

USA 2008

University Station Alliance Annual Report

***“A grassroots initiative and resource
for university-licensed stations”***

USA

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2008 Annual Report

By all accounts, the economy will bring stresses and challenges to public radio stations. Public radio managers have lived through periods of success and growth as well as days of “belt-tightening”. In the coming year, many will have to manage through difficult economic situations. National Public Radio and several stations have already announced layoffs.

Although the purpose of the Annual Report is to list the services and survey results of 2008, it is essential for a vital organization to have a vision of its role in addressing challenges of the coming year. The USA, which continues to evolve as a national resource for the public radio system, is strong and growing in tough economic times. As economic conditions place strains on budgets, the USA is positioned to meet the needs of stations with tightening resources. Since the USA is an Internet/Web-based national resource, receiving its services and resources does not depend on Affiliate travel. Without leaving the office, Affiliates can access tools that allow the free and accurate flow of information. The grassroots founders of the USA created a structure well-suited for the challenges of the 21st Century and for cost-efficient delivery of services.

For stations faced with financial exigency, the USA has developed and will continue to develop evaluation tools and training. A summary of the USA services and survey results for fiscal year 2008 are presented below.

USA Board: Full-board meets quarterly and the Executive Group meets monthly.
The USA financial resources are maintained by Weidenbach & Co., P.A.

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Surveys

Public Radio Local Economic Impact

Responses by 160 public radio station managers to a November 2008 USA survey describe the potential economic effects on their operations. The survey was sent to multiple listservs and reached all licensee types including community, university, college, school system, and state agencies. Here are the responses:

42% of station managers anticipate and/or already have received notification of cash support reductions from their university, college, school system, or state licensees. 58% of the stations said they have not received notification or this question was not applicable to their licensees.

Regarding reduction amounts, 28% said their cash support would be reduced by their licensee by up to \$49,999, and 10% said their anticipated cash support reduction would range from \$50,000 to \$199,999. Another 6% did not know what the reductions, if any, would be.

How would the economy affect programming and public service? 67% said they anticipated no changes in their programming or public service offerings. 20% said local programming services would be reduced or eliminated, 9% stated national programming services would be affected, and 4% said website services would have to be reduced or eliminated. Travel, memberships in organizations, phones, and various other reductions were also anticipated.

The following technical and equipment reductions or eliminations will probably occur as well: 17% for technical upgrades, 25% in equipment purchases, 6% on service area expansion, and 13% on planned HD upgrades.

In the area of personnel, 29% report staffing reductions with 22 stations eliminating one or two full-time-staff (FTE).

In regards to imposed service fees or administration overhead charges paid by the station to the licensee, 72% anticipate no change, 19% anticipate an increase and/or new charges, and about 8% are "waiting to see" what new charges may be imposed upon the station.

When managers were asked to project changes in audience support, business support, and/or foundation support, a variety of responses were given. For this question, multiple choices were allowed. 27% expected no changes. 33% anticipate less audience support. 49% anticipate reductions in business support, and 23% anticipate reductions in foundation support.

On the positive side of the projections, 18% of stations anticipate an increase in audience support, 11% anticipate an increase in business support, and 5% anticipate an increase in foundation support.

When asked to project changes in cash support excluding cash support from the CSG, university, college, school system, and/or state but including

support from listeners, business and foundations, about 31% of station managers anticipate no change or an increase in support, 57% foresee a reduction of up to \$139,999, and eight stations or 3.9% expect a cash support reduction of over \$200,000. When asked for comments, here is a sampling of some of their responses. As one manager stated, "I am not sure about this area of support. It's too soon to tell." Another manager indicated, "Obviously, this is just a projection. We hope we are wrong." And one manager said, "Our station is self-supporting. The economic downturn will affect us in a very substantial way. Make no mistake ... this year will be difficult."

This survey will be repeated again in the Spring of 2009. At that time, managers may have a clearer indication of the downturn in the economy. Thanks to all the stations that participated in this survey.

The Future Has Changed

The economic crisis has rippled into some public radio managers' retirement plans. In September 2007, the USA conducted a survey of Affiliates to determine if the system's leadership would soon be exiting due to retirements or job changes. The 2007 results indicated that about 65% of station management were either planning to retire or planning to leave the system in the next six years.

A new 2008 USA Survey distributed in October indicated that some of those plans have changed. 18% of the station manager respondents stated they would delay their retirement plans from one to four-plus years and 2% would accelerate their departure by one to three years. Still, the overall public radio leadership shift is significant in the next few years.

Are managers still NOT training their successors? Generally speaking they are not. Only 25% of station manager respondents say they are training a successor, down from 27% a year ago.

Is the USA addressing the leadership change issue? The answer is yes. 60% of the stations acknowledge the value of the **20-Second Manager** as the favorite resource the USA provides the Affiliates. Fifty Five percent of the managers cited as helpful USA resources such as the Assessment Tool, Peer Reviews, and Management Resources to help ensure continuity as system leadership turnover occurs. Fifty two percent found value in transition training at regional and national meetings and 48% approved of a mentoring program.

The USA brought this topic to the attention of the system in the fall of 2007. Since then, the USA has successfully completed a pilot peer-review process and developed a station assessment tool that helps address the change of public radio station leadership caused by retirements of Baby-Boomers. At an April 2008 Washington, D.C. meeting, hosted by CPB and attended by PBS, NPR, CPB, DEI, and the USA, the discussion focused on Public Broadcasting Leadership Development. The USA will continue with the Assessment Tool and Peer Review Process developed to help address this issue.

Station Friends Groups

To the survey statement, "My station has a Friends Group that is a separate 501 (c)(3) from my university and/or university foundation."

65% responded "No", 20% "Yes", and 15% "No, but I would like to create a separate Friends Group,"

Respondents slightly agreed with the statement "A station Friends Group helps (would help if I had one) me directly contact foundations for grant support and/or major donors and assists in preventing my university from blocking such direct contact."

USA Affiliation Satisfaction

Approximately 83% of the affiliates are somewhat satisfied to very satisfied with their USA affiliation. No affiliates stated dissatisfaction. The USA services received overall positive feedback even though some affiliates were not aware of all the services. The USA services review included: Listserv, eNews letter, Peer Review Assessment Tool, Telephone Consultation, On-site Training & Consultation, Website Resource Repository, Mentoring, Representation on National Issues, and Surveys & Information Gathering.

- **Why Become a USA Affiliate?**

28.2% said they joined the USA to support the work and services. 27% joined because of the USA's importance to the public radio system. 23.5% connected with the USA to access the affiliate benefits (listserv, eNews letter, Website). 18.8% said the USA provided them with networking opportunities.

- **Have You Recommended the USA?**

57% said yes they have recommended the USA to a potential affiliate. As to the question how likely are you to recommend USA affiliation, approximately 89% said they are somewhat to very likely they will recommend the USA to others and 11% were neutral about the question.

Do you expect to see the USA at the Regional & National Meetings you attend? 63% of those responding said yes, they expected to see the USA at the meetings.

Licensee Cash Support

Approximately 37% of stations who responded indicated they received cash support between \$150,000 and \$299,999 from their licensee. Approximately 30% received \$300,000 to \$599,999 and 15% \$50,000 to \$149,999.

The responses to the question "What percentage of the total budget does your licensee cash support represent?" were evenly represented between 0% and 50%.

In response to the question, "In the next fiscal year, I expect the licensee to," 61% answered keep the cash support the same, 19.5% reported the cash support would probably be reduced, and 13% expected the cash support to be increased.

USA's Comments On FCC "Localism Initiative"

- **Community Roots and Community Service**

On the subject of "localism", the Federal Communications Commission (FCC) should treat noncommercial public radio differently from commercial radio. The noncommercial nature of public broadcasting helps to define the nature of our service. The majority of public radio stations are locally owned and operated. Public radio exists to provide local public service. In the majority of communities, the last and often only "locally-owned" station is the noncommercial public radio station. Two-thirds of the Corporation for Public Broadcasting (CPB) qualified stations are licensed by colleges or universities; local public accountability is already part of their administrative structures. Therefore, public radio stations recognize that the local production of programming and public service is critical to public service and for that matter critical to survival.

The FCC requirement to maintain a physical presence during all hours of operation is a fiscal hardship for rural noncommercial stations. In that automation allows for more, not less, local programming, public service would be reduced, not increased. In many instances, the only news-based service and/or arts and cultural-based service to sparsely populated rural areas is provided by public radio. Instead of spending limited dollars to "baby-sit" automated broadcast systems, the dollars could provide microphones and travel expenses to rural areas so that local producers could create local programming.

Also, the FCC-proposed requirement to provide a main studio in the city of license is cost-prohibitive. Main studio waivers have enabled rural public radio stations to serve large geographic areas in this country that could not possibly support stand-alone stations. Many rural service stations are unable to afford multiple studios in low-populated communities or rural areas. Production of local programming serves these rural areas better than the establishment of unused and understaffed studios would.

- **Increased Regulatory Burdens**

The required establishment of community advisory boards is recognized as important to the station's community accountability. **However**, most colleges and universities already have boards in place to oversee the operation of their respective services and academic units. The college/university-licensed public radio stations report to these university-based boards either directly or indirectly. In some university environments a station board or even a station advisory group is restricted by the licensee or by statute from engaging in some activities (such

as fiduciary control or oversight). In this case, the requirement for a separate station-based board is prohibited by the university. The Corporation for Public Broadcasting (CPB), recognizing that universities are complex and have established public structures already providing public oversight of their FCC licensed public stations, has always allowed university-licensed and college-licensed stations to receive grant dollars without the requirement of a station advisory board.

The clarity of the word “Board” can be more complicated in university environments than it is for community-licensed stations or commercial stations. It could mean a Board of Regents, an advisory board, an advisory committee and/or a friends' board or friends' support group. At the very least, the station will need the flexibility to define board or advisory group, and the existing university board structures must be acceptable to meet this requirement.

Finally, due to public radio stations' limited noncommercial resources and budgets, the burden of providing time-consuming paperwork and reports for FCC license renewal time is counter-productive to the process of producing local programming. The FCC should not be intimately involved in the local programming decision-making process. Any standards the FCC uses would be arbitrary, burdensome, and costly.

Services & Resources

New

The 20-Second Manager

This is a new interactive training series developed by the USA. The series is based upon the USA Executive Director Craig Beeby's 35-plus years of media management experiences and two degrees in Radio/TV/Film Sales and Management and Mass Communications. The series interaction will result in hundreds of years of combined shared knowledge. *20-Second Manager* topics feature everything you want to know about being a good public media manager. Some of the management topics include ***Handling Layoffs, Budget Cuts, Overhead Increases and What to Do, Communications - Essential for Success, Problem Employees, and When Salaries are Public.***

New

Peer Review Assessment Tool

We as university-station managers have been discussing this process for the past 20 years. After a successful pilot project and considerable work over a six-month period by the USA, this new assessment tool is a resource for public radio stations.

How does a station prepare to face the economic challenges and questions raised in difficult times? Due to frequent turnover in university administrations and the retirement of many long-time managers, changes in university public radio stations are looming and the assessment tool will assist in planning for such challenges and changes.

This also can be used as a self-assessment tool and can be used in the first stage of the peer review process for public broadcasters. The peer review process is familiar to university administrators, who are accustomed to outside evaluations of their academic programs. The result of using this tool and going through a peer review process could be greater licensee buy-in to a station's future plans.

The tool draws from best practices in the field. The process can also provide the station's staff, board, and university-licensees with ideas for addressing current challenges and identifying resources to aid in that effort.

New University Tenets Of Public Radio Station Ownership & Operations

The USA board endorsed the **Tenets** as an ongoing working document and gave the E.D. approval to make modifications as needed. The purpose of the tenets is to educate university administrators about the appropriate role of a university in its administrative interaction with the station in order to reduce interference in FCC-licensed broadcast facilities' operation. It is considered to be another new and much needed USA-generated resource. The feedback from stations has been very favorable. The ERPM board has also endorsed the Tenets.

New eNews and Listserv

The USA eNews has received positive feedback. The new communication tool offers a more sophisticated method of providing professional resources for stations as well as gathering important information for stations through surveys. Several surveys that were developed and distributed offered important information for the system's use.

Regional & National Representation

In January, the E.D. attended USA affiliate KGOU's celebration in Norman, Oklahoma and in March the E.D. trained KCCU staff in Lawton, Oklahoma. The E.D. attended the PRIMA, NPR, and CPB meetings in March. Along with USA VP Madison Hodges, the E.D. trained station managers at the May PBMA conference in Las Vegas. In July the USA hosted two PRDMC sessions: the Volunteer Leadership Training Workshop with USA, DEI, WKSU,

and the Station Peer Review Assessment Tool training. In August the USA was at the California Public Radio meeting. Other fall regional meetings attended presenting training sessions and information sharing included PRIMA, ERPM, and WSPR. Also, the USA eNews has improved the lines of communication with regional heads and national leaders.

Executive Director Contacts

In 2008, as a result of USA consultations, training, and regional presentations, the number of contacts made by the USA E.D. totals 283. Compared to this time last year, there has been a 104% growth in USA Affiliates with the Affiliate total reaching 102.

Website usage

- Total Visits – January through December – 21,629, averaging 1,802 per month