

Minutes

Redwood Community Radio Board of Directors
June 11, 2018, 2:00 pm
Heart of the Redwoods Community Hospice, Garberville CA

II. Roll call

BOARD-APPOINTED: Correspondence Secretary Christine Doyka, behr
MEMBER REPS: Secretary Rob Bier, Vice President Sarah Starck,
Treasurer Sarah Scudder

PROGRAMMER REPS: President Jimmy Durchslag, Eden Goldberg

STATION MANAGER: Cynthia Click

ABSENT: Zac Gonzales, Mark Marchese

GUEST: Betty Miller

III. Approval of April and May minutes

Durchslag moved approval of the April minutes. Doyka seconded. Doyka, behr, Bier, Starck, Scudder and Durchslag voted yea; Goldberg abstained. Motion passed.

Durchslag moved approval of the May minutes. behr seconded. Vote was the same as on previous motion. Motion passed.

IV. Approval of agenda

Durchslag moved approval of the proposed agenda with the elimination of items A and B under XIII. Closed Session – Personnel. Bier seconded. Passed unanimously.

V. Open time

Miller recapped the May 17 Citizens Advisory Board meeting. She said they had obtained a geographical distribution of station membership and asked for a similar breakdown of income and of where programmers and engineers live. She was assured that the CAB could have time, if requested, on Board talk shows. She said that she and Bonnie Blackberry would meet with Click about forming a news department advisory group.

VI. Consent calendar

- A.** 5.5.3 Staff lunches shall be unpaid. [This is the entirety of the proposed policy.]

Durchslag said he recalled there being more to the proposed policy than was reflected in the agenda item. Bier said that that was all his notes showed. Suggesting that it needed more detail, Durchslag moved to table the item and send it back to the Policy Committee. Bier seconded. Passed unanimously.

VII. Management report

Click said that the RCR safe deposit box at the Community Credit Union presents a dilemma: no key for it can be found, and it will cost a not-insignificant fee to open. There was agreement to pay the fee so that the contents may be ascertained and the rental ended. Members of the Board congratulated Click and all those involved on the fundraising success of both the Block Party and the coffee booth at the Summer Arts and Music Festival. Click said she expected to have a bid on redesign of the station's Website by the July meeting. Staff members would have direct access to make changes on it. There were questions about placing restrictions on some posters and giving access to members. Click and several Board members expressed their enthusiastic appreciation to Starck and to Lauren Schmidt for participating in the recent career day at South Fork High School.

VIII. Finance committee report

Scudder reported overall positive developments in the station's expenses, including a \$5,000 reduction in staff costs. Starck reported raising \$700 from Miranda merchants to pay emergency preparedness costs. She urged others to do the same.

IX. Old business

- A.** Board orientation

September was tentatively set for orientation, August for the Board and staff retreat. Suggestions were made that the latter be scheduled for two, full days. Durchslag, behr and Starck volunteered to prepare the Board binders.

B. Employee handbook

Click reported that work has begun on this project.

C. Committee memberships

Starck moved that the Development Committee be Durchslag (chair), Click, Allison Kolb, Bud Rogers, Jama Chaplin, behr and herself. Scudder seconded. Passed unanimously. Durchslag moved that the Finance Committee be Scudder (chair), Starck, Michael McKaskle, behr, Click and himself. behr seconded. Passed unanimously. Doyka moved that the Policy Committee be Durchslag, Click and Bier (chair). Scudder seconded. Passed unanimously.

X. New business

A. Listing votes by name in minutes

Starck moved that the minutes show by name who voted for and against each motion and who abstained. List those in unanimous votes only once, unless arrivals and departures alter that list. Goldberg seconded. Passed unanimously.

B. Contractors

Click will locate, review and update the contracts for all independent contractors.”

C. Gift acceptance policy (please see attachment)

The setting of limits on amounts donated was questioned. Some were of the opinion that the Board, not staff, should decide on uses for funds in all cases. Although the Humboldt Area Foundation was mentioned in the draft policy, no formal relationship with it presently exists. Bier moved tabling the item and sending it back to the Policy Committee. Starck seconded. Passed unanimously.

XI. Committee reports

A. Programmer representatives

Durchslag said a programmers meeting would be held June 20 and possibly combined with training for the July tabling drive.

G. Policy

Bier suggested that, upon reading through the entire policy manual, there were numerous provisions that are never observed and might best be removed. He was encouraged to prepare such proposals for presentation at the Board orientation.

H. Mediation

It was suggested to Doyka that the committee advertise to the KMUD community its availability to assist in conflict resolution.

XII. Committee meeting schedule

Board of Directors	July 9, 2:00 pm, Hospice
Development	June 18, 10:00 am
Finance	June 26, 10:00 am
Executive	(following Finance)

XIII. Closed session – Personnel

ATTACHMENT TO AGENDA

Item X.C Gift Acceptance Policy DRAFT

Purpose

The purpose of this statement is to articulate the policies of Redwood Community Radio (KMUD) concerning the acceptance of charitable gifts.

Policy

RCR accepts donations of cash or publicly-traded securities. For other types of gifts, RCR will accept them on a case-by-case basis as outlined in the following. Our guiding principles behind accepting gifts are that they:

- Must not come with financial or legal liabilities to the station;
- Must not violate our mission, vision or bylaws.

Certain gifts must be reviewed prior to acceptance due to the special obligations or liabilities they may pose on Redwood Community Radio. These include real property, personal property, in-kind gifts, non-liquid securities, and contributions whose sources are not transparent or whose use is restricted in some manner.

Gifts of in-kind services will be accepted at the discretion of KMUD staff and management.

Gifts in Memoriam

In the event donations are made to Redwood Community Radio in memory of someone, that money shall be considered general operating funds unless restricted otherwise.

Donor Advisory

Redwood Community Radio does not provide legal, financial, tax compliance or other professional advice to donors. While staff may provide Redwood Community Radio with gift illustrations and marketing collateral, donors will be advised in writing to seek the assistance of their own legal counsel or other professional advisors in matters relating to the legal, tax and estate planning consequences of a proposed gift to RCR.

Redwood Community Radio, its staff and representatives shall endeavor to assist donors in accomplishing their philanthropic objectives in providing support to the station. Information concerning all transactions between a donor and RCR shall be held by the station in confidence. Redwood Community Radio shall respect the wishes of donors wishing to support the station anonymously and shall take reasonable steps to safeguard those donors' identities.

Redwood Community Radio will provide to donors acknowledgments that meet IRS substantiation requirements for property received by a charity as a gift. However, except for gifts of cash and publicly traded securities, no value shall be ascribed to any receipt or other form of substantiation of a gift received by Redwood Community Radio.

Bequests

1. Cash donations of any description may be bequeathed to Redwood Community Radio by a clause in the donor's will or by a codicil added to the will. The donor using this method retains full control and use of the asset during their lifetime. They may alter or revoke their bequest at any time.
2. At the time of the donor's death, the bequest qualifies as a charitable deduction for estate tax purposes. The bequest may not, however, provide the donor with any tax advantages during their lifetime, nor may it provide an assured income for donors or their beneficiaries, as other plans might.
3. Unless specifically restricted, the RCR Finance Committee shall recommend the use of funds to the Board.
 - a. A general-purpose *guideline* would be to allocate bequests in such a way that: 1/3 is designated for special projects (not operating) that have already been prioritized (e.g., emergency broadcast equipment, building repairs, etc.); 1/3 is designated for equipment repair and replacement, and 1/3 is designated for reserves.
 - b. Care should be taken in assessing RCR's financial needs and how a bequest may best serve them. Gifts should be considered on a case-by-case basis.

Life Income Gifts

Through RCR's endowment with the Humboldt Area Foundation (HAF), RCR can accept and enter into a number of life income gift arrangements.

1. A charitable gift annuity (CGA) is a contract (not a "trust") under which a charity, in return for a transfer of cash, marketable securities or other assets, agrees to pay a fixed amount of money to one or two individuals for their lifetime. The remainder is then designated for RCR's endowment.
 - a. This plan shall be administered by and arranged by the Humboldt Area Foundation.
 - b. The minimum gift accepted for this program is \$25,000, and the minimum age of the annuitant is 60. A deferred CGA may be set up for a participant aged 55 years or older.
2. A charitable remainder trust (CRT) is a trust that provides for a specified distribution, at least annually, to at least one income recipient – not a

charity – for a period specified in the trust instrument, with the remainder interest paid to at least one charitable beneficiary. For HAF to serve as trustee, 50 percent of the charitable remainder value must be designated to RCR to add to its existing endowment. The remaining 50 percent may be directly distributed to RCR.

- a. This plan shall be administered by and arranged by the Humboldt Area Foundation.
- b. The minimum gift accepted for this program is \$100,000, and the minimum age of the beneficiary is 55 years or older.

Planned and Deferred Gifts

1. Official acceptance of all planned and deferred gifts will be made by the Board, based upon the recommendations of the station manager and the Finance and Development Committees. Only those gifts which are in conformity with the needs of Redwood Community Radio will be accepted.
2. Redwood Community Radio reserves the right to refuse any gift that is judged to be inconsistent with RCR's needs or for which the station's resources are too limited to administer properly. In addition, only those gifts are to be accepted from which disbursements are to be made on a nondiscriminatory basis in conformance with Redwood Community Radio's diversity and affirmative action practices.
3. Before making a decision, Redwood Community Radio may consult with advisors at the Humboldt Area Foundation as to the viability of any gift.

RCR accepts gifts on the basis that the primary benefit is to the station rather than to the donor. Acceptance of gifts that name RCR as trustee or that require RCR to act in any fiduciary capacity require consultation with the Humboldt Area Foundation and the approval of the Board of Directors.

Real Property

1. Acceptance of all real estate gifts requires approval by the Board.
2. The donating party shall provide to Redwood Community Radio, at the party's own expense, relevant information regarding the real estate, including:
 - a. A copy of the deed conveying the property to the donor.
 - b. A copy of the current property tax bill.
 - c. A preliminary title insurance report.
 - d. A copy of each promissory note, mortgage, deed of trust, or other liens on the property.
 - e. A copy of each lease or other contract affecting the property.
 - f. If the property is income-producing, a copy of the profit and loss statements for the two most recent years.

- g. A summary of current insurance coverage for the property.
- h. Copies of correspondence with governmental authorities, tenants or prospective purchasers concerning the property.
- i. A current market analysis of the property.
- j. An environmental site assessment to identify liabilities on owners and operators of real property when hazardous substances have been deposited, stored or released on the property.
- k. Documentation of a physical inspection of the property, done by a third-party assessor agreed to by the donor and Redwood Community Radio.

If, after reviewing this information, the Finance and Development Committees determine that the sale of the real property is likely to provide Redwood Community Radio in excess of \$100,000 and that the station will be reasonably relieved of legal liability, they shall recommend acceptance of the gift to the Board. The committees may also choose to recommend acceptance of a gift of lesser value.

Redwood Community Radio shall not accept gifts of personal residences subject to the donor's retained life state without the recommendation of the Humboldt Area Foundation as the administrator of an applicable life income gift program.

Tangible Personal Property

1. Redwood Community Radio may accept tangible personal property gifts with approval from the Development Committee, on recommendation by the station manager and station staff.
 - a. **Related Use:** Station management and staff must determine if the tangible property would be retained by Redwood Community Radio for use in its work. If so, station management and staff shall determine, with the assistance of the Finance and Development Committees, the estimated carrying costs, including insurance, storage, curatorial services, maintenance, etc., for the property. Station management and staff shall also evaluate whether any restrictions on use of the property that are required by the donor are consistent with the institutional needs and values of Redwood Community Radio.
 - b. **Unrelated Use:** If the property will not be retained for use by Redwood Community Radio, the station manager and Development Committee, prior to recommendation, must assess the value and liability such gifts represent to Redwood Community Radio. Gifts valued at \$50,000 or more may be considered for acceptance upon the creation of a plan for selling the property for cash, including the anticipated time frame, marketing expense, and contractor costs for the proposed sale.

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Retirement Plan Assets

Redwood Community Radio will accept funds it receives as the designated beneficiary of a retirement plan (e.g., an IRA, a 401(k) plan or a defined benefit plan). Redwood Community Radio should attempt to obtain a copy of the executed designation form that the donor has submitted to the retirement plan administrator to name the station as the beneficiary.

Life Insurance Policies

Donors shall be encouraged to name Redwood Community Radio as a primary or contingent beneficiary of their life insurance policies. Redwood Community Radio should attempt to obtain a copy of documentation naming RCR as the beneficiary of the policy.

Securities (Stock)

1. Redwood Community Radio will assist in the transfer of custody of marketable securities from the donor (or their custodian) to the station. If the securities are to be mailed, the stock certificates should be mailed separately from the signed stock power with signature guaranty. If the share certificates are hand-delivered, the stock power may be attached. If the securities are in street name, the donor's broker may transfer them to a brokerage account designated by Redwood Community Radio.
 - a. If the donor is a member of the RCR board or staff, the Finance Committee shall determine whether the sale of the securities might be restricted under Rule 144 or other provisions of securities law.

Gifts of marketable securities shall be accounted for at their value on the date the gift is sold.

Redwood Community Radio shall instruct its brokers that all marketable securities will be sold upon receipt. Station management is authorized to override this general rule and direct that the securities should not be sold, following consultation with the Finance Committee and, if needed, other advisory bodies.

Gifts of closely-held stock (i.e., stock that is not regularly traded on an established national exchange such as NYSE or NASDAQ) may not be accepted without prior approval by the Board, upon recommendation by station management and the Development Committee. Gifts of closely held stock should be of at least \$100,000 in value for consideration. Due process in applying criteria for evaluating the salability of closely-held stock, including consideration for the time said stock can be sold and evaluation of the UBTI consequences relating to Subchapter S corporation stock, shall be exercised prior to Board approval.

Interests in Partnerships & LLCs

RCR shall accept neither general partner interests nor stakes in limited liability companies as gifts. Consideration to these types of gifts shall be given only:

- When the minimum amount of said gift is at least \$250,000;
- When a determination has been made (with the advice of legal counsel) that RCR will not incur liability as a result of holding this asset, and
- That the purpose of said company is in alignment with the mission and values of the station.

No consideration shall be made to partnership in companies that might require RCR to contribute funds or make capital call contributions.