

Report to the Finance Committee 8/14/2015

Please be aware that I do not have permissions to print or email reports from the bookkeeping system or the subscriber database, and there is no business manager for Tuesday's meeting. Therefore, I am very limited in the details I can provide.

Business Manager:

I am in discussions with the National Office to hire a permanent business manager. The job will be posted as soon as we are clear about the lines of authority for the position for the job description.

I dismissed the business manager Friday, August 7. I discovered she had issued two checks to herself and had issued checks to vendors and individuals that I hadn't reviewed and knew nothing about. As far as I can tell, no check requisition has been signed by the general manager in the past year. The PRA agreed to provide us an additional 25% of their business manager's time for 2-3 weeks to keep the station current on payables. I will be consulting with the N.O. on hiring another temporary business manager.

Pacifica's financial consultant, the PRA business manager and I spent about five hours reviewing invoices issued by the business manager, and I will be going through all of them since her hiring to look for irregularities.

It may be impossible to collect from the temporary business manager or the employment agency we used to bring her in because KPFK staff signed the questionable checks. I'm consulting with the national financial consultant on how to proceed.

Fund Drive:

Pledges: \$468,022, \$10,900 from web as of 8/10/2015

Total Pledges: 3111

Average Pledge: \$150

On the recommendation of staff and after consulting with them, the fund drive continues until August 21. From August 17-21, the phone room will be open from 6:00 a.m. to 6:00 p.m. Programmers at other hours have been asked to pitch to the web.

Other Receivables:

We received a \$134,000 bequest from the Rosen estate for administrative costs and taxes. I recommended to the National Office that \$38,000 go to the N.O., \$52,500 repay the KPFA loan, \$20,000 to pay off 90+day outstanding vendors, and the remainder go to operating costs, pending consultation with Material World. We need to complete the calculations for the pending seniority pay to include that in the discussion about the disposition of the bequest.

Payables:

The most recent report I received from the business manager (August 3) shows \$382,559.26 in payables. This does not include the pension payments (est. \$38K, \$38K in savings acct), seniority pay (est. \$30K), the Studio A project, (est. \$42.7K, \$7.3K in Solar Project acct) loans from KPFA (\$72.5K), and anything I might find going through the invoices.

The next AP report may be delayed until we get a new interim business manager up to speed.

\$1000 rule requests:

Pursuant to the PNB's rule

For the next six months, KPFK Management shall require approval from either Pacifica's CFO or interim Executive Director prior to making any financial commitment or disbursement greater than \$1,000 other than for rent, utilities, payroll, and other regular, recurring expenses. The PNB directs the Interim Executive Director to direct Management at KPFK to prepare within 30 days a plan for reducing expenses by at least \$250,000 per year in order to bring KPFK's operating deficit under control. [date passed unknown]

I have sent the following requests to the ED and acting ED, in the absence of a CFO.

hiring a temporary accountant to compile materials for the FY2014 audit (recommended by the controller)

\$3750.00 est.

printing and mailing election materials

Single Election System Fee \$1985.99 est.

Managed Mailing \$15771.14 est. (advised by the NES that KPFK's cost will exceed this estimate because of increased costs of printing and publishing materials for 45 candidates)

replace failed condenser fan motor for Studio A air conditioning \$984.00 est. (requesting because the estimate will age out on 8/21 and so might be slightly higher)

Respectfully submitted,

Leslie Radford

General Manager, KPFK 90.7