

**FAI Board of Directors Meeting
August 10, 2017**

In attendance:

Matt Smith (President)
Deana McCloud (Secretary)
Alka Sharma (Treasurer)
Matt Sever (Member at large)

Lynn Cingari
Michelle Conceison (joined at 11:15 AM CT)
Donald Davidoff
lou DeMarco
Dom Flemons
Joan Kornblith
Michael Kornfeld

Cheptoo Kositany-Buckner
Sam Lee
Tim McFadden
Amy Reitnouer
Ellen Stanley (joined at 11:08 AM CT)
Mary Sue Twohy
Erika Wollam-Nichols

Aengus Finnan, Executive Director

Regrets: Lisa Schwartz

Call to Order/Procedure Reminder

The meeting was called to order by President Matt Smith at 11:06 AM CT. Matt reminded board members of the confidentiality of the meeting as well as the procedure placement on the list to speak.

Board Member Resignation

Matt reported that due to Ralph's appointment as a full-time instructor at Berklee School of Music, his work schedule has gotten to the point that Ralph needs to step down from the Board. Matt accepted Ralph's resignation with regrets, noting his many contributions to FAI. This does create a nominating opportunity for a new Director to complete his term, which ends in 2019. Ralph is remaining on committees at this time.

Review/Approval of Minutes

The minutes from the May meeting in Malibu were presented for approval. A correction in the Membership Committee section in which Erika was erroneously identified as Ellen was submitted.

Motion: To accept Board Meeting minutes from May 21 and 22 with the above indicated name correction.

Moved by: Donald Davidoff
Seconded: Ellen Stanley
Result: Motion passed unanimously

Executive Director's Report

Organization/System Updates

As part of the Board Kit, Aengus noted the updated organizational chart to show the chain of command and the staff members responsible for each area of operations. In addition, information about system updates as well as details regarding the new FAI office space designs were included.

The build out payment for the new office space will be amortized over 5 years, and the rental fee will be waived in exchange for FAI activating the space as part of our mission to engage the community.

Communication/Marketing/Development Efforts

Recent communication and marketing efforts were detailed; those efforts included newsletters, collateral marketing pieces, events, award submissions, ads, and social media campaigns.

Development activity is ahead of last year. Results of those efforts that have been directly supported with the addition of the Develop and Communications Coordinator were provided to the Board. We have aggressive targets and are confident that the build for the past 1.5 years will help us achieve set goals.

2018 Conference Updates

Aengus provided detailed and comparison charts regarding conference registration. To date, we have 206 more registrations and 172 more hotel room nights booked in comparison to last year at this time. While at this time, we have 59 fewer showcases applications, this can be attributed to a shift in deadlines, and we anticipate hitting the target number of showcase performer applications.

Special guests Mary Chapin Carpenter and Richard Thompson were announced. Aengus is awaiting further guest confirmations that are expected shortly. A flyer for the 2018 conference that can be used as a development collateral piece was included as an appendix items to the Board Kit.

Bird Fleming will be assisting Doug Cox with the Music Camp as the Kansas City Coordinator, and Kelly Daugherty has been hired as the Kansas City Folk Festival Coordinator.

Events Update and International Activity

Aengus also provided the Board with an events update, noting FAI presence and participation, and FAI international activity. International activity included an Irish pilot industry event, Nordic site visit, and Folk Alliance Australia.

Conference Pricing

Directors were provided a proposed increase in registration pricing, along with a comparison chart of our registration costs in comparison with other conferences. The goal is to capitalize on the excitement of the 2018 Kansas City conference in order to register attendees at a Super Early Bird rate for the 2019 Montreal conference.

Universal Membership Renewal Date

Staff is currently exploring a shift to a March universal membership renewal date. This would be a cleaner method for membership and for operations and doesn't strict anyone from purchasing a membership anytime of the year. However, all memberships would expire and be up for renewal at the same time each year. Michael Kornfeld asked how this would affect artists who join in order to

showcase at regional conferences. Aengus replied that any new memberships purchased for showcase artists would extend to a full year and then renew the following March. All subsequent years would renew in March. This shift would require substantial communication in order to clarify details in advance. Donald Davidoff suggestions organizing a think tank to discuss all details.

Action Item: Aengus will coordinate a think tank to discuss the proposed shift to a universal membership renewal date and formulate a strategy for informing members about this change.

Organizational Membership Thresholds

Aengus feels that the financial parameters dictating organizational membership costs are dated. Changing these guidelines would require a bylaw change to either update the financial size definition or remove the reference from bylaws so that the levels can be set as policy.

Action Item: Governance Committee will discuss this proposed bylaw change and review details.

FY 2018 Donations

In 2017, we were able to celebrate that 100% of the Board and Staff contributed to FAI. Aengus will follow up with a reminder to donate in order to achieve the same success this fall. A fundraising brochure was included in the Board Kit and will be emailed to all Board Members for use in soliciting new donations.

Finance Committee Report

Alka Sharma provided the current Balance Sheet as well as the Budget vs. Actual comparison spreadsheet. She thanked Aengus and Jen for their work on the financial report. Alka noted that code 11000 includes cash in accounts in Bank of America and Lead Bank. Code 20600, Deferred Income Account, shows a total of \$60,196.39 as the amount we have at the end of June for 2018.

Site Selection Task Force Report

Tim McFadden reported that RFPs were sent to markets after the Malibu meeting. Out of those, top markets were identified. New Orleans and Baltimore are looking to be the most attractive for alternate sites. A site visit is scheduled for August 24 and 25 to those markets. The response from the Westin in Kansas City was not as good as had been hoped for due to a change in ownership.

Aengus discussed other potential hotels, which may adjust the Westin's final proposal. Tim mentioned that there is a new hotel being built in Kansas City that's bigger than any of the others and might be a good option for the future.

Nominating Committee Report

Amy Reitnauer noted that we are now past the August 1 deadline for board nomination application, and we have had a really solid year. Seven applications were received by the current membership, with phone interviews being held with each nominee. Two have stood out based on our current year's focus, and a review of those applicants' credentials is in process.

A discussion followed about the proposal of having an artist and that artist's agent serving on the Board at the same time. Donald suggested that perhaps it was more of a diversity concern than a conflict of interest. Based on the small size of the Board, diversity of viewpoint is always a consideration. The perception that others might have is also a concern. Erika reminded Directors that since this is an election, it could be an issue for membership to decide.

Amy reviewed the list of four potential nominees with multiple qualifications and strengths that would be assets to the Board. Donald and Tim are cycling off the Board of Directors; Alka and Ellen are running for re-election. Lou is considering his options, and Erika and Joan are requesting consideration for appointments. NomCom is recommending those seeing an appointment submit goals for review so that a decision can be made.

It was further recommended that the Board consider an appointment of someone with legal expertise, perhaps to complete Ralph's term. The Committee has received suggestions and is searching for the correct appointment. Matt Smith noted that Ralph's seat will remain open until the Board makes a final decision.

Governance Committee/Regions Report

Mary Sue Twohy reported on behalf of both Governance and Regions Committees. A think tank was held July 5 and produced a survey. Once all Directors have responded, those results will be sent back to the Board. Matt Smith mentioned that this is a required survey, and asked everyone to please complete it.

Aengus stated that several Regions have elections underway, and at this stage, all Regions are in compliance with the timeline in their Bylaws. NERFA is in financial compliance per the FAI umbrella clause, and the situation has led to healthy conversations about the need for timely financial reporting. Michael Kornfeld was mentioned as being very helpful as president in NERFA's reaching compliance. Both 990s have been completed, and, with the exception of one small error, will be ready to be filed.

Michael noted that one of his goals of being president was to get NERFA on firm financial reporting footing, and he is pleased with that progress. According to Aengus, NERFA has built a reserve to match its operating fund, which is something to be celebrated.

Aengus called attention to the Regional conference registration rates and noted that there wasn't a true incentive for membership based on those rates. He is currently looking at a matrix and price points with a suggestion of provide incentives for membership. As variances and discrepancies exist, Aengus is exploring how registration works at each Region and will address membership incentive strategies accordingly.

Mary Sue thanked Michelle for putting together the Governance/Regions survey, and reminded everyone about the need to respond to questions. Michelle reminded Directors that there are currently 2 surveys to complete.

Membership Committee

Erika further discussed the second survey that Directors need to complete. This survey will help clarify major points of focus from the board's perspective in order to create the RFP for a research partner to help gather data. Those potential research partners are being explored with the goal of creating a research contract that is then guided by Aengus and the staff. Since we are working on a timeline, Michelle requested that responses be submitted as soon as possible.

Matt Smith thanked the Membership Committee for providing such a robust report, and Aengus noted that this is a culmination of discussions regarding research that have been held for the past 3 years. The AEP5 (Arts and Economic Prosperity Survey) research results now provides data regarding the cultural sector and its economic impact. This data gives FAI data the supports the overall impact of folk music at large, which increases our credibility and potential for NEA and other grant support.

Programming Committee

The Programming Committee meets every two weeks via phone conference with Cindy and Aengus. Deana McCloud noted that the Committee report includes a timeline of goals for scheduling programs well in advance. The Committee is proceeding with scheduling the strongest panels in each of the panel tracks that were discussed during the May planning sessions. In addition, we are discussing the possibility of including "Pay to Play" courses for manager and booking agent training seminars and working to find the best outlet for utilizing films at the conference this year.

Other Business

Matt Smith asked Directors for feedback regarding Committee meetings using GoTo Meeting. There were technology issues mentioned, and Aengus stated that continued education needs to be done in the office in order to make the system more effective and easier to use. We will continue exploring this app at the Committee level. Matt mentioned that it was advantageous to allow everyone to see graphics as well as the other Board members, but only if it is working for all involved.

Aengus informed the Board that the Folk DJ chart is retiring at the end of the year. He has been talking about forming an ad hoc task force to work on the chart transition and organize a Spin Folk Chart. This would be composed of 1-2 Board members, artists, DJs, and managers. For the industry, this would provide a credible chart and provides the opportunity to invite stations who were previously not involved. Costs for this would be targeted for fiscal year 2019.

Action Item: Aengus will move forward to form above noted ad hoc task force.

Plans are being made for FAI to host an event in New York City to honor GRAMMY Folk nominees on Saturday, January 27. This will also provide us with a high-level fundraising event.

Aengus further noted that SB43 was signed by the governor of Missouri and resulted in NAACP travel warnings being issued. Aengus drafted a statement from FAI that is a variation of last year's statement regarding the social issues involved and FAI's stance. He will circulate that statement via email to the Board with further information.

Motion: Mike Kornfeld made a motion to adjourn at 12:58 PM CT