

MINUTES  
BOARD OF DIRECTORS  
SOCIETY OF PROFESSIONAL JOURNALISTS FOUNDATION  
SATURDAY, APRIL 18, 2020  
ZOOM CALL

**MEETING CALLED TO ORDER**

The Zoom meeting was called to order at 11:04 a.m. EDT. Members present: President Irwin Gratz; Vice President Hagit Limor; Secretary Sonny Albarado; Treasurer Howard Dubin; board members April Bethea, Fred Brown, David Carlson, David Cuillier, Jay Evensen, Paul Fletcher, Todd Gillman, Matthew Hall, Evelyn Hsu, Jane Kirtley, Sue Kopen Katcef, Robert Leger, Frank LoMonte, Patricia Gallagher Newberry, Andy Schotz, Battinto Batts, Michael Bolden, Kelly Hawes, Alex Jones, Bill Ketter, Sally Lehrman, J. Alex Tarquinio. Members absent: board members Russell Pulliam and Sonya Ross. Also present: SPJ Executive Director John Shertzer, Development Director Larry Messing, Journalist on Call Rod Hicks and Controller Jake Koenig.

Irwin noted that the board will table a vote to consider taping future board meetings to the September meeting.

**APPROVAL OF BOARD MEETING MINUTES**

September Meeting

Gillman noted that that “distraction” should be changed to “distinction”. Motion: Albarado / Second: Limor / Vote: Unanimous Approved.

January Meeting

Gillman noted that that “distraction” should be changed to “distinction”. Motion: Albarado / Second: Limor / Vote: Unanimous Approved.

**REPORT OF FOUNDATION PRESIDENT**

Gratz instructed the board to review the report in the board packet.

**REPORT OF SPJ PRESIDENT**

Newberry instructed the board to review her report but noted that the SPJ 2020 budget is struggling and the SPJ Board will be asking the Foundation for support. Gillman asked why SPJ was financially struggling and Newberry noted the following reasons:

- Change in fiscal year through off some things

- The net impact of EIJ was a negative \$68K when indirect costs are included
- Membership has been declining
- Lost revenue from association management clients moving away from SPJ
- Staff costs associated with numerous transitions the past year
- Executive director search costs

SPJ Board will review this year's EIJ at their meeting. Tarquinio asked about additional costs for EIJ. Newberry noted extra security costs. In addition, the auditor suggested incorporating certain operating costs in considering indirect costs to EIJ.

Limor asked if these issues were one-time issues or permanent issues. Shertzer noted that there were one-time expenses, but there is still a need to address declining membership numbers and making operating efficiencies within the organization. In the end, though, he is optimistic about the future, but the next year or two will be tough.

#### **REPORT OF THE EXECUTIVE DIRECTOR**

Shertzer noted that, despite current challenges, he is excited by the potential for SPJ and the Foundation. He shared a presentation noting priorities going forward. Lehrman asked about the cause for the decrease for the revenue and Shertzer said that revenue and expenses from our funding from Google and Facebook were shifted to the SPJ budget, since is that is where those programs live. While the relationship with Google was at one time strained, it has since improved. Google did reduce funding to SPJ and is encouraging more local trainers in order to reduce costs. Newberry asked if Google was interested in shifting to more COVID-related training and Shertzer responded that he had not heard anything. Ketter asked about profit margin for the Google program. Koenig noted that the funding includes a management fee that covers related operating costs (\$90K from Google / \$29K from Facebook)

LoMonte asked about the status of the strategic plan. Shertzer responded that it had been stalled due to the pandemic, but he would be working with the committee to have the planning shifted to a staff committee to finish fleshing out the remaining 3 (of 5) pillars.

Kirtley asked about the Day of Giving Back and whether funds would go directly to journalists in need. John responded yes. Preliminarily looking at up to \$500.

#### **REPORT OF THE JOURNALIST ON CALL**

The Casper Project gained some national notice, including stories in the Washington Post and the Philadelphia Enquirer.

COVID has caused a number of Hicks' speeches to be cancelled and the new Race project to be put on hold. In addition, initially a set of "mini-Caspers" were to be held in election swing states, but those are also on hold. Bolden asked if there was a possibility to pivot to online sessions and Hicks said he would investigate that. Hicks noted he had written several COVID-related articles.

Schotz asked if it was time to look at the JoC program and look at changing it as large gatherings and travel will be temporarily cut back. Perhaps there could be more digital education programs through this.

Looking at healthcare in minority areas maybe a future topic for the JoC. Hsu recommended that Hicks connect with her later to look at ways SPJ may be able to partner with the Maynard Institute.

Hicks also wants to focus on the 2020 election as well.

Jones suggested partnering with other organizations like INN.

## **REPORT OF DIRECTOR OF DEVELOPMENT**

Messing referred the board to his report in the board packet.

## **2018-2019 FINANCIAL AUDIT**

Koenig noted that the audit came back clean and was reviewed by the Finance Committee.

## **TREASURER'S REPORT**

Dubin reported that the endowment is down to \$12.013 million, dipping 11 percent since the start of the year, but still running better than the overall market. Currently have \$194K cash available. Quill endowment moved to the Pulliam Fund.

## **2020 BUDGET REVIEW AND ADOPTION**

Shertzer and Koenig presented the 2020 budget and noted that, as we are already four months into it, some expenses are already set. It was reiterated that Facebook and Google are no longer in the Foundation's budget. While there have been significant fluctuations in the endowment, overall the Foundation is healthy.

Motion: Albarado / Second: Bolden / Vote: Unanimous Approved

## **REPORT OF GRANTS COMMITTEE**

Kirtley directed the board to the committee's report and noted that most were not fully funded. Schotz asked how the policy for future out of cycle requests.

Board approved committee to study grant cycle. Motion: Ketter. Second: Bethea. Vote: Unanimous.

## **NEW BUSINESS**

### Paul Atkins Estate Gift

Paul Atkins' estate provided a \$200K gift to the Foundation. \$100K received last year. \$90 received this so far this year.

### Member Database

SPJ has requested \$35K to cover the installation of the new Impexium database.

Motion: Albarado / Second: Gilman

Kirtley asked how the security was with Impexium. Shertzer stated he felt confident with their security system. Hsu asked if we had looked at other opportunities and Shertzer stated that others had been looked at including Blackbaud and Salesforce.

Vote: Unanimous Approved.

### Endowed Gift / Gift Acceptance Policy

The Gift Acceptancy Policy has been updated with the name change. In addition, Messing explained that language is being added to include a policy on endowed gifts.

Motion: Tarquinio / Second: Brown / Vote: Unanimous Approved

### Lowe Donation

Funding from Lowe fund formally used for Outstanding Graduating Student and Student Chapter. Has not been used. Board would like to move purpose of fund to supporting travel for the winner of the Mark of Excellence Award to the SDX Awards Banquet.

Motion: Bolden / Second: LoMonte / Vote: Unanimous Approved

## SPJ Grant Request

Newberry described current financial situation for SPJ, which includes significant deficits for 2020, which will be exacerbated by the effects of COVID-19. This moment can also be a major reset moment for SPJ.

Shertzer reviewed SPJ's proposal for a 3-year gift totaling \$685K to greatly improve SPJ's online education offerings. Hsu asked if SPJ would charge for programs. Shertzer said that over time we would test the market on costs related to these programs.

Limor asked how the Foundation would pay for this. Koenig responded that there are \$190K in cash that could be used for the initial funding. The Foundation should be able to avoid selling investments.

Bolden asked if travel expenses would be the same all three years and whether it should be tiered over time. Shertzer agreed that expenses should be lower for year 1.

Tarquinio asked if SPJ would hire an additional person as staff is already at high point. Shertzer noted that Basharat Saleem is currently a contract employee and, in the future, EIJ would be under this new position and day to day logistics could be handled through a consultant.

Batts asked what space SPJ owns. Can SPJ do a scan of what is out there already? Shertzer said a survey has been done in the past and members have asked for more online training opportunities. Staff and volunteers can do a scan of the environment

Ketter asked if there were opportunities to partner with other organizations like Poynter.

Gilman asked why we should add to staff and if we could shift resources instead. Shertzer noted that no one on staff has the skills needed for this job. Over the near future, he will be focused at looking at staff structure. Gillman asked if the intention is to increase staffing so that we can later decrease it.

Lehrman noted that SPJ needed to do a market analysis.

Newberry stressed that all staff decisions rest with the executive director, but there currently isn't the firepower on staff to handle this position. She understands this field is crowded and that the budget is skeletal. At the same time, she does not want to lose ground and relevancy and more. She stressed now is the time to be bold.

Limor noted that she was ready to be bold, but more information was needed to be able to approve. She asked if more research could be done over the next couple of weeks.

Gratz suggested meeting again in the next few weeks to review. Shertzer said it would take 2-3 weeks to gather more information.

Gilman noted there is plenty of talent on the market to take on this role with SPJ.

Lehrman asked what the board was being asked to approve. Shertzer responded that the board would be approving a staff person with a small plan.

Ketter noted that many large newsrooms already have training programs and it may be good to pursue partnership.

Tarquinio noted that this proposal does not assist SPJ's deficit in any way. Hall responded that this proposal was not intended to fix the industry or SPJ but help journalists.

Hsu noted that we should also be looking at programs that address the mental health of journalists.

Gratz asked if any funding was needed over the next three weeks and Shertzer said none would be needed. Board agreed to reconvene on May 9, 2020 at 12pm to further review this proposal

## **ADJOURN**

Motion: LoMonte / Second: (DID NOT GET) / Approved Unanimously

Meeting adjourned at 2:39