August 28, 2017

Budget cuts affect KUAC programming

Due to reduced revenue, KUAC has had to make difficult decisions about budget cuts for Fiscal Year 18. The radio and television public broadcasting service has been asked to absorb a 22.5% decrease in funding. *In the past six years, KUAC has experienced a 56% reduction in university funding.*

Changes to be implemented:

Effective Sept. 1, 2017, KUAC FM will terminate its Alaska Public Radio Network membership and will stop airing APRN programming.

KUAC TV will reduce television content acquisitions from programming distributors outside of PBS. Over the coming months, as our current broadcast rights expire, Midsomer Murders and The Red Green Show will go off the air. And we will not purchase new seasons of Doc Martin, Doctor Who, and Detectorists if/when future episodes are made available to public television stations.

KUAC has eliminated its NPR membership (does not impact programming), professional memberships, deferred equipment replacement and upgrades, turned off the KUAC HD transmitters (no longer airing KUAC HD1, HD2 and KUAC HD3 on radio) and has had another reduction in staff. Since 2009, KUAC has reduced staff from 26 full-time and 5 half-time to 14 full-time and 6 half-time employees.

Q&A

- What does terminating your APRN membership mean to me?
 KUAC airs three products from APRN:
 - Alaska News Nightly 30 minutes each weekday evening
 - Talk of Alaska on Tuesdays at 10 a.m. for one hour, and
 - Alaska Economic Report 3 minutes each weekday

KUAC will be replacing these APRN productions with quality programming at no additional cost to the station.

- Marketplace will move to 6 p.m. weekdays.
- BBC World News <u>Newsday</u> will air Monday-Thursday from 6:30-7 p.m.
 Newsday is produced Monday-Friday. Alaska's Friday is the U.K.'s Saturday and Newsday is not produced on Saturdays in the U.K. Therefore,
- All Songs Considered will air on Fridays from 6:30-7 p.m.
- During September, KUAC will air <u>APM Reports on Education 2017</u> on Tuesdays at 10 a.m.

- Beginning in October, KUAC will begin airing hour-long episodes of Northern Soundings: Alaska in Conversation with Robert Hannon on Tuesdays at 10 a.m.
- Also in October, <u>Hidden Brain</u> will come to KUAC on Mondays at 10 a.m. in place of Marketplace Weekend.
 - Marketplace Weekend was originally billed as Marketplace Money and appropriately placed on Monday mornings. The program has evolved into a review of the previous week's market and economy news and is better placed on the weekend.
 - Marketplace Weekend will be placed on KUAC2 (streaming at kuac.org and broadcast on KUAC TV 9.7) on Saturdays at 3 p.m.

2. Why can't you cut other programs?

- APRN programming
 – represents approximately 3.75 hours per week of programming the least amount of programming in the KUAC FM broadcast week from any of our content providers.
- KUAC investigated many options. Eliminating APRN had the lowest impact on our schedule, because it is our most expensive, per hour, programming source -\$69.23/hour.
- Removing APRN creates 3.5 hours of holes in the KUAC FM schedule versus creating 10x as many holes in our schedule should we no longer subscribe to NPR, American Public Media, Public Radio International, etc. See a break out of programming here: <u>FM Programming Costs</u>
- For example: KUAC pays approximately \$69 per hour for APRN programming and approximately \$29 per hour for NPR programming.
 - NPR cost is a flat, annual cost negotiated through a statewide buy.
 - Whether KUAC airs one hour or 100 hours of NPR programming, the cost is the same. So, it wouldn't matter to the KUAC budget if we were to "get rid of X" because KUAC pays the same amount no matter how many hours of content we air from NPR.
 - If KUAC were to eliminate NPR programming, it would be impossible to fill those holes in the schedule without spending more. <u>FM Programming Costs</u>

- 3. Why can't you cut other things and not programming?
 - KUAC is in its sixth year of reduced funding.
 - Like many, if not all, units on campus, KUAC has had to decrease expenses to meet the required reductions.
 - In response, KUAC has absorbed these reductions by cutting internal systems and processes, deferring planned equipment replacement and upgrades, and reducing its staff by 46% since 2009 and redistributing and increasing workloads for the remaining staff members in order to minimize the impact to the public.
- 4. How will I get local and state news?
 - KUAC FM will continue to provide award winning local news coverage and glean state news from other sources that inform and impact the lives of Interior Alaskans.
 - KUAC will continue to produce news that we will share with APRN in order to
 provide statewide access to stories from the Interior, and we will continue to have
 access to APRN stories much like you already experience now through the
 KUAC morning newscasts.
 - KUAC will continue its cost-effective partnership with the Fairbanks Daily News-Miner in order to help meet the KUAC community's need for statewide news.
 - Alaska News Nightly can also be accessed online here.
- 5. Can't you just raise additional money to keep these important programs?
 - KUAC has increased its fundraising efforts and our community supporters have stepped up with increased giving. However, the reductions are outpacing any fundraising gains. All money raised goes to support basic station operations to keep KUAC on the air – either through unrestricted gifts, or gifts restricted to TV or FM.
 - Even if KUAC were to receive a large gift designated to paying for APRN
 membership, the station would still need to increase fundraising for basic
 station operations and to replace obsolete equipment that is at "end of life".
- 6. What does programming cost for KUAC radio and television?

Programming costs are outlined in these <u>Television Programming Costs</u> and <u>FM Programming Costs</u>

7. How will KUAC ensure the quality of FM/TV programming in light of these budget cuts?

KUAC does not make programming decisions lightly. KUAC staff have always been and will continue to be committed to its mission of creating radio and television programming that is thought provoking, trustworthy and even life changing while casting all decisions and actions against the values of independence, integrity, community, education and

sustainability. As such, only trusted, valued programming that meets the needs of Alaska's listeners and viewers is chosen for the FM and TV schedules.

8. What can I do to help?

- Consider making a gift of support.
- Become a sustaining donor by making an automatic monthly gift.
- If you are a business owner, consider underwriting on KUAC TV and/or FM. Contact KUAC corporate support team kuac-underwriting@alaska.edu.
- If you are a sustaining donor, please ensure that your credit card information is up to date by providing updates here or call Abby in KUAC donor relations at 474-2673.
- Sign up a group to answer phones for the upcoming 2017 Fall Fundraiser <u>here.</u>
- Recognize that these are difficult decisions to make. If you have additional questions, we welcome feedback by using this link www.kuac.org/contactus.