

**APPROVED MINUTES
KUOW/PUGET SOUND PUBLIC RADIO
Finance/Audit Committee Meeting
October 27, 2016
Bader Martin
1000 2nd Ave, #3400
Seattle, WA
2:00-4:00 p.m.**

Upon notice duly given, a regular meeting of the Finance/Audit Committee (the “**Committee**”) of KUOW/Puget Sound Public Radio (“**KUOW**”) was held on October 27, 2016.

The following directors attended the meeting: Jon Schorr (Chair), Judy Endejan, Maryfrances Lignana, Steve Hill, Susan Queary and Haeryung Shin.

Absent: Caryn Mathes

Also in attendance were the following members of station staff: Janice McKenna and Fieta Robinson.

Guests included: Ray Holmdahl, Partner, Peterson Sullivan and Michaela Kay, Senior Manager, Peterson Sullivan

CALL TO ORDER

Jon presided over the meeting and called the meeting to order at 2:05 p.m.

APPROVAL OF MINUTES

Jon presented the draft minutes of the June 16th meeting of the Committee for approval. On motion duly made and seconded, the Committee voted on and approved the minutes.

PUBLIC COMMENTS

No public attendees

FIRST ITEM

Jon invited Ray Holmdahl to present audit findings. Peterson Sullivan presentation attached. Auditors delivered an unmodified (clean) opinion with no management letter comments.

SECOND ITEM

Discussion ensued regarding our Endowment payout policy, and Bernstein’s fee structure.

Meeting adjourned at 4PM.

Respectfully submitted,

Janice McKenna
Approved on 02.07.17

APPROVED MEETING MINUTES

KUOW Puget Sound Public Radio

FINANCE & AUDIT COMMITTEE

February 7, 2017 MEETING

2:00 p.m. - 3:30 p.m.

Upon notice duly given, the **FINANCE & AUDIT COMMITTEE** (the "Committee") of KUOW, Puget Sound Public Radio (PSPR) meeting was held at on February 7, 2017 at 2:00 PM

PRESENT: Jon Schorr (Chair), Steve Hill, Haeryung Shin (Board Chair) and Caryn Mathes (President & GM)

CONFERENCING IN: Andy McGovern and Maryfrances Lignana

ABSENT: Susan Queary and Randy Hodgins

ALSO ATTENDING (STAFF): Janice McKenna and Fieta Robinson (Executive Assistant & Board Liaison)

GUESTS: John Patnaude, Bernstein Private Wealth Management

I. Meeting Called to Order

Chair Jon Schorr welcomed the Committee members and called the meeting to order at 2:05 pm.

II. Conflict of Interests

Steve Hill informed the Committee that he is on the Seattle Foundation Board of Directors Investment Committee.

III. Approval of Minutes

Mr. Schorr called for the approval of the minutes of the October 27, 2016 Finance & Audit Committee Meeting. With no objections, the Committee approved the minutes as presented.

IV. Chair's Report

Mr. Schorr thanked the committee members for their service. He reported that Susan Query has been working on updating the KUOW Endowment Policy. A draft will be available for review and input at the next Committee meeting. The Committee recommends that a final draft is presented for Board approval by the end of this fiscal year.

V. KUOW Investment Management Report

The Committee met with John Patnaude of Bernstein Private Wealth Management for our annual review of KUOW overall asset allocation and accounts. Mr. Patnaude reported that the Long-Term account and the Endowment have the same asset allocation of approximately 25% bonds, 50% in global stocks and the balance in diversifying investments consisting of hedge funds and global REIT's; cash reserve is held in a money market account. The year the long-term and endowment accounts were up 5.4% net of fees and that compared well to the various indexes where global stocks were up 7.9%, bonds up 2.6% and hedge funds slightly negative at -0.2%. Mr. Patnaude reviewed changes affecting in the markets last year and issues likely to arise relating to Trump's proposed policies.

APPROVED MEETING MINUTES

KUOW Puget Sound Public Radio

FINANCE & AUDIT COMMITTEE

February 7, 2017 MEETING

2:00 p.m. - 3:30 p.m.

Mr. Patnaude also discussed the addition of hedge funds and that the allocation had been a detractor due to the timing of the investment but remained confident that the Committee had done the due diligence, and the allocation was important for the long-term objectives of the funds. The Committee informed Mr. Patnaude on spending needs related to the 5yr strategic business plan and potentially drawing from the long-term funds. Mr. Patnaude suggested that the portfolio pull back to a more conservative 50/50 allocation.

After discussion, the Committee approved to adjust the long-term funds to 50/50. Mr. Schorr and Mr. Hill will provide an addendum to the November 5, 2009 KUOW Statement of Investment Policy (“IPS”) to amend the allocation in the asset class to allow for the adjustment in the investment portfolio.

VI. CPA, Audit & Tax Advisor Recommendation

The Committee reviewed the CPA proposal submitted by Peterson Sullivan LLP. Mr. Schorr motioned to approve the KUOW 2017-2020 Peterson Sullivan agreement covering services for next three (fiscal years); Andy McGovern seconded the motion. On motion duly made and seconded, the Committee voted on and approved the agreement as presented.

VII. YTD Financials

The Committee was provided with the Year-to-Date (“YTD”) Financial Statements. Janice McKenna, KUOW Director of Finance and Admin, gave an overview of the statements reporting that YTD revenues are currently 8.9% below budget offset by a 9.6% underspending in expenses. Net from operations is 32.9 % better than budgeted YTD.

VIII. Finance & Audit Committee Purpose Statement & Work Plan

Members were provided with the Committee’s monthly work plan. The Committee’s purpose statement was revised to include its Investment Policy responsibilities. Mr. Schorr will review the draft purpose statement and make recommendations to the Committee at the next meeting.

IX. KUOW Investment Management

Mr. Hill provided the Committee with guidelines on the four roles and responsibilities and examples for managing institutional investment portfolios. Members will evaluate our framework and approach in the overall investment decision making process, roles and responsibilities of the Committee in management of KUOW’s IPS.

X. Other Business

Committee agreed to the start time for the Joint Committee Meeting with SPC on May 11, 2017 @ 8:30 AM.

The members decided to include the following items Agenda to the March 3, 2017 PSPR Board Meeting agenda:

APPROVED MEETING MINUTES

KUOW Puget Sound Public Radio

FINANCE & AUDIT COMMITTEE

February 7, 2017 MEETING

2:00 p.m. - 3:30 p.m.

- 1) Update on Endowment Policy (Steve Hill)
- 2) Bernstein Investment Report Update (Jon Schorr)

XI. Adjournment

There being no further business, Mr. Schorr adjourned the Finance & Audit Committee meeting at 4:02 PM. *The Next Committee meeting* is a joint meeting with the Strategic Planning Committee on Thursday, May 11, 2017.

Respectfully Submitted by
Jon Schorr, Chair
Fieta Robinson, Board Liaison
Approved on 06.15.17

APPROVED MEETING MINUTES

PUGET SOUND PUBLIC RADIO
MAY 11, 2017
JOINT COMMITTEE MEETING
FINANCE & AUDIT AND STRATEGIC PLANNING
8:30 a.m. - 10:30 a.m.

Upon notice duly given, the JOINT MEETING of the **FINANCE & AUDIT and STRATEGIC PLANNING COMMITTEES** (the "Committee") of KUOW, Puget Sound Public Radio (PSPR) meeting was held at on May 11, 2017 at 8:30 AM.

PRESENT: Jon Schorr (Chair), Steve Hill, Haeryung Shin (Board Chair), Caryn Mathes (President & GM), Mark Ashida (SPC Chair), Andy McGovern, Hanson Hosein and Shauna Causey.

CONFERENCING IN: Randy Hodgins and Nicholas Patrick

ABSENT: Susan Queary and Maryfrances Lignana

ALSO ATTENDING (STAFF): Janice McKenna and Fieta Robinson (Executive Assistant & Board Liaison)

I. Meeting Called to Order

Chair Jon Schorr welcomed the Committee members and called the meeting to order at 8:40 am.

II. Conflict of Interests

There were no conflicts of interests.

III. Approval of Minutes

Mr. Schorr tabled the approval of the minutes of the February 7, 2017 Finance & Audit Committee Meeting until the next Committee meeting.

IV. FY17 Strategic Business Plan Update and FY18 Proposed Budget

Ms. Mathes presented an FY17 SBP Update on KUOW's first year initiatives and goals. She reported that the station met its content, community engagement and digital goals for the year; and FY17 Revenue Projection at an amount 28% higher than FY16 Actual.

Ms. Mathes provided a budget proposal for three scenarios for Committee review. The Joint Committee discussed the proposed FY18 initiatives, budget and revenue projections. The Committee requested that management present a slightly modified budget that includes projected outcomes for FY18 initiatives outlining ROI. A second meeting will be schedule to review the changes.

V. Adjournment

There being no further business, Mr. Schorr adjourned the Finance & Audit Committee meeting at 10:37 AM. *The Next Committee meeting* is a joint meeting with the Strategic Planning Committee.

Respectfully Submitted by
Jon Schorr, Chair
Fieta Robinson, Board Liaison
Approved on 06.15.2017

FINAL MEETING MINUTES

PUGET SOUND PUBLIC RADIO

June 12, 2017

JOINT COMMITTEE MEETING

FINANCE & AUDIT AND STRATEGIC PLANNING

3:00 PM – 5:00 PM

Upon notice duly given, the JOINT MEETING of the **FINANCE & AUDIT and STRATEGIC PLANNING COMMITTEES** (the “Committee”) of KUOW, Puget Sound Public Radio (PSPR) meeting was held at on June 12, 2017 @ 3:00 PM.

PRESENT: Jon Schorr (Chair), Steve Hill, Haeryung Shin (Board Chair), Caryn Mathes (President & GM), Mark Ashida (SPC Chair), Randy Hodgins, Hanson Hosein and Shauna Causey.

CONFERENCING IN: Andy McGovern

ABSENT: Nicholas Patrick, Weir Harman, Indranil Ghosh, Susan Queary and Maryfrances Lignana

ALSO ATTENDING (STAFF): Janice McKenna and Fieta Robinson (Executive Assistant & Board Liaison)

I. Meeting Called to Order

Chair Jon Schorr welcomed the Committee members and called the meeting to order at 3:06 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 May 11, 2017 and Finance & Audit Committee Meeting on February 7, 2017. With no objections, the Committee approved the minutes as presented.

IV. FY17 Strategic Business Plan Update and FY18 Proposed Budget

Ms. Mathes presented an FY17 SBP Update on KUOW’s first year initiatives and goals. She provided a revised 5-year forecast that included projected outcomes for FY18 initiatives and impact on FY19.

The Joint Committee discussed the proposed FY18 initiatives, budget and revenue projections. The Committee recommended that the FY18 Strategic Plan Initiatives, Operating and Capital Budgets be presented to the Executive Committee to move forward for full board approval.

V. Adjournment

There being no further business, Mr. Schorr adjourned the Finance & Audit Committee meeting at 4:45 PM.

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