

# SPJ Board of Directors Meeting Minutes

SDX Board of Directors Meeting Minutes

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Apr. 28, 2002 - Indianapolis, IN.

Meeting Date: April 28, 2002

**Meeting Place:** Crowne Plaza Hotel, Indianapolis, IN.

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## **Roll Call:**

Board Members Present: 19

Paul McMasters, President  
Susan Porter, Vice President  
Steve Geimann, Secretary  
Howard S. Dubin, Treasurer  
SDX Directors:  
Betsy F. Ashton,  
David L. Boardman,  
Fred W. Brown, Jr.,  
David E. Carlson,  
Al Cross,  
Frank Gibson,  
Todd J. Gillman,  
Irwin Gratz,  
G. Kelly Hawes,  
James Highland,  
Jane Kirtley,  
Robert Leger,  
Gordon "Mac" McKerral,  
Russell B. Pulliam  
Georgiana Fry Vines

SPJ Staff Members Present: 2

SDX Executive Director Terrence G. Harper; SPJ Director of Finance Catherine Davis.

Others Present:2

SPJ Immediate Past President Ray Marcano and SPJ Region XI Director Mark J. Scarp

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## CALL TO ORDER

With President Paul K. McMasters presiding, the meeting of the board of directors of the Sigma Delta Chi Foundation, Inc. was called to order at 7:30 a.m. on Sunday, April 28, 2002, in the Conrail Room of the Crowne Plaza Hotel in Indianapolis, Indiana.

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## APPROVAL OF MINUTES

One minor change was noted in the minutes from the October 4, 2001, meeting of the board of directors of the SDX Foundation. The change occurred on page four under the heading of "Board members and proposed term expirations." David Carlson's name was removed from the list as he was an appointee of the SPJ board.

Upon proper motion and second by Ashton and Gibson, respectively, the minutes of the October 4, 2001, meeting of the board of directors of the Sigma Delta Chi Foundation, Inc. were approved as amended.

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### **SDX PRESIDENT'S REPORT**

President McMasters referenced his written report stating that his top priorities are getting more and better financial information on the Foundation, jump-starting the Foundation's fundraising efforts and working with the executive director to fill the vacant staff position dedicated to Foundation affairs.

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### **SPJ PRESIDENT'S REPORT**

SPJ President and SDX Director Cross referenced his written report to the SPJ and SDX boards of directors in stating that he believes the primary mission of the Foundation is to support the educational endeavors of the Society. He shared President McMasters' concerns on financial reporting and Foundation staffing.

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### **EXECUTIVE DIRECTOR'S REPORT**

Harper referenced his written report and echoed the sentiments of McMasters and Cross.

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### **FINANCE COMMITTEE REPORT**

Treasurer Dubin reviewed the current state of the Foundation's finances with the board, and presented for the board's consideration a budget for fiscal year 2002-2003. As of the date of the meeting, the Foundation's assets totaled more than \$10.5 million including investments and real estate with the investments and cash accounting for more than \$10.2 million. The Finance Committee asked the executive director to seek additional information on consolidating the Foundation's investments under one roof.

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### **SPENDING POLICY AMENDED**

The board of directors reviewed the Foundation's spending policy. Currently, the Foundation policy is to spend up to five percent of the corpus of the fund each year. The corpus is determined as the balance of the Foundation's assets at the end of the fiscal year, July 31. It was the sense of the board that a better benchmark would be to take the average fund balance on a quarterly basis.

Upon proper motion and second by Ashton and Geimann, respectively, the board voted unanimously to amend the spending policy of the Foundation to be up to five percent of the corpus based on the average balance over the previous four quarters ending July 31.

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### **AMOUNT AVAILABLE FOR GRANTS**

The board reviewed the amount that had been awarded in grants to date to determine the amount available for the remainder of the fiscal year.

Upon proper motion and second by Cross and Brown, respectively, the board unanimously determined that \$184,845.50 was available to award grants for the remainder of the 2001-2002 fiscal year.

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## **BUDGET APPROVED**

The board reviewed the proposed Foundation budget for the fiscal year ending July 31, 2003. The proposed budget showed income of \$393,150 and expenses of \$390,615.

Upon proper motion and second by Carlson and Ashton, respectively, the board unanimously approved the proposed budget.

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## **SPECIAL GRANTS PROCEDURE**

The board discussed its procedures for receiving gifts earmarked for specific chapter or regional educational programs. Many times these gifts are received outside the normal course of the grant cycle and the educational programs require funding on an immediate basis.

Upon proper motion and second by Vines and Highland, respectively, the board unanimously adopted the following procedure for special grants: The SDX executive committee is granted authority to approve special grants to SPJ chapters, regions and committees with detailed reports to be presented at the next ensuing meeting of the SDX board.

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## **INTERIM GRANTS PROCEDURE**

Upon proper motion and second by Vines and Highland, respectively, the board unanimously voted to authorize the SDX executive committee to approve up to \$5,000 in grants between meetings of the full board of directors provided they are in keeping with the mission and goals of the Foundation.

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## **DEADLINES FOR GRANT APPLICATIONS**

The board discussed the deadline for grant applications to be filed for consideration by the Foundation. All grant applications are to be submitted at least 60 days prior to the next ensuing meeting of the board of directors. It was the sense of the board that a strict adherence to the deadline was necessary to ensure that all applicants are given the same consideration.

Upon proper motion and second by Vines and Carlson, respectively, the board unanimously reaffirmed its 60-day deadline for submission of grant applications to the SDX Foundation.

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## **BOARD INVOLVEMENT IN GRANT APPLICATIONS**

A lively discussion was undertaken about the appropriateness of SDX Foundation board members being involved in the grant application process for organizations other than SPJ.

Initially, a proper motion and second were by Vines and Hawes, respectively, to allow SDX Foundation board members to be involved in grant applications from organizations other than SPJ. The motion failed.

It was the sense of the board that directors with involvement in journalism organizations other than SPJ should neither endorse nor vote upon grant applications from those organizations.

Upon proper motion and second by Ashton and Boardman, respectively, the board unanimously adopted

the following policy: With the exception of projects of the Society of Professional Journalists, SDX board members should not make or vote on grant proposals in which they have direct involvement.

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## GRANT REQUESTS

**“Stranger with a Camera”:** Appalshop, a grass roots organization in Whitesburg, Ky., requested \$25,000 for a national outreach campaign that uses the documentary, Stranger with a Camera, to stimulate discussion and understanding of the rights and responsibilities of freedom of the press in America.

It was the sense of the board that the project was not among the Foundation’s funding priorities and that the organization had demonstrated the ability to obtain funding elsewhere.

Upon proper motion and second by Vines and Leger, respectively, the board unanimously voted to reject the grant proposal from Appalshop.

**Ethics in Journalism Week:** The SPJ Ethics Committee requested \$20,120 for an Ethics in Journalism Week. Of the amount, \$8,120 would be used for printing and mailing expenses; \$12,000 would be available for regional requests to cover expenses for speakers.

It was the sense of the board that this project met the mission of SPJ. The grants and awards committee recommended funding \$8,120 for expenses, to come out of the Pulliam General Fund for 2001-02. The committee recommends up to \$12,000, also for the Fund for this year, for the regional requests.

Upon proper motion and second by Vines and Geimann, respectively, the board approved the Ethics in Journalism Week proposal up to \$20,120. Brown, who serves on the SPJ Ethics Committee, recused himself from the vote.

**Project Sunshine/National FOI Coalition Conferences:** The Middle Tennessee Professional Chapter and National Freedom of Information Coalition propose spending \$2,500 to help underwrite the 2002 NFOIC Conference in Orlando on May 3-5 and \$10,000 for a conference in Nashville to which SPJ Sunshine chairs will be invited as well as NFOIC members.

Upon proper motion and second by Highland and Vines, respectively, the board approved the Project Sunshine/National FOI Coalition Conferences proposal in the amount of \$12,500 from the FOI Fund. Kirtley, Gibson and McMasters recused themselves from the vote.

**SPJ National Convention:** SPJ presented a grant request in the amount of \$76,380 to fund the educational elements of the SPJ National Convention. The Society of Professional Journalists’ National Convention is a three-day program for professional journalists, student journalists and journalism educators. Although there is official Society business conducted during the weekend, the vast majority of the programming is aimed at helping journalists hone their craft, as well as be brought up to date on the latest developments relating to issues such as the First Amendment, freedom of information and ethics, to name a few. The program is designed to build upon the skills the participants already have to make them better journalists.

The board expressed concern that a large portion of the grant requests includes staff time on the project. Harper explained that staff involvement was essential to executing the program and that it was perfectly acceptable to include such expenses in the request. McMasters cautioned that while he was in support of the request, it represented a departure from past SPJ grant requests.

Upon proper motion and second by Hawes and Brown, respectively, the board unanimously approved the grant request from SPJ for the educational components of its National Convention in the amount of \$76,380. The grant will be funded from the Pulliam General Fund.

**IRE-SPJ Better Watchdog Workshops:** A joint grant request from Investigative Reporters and Editors and SPJ to conduct a series of “Better Watchdog” workshops in the amount of \$100,000 was reviewed.

The requests asks for \$25,000 now, \$25,000 in the fall and \$50,000 next spring to conduct 20 regional workshops aimed at journalists at small- to medium-sized news organizations (print, broadcast and online) and bureau reporters at larger organizations. These workshops will focus on FOI issues to stimulate investigative and enterprise journalism.

Although IRE will be the lead organization in the workshops, SPJ will share equal billing, will have influence over the programming, and some workshops will be tied in to SPJ Regional Conferences. SPJ President Cross has been working closely with IRE Executive Director Brant Houston to draft a mutually agreeable letter of agreement outlining the responsibilities of each organization.

It was the sense of the board to approve only the first \$25,000 at this meeting. When the board reconvenes in September, it is hoped that the first five workshops will be complete and a better evaluation can be made as to the overall effectiveness of the program and whether additional funding is warranted.

Upon proper motion and second by Hawes and Highland, respectively, the board unanimously approved a grant in the amount of \$25,000 from the Pulliam General Fund for five IRE-SPJ co-sponsored "Better Watchdog" workshops.

***SPJ Writers Workshops:*** The board reviewed a grant request from SPJ in the amount of \$34,000 to conduct three National Writers Workshops during the 2002-2003 fiscal year. The grant request represented the staff costs involved in executing the educational programs as registration fees and corporate sponsorship are anticipated to cover the "hard" costs associated with the program (meals, printing, postage, meeting space, etc.).

It was moved and seconded by Brown and Leger, respectively, to approve the grant request in the amount of \$34,000 from the Pulliam General Fund for SPJ to conduct three National Writers Workshops during the 2002-2003 fiscal year.

It was the sense of the board that, rather than fund additional SPJ workshops at this time, that the IRE-SPJ collaboration should be given priority. The board could revisit the request from SPJ at its September meeting.

Upon proper motion and second by Highland and McKerral, respectively, the board voted unanimously to table the motion on the grant request for SPJ's Writers Workshops until its September meeting.

***Cornerstone Project:*** The Cornerstone Project is a First Amendment education and awareness program of The Media Institute. The group plans to host a luncheon program three times yearly in Washington, D.C. Each luncheon will feature a speech or panel discussion by prominent First Amendment authorities. The SDX Foundation would be the sole sponsor of the luncheon series for two years for a grant of \$16,000 per annum or a total of \$32,000.

The grants and awards committee recommended funding for one year, with money coming from the FOI Fund for 2002-03. The committee further recommended that, as part of the funding agreement, there should be a stipulation that the events should be tape recorded and transcribed and that the full text of the speakers' comments and Q&A with the audience made available on the SPJ web site. This should be done on newsroom speed with the full text going live as soon as possible after the luncheon. SDX's goal should be to sponsor speakers with important insights about the First Amendment implications of breaking events and to make these insights quickly available to journalists and the general public across the country. This stipulation helps to transform a pleasant luncheon attended by several dozen into a nationwide forum on First Amendment issues of immediate relevance to anyone near an Internet connection. Finally, the committee recommended that, while the Cornerstone Project has final authority on speakers and content, that consultation with the Foundation would be appreciated.

Upon proper motion and second by Vines and Hawes, respectively, the board approved a \$16,000 grant from the Pulliam General Fund to the Cornerstone Project of The Media Institute to sponsor a series of First Amendment luncheon programs in Washington, D.C.

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## MISSION COMMITTEE REPORT

Porter reported the following action items from the Mission Committee's deliberations:

1. Work with Harper to reactivate SDX fundraising efforts. Contact board members to update lists of institutional givers and individual givers. Prepare appeal letters and/or promotional materials for presentation to board at next meeting for approval and distribution plans.
2. Work with Harper to develop payroll deduction initiative and support materials for presentation at next meeting.
3. Work with Harper to identify companies with matching gift plans and develop plan to implement for presentation at next meeting.
4. Increase visibility of SDX in Quill and on the web, i.e. more information about projects SDX funds and resulting benefits to the profession
5. Continue dialogue with members of the Mission Committee on list of potential projects and partners.
6. Work with Vines on guidelines for posting on the web that say what types of projects we are interested in funding; also prepare guidelines for staff and board members on proactive grants procedures.

In regard to potential SDX projects, the board re-visited an idea that had been suggested by McMasters at the Foundation's October 4, 2001, meeting to consider a national study about the needs 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.

Upon proper motion and second by Porter and Ashton, respectively, the board unanimously voted to study the feasibility of such a national study.

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## GOVERNANCE COMMITTEE REPORT

The Governance Committee offered the following language to replace the existing foreword of the SDX Bylaws:

*The Sigma Delta Chi Foundation is a nonprofit corporation organized in 1965 under the laws of the State of Illinois. The Foundation functions in a supporting relationship to the Society of Professional Journalists, a publicly supported organization.*

*The Foundation aids in the conduct of journalism research, the granting of scholarships, awards and prizes to encourage students and others to undertake journalism as a career. The Foundation promotes the First Amendment, freedom of information, high standards and a dedication to ethical behavior in the conduct of journalistic enterprise.*

*The Foundation conducts forums or seminars generally open to the public on matters of journalistic and public interest and aids in the publication and dissemination of journals, newsletters and similar publications in the furtherance of its purpose.*

In order to give proper notice of the change to the Bylaws, the aforementioned Foreword will be considered at the next meeting of the SDX Foundation Board of Directors in September.

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## OLD BUSINESS

***Special Grant to the Chicago Professional Chapter:*** A generous donor has made a \$15,000 gift to the SDX Foundation to fund the Les Brownlee Journalism Series—an effort by the Chicago Professional Chapter of SPJ to further journalism education in Chicago. The Chapter has put together a series of workshops and seminars to be conducted in October 2002. The programs will include lectures, workshops and a photojournalism exhibit, among other educational activities.

Upon proper motion and second by Vines and Cross, respectively, the board unanimously approved a \$15,000 grant to the Chicago Professional Chapter of SPJ to conduct the Les Brownlee Journalism Series. Harper will work with the chapter to ensure that the elements of the series funded by the grant are in keeping with the requirements of the Foundation.

***Nominations Committee:*** McMasters appointed Hawes as chairman of the Nominations Committee.

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## **NEW BUSINESS**

***Pulliam Fellowship Banquet:*** Harper introduced the idea of moving the Pulliam Fellowship Banquet from the National Press Club in the spring to the annual meeting of the National Conference of Editorial Writers in the fall. This will make the presentation of the fellowship timelier (the fellowship is awarded in July) and will generate additional interest in the fellowship amongst editorial writers. The Foundation can sponsor all or a portion of a special luncheon at the NCEW convention. SPJ will utilize the dinner arrangement with the National Press Club for its SDX Awards Banquet.

Upon proper motion and second by Carlson and Vines, respectively, the board unanimously approved moving the presentation of the Pulliam Editorial Fellowship to the National Conference of Editorial Writers annual meeting and provide up to \$5,000 to sponsor an appropriate event for the presentation.

**Pulliam First Amendment Award:** McMasters reported that there were 15 applicants for the Pulliam First Amendment Award and that the selection committee was comprised of McMasters, SPJ FOI Chairman Ian Marquand, Hoag Levins, Russ Pulliam and SPJ Awards Coordinator Bobby Deckard.

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## **ADJOURNMENT**

There being no further business to come before the board, McMasters entertained a motion to adjourn.

Upon proper motion and second by Cross and Dubin, respectively, the board unanimously voted to adjourn the meeting of the SDX Foundation Board of Directors at 11:49 a.m. on Saturday, April 28, 2002.