

**MINUTES MEETING OF THE BOARD OF DIRECTORS  
SIGMA DELTA CHI FOUNDATION  
MAY 1, 2005  
INDIANAPOLIS, INDIANA**

---

**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 8:33 a.m. on Sunday, May 1, 2005, at the Eugene S. Pulliam National Journalism Center in Indianapolis, Indiana.

---

**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, Dave Carlson, Al Cross, Holly Fisher, Irwin Gratz, Ruth Ann Harnisch, Jim Highland, Jane Kirtley, Robert Leger, Mead Loop, Russell Pulliam and Georgiana Vines; Executive Director Terrence G. Harper; Deputy Executive Director Julie Grimes; Director of Development Joyce Dobson, Director of Programs Chris Vachon; and Controller Jake Koenig.

---

**APPROVAL OF MINUTES**

Leger noted that the minutes from the September 9, 2004 board meeting were incorrect in reporting that a vote was taken concerning the policy of neutrality of SDX Foundation directors in regard to elections of SPJ board of directors. The matter was only discussed but never voted upon.

**Upon proper motion and second by Ashton and Leger, respectively, the minutes of the September 9, 2004 meeting of the Sigma Delta Chi Board of Directors were approved as corrected.**

---

**PRESIDENT'S REPORT**

Gillman noted that he wanted to keep the meeting moving forward so that a significant portion of time could be dedicated to brainstorming and planning. He stated that he viewed the Foundation's role was to raise and spend money effectively and selectively. The board's primary responsibility is to set direction and policy; the committees - and the staff - should then do the work.

---

**EXECUTIVE DIRECTOR'S REPORT**

Harper referenced his written report and noted that he is seeking proposals from public relations professional to develop a communications strategy for the Society and the Foundation.

---

**REPORT OF THE EXECUTIVE COMMITTEE**

The executive committee agreed that SPJ needs to improve its Web presence. Gratz recapped the SPJ board meeting and indicated that the budget is in good shape with cash reserves. An additional \$30,000 will be raised for support of the federal shield law legislation. The 2006 convention will occur in Chicago in August and the 2007 convention will take place in Washington D.C. rather than Williamsburg. The committee also requested that staff develop a gift acceptance policy for the Foundation.

---

## **REPORT OF THE COMMUNICATIONS COMMITTEE**

Geimann referenced his written report and stated that the annual report which was distributed at the meeting was a good start. He reported that the Web site had been updated with a "give now" button so that individuals could make gifts electronically.

---

## **REPORT OF THE DEVELOPMENT COMMITTEE**

Ashton reported that the development committee has a detailed plan for development along four broad areas: major gifts, planned giving, annual gifts and clarification of mission. Dobson reported that the underpinnings of development work are in place. Ashton stated that it is necessary now to be more specific in making the case when the Foundation asks for funds. Harnisch stated that she would like to see 100 percent of the Foundation board make provisions for the Foundation in their wills and that it would be necessary to create an easy format to prospective donors to follow. She also stated that it was extremely important for all members of the board to give to the Foundation. Dobson reported that the cost of the "mini-case" campaign was about \$17,000. Two of the four mailings have returned about \$10,000. She described plans for future mailings and stated that the number of new donors has increased.

---

## **REPORT OF THE FINANCE COMMITTEE**

Dubin reviewed the funding philosophies of the board and reported that investments are currently allocated 70 percent to stocks and 30 percent to bonds. Recent stock purchases have focused on dividend-paying issues. Koenig reported that as of March 31, 2005, the Foundation's investment portfolio was valued at \$11.2 million, reflecting a \$630,000 increase over the previous year.

---

## **FY 2006 BUDGET APPROVED**

Koenig and Harper presented the proposed budget for the fiscal year ending July 31, 2006. Anticipated revenue totaled \$574,252 with anticipated expenses totaling 577,880. A modest loss of \$3,628 is predicted. Koenig stated that the proposed budget was predicting a modest loss. Discussion touched upon how the budget might be presented differently in the future with more expenses allocated to program areas, as well as the disposition of the Beverly Kees Fund.

**Upon proper motion and second by Geimann and Gratz, respectively, the board approved the Foundation's 2005-2006 budget as presented. The budget is attached to these minutes as [Exhibit A](#).**

---

## **REPORT OF THE GOVERNANCE/MISSION COMMITTEE**

Gillman referenced the work of the Governance Committee and stated that chair Kelly Hawes may leave the board which would leave a vacancy in that position.

---

## **GRANTS AND AWARDS**

**Society of Professional Journalists:** SPJ submitted the following grant requests, totaling \$182,524:

- \$22,700 to help fund educational programming at the 2005 National Convention
- \$33,724 for educational programming staff support
- \$11,100 for Mark of Excellence staff support
- \$6,000 for educational programming at the 2006 regional conferences

- \$41,500 for six narrative writing projects, a new initiative by the Society
- \$50,500 for an interactive DVD-ROM of the Sigma Delta Chi award winners
- \$6,000 from the FOI Committee to fund an update of the Prison Access Project
- \$11,000 from the Ethics Committee for the 2006 Ethics in Journalism Week

Loop noted that two of the amounts had been changed by the grants and awards committee: the Prison Access project was reduced from \$11,000; the narrative writing workshops were increased from \$27,500 and two more workshops were added. All funding is to come from the Pulliam General Fund except the narrative writing workshops which will come from the Professional Development Fund.

**Upon proper motion and second by Loop and Leger, respectively, the board approved a \$182,524 grant to the Society of Professional Journalists for the projects outlined above.**

**National Freedom of Information Coalition:** Loop reported that the NFOIC had neglected to make a timely request for \$10,000 to fund its 2005 annual conference. The NFOIC has been a regular grantee of the Foundation. On March 10, the executive committee approved a \$5,000 grant to NFOIC, the maximum the committee was empowered to grant. The grants and awards committee recommend an additional \$5,000 in funding to come from the current budget.

**Upon proper motion and second by Loop and Carlson, respectively, the board approved a \$5,000 grant to the National Freedom of Information Committee to fund its 2005 annual conference. The funds will come from the Pulliam General Fund.**

**Western Kentucky University:** Loop referenced the committee report distributed at the meeting and stated that the committee recommended funding in the amount of \$3,000 to Western Kentucky University for a project to promote a text book of contemporary First Amendment cases.

**Upon proper motion and second by Geimann and Ashton, respectively, the board approved a \$3,000 grant to Western Kentucky University. Highland abstained from the vote.**

---

## UNIVERSITY OF GEORGIA

Lee Becker at the University of Georgia requested a three-year grant totaling \$9,000 to partially fund the Annual Surveys of Journalism & Mass Communications. The committee noted that the information shared from this project is in great demand by members of the Society of Professional Journalists.

---

## INDIANA COALITION FOR OPEN GOVERNMENT

The Indiana Coalition for Open Government submitted a \$20,000 grant request for organizational development (\$10,000), funding for the 2006 NFOIC Conference (\$3,500), and two publications (\$6,500). The committee noted the Foundation's history of funding the annual NFOIC Conference. It was the recommendation to fund only that portion of the request related directly to the 2006 conference.

**Upon proper motion and second by Loop and Highland, respectively, the board approved a \$9,000 grant over three years to the University of Georgia for the Annual Surveys of Journalism & Mass Communications and a \$3,500 grant to the Indiana Coalition for Open Government to support to the 2006 NFOIC annual conference. The Pulliam General Fund was designated as the source of funding.**

---

## REPORTERS COMMITTEE FOR FREEDOM OF THE PRESS

The Reporters Committee submitted a \$30,000 request to publish the fifth edition of "Tapping Officials' Secrets." The committee noted that the Foundation made a grant of \$20,000 to the Reporters Committee in 2000 for the fourth edition of this publication, as well as a \$15,507 grant in 2003 for an FOI handbook.

The committee discussed wanting to provide some support, but available funds would not be available for the full request. The committee recommended a \$15,000 grant from the FOI fund.

**Upon proper motion and second by Vines and Ashton, respectively, the board approved a \$15,000 grant from the FOI fund to the Reporters Committee for Freedom of the Press for publication of "Tapping Officials' Secrets." Geimann abstained from the vote.**

---

## **NEW BOARD POLICY DISCUSSION**

Cross brought up the subject of board member involvement in grant requests and suggested it was necessary to adopt a policy to remove any appearance of impropriety or favoritism. Cross proposed the following policy:

"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."

**Upon proper motion and second by Cross and Leger, respectively, the board voted to refer the policy to the Governance Committee for inclusion in the bylaws.**

---

## **REPORT OF THE PROJECTS COMMITTEE**

Fisher referenced her report but stated that the committee decided that the proposal to support high school journalism advisors needed to be improved. Other ideas that the committee set forth for the consideration of the board included proposals to support an endowment for SPJ educational programming at the national convention, an ethics campaign, an endowed lectureship and a project to mentor young journalists. The question of the role of the foundation as an operating or supporting foundation was raised and a passionate discussion followed. The board ultimately decided that the way to attract financial support is to have and promote good ideas. The board decided that the greatest issue facing journalism today is credibility and reader confidence. It was felt that SPJ and the SDX Foundation can address this issue more effectively than the industry. A brainstorming session developed several approaches to promoting this project. Components of the campaign could include a "consider the source" message, a speakers bureau, list of organizations that could contribute and ways to promote journalism ethics to journalists and to the public.

Gillman suggested developing a national database of journalists to help promote the campaign. Dubin will investigate what would be needed to obtain the data for the database and he will report to the executive committee in July.

**Upon proper motion and second by Ashton and Harnisch, respectively, the board voted to explore the idea of establishing a national database of journalists.**

Harnish suggested that any public relations or marketing professionals that SPJ might engage should be involved in the campaign. Fred Brown volunteered to help organize the campaign and coordinate with the SDX Foundation projects committee, the SPJ ethics committee and the Project Watchdog group.

Other tasks were given to Highland to collect state Press Association books and develop a list of media companies who might be willing to support the project; Harper will investigate approaching the Ethics and Excellence in Journalism Foundation; Ashton will approach Hodding Carter of the Knight Foundation to ascertain his interest in supporting the campaign. Harnish requested a proposal for funding a speakers bureau from SPJ and Dobson will follow up with a proposal.

---

## **NEXT MEETING**

Gillman announced that the next meeting of the board of directors will occur on Sunday morning, October 16, 2005, in conjunction with the SPJ Convention and National Journalism Conference at the Aladdin Resort & Casino in Las Vegas.

---

## **ADJOURNMENT**

There being no further business to come before the board, a motion to adjourn was entertained. The motion carried and the meeting was adjourned at 12:45 p.m. on Sunday, May 1, 2005.