

Contact: Diana Gonzalez

IOWA PUBLIC RADIO ANNUAL REPORT

Action Requested: Receive the Iowa Public Radio annual report.

Executive Summary: As stated in its Strategic Plan mission, "Iowa Public Radio informs, enriches, and engages Iowans through radio programming and other media. IPR enhances civic and cultural connections across the state, strengthening communities and reflecting Iowa's sense of place."

Iowa Public Radio addressed its three strategic goals during the past year:






- ◆ Iowa Public Radio will increase and enhance service across the state of Iowa.
- ◆ Iowa Public Radio will work toward self-sufficiency while growing annual revenues to \$8.5 million by 2011.
- ◆ Iowa Public Radio will become a fully integrated organization, blending the best of each of the stations while moving to the next level as a public radio operation, and as a best-of-class Iowa nonprofit.

Background:






- ◆ Creation of Iowa Public Radio. In December 2004, the Board of Regents created Iowa Public Radio to consolidate the radio stations at the three Regent universities.
- ◆ Incorporation of Iowa Public Radio. In February 2006, Iowa Public Radio was incorporated under the Revised Iowa Nonprofit Corporation Act, Chapter 504 of the Iowa Code. The Articles of Incorporation of Iowa Public Radio provide that IPR is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the U.S. Internal Revenue Code of 1986 and has the primary purpose of supporting and promoting the welfare and growth of the network of public radio stations licensed to the Board of Regents and operated for the public benefit.
- ◆ Operating Agreement. In May 2007, the Board of Regents approved the Public Service Operating Agreement between Iowa Public Radio and the Board, with the consent of the university presidents. The purpose of the Agreement is to engage Iowa Public Radio to manage the day-to-day operations of the Radio Groups on behalf of the Board of Regents and the universities consistent with FCC requirements for licensee control; and to serve as the primary fundraising entity for the Radio Groups.
- ◆ Board of Directors. The Board of Directors is comprised of five members, including two community directors representing the interests of the community; and three licensee directors representing the interests of the station licensees, the University of Iowa, Iowa State University, and the University of Northern Iowa. The current Board includes Kay Runge (Chair); Art Neu (Vice-Chair); Warren Madden (Treasurer); Steve Carignan (Secretary); and Steve Parrott.¹

¹ Mr. Neu and Ms. Runge are community directors; Mr. Madden, Mr. Parrott, and Mr. Carignan are licensee directors.

- ◇ Senior Management. Iowa Public Radio is overseen by a senior leadership team which includes the Chief Executive Officer, Director of Network Operations, Director of Fiscal Operations, News Director, and Music Director. A recent realignment of the organization resulted in a 12% reduction in staff from 65 to 57 full- and part-time employees with combined revenues of more than \$6 million.
- ◇ Iowa Public Radio Service Contours. Iowa Public Radio includes 19 FM stations which serve Ames/Des Moines, Carroll, Cedar Falls/Waterloo, Davenport, Des Moines, Dubuque, Eldridge, Fort Dodge, Iowa City/Cedar Rapids, Lamoni, Mason City/Clear Lake, Mitchellville, Bettendorf, and Ottumwa/Oskaloosa; and three AM stations which serve Ames/Des Moines, Iowa City/Cedar Rapids, and Mason City/Clear Lake (Attachment A).
- ◇ Key Accomplishments. Iowa Public Radio reported the following accomplishments during 2009-10:
 - **Strategy – increase and enhance service across the state of Iowa.**
 - 📻 Launched a station in Bettendorf serving more than 2,300 listeners in Wapello and Mahaska counties; membership increased by 10% for the same market area.
 - 📻 Received FCC approval to build a station near Sioux City enabling the network to serve the northwest corner of Iowa with News, Talk, and Studio One programming through a reliable 24/7 FM signal.
 - 📻 Introduced three new locally produced and hosted music programs – “BLUE AVENUE;” “THE JAZZ DEPARTMENT;” and “PERFORMANCE IOWA.”
 - 📻 Revived an old favorite program, “IOWA ROOTS,” in collaboration with the Iowa Arts Council.
 - 📻 IPR increased visibility in the community with a public awareness campaign as well as an investment in key community events, such as the Des Moines Arts Festival, Ames Octagon Arts Festival, Cedar Falls College Hill Arts Festival, Iowa 80/35 Music Festival, and Iowa City Jazz Festival.
 - 📻 Total listenership to Iowa Public Radio dropped 16% from 236,500 in Fall 2008 to 198,000 in Fall 2009. This anomaly is attributed to the heightened listener activity during the election cycle in Fall 2008. Given the entire coverage area of IPR, which includes communities in neighboring states, more than 220,000 people listen to IPR programming each week.
 - **Strategy – work toward self-sufficiency while growing annual revenues to \$8.5 million by 2011.**
 - 📻 Membership dropped by 3% from 17,841 in FY 2009 to 17,392 in FY 2010. While returning members increased by 2% and Leadership Circle donors increased by 1%, the decrease is attributed to data management controls that were counter-productive to building membership. Data cleansing and coding schematics are being improved, including an investment in a new donor database software program that better fits the needs of the organization.

-  Membership revenue remained flat and underwriting revenue is projected to be 69% of goal. Final results will be presented at the Board of Regents meeting on September 16, 2010.
-  Other revenue, such as ticketed event income, increased by 16%.
-  IPR received a one-time stimulus package of \$128,775 from the Corporation for Public Broadcasting, in addition to the annual combined community service grants of \$750,000.
-  The development department was reorganized in March 2010 and included investing in new training, tools, and resources better to equip the underwriting sales team in meeting revenue goals. Presently, the team is at 23% of its annual underwriting goal of \$1,500,000, demonstrating an excellent start and pace to the new fiscal year.
-  With a supporting grant from the Corporation for Public Broadcasting, IPR is participating in the Leadership for Philanthropy project. Deliverables include case statement development, funding priorities for major gifts and an operating endowment, and the extension of community resource development – the “Friends of IPR” in the state’s top 10 metropolitan areas.

➔ **Strategy – become a fully integrated organization, blending the best of each of the stations while moving to the next level as a public radio operation, and as a best-of-class Iowa nonprofit.**

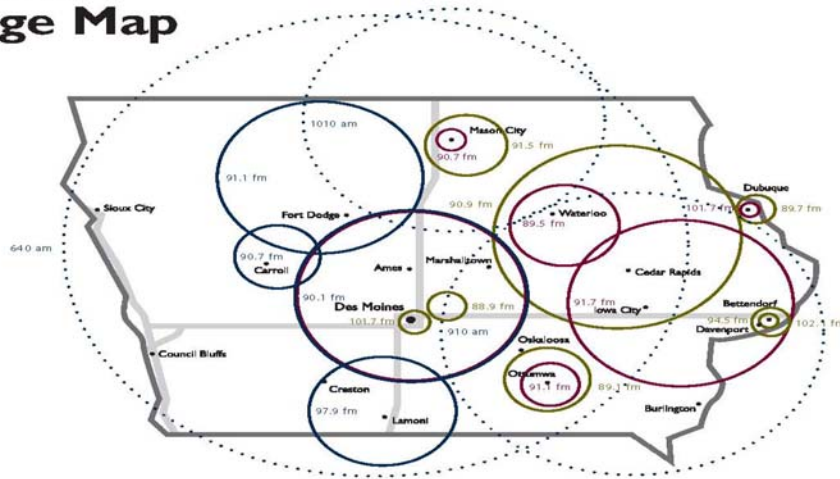
-  Initiated a \$1 million project in the Ames facility to upgrade IPR’s content distribution system which allows for state-of-the-art technology in broadcast operations with disaster recovery solutions.
-  Centralized all music resources in the Cedar Falls facility, combining all music libraries of more than 40,000 CDs, investing in new music software to better manage the inventory, and relocating the music staff to increase teamwork and synergy of the programming.
-  Centralized all billing and traffic activity in the Ames facility by investing new traffic management and billing software.
-  Centralized data, web, and e-mail infrastructure to allow for file sharing across the network, resulting in reduced costs and redundancy.
-  Initiated a strategic planning process involving staff, board of directors, and community leadership in Des Moines, Ames, Cedar Falls, Cedar Rapids, and Iowa City.

◇ **Key Issues for 2010-11.**

- ➔ Complete the strategic plan for FY 2012 – 2016.
- ➔ Following an assessment of the ‘health’ of each transmitter site, begin the repair and replacement of equipment and materials using the I-Jobs grant of \$1.9 million.

- ➔ Begin construction of the new Sioux City station – KMGH.
- ➔ Complete the IPR Employee Reclassification Plan, centralizing employment classes by moving from four employment classes to one which will:
 - ☞ Reclassify university-based P&S employees to a singular IPR employment class.
 - ☞ Provide payroll and benefits administration to IPR employees through one administrative services agreement.
 - ☞ Develop equitable and market-index compensation scales for all positions.
 - ☞ Invest in network-wide professional training and implement career-pathing plans.
- ➔ Continue efforts to acquire stations and expand the service offered to the southwestern parts of Iowa as well as improve the service offered in the greater Des Moines community.
- ➔ Implement a development plan, cultivating major gifts and support for an ongoing endowment.

IOWA PUBLIC RADIO
Coverage Map



NEWS	CLASSICAL	NEWS & CLASSICAL
NEWS & STUDIO ONE	AM STATIONS	MAJOR INTERSTATES

NEWS

Ames/Des Moines
WOI 640 AM

Carroll
KWOI 90.7 FM

Fort Dodge
KTPR 91.1 FM

Iowa City/Cedar Rapids
WSUI 910 AM

Lamoni
KOWI 97.9 FM

CLASSICAL

Cedar Falls/Waterloo
KHKE 89.5 FM

Clear Lake/Mason City
KHKE 90.7 FM

Dubuque
KSUI 101.7 FM

Iowa City/Cedar Rapids
KSUI 91.7 FM

Ottumwa
KUNZ 91.1 FM

NEWS/CLASSICAL

Ames/Des Moines
WOI 90.1 FM

NEWS/STUDIO ONE

Ames/Des Moines
KDMR 88.9 FM
KUNI 101.7 FM

Cedar Falls/Waterloo
KUNI 90.9 FM

Clear Lake/Mason City
KUNY 91.5 FM
KRNI 1010 AM

Dubuque
KDUB 89.7 FM

Ottumwa
KDWI 89.1 FM

Quad Cities
KUNI 94.5 FM
KUNI 102.1 FM

