pre-approval It probably should say, "...by the Executive Director." That was missing there." Ms. Malone-"Okay." Chair-"That would sound better, if you're okay with it because if you start it, someone will run with it and another one will run with it. So I'd feel more comfortable." Ms Malone-"Yes. When David brought this up it made me realize there isn't anything here about the company credit card. That has to be in here as well - about practices with the company credit card. I'll write that up. We're already limited by the spending cap anyway. It has to be approved by the president. Are we all set with Cash Receipts?" (No further questions)

Ms. Malone-"Accounts Payable - Disbursements This is just about paying bills." Mr Tatro-"Are you paying the bills?" Ms. Malone-"Yes." Mr Tatro-" Jack Bergeron used to do that, right?" Ms Malone-"Yes. I think that's part of having 3 full-time people. I think it's kind of only right that my job be different than it was." Mr Tatro-"Absolutely..."

Ms Malone-"Processing Vendor Invoices. I think this is just common sense. I think This is what we all do with our own household bills, I think."

Ms Malone-"Any questions under Travel Expenses?" The Chair familiarized the board with the practice of submitting mileage expense if they are traveling to a destination having to do with business of the board. Checks: The checks are all done by Quick Book; the same accounting, budgeting and software. These are almost all signed by the President and occasionally by the Treasurer." The Chair, directing them to page 16, offered the thought that they should change the present policy of checks in the amount of \$1000 which required two signatures. Ms. Malone and Mrs. Grunewald agreed. They settled on changing said amount to \$2500 or above to require two signatures- one reason being that it was in concert with their 3-bid policy figure of \$2500. The chair noted that Executive Committee members could sign. Manual Checks-Ms Malone-"David and I were just talking. I think we had only one manual check all of last year. It's not something that happens regularly. Any questions? I'm up to page 17. We're still dealing with the payment- -of- bills." Chair-"I'm looking to my Vice-President who does accounting all the time. I want to make sure he doesn't let anything get by him." Mr Tatro reassured him that things looked pretty good.

Ms Malone-"Section 12. Payroll. No changes were noted. Mr Tatro-"We've been with these folks for a year now?" Ms Malone said it had been just shy of a year. Mr Tatro-"You're happy with them?" The answer was yes. Mr. Tatro asked for a ballpark figure of what their organization was paying for this payroll service per year. Ms Malone said it was about \$35 per payroll. Mr Tatro-"That's every other week?" Ms. Malone-"Yes, plus maybe \$200 a year for a processing fee." Mr Tatro calculated they were paying less than \$5000 a year. Satisfaction with the payroll people was resounding. Ms Malone reminded them that as an access TV station in receipt of public funds they had to be well organized. Mr Tatro inquired if a copy of this document would be sent to Comcast. Chair-"We'll keep it on record." Ms Malone said any policies that the directors created this year, she would place in the annual report

in there." Chair-"A lot of directors don't know we've got a million dollar rider." Mrs Grunewald-"It's basically a procedure. It could be separate. It says it will consider the various types of insurance so it's part of your money outlay. That's why I put it in."

Mr Tatro-"Question for both you gals. Are we double-dipping on insurance?" Mrs Grunewald-"But not on your equipment and not on anything you had in there." Mr Tatro-" Just say there was a fire in the studio and it got gutted. My first thought, and tell me if I'm wrong, but this is BFA's building. It would be BFA's liability if there were a fire." Chair-"Tenant's insurance is what we need." Mr Tatro-"Okay. But as far as the building itself?" Ms. Malone-"The problem is, as far as I know, there's no written agreement that keeps us in here." Mr Tatro-"Nor do you want to ask." Ms. Malone-"Right. So I think when push came to shove, for insurance purposes, if we don't have the paperwork to say, "Look. We're here, too. We want money for our equipment." They might look at us and say, "You weren't even in the building so far as this goes." Mrs. Grunewald-"Right. We're not double- dipping." Ms. Malone said the amounts for the comprehensive liability, damage and the directors and officers, was less than \$7,000 a year. Chair-"The biggest one is on liability on the board and the directors."

Matching and Cost-Sharing: Ms Malone-"This is again one of the pieces we'd be more likely to use if we had to deal with grants. Again, we're not dealing with it right now but if we do in the future, these would serve as guidelines for doing that. That's continued on page 27." Chair-" Page27. That's our Record Retention and the number of years it should be retained. That's all our documentation." Mrs. Grunewald advised that this was just general, normal information for any organization and probably something that was created or came from Vermont State information. It was her assumption that the City used the same thing.

Ms. Malone noted they had come to the last page - the Conflict of Interest. Mrs Grunewald-"This is also, I believe, in a little different format in your bylaws." Ms. Malone agreed and said that it appeared there in a very short version. Mrs Grunewald-"We may decide that we want to take all the policies and have a policy book and not have something like this sitting in a financial handbook - or we may decide we want to keep it here." The Chair said they had reviewed the bylaws about 2 years ago. Mr Tatro-"Are you suggesting that we relook at the bylaws and handbook?" Mrs Grunewald-" Absolutely," Ms. Malone-"That's on this year's schedule." Mr Tatro-"Is that normal, David, to look at it every other year?" Chair-"You can look at it any time but we haven't done it for 2 years. It's time to update it." Ms Malone said this was their big policy year." Mrs Grunewald said she thought that typically bylaws were reviewed every 4 or 5 years but when she had come in and worked for the station for a short time, she had found things that she personally felt needed to be changed and that they were missing a lot of policies. She said a review every other year was fine but, as David says, you should always be looking at them." Mr Tatro-"Is is scheduled for this fall?" Ms. Malone -"It's down for July or August." Mr Tatro suggested that they tackle it before the good weather hit, adding that it probably wouldn't be a marathon session this time. Ms Malone-"No. It's the same kind of thing as we're doing now. I'll come to you with something prepared and you make changes that you like as opposed to

starting. The meeting continued in the same vein with a discussion of in-house matters. The Chair invited a motion to adjourn the meeting.

Adjournment

Mr. Tatro moved to adjourn the meeting at 6:50 p.m. Mrs. Grunewald seconded. Hearing no discussion, the chair called for a vote. (All in favor. None opposed)

MOTION CARRIES

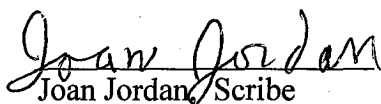
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