

**MINUTES
MEETING OF THE BOARD OF DIRECTORS
SIGMA DELTA CHI FOUNDATION
APRIL 18, 2010
INDIANAPOLIS, INDIANA**

MEETING CALLED TO ORDER

With President Steve Geimann presiding, the meeting of the board of directors of the Sigma Delta Chi Foundation was called to order at 9 a.m. on Sunday, April 18, 2010 at the Westin Hotel in Indianapolis.

ROLL CALL

In addition to Geimann, the following board members were present: Vice-President Robert Leger; Treasurer Howard Dubin; Directors Dave Aeikens, Sonny Albarado, Fred Brown, David Carlson, Al Cross, John Ensslin, Jay Evensen, Todd Gillman, Liz Hansen, Jane Kirtley, Sue Kopen Katcef, Al Leads, Sally Lehrman, Hagit Limor, Darcie Lunsford, Mac McKerral, Neil Ralston, Kevin Smith, and Jeremy Steele.

Staff members present included Executive Director Joe Skeel; Assistant Executive Director Chris Vachon; Director of Development Amy Posavac; and Controller Jake Koenig.

APPROVAL OF MINUTES

Brown requested a typographical correction to the minutes of the August 29, 2009 board meeting. Upon notation of the change,

Upon proper motion and second by Dubin and Limor, respectively, the board approved the amended minutes of the August 29, 2009 board of directors meeting.

SPJ PRESIDENT'S REPORT

SPJ President Smith reports that membership numbers have turned the corner; there has been no loss in the past three months which is a good trend. He also reports that he has attended four different conferences on the subject of the future of journalism since taking office. Thanks to Howard Dubin's donation, a 15,000 piece mailing was sent to lapsed members and has resulted in 45 new members so far, with a goal of 75.

Smith reports that the Shield Law has passed the Senate Judiciary Committee and the definition of a "journalist" is now being negotiated. The suggested verbiage is "one who gathers information with the intent to disseminate for public consumption."

Smith reports that SPJ is starting to dabble in the concept of international chapters, and we have received a petition for our first overseas chapter in Qatar. This group is part of Medill School of Journalism Northwestern University. The horizon is stretching, too, for pro chapters in Iraq and India.

TREASURER'S REPORT

Dubin reports that Nina Pulliam's stock gift years ago has left us with a portfolio which has resulted in about \$1 million today. The finance committee will begin to have an active role in the budget process, and has already approved the budget for the 2011 fiscal year.

Skeel reports that the corpus has improved more than what's been printed in the materials for today. Skeel also reports that the Foundation has \$500,000 cash on hand, which are dividends that were never reinvested, so only 1.6 percent of the average expenses come from endowment. Property taxes have also been budgeted for this year (\$12,500 which is half of what will be due).

Upon proper motion and second by Leger and Ralston, respectively, the board approved the Finance Committee's recommendation to accept the budget for 2011 fiscal year.

Aeikens asked for clarification on the new spending/accounting policy. Skeel explained that this \$500,000

surplus is a one-time deal. McKerral expressed concerns about spending into our corpus. Skeel led a discussion and explanation of this and future year's spending.

Geimann reminds the board that the Investment Committee has to approve the sale of ANY assets. Carlson notes that the board has a fiduciary responsibility to the corpus but also a responsibility to support the Society, which is why the Foundation was established.

Upon proper motion and second by Cross and Kirtley, respectively, the motion to approve budget was amended to include the contingency of the opinion of Baker Hostetler with regards to the new accounting/spending policy.

Dubin presented some changes to the Foundation's investment policy.

Current Policy Proposed Changes

1. Domestic Equities 30% min 60% max 20% min 60% max
2. Domestic Fixed Income 25% min 50% max 15% min 50% max
3. Cash & Cash Equivalents 0% min 20% max No change
4. Global/International Equities 5% min. 15% max 5% min 25% max
5. Alternative Investments 0% min. 5% max No change

Upon proper motion and second by Leger and Cross, respectively, the board approved the proposed changes from the Investment Committee.

GRANTS AND AWARDS COMMITTEE REPORT

Upon proper motion and second by Lehrman and Kopen Katcef, respectively, the board agreed to vote on the grant request from the Diversity Committee separately from the rest of the proposed grants.

Upon proper motion and second by Leger and Carlson, respectively, the board agreed to fund all grant requests (sans the Diversity Committee's request) as recommended by the Grants and Awards Committee.

SPJ National Convention, \$83,278

SPJ Narrative Writing and training programs, \$64,860

SPJ The Reporters Institute, \$51,200

SPJ On-Demand Training, \$38,830

SPJ JournalismTraining.org, \$27,356

SPJ Mark of Excellence staffing, \$27,201

Student Press Law Center, \$10,000

SPJ Free Food Festival Grants, \$2,500

SPJ Chapter Programming Grants, \$6,000 (with the provision that programs must be for educational purposes and open to the public. We also request that a grants committee member serve on the panel that chooses which chapters get grants.)

NFOIC Project Sunshine, \$10,000

Diversity Committee Representative Curtis Lawrence reported that the grant the Committee is seeking for diversity fellows will help their program gain momentum. This program is currently funded for the 2011 fiscal year, and the grant proposal was for funding for the next three fiscal years. The Grants and Awards Committee has recommended funding \$7,500 for the 2012 fiscal year.

Limor reports that the SPJ Executive Committee supports this program.

Vachon reports that there has been a struggle to find applicants for this fellowship in past years.

Upon proper motion and second by Lehrman and Kopen Katcef, respectively, the board agreed to fund \$7,500 for Fiscal Year 2012.

A motion was presented to fund the Diversity Fellowship for the 2013 & 2014 fiscal years with the remaining \$16,631 available in this year's grant's budget.

Lehrman discussed why the Diversity Committee is seeking a 3-year grant: In an effort to keep the momentum the program going.

Leger expressed his concern: Setting a precedent for other committees and groups requesting multi-year grants.

Lehrman withdrew her motion to fund the diversity fellowship for the 2013 and 2014 fiscal years.

Upon proper motion and second by Aeikens and Lunsford, respectively, the board voted on but did NOT agree to fund \$20,000 for staff support for spring conferences. The vote failed with a count of 7-12.

DIRECTOR OF DEVELOPMENT'S REPORT

Posavac reports that while donation dollars are holding steady, the number of gifts has declined a bit, as was to be expected. She also reports that our hand written appeals have produced 41 percent of this year's gift income, and gifts directly from membership invoices represent 30 percent of this year's gift giving.

She also reports that while the e-appeal didn't do as well as we'd hoped financially, it was a great "friend raiser" and we were very fortunate to have Helen Thomas lend her voice to our cause. The behavioral information we gathered from the e-appeal will be used this summer in a phone calling campaign. Kirtley expressed some concerns about the privacy of our member's information, and Posavac will follow up with our legal counsel on the matter.

CAPITAL IMPROVEMENTS REPORT

Skeel reports that several major capital improvements are completed; the roof has been fixed and the landscaping project is completed.

In an effort to keep our improvements on track, the following was proposed.

1. Move forward with the scheduled repairs for FY 2011 and repeat the process from last year, where the Foundation assumes financial responsibility. This would allow SPJ to save the \$10,000 they are budgeting for capital improvements and aid in rebuilding its depleted reserves.
2. Hold off on scheduling any repairs for FY 2011 until the end of the fiscal year, and then determine if SPJ has enough money built in reserves to pay for its portion of the costs. There is, of course, no guarantee SPJ will be able to do so.
3. Rearrange the schedule for repairs and complete a couple lower-cost projects in FY 2011.
4. Special funding passed.

The board agreed to go with Option 1.

OLD BUSINESS

Fred Brown reports on some case studies that have been added to the ethics book, and that all cases were at least verified by Brown via email. It was suggested that any copyright issues be gotten out of the way now, and to contact legal counsel. With all the changes to the book, it was suggested that perhaps it's not even the "Fourth Edition" anymore, but may need a new name.

Gratz will be contacting those directors whose terms are expiring.

The next meeting of the Board of Directors will be October 4, 2010 in Las Vegas, NV.

NEW BUSINESS

Flowers were sent to the home of board member Alex Jones in expression of sympathy on the passing of

his wife.

Skeel requested the \$65,000 estate gift that SDX Foundation received from Alexander Bodi be restricted to the Terry Harper Memorial Fund. **Upon proper motion and second by Leger and Carlson, respectively, the board agreed to restrict the gift from the Bodi estate to the Terry Harper Memorial Fund.** The Fund is now roughly \$100,000.

Leger suggested we find a way to capture our history w/ a new “centennial book.” Kirtley suggested we find a journalism historian. Hansen suggested a few folks.

Upon proper motion, the board adjourned the meeting at 12:10 p.m.