

MINUTES
MEETING OF THE BOARD OF DIRECTORS
SIGMA DELTA CHI FOUNDATION
SEPTEMBER 6, 2014
OPRYLAND HOTEL
NASHVILLE, TENNESSEE

MEETING CALLED TO ORDER

With President Robert Leger presiding, the meeting of the board of directors of the Sigma Delta Chi Foundation was called to order at 9:03 a.m. Saturday, September 6 at the Opryland Hotel in Nashville, Tennessee.

ROLL CALL

In addition to Leger, the following board members were present: Vice President Irwin Gratz; Secretary Jane Kirtley; Treasurer Howard Dubin; Directors Dave Aeikens, Sonny Albarado, Fred Brown, David Carlson, Al Cross, Dave Cuillier, John Ensslin, Jay Evensen, Paul Fletcher, Steve Geimann, Todd Gillman, Tony Hernandez, Bill Ketter, Sue Kopen Katcef, Al Leeds, Sally Lehrman, Hagit Limor, Bill McCloskey, Gordon “Mac” McKerral, Dana Neuts and Kevin Smith.

Staff members present included Executive Director Joe Skeel, Associate Executive Director Chris Vachon and Communication Strategist Jennifer Royer.

MINUTES

Upon proper motion and second by Aeikens and Dubin, respectively, the board approved the meeting minutes from April 27, 2014.

SDX FOUNDATION PRESIDENT’S REPORT

SDX Foundation President Leger reported that despite the recent dip in the stock market, the foundation’s portfolio rose 3 percent for the year.

Leger provided updates on the 2012 and 2013 Pulliam Editorial Fellowship projects: Sandra Shea, of the Philadelphia Daily News and the 2012 recipient, completed her project on poverty and the project is linked from spj.org.

The Connecticut Post’s Hugh Bailey, the 2013 recipient, completed his eight month sabbatical researching ways to reclaim abandoned industrial areas. The projects is scheduled to run as a three-part series in September 2014.

STREAMLINING OF SPJ AND SDX FOUNDATION ACTIVITIES/RESPONSIBILITIES

Leger provided a brief recap of the process since April 2014.

The foundation becomes an operating foundation rather than a supporting foundation. The focus of the foundation shifts to take ownership of the educational programming. Staff

would present ideas to the programming committee. Budgets for both groups will change, but the changes won't have a negative implications to either group.

The group discussed the make-up of the board as well as the roles and responsibilities of the board. Should the board be smaller? Are there foundations out there with similar models? Is there a structure that can be created for past presidents who want to stay in the loop?

Upon proper motion and second by Carlson and Cross, respectively, the board voted to direct staff to prepare for the transition of the foundation taking over educational programming from SPJ, including Quill, by preparing a budget and a proposal to outside funders by April 1, 2015.

Ketter called thw question. Vote on call the question passes unanimously. Motion passes.

EXECUTIVE DIRECTOR EVALUATION

Upon proper motion and second by Fletcher and Albarado, respectively, the board voted to go into executive session at 10:55 a.m.

Upon proper motion and second by Geimann and McCloskey, respectively, the board voted to exit executive session at 11:05 a.m.

HISTORY BOOK UPDATE

Jim Schuette from Marion Street Press joined the meeting to discuss the progress of the history book. Jim said there are 16 chapters in the book and that chapter one would be ready to be reviewed the week following the conference. Jim indicated he is anxious to get the book completed and that he needs assistance from members.

SPJ PRESIDENT'S REPORT

SPJ President Dave Cuillier reported that at the SPJ board meeting on September 4, 2014, the board launched an endowed advocacy fund with \$75,000 from the Legal Defense Fund. Additionally, the board voted to create a policy that would move excess funds from the SPJ operating budget in the endowed advocacy fund at the end of each fiscal year.

Also at the SPJ board meeting, there was discussion about holding the annual spring board meeting somewhere other than Indianapolis beginning in 2016. Some foundation board members shared that cost is a more important factor than location regarding future locations.

TREASURER'S REPORT

Dubin reported that the Schwab brokerage accounts (not bank accounts) total \$12,760, 273. 54% is invested in mutual funds and closed end funds managed by others. 44% is invested in individual stocks managed by the finance committee 2% is in cash for financial obligations

Of the 54% in mutual funds, 85% is invested in Vanguard, a low-cost company. Diversification is achieved by spreading the money into 12 different Vanguard funds with varying objectives. Of the 44% invested in individual stocks, the money is spread into 152 companies with the average stock less than ½ of 1% of the portfolio.

PASS-THROUGH CONTRIBUTIONS

The list below represents pass-through contributions that have occurred during the current fiscal year. These pass-through contributions are allowed under IRS rules because they fall in line with the Foundation’s charitable purpose: Education and recognizing journalism excellence.

Gannett Foundation to SPJ for EIJ14 Support	\$10,000
Wall Street Journal to SPJ for SDX Awards Banquet Support	\$5,000

Upon proper motion and second by McCloskey and Limor, respectively, the board approved the pass-through contributions outlined above.

HIGH SCHOOL ESSAY CONTEST

Associate Executive Director Vachon proposed that the foundation partner with Journalism Education Association (JEA) on the high school essay contest. The reasons for the proposed partnership are that contest is a time-consuming program for staff; SPJ’s audience is typically not high school students/advisers; and interest from SPJ chapters in judging the essays has declined over the years.

JEA is willing to manage the judging of the contest. In addition, they are interested in making a bigger splash of the winners than SPJ/SDX Foundation has done in the past. Both groups will market the program and the foundation will continue to provide \$1,800 in prize money to the award winners.

Upon proper motion and second by Geimann and Smith, respectively, the board agreed to partner with the Journalism Education Association on the high school essay contest for one year. Kirtley voted against the motion.

PROJECTS COMMITTEE

Committee chair Todd Gillman provided a proposal to the board from IRE and the New England Center for Investigative Reporting (NECIR) for \$48,500 to conduct a second year (foundation funded year one of this program) of workshops, Watchdog: Raising the Bar. The program includes three two-day workshops followed by two webinars. In addition, IRE and NECIR would host several web hangouts and offer consulting services.

Upon proper motion and second by Gillman and Ketter, respectively, the board approved \$48,500 to IRE and NECIR for a second year of the investigative reporting workshop.

FOI/First Amendment Group Funding Guidelines

At the spring meeting, the board charged the grants committee with developing some guidelines for assessing grant requests that come from state and regional-based FOI/First Amendment groups. Below are the presented guidelines:

- Programs/projects must be compatible with the foundation's mission
- Preference should be given to regional or multi-state groups rather than one state, though possible national impact in a very large state should be considered
- Funding is not for infrastructure/overhead
- Preference should be given to programs/projects with multiple funding sources
- Show evidence of partnerships with appropriate groups, especially with SPJ entities such as chapters and mission committees
- In cases of "exceptions" to the guidelines, be mindful of setting precedents

Lehrman suggested the guidelines incorporate diversity.

Upon proper motion and second by McKerral and Dubin, respectively, the board endorsed the guidelines.

BOARD MEMBER ELECTIONS

The following slate of board members are being offered to the board for three year terms:

- Fred Brown
- Jay Evensen
- Jane Kirtley
- Dori Maynard
- Mac McKerral
- Sally Lehrman
- Kevin Smith

Upon proper motion and second by Gratz and Neuts, respectively, the board approved the appointments of the board members.

OFFICER ELECTIONS

The following slate of officers are being offered for the board's review:

- President - Robert Leger
- Vice President - Irwin Gratz
- Secretary - Jane Kirtley
- Treasurer - Howard Dubin

Upon proper motion and second by Ketter and Albarado, respectively, the board elected the slate of board officers.

FOUNDATION STAFF REPORT

Vachon reported that two new 1909 Society members have come on board...Dave and Jeanne Carlson.

PULLIAM EDITORIAL FELLOWSHIP AWARD

Pulliam Editorial Fellowship chair Todd Gillman reported that the 2014 award was given to the Boston Globe's Farah Stockman. She will be taking the history of busing in Boston as starting point to spark a larger national conversation about race in America today.

RAINBOW SOURCE BOOK

Sally Lehrman asked if the diversity committee could send the RFP for the book out to interested parties and the board indicated that the committee was welcome to do so.

PULLIAM FIRST AMENDMENT AWARD

Grants and awards committee chair Mac McKerral reported that the winner of the 2014 Pulliam First Amendment Award went to The Associated Press for its fight against the U.S. government spying on the news media. 23 nominations were received this year.

The board requested that the recipient's body of work be put on the website each year. This, of course, requires permission to do so. It was suggested that a line be added to the application form asking for permission to post if selected for the award.

ADJOURNMENT

Upon proper motion and second by McCloskey and Carlson, respectively, the board voted to adjourn the meeting at 11:10 a.m.