

**Public Access Corporation of the District of Columbia
Board of Directors**

901 Newton Street, NE
Washington DC
Studio A

**Regular Meeting
May 24, 2017**

Present: Kojo Nnamdi, Chair; Cynthiana Lightfoot, Secretary; Kevin Goldberg; Rishi Hingoraney; Michael Freedman. Nantz Rickard, President & CEO; Hafeez Kazim, CEO and Vice President.

Call to Order. Nnamdi's called the meeting to order at 7:11 pm.

Nnamdi noted the excused absences of Holman and Alfonso.

Agenda. Nnamdi asked if there was no objection, to add the Audit Committee to the Agenda as Item 7, in case they have anything they would like to report. There was no objection.

Minutes. Goldberg moved to approve the minutes of March 15, 2017. Freedman seconded. The motion carried unanimously.

Chair's Report. Nnamdi offered the Chair's report. He noted the business of the meeting is to consider the operating and capital budgets for FY 2018, consider any recommendations from the Investment Committee, consider amendments to the Bylaws, and for strategic planning, to discuss policy questions regarding the development of the new participation structure.

Nnamdi said there are items to be updated in Executive Session involving legal, contractual and personnel matters. All of the Executive Session items have been combined into one Executive Session in the latter part of the meeting, regardless of where they would have otherwise been on the Agenda.

Nnamdi reported that as the organization is implementing a strategic plan that affects every area of DCTV from how viewers experience our programming, to how outreach is expanded, to how participation is encouraged and supported by creating a broad range of options and opportunities that will keep people invested in and excited about DCTV, he is keeping up to date on where we are by meeting with Rickard and Kazim.

Nnamdi reported the Board-led initiatives are moving forward. The Board continues to maintain our very positive relationships with the Mayor and DC Council. The Board continues to maintain and upgrade DCTV's technology infrastructure. The Board has established a reserve account of 18 months of operating expenses. In this meeting, the Board will take next steps after hearing from the Investment Committee regarding a new investment policy to increase returns on investments as part of meeting our goal to raise our annual non-cable revenue to \$400,000 by 2021. Groundwork for developing strong partnerships that will support DCTV's resources, content, education and network of supporters is underway. The Nominating Committee will

report about a new Board member introduced by Pedro to help with advancing the strategic plan. Nnamdi said the remaining update regarding one of the Board's critical responsibilities will be presented in Executive Session.

There were no questions.

President's Report.

On-Air Schedule Guide

RCN-TIVO PEG schedule still an outstanding issue. RCN subscribers can see the schedule guide for PEG programming--unless they have Tivo. After unsuccessful attempt to resolve directly, we've notified the Office of Cable Television, Film, Music and Entertainment to step in and resolve.

Programming Lineup

The transition to the new programming line-up is underway, effective with the April schedule. We are starting with one program block on Friday evening to develop adjustments to workflow and to using different capabilities of the Protrack scheduling system. The new programming line-up is a very significant change, including involving designing schedules. Eric Richardson, Vice President of Programming and Production spearheaded and led a similar transition at the Office of Cable Television. The schedules are to be constructed more like broadcasters, to better serve viewers, including establishing regular schedule times for programs as anchors for the more random submissions, and to greatly increase promotion of channels and our community programming.

Launch of Media Maker Membership

The new Media Maker membership was launched on May 1 for individuals, and work is underway to launch the organization version.

Education

Two new courses were added, for June and July. Digital Mobile Media, creating high quality media using personal portable devices, such as smart phones and editing apps is open for registration now for June. Multi-Media Storytelling will focus on how to develop and put together effective stories that will engage viewers.

Over the past few months, each time there was demand for the Producing course that exceeded the number of available slots, additional courses were added.

Both of these are part of our initiatives to provide immediate ways to participate with DCTV programming and production to keep members excited and continuing to be involved.

Supporting System for New Participation Structure

We are well underway with the extensive work to identify, develop and implement a new data management system. We have hired a consultant, Infamia, who specialize in this kind of software to assess systems, provide development options to contain costs and other issues associated with customization, and to provide or supervise developers.

We are looking for a data management system that will directly support members working together on creating programs, and to track each member's experience by keying all their activities and interactions with DCTV and in social media to their individual record, and cross reference them so we can see if they are also part of an organization member, or associated with a partner or donor, and whether opportunity to upgrade their membership to a higher level.

We are also coordinating with a company that creates filters for big data sources, to integrate the system for greatly expanded outreach capabilities. The goal is to be able to create and target specific communications and outreach to many people around the city who are not familiar with DCTV, or have not engaged with us or our programming.

Rickard responded to questions.

Finance Committee Report. In Alfonso's absence, Nnamdi asked CFO Kazim to present the Finance Committee Report.

Kazim presented the FY17 Budget versus Actual report and Financial Statements for July 1, 2016 through March 31, 2017 (unaudited).

Lightfoot asked why funds are now designated as Donor Restricted. Freedman explained it is a reporting change for nonprofit organizations under the new accounting standards. In response to a question about how the reserves had been built up, and whether there is any risk to the organization of having excessive reserves, Rickard reviewed external risks that would substantially affect 85 to 90% of DCTV's funding, including changes in legislation; rulemakings at the Federal Communications Commission regarding what services and service providers are defined as cable providers under the federal Communications Act and thus subject (or not) to supporting public, educational and government access; and changes in the media industry resulting in less cable revenue, which is the basis for DCTV's funding. Lightfoot added that in projecting future needs, the Board identified many years ago that the future beyond DCTV's lease for its operating space was a complete unknown. And needed to build funds to ensure uninterrupted operating space for DCTV. Possibilities include purchase of the current building or some other building, and either the substantial buildout of a new space, or incurring substantial costs for infrastructure if the current lease is renewed. Freedman noted that all of these reasons for building fund reserves would be considered reasonable and prudent.

Nnamdi asked Kazim to present the FY18 Proposed Budget. Kazim presented the budget, noting differences from the previous year. Rickard and Kazim responded to questions.

Lightfoot moved to approve the proposed FY18 Budget. Freedman seconded. The motion carried unanimously.

Freedman moved to accept the Finance Committee Report. Lightfoot seconded. The motion carried unanimously.

Nominating Committee Report. Nnamdi asked Lightfoot to give the Nominating Committee Report.

Lightfoot reported the terms up in June 2017 are Nnamdi (in a 3-year seat), Lightfoot (in a 3-year seat), Hingoraney (in a 2-year seat), and Freedman (filling out the remaining two years of a 3-year seat).

Lightfoot said the Committee has also been looking to fill a currently vacant 2-year seat, and the Mayoral and Council appointed seats.

She referenced the updated criteria presented in the last meeting by committee member Holman, and reviewed the additional information provided by Holman about what the Committee is looking for based on the Strategic Plan discussions. As a foundation to build and expand in all the areas identified in the Strategic Plan, the Committee is focused on building strong relationships that will have a ripple effect to increase community participation, investment in and support of DCTV. This includes building friendships and partnerships with leaders and corporations who are at the heart of successes across the wide range of organizations serving the city. People with this kind of wide range of relationships and friendships will help us expand and widen our circles of connection where we have not had a presence or strong relationships.

Lightfoot reported that Alfonso had talked with a potential candidate who meets both our general criteria and these qualifications, and then recommended we be in touch to explore the candidate's interest. We had a great conversation, and we are pleased to announce that we will be presenting Barbara Davis Blum on this year's slate of candidates to fill the remaining elected seat on the Board. Lightfoot provided Blum's biography, noting that many of the board members probably know her or know of her, as is true for a wide range of business and nonprofit leaders throughout DC and the region.

Lightfoot reported that the Nominating Committee was recommending the following slate of candidates. All have agreed to serve.

Kojo Nnamdi
Cynthiana Lightfoot
Rishi Hingoraney
Michael Freedman
Barbara Davis Blum

The election packet will go out to all members in good standing qualified to vote as of 30 days before the Annual Meeting. The notice will be by email and the balloting done electronically, except for any members who only provided a postal mailing address.

Lightfoot noted the rules for the election will be the same as last year.

The Committee expressed much appreciation for Alfonso's help and great recommendation.

Lightfoot said the Committee is now focusing on additional leads to prospective candidates to fill the 4 government appointed seats. Lightfoot asked board members to advise her, Holman or Rickard of any suggestions for potential Board members. She added that the Committee will certainly be checking back with Pedro.

Nnamdi also thanked Alfonso, and noted what an outstanding addition to the Board Ms. Blum would be. Other Board members were enthusiastic and expressed their appreciation for Ms. Blum's offer to serve.

Audit Committee. Kojo asked Freedman if there were any updates from the Audit Committee. Freedman said there would be an update for the next meeting.

Investment Committee Report. Nnamdi introduced the next agenda item, noting that as part of our Strategic Plan, the Board decided to review and if needed, update DCTV's investment policy.

Nnamdi reviewed in the last meeting, the Investment Committee presented information about risk in nonprofit investment policies, and some changes we might consider for DCTV. Freedman also conducted a discussion to get a sense of the Board's comfort level for any changes to DCTV's investment policy, which the Investment Committee used in their work over the past months to assess and develop a policy.

Freedman reported that the Committee met after the last Board meeting and subsequently prepared a policy. Copies were provided to Board members. Freedman reviewed the policy, and explained the different classes and qualifications. He said that because of changes in interest rates and potential types of investments, that the policy allows sufficient flexibility to be strategic.

He reviewed and explained each section of the policy, noting that for the 18-month reserves, the investments would be liquid, and when certificate of deposits are used, that their maturity dates would be staggered to be able to obtain higher returns while also making sure the funds are available when needed. Goldberg suggested setting up the maturity dates for the 18-month reserve funds to maximize longer term CDs, while also spreading the maturity dates for making funds available, and doing so with consideration to reinvestment when funds are not needed upon maturity. Freedman said the bank will structure this for DCTV.

After further discussion, Freedman presented the motion to approve the investment policy. Nnamdi seconded. The motion carried unanimously. POLICY IS AT THE END OF THESE MINUTES.

Nnamdi thanked Freedman and the Committee for the good work, and expressed his appreciation for the Board's deliberation of this aspect of the Strategic Plan.

Nnamdi moved to the next item of business, noting that besides approving the Executive Session minutes from the last meeting, the Board has a few matters to discuss in Executive Session involving confidential legal, contractual, proprietary and personnel matters. He asked for a motion to convene in Executive Session.

Lightfoot moved to convene in Executive Session. Hingoraney seconded. The motion carried unanimously.

Executive Session.

New Business. Upon reconvening the regular meeting after Executive Session, Nnamdi reviewed that in the last meeting, discussion was held about amending the Bylaws and the basic

substance of the changes. He noted the actual language of the amendments was sent out with the Board packet, and the amendments are now before the Board for consideration.

Nnamdi asked Rickard to present the proposed amendments to the Bylaws.

Rickard presented the amendments, noting that since DCTV is not a government agency and does not fall under the DC Open Meetings Act, that the amendments change provisions about Regular Meetings, committee meetings, Open Meetings and meeting Notice requirements to act in accord with the spirit of the Open Meetings Act, but remove the requirement to apply the Open Meetings Act. A technical amendment is also proposed for the Governance Policy, section which lists the requirements for governance from the DC Cable Act, but had not previously included the standard from the Act by which the Board governs—“as though assets are held by the Corporation in trust for the citizens of the District...” AMENDMENTS ARE AT THE END OF THESE MINUTES.

After discussion, Nnamdi moved to approved the proposed Bylaws changes. Hingoraney seconded. The motion carried unanimously.

Old Business. Nnamdi introduced the next agenda item. He reviewed that in developing the new Participation Structure, the Board had considered and approved a set of principles and goals in our November 2016 meeting. One of the principles was that because non-residents do not pay for cable in DC, which is the basis of our funding, that all Non-resident members should pay extra. An additional principle was that effective with the new participation structure, only DC residents would be Associate Members.

As part of developing the specifics of the new participation structure, it would be helpful if the Board provide staff with more guidance.

Nnamdi presented two questions for discussion: 1) regarding limiting Associate membership to DC residents and organizations; and 2) regarding how to determine the difference between charging residents versus non-residents.

Nnamdi asked Rickard to provide information.

Rickard noted that when the DC Cable Act was passed, the prevailing view at the time was that public, education, and government access centers serve only the residents and organization in the jurisdiction served by the cable franchise. The statute states DCTV is to serve DC residents, and was/is silent on serving non-DC residents. It provided that DC residents were to serve in governance capacity. When DCTV’s Articles of Incorporation were created, they provided only one class of Associate members, whether resident or non-resident, and with all voting for the Board. At the time, all the area PEG centers restricted use and membership only to the residents and organizations of their respective jurisdictions. The Boards that served during the early years establishing DCTV similarly had in mind and wanted the entire focus to be to serve DC residents and organizations, just like the surrounding area jurisdictions. The surrounding jurisdictions (e.g. Arlington Independent Media, Montgomery Community Media) make some exceptions for programming or use of facilities, but limit both governance and voting for the Board to their County residents. Arlington’s governing documents were amended in 2016 to clarify this restriction. Montgomery recently abolished membership, and limits voting for the Board to its

Access Users, which, unless MCM makes an occasional discretionary exception, is Montgomery residents. Rickard said the principles voted on in November included this same restriction, which is possible for DCTV to add now that the Articles have been restated.

On the second question, Rickard said that DCTV has always charged DC residents and non-residents differently, because only DC residents pay the pass-through fees that fund PEG in DC. There was a discrepancy however; DCTV did not receive any revenue from non-residents who were only submitting programming. This was because submitting programming was free to Associate members, and the original Articles of Incorporation did not allow for other classes of membership. This limited the Board to establishing different pricing for use of services and training. This discrepancy can be addressed in the new participation structure, because the restated Articles do allow for additional classes of membership. Rickard asked for any ideas Board members have to provide a system or rationale for the difference in price, that could be used ongoing better than an a la carte approach. She offered one rationale for the Board's consideration—to use the pass-through franchise and PEG fees as the basis. If non-residents are charged the annual pass-through fee in addition to the resident membership fee, non-residents would be contributing at about the same level towards DCTV's funding base as residents. Rickard provided an example using an average cable bill of \$100/month. She noted that on average for the past 3 years, about 40% of individual members and 30% of organization members are non-resident, most of whom are submitting programming rather than using services that include the non-resident add-on fee.

On the question of having a membership for non-residents which is non-voting, discussion resolved that a different class of members for residents and non-residents can be created, but both would have the same voting rights.

On the question of charging non-residents differently, discussion resolved that non-residents should be charged more for all services and using DCTV, and in a way which would have non-residents paying to support DCTV just as residents do, rather than providing free services (including scheduling programming and using channel time) at DC residents' expense.

Nnamdi summarized, and said staff will use this information to complete development of a recommendation for a new participation structure.

Review Meeting Schedule. Nnamdi reviewed the meeting schedule, noting the schedule has already been set for the fiscal year by resolution:

Wednesday, June 21, 6:30 to 8:30 pm.. DCTV Studio A:

6:30 – 7:15 Regular Board Meeting (Consider Participation Structure Recommendation)

7:00 – 8:00 Reception with DCTV members

8:00 – 8:30 Annual Meeting of the Associate Members

Adjournment. Nnamdi asked for a motion to adjourn. Freedman moved. Lightfoot seconded. The motion carried unanimously. The meeting adjourned at 8:22 pm.

Board of Directors

May 24, 2017

**MOTION APPROVED
TO UPDATE INVESTMENT POLICY, and
TO CHARGE THE INVESTMENT COMMITTEE WITH MANAGING INVESTMENTS**

**Michael Freedman, CPA
Chair, Investment Committee**

I move the Investment Committee be charged with the responsibility to manage investments on behalf of the Board, and accomplish the investment objective through prudent investing and planning, as well as through the maintenance of the portfolio with asset classes and qualifications as follows:

The overall investment objective of DCTV is to maximize the return on invested assets through a very conservative approach to risk while minimizing expenses, and aligning availability of funds to projected organization needs.

1 Board Designated Fund of 18 Month Reserve (Reserve Funds)

Investment of Reserve Funds is with a primary objective of liquidity and maximizing returns of cash and near cash investments by aligning liquidity requirements with projected organization needs over an eighteen-month period.

- One sixth of Reserve Funds, sufficient to fund three months of activity, will be invested in Money Market funds to be immediately available if needed.
- One half of Reserve Funds may be invested in certificates of deposit, expiring in three to six month intervals, allowing funds to be available quickly if needed during months four through twelve requiring use of Reserve Funds.
- One third of Reserve Funds may be invested in near cash investments, such as US Treasury Bills, that are slightly longer-term investments but that could easily be converted to cash if needed during months thirteen through eighteen requiring use of Reserve Funds.

2 Funds that Exceed the Reserve Policy Available for Investment (Investment Funds)

The primary objective of investing the remaining Investment Funds is to maximize returns with a combination of very conservative high grade investments and high grade investments with a slightly higher risk, with consideration to a longer term view of the investment horizon, to achieve a greater return without jeopardizing the organization's overall financial position.

- Up to two-thirds of the remaining funds may be invested in high-grade bond funds or such similar investments that would be secure and would generate a yield above the current CD or money market funds.
- Up to but not exceeding one third of Investment Funds may be invested in equity mutual funds, or readily marketable investments that are substantially similar to equity mutual funds, and that align with the objective for Investment Funds.

Public Access Corporation of the District of Columbia
Board of Directors
 May 24, 2017

APPROVED AMENDMENTS TO BYLAWS

The following amendments are proposed, as described in the Board meeting of March 15, 2017, and in accordance with Article XIII. AMENDMENTS TO BYLAWS:

“These bylaws may be altered, amended, or repealed and new bylaws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least ten days’ written notice, including, to the extent possible, the actual language, is given of intention to alter, amend or repeal or to adopt new bylaws at such meeting.”

Article III, Board of Directors
 Section 4. Regular Meetings

The Board of Directors may change the date of meeting set by resolution so long a notice of the new time and place is given to all Directors and **the public through the Corporation’s website or other publicly accessible form of notification.** ~~any and all requirements of the DC Open Meetings Act, Section 1-207.42 and Sections 2-571 through 2-579, as the same may be amended or supplemented (“DC Open Meetings Act”) are satisfied.~~

Section 6. Open Meetings

All meetings of the Board of Directors ~~and all meetings of committees~~ of the Corporation shall be open to the public unless the Board or committee shall decide by a two-thirds (2/3) vote of the members of the Board of Directors ~~or committee~~ present to close the meeting upon a determination that the discussion and consideration of the Board of Directors will be devoted to (1) threatened or pending litigation, (2) personnel matters involving individuals, (3) violations of law or regulations of the Corporation, or (4) other lawful reasons in accordance with **the spirit of** the DC Open Meetings Act.

Section 10. Notice

In addition to the notice to each member of the Board of Directors, notice of each meeting of the Board of Directors ~~and any committee of the Corporation~~ shall be posted in the public areas of the offices of the Corporation or on the Corporation’s website **at least 2 regular business days before the meeting.** ~~and must also be submitted for publication to the District of Columbia Register.~~

The following proposed amendment incorporates the language of the D.C. Cable Act, Section 302(o), to include this standard of governance (*in red*) along with the other statutory requirements already listed in the Bylaws:

Section 16. ~~Adoption of~~ **Governance** Policies

Additionally, the Board shall govern **all assets as though the assets are held by the Corporation in trust for the benefit of the citizens of the District for the purpose of developing and implementing the use and programming of public access channels,** and shall conduct itself to ensure that the Corporation guarantees nondiscriminatory use of the public access channels, develops opportunities within the community-at-large for training and experience in the field of telecommunications, and permits any resident of the District of Columbia qualified to use the public access facilities to become a member of the Corporation.