

**MINUTES MEETING OF THE BOARD OF DIRECTORS
SIGMA DELTA CHI FOUNDATION
OCTOBER 15, 2005
LAS VEGAS, NEVADA**

MEETING CALLED TO ORDER

With President Todd Gillman presiding, the meeting of the board of directors of the Sigma Delta Chi Foundation was called to order at 11:05 a.m. on Saturday, Oct. 15, 2005, at the Aladdin Resort and Casino in Las Vegas.

ROLL CALL

In addition to Gillman, the following were in attendance for all or a portion of the meeting: Vice President Betsy Ashton; Secretary Steve Geimann; Treasurer Howard Dubin; Directors Guy Baehr, Fred Brown, David Carlson, Al Cross, Holly Fisher, Irwin Gratz, Ruth Ann Harnisch, Jim Highland, Jane Kirtley, Robert Leger, Mead Loop, Dori Maynard, Sue Porter, Christine Tatum, Georgiana Vines, and Matt Winkler. Executive Director Terrence G. Harper and Deputy Executive Director Julie Grimes also were present for the meeting.

Absent from the meeting were board members Ken Bunting, Kelly Hawes, Bill Ketter, Tony Mauro and Russell Pulliam.

APPROVAL OF MINUTES

Upon a proper motion and second by Ashton and Dubin respectively, the minutes of the May 1, 2005, Sigma Delta Chi Foundation Board of Directors Meeting were approved as presented.

OFFICER AND STAFF REPORTS

Harper referenced his written report which was distributed via e-mail prior to the meeting.

KATRINA RELIEF FUND UPDATE

To date, 17 grants have been awarded from the Katrina Relief Fund. The total awarded to date is approximately \$4,000.

Upon a proper motion and second by Vines and Geimann respectively, the board voted to set an application deadline of Feb. 1, 2006, for the Emergency Grants from the Katrina Relief Fund.

SPJ BOARD MEETING HIGHLIGHTS

SPJ President Irwin Gratz provided the group with a brief summary of the SPJ board of directors meeting held earlier in the day. Gratz reported that the SPJ Executive Committee approved the production of The Journalist for 2006, including restructuring and cost-saving changes. Two awards being presented during the convention have generated some discussions. The awards are: a Sunshine Award to Illinois Attorney General Lisa Madigan and a First Amendment Award to Judith Miller. Miller's award recognizes that she stood up to a prosecutor and spent 85 days in jail. The result is a light on the issue of a federal shield law.

SDX PRESIDENT'S REPORT

Gillman briefly reminded the group that many good ideas were generated during the board's spring meeting. Board members will be planning and executing those projects throughout the coming year.

COMMITTEE REPORT: COMMUNICATIONS

Geimann referred to the committee's written report in the board packet. He also reported that the committee will be looking at increasing promotion of the Foundation's awards programs. The committee also will seek the best option to display the work of the Pulliam Editorial Fellow on SPJ's Web site. They hope to develop a section on the site about editorial writing. The committee also will be working on the 2004-2005 annual report. The committee will seek out ways to maximize the distribution of the report.

COMMITTEE REPORT: FINANCE

Harper reported that the yearly financial audit will be complete soon. He recommended that the board create an audit committee.

Dubin suggested a change in the Foundation's investment management policy. He recommended that the Foundation place \$1 million dollars with an investment adviser and examine the performance rate.

Upon a proper motion and second by Dubin and Ashton respectively, the board voted to turn over \$1 million dollars from the Foundation's Pulliam General Fund to money manger Ellen Cardozo Sonsino of Morgan Stanley and to direct the Finance Committee to begin development of a procedure by which outside managers will be selected. This decision will be revisited after one year.

Sonsino will have discretion on the account but will initiate contact with a committee member prior to buys and sells.

COMMITTEE REPORT: DEVELOPMENT

Ashton reported that communication with the board concerning development issues has been most helpful. Monthly donor lists prepared by headquarters are very useful.

The next contact with Foundation supporters will be through a Thanksgiving mailing.

Ashton reminded board members about the importance of financial gifts from each board member during the year. Stall will help make board members aware about their gifts to the Foundation in the coming year.

During the committee meeting earlier in the day, committee members discussed the need to focus efforts on planned giving opportunities. Information about this should be prepared for board members. The committee would like to see the Foundation reach out to a variety of individuals, including those who are not members of SPJ. The Journalist magazine has been one attempt to reach the broader world of journalism.

Ashton and Winkler told board members the Foundation is a unique group with no comparable organization with local roots that stretches back a century. Literally, it should be considered the foundation of journalism. During the committee's meeting, Winkler suggested creating an annual event honoring a newsmaker that has achieved greatness in journalism. He suggested the event be tied to special places of historical journalistic significance. The event, too should tie the organization to the future, and not just to the past. The event should be done in a thoughtful, tasteful way and should celebrate the achievements of

an individual.

A committee made up of Ashton, Winkler, Harnisch, Baehr, and Cross will examine this opportunity and make a report to the board.

COMMITTEE REPORT: GOVERNANCE

The Governance Report was presented in the board packet. Gillman reported the only change to the written report was to remove Irwin Gratz from the three-year term since he will remain on the SPJ board of directors for another year.

Upon a proper motion and second from Highland and Geimann respectively, the board elected the following officers and board members: President: Todd Gillman (two-year term); Vice President Betsy Ashton (one-year term); Secretary Steve Geimann (one-year term); Treasurer Howard Dubin (one-year term); board members Betsy Ashton, Fred Brown, Jane Kirtley, Dori Maynard and Sue Porter (re-elected to three-year terms); and board member Mac McKerral (elected to a three-year term).

Future election reports should include a complete list of board members and terms.

In other governance business, the board revisited the idea of a conflict of interest policy regarding grant requests that was proposed during the Spring 2005 board of directors meeting.

Upon a proper motion and second by Carlson and Leger respectively, the board voted to adopt the policy statement below and prepare a Foundation bylaws change.

Policy Statement:

The Sigma Delta Chi Foundation shall not accept grant proposals that will directly benefit any director or anyone who is to become a director by virtue of office. This policy shall also apply to any former director for a year after leaving the board. Board members shall not vote on or advocate a grant application that would benefit an organization with which they are affiliated, other than answering questions during a board meeting. This policy shall be referred to the Governance Committee for proposal as a bylaw.”

COMMITTEE REPORT: GRANTS & AWARDS

Committee Chair Vines reported the committee’s proposed funding priorities for any remaining budgeted funds:

1. 2006 National Freedom of Information Coalition Conference
2. Database for SPJ
3. Ethics Adviceline with plan to pursue cooperation

Upon a proper motion by Vines and Gratz respectively, the board voted to commit \$5,000 from the 2006 budget to the NFOIC Conference.

COMMITTEE REPORT: PROJECTS

Fisher reported that she had received interesting feedback and suggestions for implementing a mentoring program focused on young professionals in the early stages of their careers.

PROJECT UPDATE: ETHICS CAMPAIGN

Staff continues to communicate with a public relations firm in Chicago that will be helping to craft the campaign message. The volunteers have been identified, and communication will continue following this convention. Initial plans for the internal component of the campaign include educating journalists about SPJ's Code of Ethics. The external component will focus on trustworthy journalists and journalism.

A helpful addition to this project would be a succinct and consistent response for questions about why SPJ chooses not to enforce its Code of Ethics.

PROJECT UPDATE: JOURNALISM DATABASE

Board members discussed the development of a database of journalists that would be used by SPJ and the Foundation. This has been an ongoing discussion.

Dubin offered a gift of \$10,000 to help purchase a database of journalists' contact information. Harnisch offered to contribute \$5,000 to such a purchase.

NEW BUSINESS

Upon a proper motion by Vines and a second by the full board of directors, the board unanimously adopted a resolution honoring Ursula Dubin.

Board members reviewed dates and locations for 2006 board meetings: the spring meeting will be April 23 in Indianapolis. The fall meeting will be Aug. 24 in Chicago.

ADJOURNMENT

Upon a proper motion and second by Geimann and Brown respectively, the board meeting was adjourned.