

SDX Board of Directors Meeting Minutes

Oct. 4, 2001 - Bellevue, Wash.

Meeting Date: Oct. 4, 2001

Meeting Place: The Double Tree Hotel, Bellevue, Wash.

Roll Call:

Board Members Present: 17

Paul McMasters
Sue Porter
Steve Geimann
Howard Dubin
Betsy Ashton
David Boardman
Fred Brown
David Carlson
Paul Davis
Frank Gibson
Kelly Hawes
Jane Kirtley
Ray Marcano
Dori Maynard
Kyle Niederpruem
Paul Steinle
Georgiana Vines

Board Members Absent: 4

Lou Dobbs
Hoag Levins
Tony Mauro
Russ Pulliam

SPJ Staff Members Present: 4

Jim Gray, Executive Director
Julie Grimes, Deputy Director
Catherine Davis, Finance Director
Kelly Shropshire, Administrative Assistant

Others Present:

Barbara Smith, Ward Neff Intern

CALL TO ORDER

President Paul McMasters called the meeting to order at 1:09 p.m. Secretary Steve Geimann called the roll and declared a quorum present.

APPROVAL OF MINUTES

Betsy Ashton made a motion to approve the minutes from the April 2001 board of directors meeting. Second by Howard Dubin. The motion carried.

SPJ PRESIDENT'S REPORT

SPJ President and Foundation board member Ray Marcano presented a verbal report. Marcano reported that SPJ had made a strong effort to increase the organization's visibility in recent months and to extend the group's reach internationally, especially in Puerto Rico. Marcano said membership also had been a major focus of SPJ in the past year. Current membership is around 9,000. Marcano reported the year has been a successful one for SPJ and the Foundation as the leaders of both boards are working closely.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Jim Gray distributed his report during the meeting. Gray's verbal report focused on membership issues. He said the most important membership component in the coming year would be retention, and retention efforts must involve volunteers.

Board members asked about current member interests and why members join SPJ. Board members encouraged staff to refer back to a 1996 Miami University of Ohio study of SPJ's membership for valuable information about SPJ members. Gray said 70 percent of SPJ members belong to a local chapter, and local chapter efforts would be crucial in any retention plan.

The group discussed member benefits including the Web site, PressNotes, and Quill magazine. Gray reported that in the first eight days of operation, 18 people used the new Web site to join SPJ. There are still bugs to work out with the site, but the final product should be a good one. Board member Kelly Hawes pointed out that the jobs portion of the site is not working correctly.

The group asked to see future SPJ Financial Statements. They also asked for a quarterly report on Foundation investments. Quarterly reports should be distributed the first of the month following the end of a quarter (using a calendar system). The report can be distributed by e-mail. Headquarters should prepare and distribute a schedule so board members know when to expect these documents.

Gray updated the group on the search for a director of development. He has completed preliminary interviews. Paul McMasters, Al Cross, Robert Leger and Gray will consult as they make a final decision. Priorities for the new staff member will be completion of the Capital Campaign (including the current Brick Campaign), development of Foundation Funds, and securing sponsorship for SPJ programs.

SDX PRESIDENT'S REPORT

Foundation Board President Paul McMasters referred members to his report from the joint board meeting and distributed copies.

FOI UPDATE

Bruce Sanford, SPJ legal counsel at Baker & Hostetler, distributed the law firm's annual update on freedom of information activities. He commented on a successful and active year for the Society in regard to FOI issues and complimented the work of SPJ FOI Chairman Ian Marquand. Sanford suggested a public relations push to tell the story of SPJ's FOI work.

Marquand provided an update on his activities in the past year -- continuing SPJ's FOI Alerts, writing columns for Quill, attending conferences, taking FOI calls for the Society, giving interviews, working with legal counsel, and maintaining SPJ's State Sunshine network.

MISSION COMMITTEE REPORT

Sue Porter, chair of the Mission Committee, presented the committee's report. The written report was available in the board packet. Porter discussed two distinct functions of the board -- fund raising and programmatic funding.

Porter felt that a focus on programmatic funding would best serve the board at this time but will require much organization. Guidelines must be developed, staffing would need to be addressed, and reporting issues must be determined. Porter said that Foundation fund raising has been significantly unsuccessful in the past. To counter that, board members should determine what projects to pursue and seek funding for those particular projects.

Paul Davis made a motion to support the Foundation's additional role as a programmatic Foundation. Second by Betsy Ashton. The motion carried unanimously.

The group briefly discussed two projects proposed by President Paul McMasters during the earlier meeting.

— An in-depth study of the 20-plus state access audits. Analyze what's been done and provide resources and guidance for other states to do the same thing. This fulfills something SPJ is known for and would fulfill one of the organization's top priorities.

— The Foundation should consider a national study about the need for press organizations. What needs are out there, and how can they be filled? The study would address why people join, why they drop out, and the functions of press associations. SPJ staff could use the data to understand why people belong to organizations and how those people hope to benefit from organizations.

If the board moves forward, guidelines will need to be developed for FRPs (Requests for Proposals). Board members also discussed the need to free up some "seed money" for those preparing proposals and developing project ideas.

Porter explained that today's decision was just the first step in a long process. The board has laid a foundation for how it will operate in the future, but many details remain to be worked out.

There was some concern about a long delay of actual projects while guidelines were being prepared.

Paul Steinle made a motion that the Mission Committee develop a set of guidelines within specific days, a Project Committee be appointed to oversee these projects and up to \$3,000 be set aside to fund the development of proposals. Second by Steve Geimann.

Board member Kelly Hawes suggested the Mission Committee prepare the guidelines and prepare a list of the type of proposals the Foundation would like to see. The group determined that Foundation-generated proposals and projects would compete equally with outside proposals and would be judged on the merits of each proposal.

The motion carried unanimously.

Porter explained that any proposals would be run by all board members for discussion. Her plan is to get the guidelines developed and then start thinking about proposals.

McMasters appointed the following people to the Projects Committee — Frank Gibson and Paul Steinle. The Projects Committee will report to the chairman of the Missions Committee.

GOVERNANCE COMMITTEE REPORT

Steve Geimann, chair of the Governance Committee, presented his committee's report, available in the board packet. Geimann explained that two subcommittee's had been formed to research two areas of

governance — election of officers and board members and the Foundation's bylaws.

David Carlson, chair of the Nominations Subcommittee, also presented his committee's report. That report was available in the board packet.

The subcommittee was asked to determine the terms of current board members, prepare a slate of candidates for board positions and recommend procedures to keep track of board member terms. Carlson pointed out the need to better stagger board member terms. Carlson proposed the following slate of officers and board members:

Officers: President: Paul McMasters (two-year term); Vice President: Sue Porter (one-year term); Secretary: Steve Geimann (one-year term); and Treasurer: Howard Dubin (one-year term).

Board members and proposed term expirations: David Boardman (2003), Howard Dubin (2004), Steve Geimann (2002), Hoag Levins (2004), Tony Mauro (2004), Paul McMasters (2003), Sue Porter (2002), Russ Pulliam (2004), and Paul Steinle (2004).

Other board members continuing to serve terms are: Betsy Ashton (2002), Fred Brown (2002), Jane Kirtley (2002), Dori Maynard (2002), Frank Gibson (2003), Kelly Hawes (2003), and Georgiana Vines (2003).

Fred Brown made a motion to suspend Foundation bylaws that stipulate board member election for a three-year term. Second by Paul Steinle. Motion carried.

Steve Geimann made a motion to adopt the slate of Foundation board of directors officers as outlined above. Second by Kyle Niederpruem. Motion carried.

Steve Geimann made a motion to adopt the slate of board members and proposed terms as outlined above. Second by David Carlson. Motion carried.

Board member Kelly Hawes presented the Bylaws Committee report, which was available in the board packet. The Bylaws Committee is a subcommittee of the Governance Committee

Paul Steinle made a motion to accept the outlined recommendations of the Bylaws Committee. Second by Howard Dubin. The motion carried unanimously.

It was pointed out that before these changes could be considered binding the SPJ board of directors must be given 30 days notice in which to question any bylaws changes. (Refer to the October 2001 board packet for the bylaws revisions.)

FINANCE COMMITTEE REPORT

Treasurer Howard Dubin reviewed his committee's report, which was available in the board packets.

Dubin explained that at the board's instruction, Vanguard was managing Foundation assets in the amount of \$3 million. Dubin continues to manage the remaining assets. Dubin requested that an Investment Committee review his investment activities. McMasters thanked Dubin for his careful management of the Foundation's funds. McMasters said even with the current financial condition, Dubin's portion of the Foundation's portfolio had increased by 10 percent.

Dubin recommended that the Foundation establish a special fund as a service to SPJ chapters. The fund would be used to manage things like chapter scholarship programs. The group discussed whether this was a part of the Foundation's mission and what costs would be involved. McMasters asked Dubin to research the issue further and determine the impact on staff and the Foundation.

GRANTS AND AWARDS COMMITTEE REPORT

Georgiana Vines, chair of the Grants & Awards Committee, presented her committee's report. The report was available in the board packet. Staff distributed financial information about Foundation funds and Foundation grant guidelines.

Vines made a motion that the board set up a procedure for evaluating and possibly funding grants that are submitted between board meetings. Second by Kelly Hawes. After brief discussion about funding, Vines withdrew her motion.

Vines briefly discussed the Eugene S. Pulliam First Amendment Award. The award will be given priority in the near future.

The group briefly discussed the Taishoff Fund. The interest on the \$25,000 endowment is not enough to cover the costs of an annual training program for early career broadcast journalists. The group discussed incorporating the event into the national convention in the form of scholarships for broadcasters. McMasters said a plan for the program would be incorporated into committee work and a report would be prepared for the next board meeting.

McMasters added board member Paul Steinle to the Awards & Grants Committee.

The group entered into a discussion of the current grant requests. Eleven requests were outlined by the committee in the board packet.

Georgiana Vines made a motion not to fund Request Numbers 5, 6 and 10. Second by Paul Davis. The motion carried.

Request No. 5 was from the Northern California SPJ Chapter and was for FOI Pocket Guides. Request No. 6 was from Bethune-Cookman College and was to help equip the college's newsroom. Request No. 10 was from Howard S. Stewart and was to fund a book on Connecticut prisoners.

Free Press Initiative — The First Amendment Project, Oakland, Calif.

Board member Dori Maynard pointed out that the First Amendment Project does a lot of good work in the Bay area. There was some discussion that this group duplicated what SPJ does. Ray Marcano reminded board members that the SPJ board did not recommend funding this request. Howard Dubin and Paul McMasters reminded board members that there were three possible decisions regarding a request: fund the request completely, do not fund the request at all, or fund the request at a different level than the original request. Sue Porter pointed out the importance of the pocket FOI guides and suggested the board consider taking on the task of preparing them for every state.

Steve Geimann made a motion to accept Committee Chair Georgiana Vines' recommendation to fund the request in the amount of \$10,000 to cover the costs of the pocket guides. Funds should go to the guides only, not to cover litigation expense. The motion carried with two opposed.

Ethics AdviceLine — Chicago Headline Club

The SPJ board recommended deferral of this request. Board members suggested a discussion between SPJ and the Headline Club and Loyola University about how the organizations could work together on this project. SPJ also has an active Ethics Committee and an Ethics Hotline.

SPJ Ethics Committee Chair and Foundation board member Fred Brown said there was a place for both of these groups. The AdviceLine is focused more on guidelines for daily reporters. SPJ's hotline is more focused on commentary.

Bruce Sanford, SPJ legal counsel, pointed out that there are serious potential risks and liability with this project. Insurance to cover that risk might have significant costs. Those should be factored into the proposal.

Chicago Headline Club President Christine Tatum explained that callers don't necessarily get advice but are walked through a decision-making process. All calls are logged and documented.

Georgiana Vines made a motion to provide \$5,000 for one year to cover graduate student costs. The Awards & Grants Committee and SPJ's appropriate committee would work together to resolve the issues raised in this discussion. Second by Paul Steinle. The motion carried with an abstention by Paul Davis.

Funding for this request will come from the Ethics Fund.

Open Doors Project — SPJ FOI Committee

SPJ FOI Committee Chair Ian Marquand presented his committee's proposal, available in the joint board packet. Funding for this request would come from the FOI Fund.

Howard Dubin made a motion to fund the request in its full amount -- \$14,000. Second by Steve Geimann. The motion carried.

Media Leaders Forum —Louisiana State University

Quill Editor Jeff Mohl reviewed the request. This is a grant renewal request. Mohl explained how LSU and Quill magazine planned to expand the project in the next three years.

Georgiana Vines made a motion to fund the request in the amount of \$7,500 per year for three years (a total of \$22,500). Second by Howard Dubin. The motion carried.

SPJ Awards Coordinator Salary

Georgiana Vines recommended an equal split in the costs between SPJ and the SDX Foundation. She recommended \$17,500 per year for each organization. The group discussed whether this fit in the Foundation's mission and whether this was a way to "pad" SPJ's budget. McMasters said the case was persuasive for the Foundation to fund the position, but the same argument could be applied to any member of the SPJ staff.

Paul Steinle made a motion to fund the request in full for one year. Second by Kelly Hawes. The funds would come from the General Fund. The motion carried with nine in favor and five opposed.

SPJ Chapter Grant Fund

Georgiana Vines made a motion not to fund this SPJ request. Second by Kelly Hawes. The motion carried.

Vines commented that the committee would continue to prepare guidelines for funding such requests.

Rural Journalism Initiative

Georgiana Vines said her committee would like more information on this request and was not prepared to make a recommendation at this time. SPJ President-elect Al Cross spoke on behalf of the request and assured the group of its importance.

Paul Steinle made a motion to accept the recommendation of chairman. Second by Kyle Niederpruem. The motion was defeated with six in favor and eight against.

Paul Steinle made a motion to authorize the Awards & Grants Committee to make a decision of up to \$25,000 regarding this request. Second by Frank Gibson. The motion carried.

Student Press Law Center — Law of the Student Press

Steve Geimann made a motion to fund this request in the full amount of \$6,000. Second by Howard Dubin. The motion carried.

Additional Request — Paul Steinle

Board member Paul Steinle distributed at the meeting a request in the amount of \$10,000 from NewsARC, the National Local Television News Archive. Vines recommended that the request be deferred until the Spring 2002 meeting. Steinle explained that the project was based on a school year and a decision in the spring would jeopardize the project.

Kelly Hawes made a motion to refer the grant request to the Grants & Awards committee and SDX Executive Committee for a final decision. Second by Betsy Ashton.

The group discussed funding a proposal from a fellow board member and Steinle assured the group that he would not personally financially benefit from the grant.

Upon a vote, the motion carried with two opposed (Kyle Niederpruem and David Boardman).

The group discussed the total amount of funds dispersed during the meeting. Executive Director Jim Gray indicated that the board had made \$104,500 in commitments to projects today. If other projects referred to committees are approved, the number will go to \$139,500.

OTHER BUSINESS

Executive Director Jim Gray explained that after long discussions with Allyn and Bacon, publishers of the Society's ethics handbook *Doing Ethics in Journalism*, the publishers were finally making arrangements to return the copyright on the book to SPJ.

President Paul McMasters briefly discussed the 2002 meeting schedule. The Spring Board Meeting will be in Indianapolis, and the Pulliam Banquet will be in April in Washington, D.C. The Spring 2003 Board Meeting will be the weekend of the Pulliam Banquet in Washington, D.C.

ADJOURNMENT

Paul Davis made a motion to adjourn. Second by Fred Brown. The meeting was adjourned at 5:20 p.m.