

**MINUTES
BOARD OF DIRECTORS
SIGMA DELTA CHI FOUNDATION
DECEMBER 11, 2014
CONFERENCE CALL**

MEETING CALLED TO ORDER

The meeting of the Executive Committee of the Sigma Delta Chi Foundation was called to order at 3 p.m. ET on Thursday, December 11, 2014 via conference call.

Those present were: President Robert Leger, Secretary Jane Kirtley, Treasurer Howard Dubin and at-large members Steve Geimann, Hagit Limor and Gordon Mac McKerral

Staff members present for the meeting were Executive Director Joe Skeel and bookkeeper Sarah Beck. Representing Greenwalt CPAs were Amanda Meko and Jennifer McVeigh.

FISCAL YEAR 2014 AUDIT

The purpose of the meeting was to consider the draft of the Fiscal Year 2014 audited financials.

Meko shared that it was a “dull” audit, which is good for an organization. The independent accounting team found no misstatements or errors while completing the audit. The SDX Foundation adopted no new accounting policies and didn’t change any existing policies.

Dubin asked if there were any IRS changes that may have affected the audit. Meko replied no, but did share that there may be an upcoming change to the Generally Accepted Accounting Principles statement formats. This wouldn’t occur, however, before 2016. McVeigh shared there may be a few small changes to the IRS990 forms.

The accounting team returned a “clean” report, which is the best rating an organization can receive.

McVeigh walked committee members through a few of the financial statements, specifically the Statement of Activities and the Statement of Financial Position.

Regarding the Statement of Activities, McVeigh noted that when comparing line items from FY2013 to FY2014, the foundation had lower unrealized gains, as a result of the market. She also noted the foundation spent more from the Pulliam Editorial Fund.

Skeel explained this was mostly the result of grants for the educational programs recommended by the projects committee. Those projects included joint programs with the National Press Photographers Association, Investigative Reporters and Editors and For Journalism.

Regarding the Statement of Financial Position, McVeigh noted the amount due to the Society of Professional Journalists was significantly lower in FY2014 when compared to FY2013 (\$52,349 vs. \$223,099). This is because the Foundation was more timely with payments to the Society for grants. In FY2013, the Foundation didn't pay any money owed to SPJ for grants. This was intentional, as SPJ had money to cover the expenses, and preferred to let the Foundation keep the money to maximize earnings.

The accounting team shared that the Foundation earned \$1.77 per every dollar spent on fundraising. This was down from \$2.18 the prior year. Greenwalt recommends \$4-\$5 per dollar spent.

McVeigh explained this could be a result of the how the Foundation allocates time and expenses to fundraising. Skeel shared that staff isn't as meticulous as it could be when it comes to allocating time between fundraising and management. This is because it's often a grey area, as the Foundation's key employee may be doing both at the same time – such as discussing a program idea with a potential journalism funder. When there is a grey area, staff has chosen to allocate time to fundraising.

Leger asked if anyone ever asks about the ratio. Skeel shared that in his 10 years with the organization, he has never heard that question. Grant makers also don't ask for that information when accepting proposals.

Dubin recommend staff look closer at the allocations to make sure they are as accurate as possible. Others on the call agreed.

Lastly, McVeigh shared that the Foundation has enough unrestricted cash and investments to last more than 12 years should it receive no revenue and all operations continued as is. The accounting team recommends 3-6 months of unrestricted reserves.

Upon proper motion by Geimann and second by Dubin, the executive committee voted to approve the audit draft for FY2014.

ADJOURNMENT

The executive committee adjourned at 3:24 p.m. ET on Thursday, Dec. 11, 2014.

APPENDIX A

MEMORANDUM

DATE: October 22, 2014
FROM: Tara Puckey & Billy O'Keefe
SUBJ: SPJ Technology
FOR: SPJ Executive Committee

OUR CURRENT SET UP

Think of SPJ's integrated technology as having three main pieces:

- iMIS – our database that is used in-house (accessible reliably only through desktop versions on workstations). This software manages memberships, contact information, registration and accounting information, etc.
- INET – our hosting provider. This company hosts our website. Additionally, information collected on our website passes through their content portal – meaning we retrieve convention registrations, Annual Reports, etc., here
- Our website.

SPJ has been using iMIS since the late 1990s. We launched our website around the same time. Back then, nothing was integrated. The two operated separately from each other, and manpower bridged the gap. Furthermore, the database was rudimentary – and not user friendly. As we have learned over the years, SPJ didn't do a very good job of setting up the database the way it was meant to be used. It's akin to hammering a nail with a screwdriver. Nonetheless, we only knew how to use the database the incorrect way we were trained.

Over time, in our efforts to integrate our website with our database, the problems have been exacerbated. Because our database wasn't set up correctly in the first place, upgrades and web integration proved more difficult. Over the years, those upgrades and integrations have led to a tangled web that complicate day to day operations.

For example, when members join SPJ, they do so on our website, which talks through our host provider INET, which then talks to our iMIS database. Information is relayed through the channels and then back again, creating several places where errors can occur. Tracking down the location of those errors can sometimes be long processes that take significant staff and outside provider time to fix.

Not only are we battling challenges with all the pieces working together, we're also not using the technology to our advantage. For example, our conference registrations aren't integrated with the database, so they are entered manually, taking up valuable staff time and creating higher possibilities for error.

Changes to information we wish to collect require coding, often tasked out (and paid for) to our iMIS service provider and INET.

Bottom line – we’re working harder, not smarter.

Over the past six months, Tara and Billy have rolled up their sleeves and learned the ins and outs of our situation. They have attended database training courses and met with our providers. What follows is their recommendation, with the support of the executive director, for moving forward.

PROPOSED OVERHAUL TO DATABASE AND WEBSITE

Last year, iMIS created a different type of system with their latest upgrade. It’s called EMS (Engagement Management System) and it is the basis for iMIS 20. In a nutshell, the system works to bring together all the different solutions we’ve had in the past into one cohesive platform for almost everything we do.

On the website side:

- Members will have an easier-to-manage, more robust member profile section that allows them to quickly and easily update their information at any time.
- Our database and website would be tied directly together so members and non-members can register for conferences or events. The data moves seamlessly into our database and corresponding event registration sections (huge timesaver for convention registrations!).
- Board members can work within their own section of the website and see up-to-date information that is most important to them, as can chapter leaders (which will create a new place to share ideas and converse).
- We have the ability to create community workspaces and pages for each different community.
- Data from iMIS will be directly integrated with the website, so no more three step processes for usernames and passwords.
- Social sign in (allows members to sign in to their SPJ account with Twitter or Facebook).
- Cart view with multiple items (members can register for conferences, training programs, join SPJ, donate, etc. all in one step).
- SPJ retains total control on the look and feel of the site.

On the database side:

- We’ll be able to easily collect more member data, such as pictures, beats, categories, etc., and do so without having to custom code things on the back end.
- Staff can access the database anywhere via the web instead of being tied down to their HQ desktops, which will come in handy for convention and when working remotely.
- Our reporting will be more accurate and we can create our own reports using IQA (Intelligent Query Architect) to look at any piece of data in our system, where before we were tied to previously created reports or having them custom coded by our outside provider (which costs time and money).
- Each staff member will have targeted tools they need to succeed – for example, Linda will be able to quickly view up to the minute stats, access records easier and find the people she needs depending on different criteria; Chris will have access to live donation stats and be able to review donor data in a way that makes sense.

Things this upgrade will address:

- Integrating the AutoDues directly into our website for easier member experience.
- Accurate, deeper data – this is incredibly important since it will allow us to know our members better and figure out ways to engage with them about things that are of interest.
- Removing ancient processes from our database (i.e., software that is tied in currently that is no longer in use, cannot be upgraded, etc.).
- Allowing better communication with our members, creating a log of contact for historical records.
- Providing members with an easy overview of what is included in their membership (i.e., member of chapter, committee, community, etc.).
- Moving our website to a current code structure that allows us to “play nice” with other programs and software. This may be one of the most important aspects of this plan.

Overall, the technology allows us to collect better data and analyze it in a more accurate way, create a more user friendly experience on the website and save valuable time by automating some current manual processes.

THE COST

Our total cost for the upgrade is \$32,000 (estimated, obviously). This includes our licensing for the iMIS20 bundle (\$12,000) and the manpower to do the upgrade. We would pay for this out of our budget surplus from the prior fiscal year.

This cost could fluctuate, as Billy will be doing most of the website work that our service provider does during an upgrade and, once we’re in there, we may find that we need an additional module to meet our needs.

After the initial upgrade is complete, we’ll be eliminating our host provider, INET, which will save us roughly \$3,000 per year. As the Communications Module in iMIS gets better, we may also be able to eliminate our Constant Contact subscription, which would also result in a savings of nearly \$2,000 per year.

Bottom line, as we start using our database to its full potential, we may find cost savings from eliminating other software we won’t need. The extent of that is really unpredictable since we’ve not explored these options within iMIS before.

THE TIMELINE

One of the greatest things about this upgrade and the movement to a RiSE website is our ability to build our site in the background a little bit at a time. Once we have the “go ahead” to move forward, we will begin working in phases.

Phase I (Four to Six Weeks)

Upgrading the iMIS software

Fix all data issues discovered in data audit

Phase II (Six to Nine Weeks)

Begin work on Staff Site

Phase III

Though we'll begin work on our Member Site immediately, this is expected to take the longest and won't be able to swing into high gear until the first two phases are complete

Overall

We're looking at better data in three to four months, staff sites for better workflow and more opportunities within six months and a new Member Site rollout sometime in late 2015. Of course, we'd like to finish everything much sooner than that, but we're well versed in technology hiccups and want to make sure we're working through every single aspect of this upgrade correctly. Furthermore, big SPJ projects (such as our awards deadline and convention registration) make the timing trickier. i.e., we don't want to transition something two days before the awards deadline. We have to wait for gaps to do some things.

MOVING FORWARD

Upgrading our technology, both physical technology and software, should be a top priority. iMIS will continue to release new versions and while we don't need to purchase every