

**NFCB Board of Directors
Conference Call
September 28, 2005**

Approved 10/28/05

PRESENT: Brian Terhorst- Chair, Janis Lane-Ewart- Treasurer, Mary Sando-Emhoolah, Gibbs Kinderman, Ana Lilia Barraza, Kim Carroll Bosler- Secretary, Carolyn Caton, Kai Aiyetoro and Carol Pierson.

ABSENT: Ken Freedman.

Meeting called to order at 10:38 AM Pacific Time.

FINANCIAL REPORT & APPROVAL OF THE FY06 BUDGET:

There were again problems with some board members not receiving emails and critical documents. For those who did receive the meeting materials there was frustration that again insufficient time had been allowed for a thorough review.

Documents were resent to those board members lacking the proper materials. In addition Kai emailed an updated budget after the call had commenced, but this proved too confusing. It was agreed that the board would continue to discuss the first budget draft sent so everyone was considering the same figures.

Janis reported on the Finance Committee's discussion about the FY06 budget. The Finance Committee is comprised of Janis, Gibbs and Ana Lilia. Janis and Gibbs had teleconferenced earlier, but Janis had been unable to include Ana Lilia on the call. Janis reported that there were some concerns about the additional funds needed for CNAPR. Kai had clarified that the budgeted income listed under donations was actually intended grant income for CNAPR. Carol also informed the board that the Development Director salary was listed as NFCB expense, but that it should be an expense split between CNAPR and NFCB—\$20,000 from each for a total of \$40,000. This means that the additional income needed for CNAPR is actually \$38,115 instead of \$12,000. Carol added that she was waiting for the results of the CNAPR feasibility study to determine how much money needs to be raised and what the costs of those fundraising activities will be.

Janis also said that the Finance Committee had questions about the youth income and the \$40,000 listed as needed. Carol responded that she expected this income to be realized through grants and that NFCB was preparing to apply to OSI who has invited us to apply for \$50,000. Carol added that if the full income is not realized then the corresponding youth expense would be adjusted. Travel and lodging subsidies for the youth would most likely be cut. Catering and consulting fees could also be adjusted if needed.

Janis also reported that the Finance Committee wondered if the estimated conference registration income amount was too low, especially considering that the conference is back on the West Coast where attendance seems to be strong. Carol responded that the amount was submitted by Ginny who tends to be conservative in her estimates.

The Finance Committee also had a general question about expenses as they related to the program areas of the organization. Carol answered that CNAPR, Youth are funded projects and that LPFM, Conference and Legal Handbook were singled out to track time and expense, but other program areas were not because of time and labor constraints. It would be much more expensive for the bookkeeper to get this detailed. Taxes, insurance, rent, etc. are only allocated to the funded projects.

It was noted that there were still income and expense categories for awards because the Volunteer of the Year award will continue even though the Golden Reels have been suspended pending review.

The Finance Committee also questioned the overhead figures listed under expenses. Kai explained that part of this was being covered by the CNAPR grant from CPB. In light of this Janis wondered there should be a

corresponding income line item. Kai explained that although not shown as income, these funds were represented as deducted expenses.

Gibbs then referred the board to the legal handbook tab of the excel document containing the budget. There is a declining trend in income. Kai responded that online renewals were less than expected, but she plans to increase marketing for the legal handbook and research new markets. Carol added that the \$1,000 budgeted in the general fund for marketing could be used in part for the legal handbook.

Janis then moved to approve the first version of the FY06 budget emailed to the board as revised during the call. Gibbs seconded the motion. The motion passed.

In closing Brian requested that a mechanism be developed for NFCB staff to send out board information and meeting materials sooner and also that some sort of follow up be completed to make sure that board members receive all information.

FY05 AUDIT & ENGAGEMENT LETTER:

The CPA firm, Crosby & Kaneda, had submitted an engagement letter for the FY05 audit of NFCB. Kim asked how their fee compared with last year, and Carol answered that it was comparable. Kim also asked if recent legislation specific to the state of California would affect this audit. Carol answered that NFCB was exempt because their total revenue is under \$2 million and also because NFCB is technically a registered Delaware corporation.

Janis moved to engage Crosby & Kaneda to execute the FY05 audit. Gibbs seconded the motion. The motion passed.

DISCUSSION OF THE STRATEGIC PLAN REVISIONS:

Carol, Brian and Timothy had made some changes and Carol was looking for feedback from the whole board on the direction of the proposed changes. She wanted the board input to help guide the discussion and planning at an upcoming NFCB/CNAPR staff retreat. Brian thanked Timothy for his thorough preparation and presentation of the revisions. Board members liked the tone of the document and noted that the changes were more updates and the language was more PR appropriate. In terms of content, there were no major substantive changes. Carol noted that the biggest change was to move increasing money and resources to priority #1 and to move advocacy to priority #2. The board was in agreement with this priority shift. Brian asked if there were any concerns from the board about the strategic plan. The board was satisfied with the gist of the stated revisions.

NEXT BOARD MEETING:

The next meeting will be held in Oakland on Friday, October 28 and Saturday, October 29. Meetings will be scheduled from 9 AM to 5 PM both days. There will probably be optional dinner plans for the Thursday night prior to the meetings. Rooms have already been reserved for board members at the Executive Inn & Suites. Board members need to make their own flight/travel arrangements. If flights are booked through On the Mark Travel, NFCB will be billed directly. Carolyn will be emailing board members with information.

The meeting was adjourned at 11:35 AM Pacific Time.