

Alaska Model III

THE ALASKA MODEL WORKING GROUP

A COMMITTEE OF THE ALASKA PUBLIC BROADCASTING COMMISSION

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Amended and adopted as a strategic concept
by the
Alaska Public Broadcasting Commission
on
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The Alaska Model III

In November the Alaska Public Broadcasting Commission (APBC) created the Alaska Model Working Group. The members of the Working Group were drawn primarily from television and radio broadcasting stations. The group was charged with the task of taking the original draft of the Alaska Model and developing a more appropriate strategic concept for public broadcasting in Alaska. The Working Group substantially revised the original concept and circulated a revised model throughout the system during January 1998.

The APBC received written comments from a number of interested parties. In addition, oral testimony and comments were taken at the APBC meeting held in Anchorage on February 24, 1998. After reviewing all of the comments, and after extensive debate, the APBC made further amendments to the Working Group's recommendations. At the conclusion of the debate, the revised version - Alaska Model III - was adopted as a strategic concept by unanimous vote of the APBC.

Alaska Model III is different in many significant respects from the earlier drafts and should not be confused with any of the prior versions. The strategic model adopted by the APBC has received support from all of the public television stations, all four radio regions, APRN and the Department of Administration. This rare convergence of opinion is a reflection of the need for new direction in the way public broadcasting is structured in Alaska. The Alaska Model III sets forth the concept for a new mode of operations as we enter the twenty-first century.

The Alaska Model III incorporates three fundamental premises:

1. There is a need for professional systemwide leadership.
2. There is a need to develop a "core" of centralized services available to all off the stations in the system.
3. There is a need to retain local ownership for all stations in the system and the flexibility for regions to pursue differing paths to maximize services in their areas: however, there is also a need for much greater financial oversight than the system currently provides.

Further details regarding each of these points are set forth below.

A. The Systemwide Leader

1. Alaska public broadcasting must have professional systemwide leadership. This individual cannot be a bureaucrat or a state employee. The prime responsibility of the position will be **the oversight of all state public broadcasting grants and expenditures**, although there are many other important responsibilities as well (see point eight below).
2. The systemwide leadership position will require funding. Salary and benefits will be funded with APBC dollars. The current APBC administrative budget would partially meet this funding need. The balance would come out of the total pool of state funds available and possible federal support. It is also possible that some of the funds currently spent on representation issues could be used for this purpose as the system leader would be expected to perform such work as well.
3. It is inevitable - and understandable - that individual station will have questions and concerns over the funding of this position. Without doubt the most commonly asked questions will be, "How much is this going to cost me and why should it have to contribute towards it?" The answers are twofold:

First, there is an unquestionable need for better oversight of the granting and expenditure of state public broadcasting funds. The APBC as it is currently structured is not well positioned to make either informed grant decisions or to exercise any oversight of the expenditure of state monies.

Second, the consensus position of the Working Group is that the entire state public broadcasting system would benefit from an effective, non-political professional who could work with all stations to develop creative solutions to common problems and further the shared goal of providing the highest quality services to the public.

The cost of providing leadership capacity has been very roughly estimated as in excess of \$100,000 per year. The Working Group is hopeful that part of this cost could be offset by an appropriate grant. It is important to note that this estimate does not take into consideration the cost savings, time savings and needed services that the Working Group believes all stations will benefit from by the creation of this leadership position.

4. In order for the systemwide leader to be successful, it is imperative that he or she have the trust and support of the stations as well as the APBC. The first step towards the creation of the trust is the implementation of an impartial selection process.

The Working Group agreed that the following hiring procedure will be employed. Each region (including television as a region) will nominate a member for inclusion in a search committee. The APBC would nominate a member or members as well. That search committee will be responsible for identifying a small group (3-4 maximum) of highly qualified candidates who they will recommend to the APBC; the APBC will make the selection from that group. A budget must be set aside for this search committee; they will be responsible for developing the search procedures.

The search committee will make recommendations to the APBC regarding the salary for the leadership position based upon their knowledge of the market, etc. They will also make recommendations for the length of any contract periods.

5. As a matter of structure, the leadership position will be a line item grant application as opposed to a state employee. The grantee could be one of the existing entities or a new entity could be developed. Essentially the grantee would be supplying a contract for management services. However, it is important to emphasize that the position will be reporting directly to the APBC, not to the grantee.
6. The systemwide leader will have her/his primary office in Anchorage as that is the location with the best and cheapest access to all of the stations through out the state. That office may or may not be located in the facility of an existing public broadcasting facility (see section B below). The leader will also need a small secondary base in Juneau for use during the legislative session and as needed.
7. It is hoped that the leadership position will not need an independent support staff; instead secretarial/administrative support will be provided through the grantee and/or the "core of statewide services" (see section B below). There will be a need for a travel budget for this position as direct contact with the stations is to be encouraged.
8. The systemwide leadership position will be responsible for:
 - a. Statewide budgeting for **state public broadcasting**, combining all of the grantees' state public broadcasting budgets at a line item level. The revised budget procedure would work in the following manner. Each region would submit its proposed budget and state grant request to the executive instead of directly to the APBC. The leader would submit a single recommended state budget and grant allocation to the Commission. The APBC would then act on that proposal (either adopt it or modify it as they deem necessary).

It is important to note that the Alaska Model III, does not envisage the systemwide leader having spending authority over non-state funds; those will remain under the total control of the owner stations.

- b. Developing and implementing systems to monitor and control expenditure of state funds.
- c. Overseeing a growing core of statewide services including, but not limited to:
 - Administration
 - Engineering support
 - Computer services
 - Education
 - Management services available to stations upon request
 - Technology development and support
- e. Systemwide strategic planning.
- f. Board forum/communication and board education.
- g. Systemwide representative for ongoing interactions with state and federal legislatures and various governmental agencies, CPB and other federal funding sources, etc.
- h. Public broadcasting representative on all matters relating to the Satellite Interconnection Project and other similar matters that may occur in the future.

- i. Primary spokesperson for the entire system on statewide issues.

B. Central Core Organization

1. Public broadcasting in Alaska would be best served by the development of a centralized core of basic resources that are available to the entire system. This would eliminate a lot of redundancy that presently exists and allow better utilization of existing resources.
2. Rather than create a new and separate entity, with its own entirely separate budget, it would be far preferable if some of the existing grantees could team together to provide a pool of resources that was available for use on a systemwide basis. The mechanism for this would be some type of joint venture agreement among existing grantees to submit a grant to provide certain statewide services.

In order for this system to be effective, it is critical that it be able to demonstrate benefits that will be received by individual stations such as actual costs savings, increased fundraising or marketing capability and needed services. There would also be opportunities for certain services to be "subcontracted" to other individual grantees. The exact nature of the services to be provided will have to be negotiated between the grantees and the systemwide leader and funded as a line item in the overall state public broadcasting budget.

3. The following entities would be considered likely potential candidates to team up to provide central core services: APRN, APBS, Alaska One, KAKM, SIP, ARCS Council; however, this list should by no means be considered exclusive.
4. It would also be worthwhile for the "central core" to have the ability to be a license holder in the event that an existing license was in danger of being lost at some point in the future.

C. The Regions and Individual License Holders

1. At the outset, it must be made clear that the Alaska Model III is premised upon the idea of local ownership of the individual stations throughout the state.
2. The various regions (including television as a region, APRN and KAKM as "regions" for this purpose) would still retain the flexibility to employ their own independent organization models; however, there must be much better oversight of the expenditure of state funds than presently exists.
3. Each region would be required to submit its proposed state grant request to the systemwide leader as opposed to the APBC; they would also be required to designate a regional coordinator who has full authority to deal with the leader on grant and budgetary matters. Each region would be free to adopt its own means of designating such a coordinator.
4. Proposed changes in regional composition would be submitted to the systemwide executive as a part of the grant/budget process.

5. The regions and the individual license holders will be required to follow financial management and control procedures which will be developed by the systemwide leader to oversee the expenditure of state funds. This will induce a better definition of the requirements for budget proposals and ongoing oversight procedures.
6. The systemwide leader will have the authority to limit or stop further payment of state funds to a station that fails to comply with the financial management and control procedures. It is understood that this authority would only be exercised after efforts to work with the station in question had failed to achieve the desired results. Any station which felt aggrieved by such a sanction would have the ability to bring the issue before the APBC.
7. It is very import to recognize that the Alaska Model III is not intended to completely change the way that all stations are currently operating. It is undisputed that many station have done a magnificent job of providing high quality public services despite the constant decrease in public funding. The Alaska Model III does not intend to dictate major changes in the operation of those stations: to the contrary it is designed to incorporate the flexibility to encourage stations that are doing well while at the same time providing support and guidance for stations that are encountering difficulties. Both of these functions are critical elements of the oversight role; success should be rewarded and potential problems should be identified and dealt with before crises erupt.
8. Finally, it is important to recognize that no license holder will be compelled to participate in the revised organizational structure. The Alaska Model III would be implemented as a condition of receiving state public broadcasting funds, which have become an ever decreasing percentage of overall funding. An individual license holders would be under no obligation to participate in the system if its board of directors felt that it conflicted with their individual goals and missions. Although Stations that choose not to participate would not be eligible to receive any state grants, they would be free to negotiate their own arrangements with other stations or regions on a case by case basis (for example, agreements to share programming or to provide contract services).

Thus, at its heart the Alaska Model III is a voluntary system - the stations which choose to participate do so because they have made a determination that it is in their best interests and the best interests of statewide public broadcasting.

D. Proposed Implementation Process and Schedule

1. At the February 23-24 meetings of the APBC, the Commission took the following actions:
 - a. Amended and adopted the Alaska III Model.
 - b. Directed interested parties and entities to submit "expressions of interest" in providing a structure for systemwide leadership and core services to the APBC by April 15.
 - c. Direct the APBC members and Working Group members to divide up the various segments of the Alaska public broadcasting community for the purpose of communication directly with local boards of directors to explain the Alaska Model III and to address questions and concerns. Those assignments are:
 - South-central Region: Susan Kernes and Mike Burns, APBC; Dave Hammock, KBBI [this group will be responsible for Anchorage television as well]

- Interior Radio Region: Patty Kastelic and Jim Jackson, APBC; Julianne McGuiness, KTNA
 - AAPBS Radio Region: Brad Reeve (APBC), Clifford Tubbs (APBC), Don Rinker (KBRW) [this group will be responsible for Bethel television as well]
 - Coast Alaska Radio Region: Molly Kabler (APBC), John Clough (APBC), Jon Newstrom (Coast Alaska)
 - Alaska One and Alaska Two: John Clough (APBC)
- d. Directed Don Rinker to work with Doug Samimi-Moore to establish a systemwide teleconference for presentation of the Alaska Model III strategic concept to all interested parties.
2. The goal is to have the first systemwide leadership in place in FY 99, with full implementation by FY 2000.