

MINUTES
BOARD OF DIRECTORS
SOCIETY OF PROFESSIONAL JOURNALISTS FOUNDATION
SUNDAY, APRIL 18, 2021, 1:00PM EDT
ZOOM CALL

Call to Order

The Zoom meeting was called to order at 1:02pm EST by President Irwin Gratz.

Roll Call

Members present: Gratz; Vice President Hagit Limor; Secretary Sonny Albarado; Treasurer Howard Dubin; board members Rebecca Aguilar, Battinto Batts, April Bethea, Michael Bolden, Fred Brown, David Carlson, David Cuillier, Jay Evensen, Paul Fletcher, Todd Gillman, Matthew Hall, Kelly Hawes, Evelyn Hsu, Alex Jones, Bill Ketter, Jane Kirtley, Sally Lehrman, Frank LoMonte, Patricia Gallagher Newberry, Sonya Ross, Andy Schotz, J. Alex Tarquinio. Members absent: board member Russell Pulliam.

Also present: SPJ Executive Director John Shertzer, Development Director Larry Messing, Director of Ethics and Diversity Rod Hicks, Director of Education Karyn Nishimura Sneath and Controller Jake Koenig.

Approval of Minutes

Limor made a motion to approve the minutes from November 21, 2020 meeting, with the changes noted below. Seconded by LoMonte.

Changes noted include:

- Apostrophe needed on Atkins' name under Finance Committee's Report.

Motion passed.

President's Report

Gratz presented report. No additional comment was offered.

SPJ President Report

Hall noted that the previous day was SPJ's 112th birthday. During Sigma Delta Chi Day, SPJ and SPJ Foundation raised more than \$13,000. SPJ partnered with other organizations in a letter asking police in Minneapolis to stop macing journalists. Kirtley said that the Minnesota governor acknowledged their misstep with journalist treatment during an interview. Today is the deadline for award nominations. New elections policy was recently approved by the board which prevents endorsements from board members and committee chairs and sets a deadline

for nominations to six weeks prior to the election. This year's election will be covered by the previous rule as the new one must be approved as a bylaw change. Limor asked if the Foundation board was included in the new policy and Hall responded that it does not cover the Foundation. The board voted to streamline the process for establishing campus chapters and reduced the minimum membership to start a campus chapter to three. The board is leaning toward making SPJ21 virtual. SPJ executive director is reviewing SPJ's finances to seek ways to absorb any cancellation fees.

Executive Director Report

Report was submitted previously. Shertzer highlighted the progress that has been made on the strategic framework goals. Messing provided a report on Sigma Delta Chi Day. Shertzer provided information on a consultant who will serve Shertzer and Messing for a three-month period. Gallagher Newberry asked what progress there had been made with foundations. Shertzer responded that the consultant will focus on major individual donors and that SPJ continues to communicate with foundations and that some have temporarily moved their focus towards areas not covered by SPJ. Schotz asked about a review of the Journalist on Call position and accomplishments over the past few years. Shertzer noted he was interested and will work with the Programs Committee. In addition, the board can discuss the new role.

Development Committee's Report

Report submitted prior. Jones noted his support for pushing planned giving for the Foundation. Gallagher Newberry asked what the sponsorship goal was for SPJ21 for this year and how it compares to previous years. Messing responded that it was \$60K and much less than previous years, but, as this is SPJ's first year on its own, the goals were set conservatively.

Finance Committee's Report

Koenig noted that the Foundation's assets are at their highest level – currently at \$16,151,000. Last year, we received \$185K from Craig Newmark, \$203K from the Atkins estate gift and \$40K from an anonymous donor. While our expenses were over budget, overall the finances for the Foundation are very good. Dubin provided a history of the Foundation's corpus and investment strategy. Eventually, the Foundation will move into more index funds. Koenig noted that the audit will begin the week of May 10th. Aguilar asked if the historical information of the foundation can be found anywhere and Gratz noted it needs to be updated.

Grants Committee

Kirtley provided the report from the Grants Committee. \$20K was shared by four organizations. Kirtley noted that the Committee questioned whether the Foundation wanted to consider funding high school journalism programs. In addition, the Committee would like future proposals to include ways to, if possible, involve local SPJ chapters. Regarding the NAJA proposal, Kirtley asked if there were ways SPJ could amplify their work.

Hall moved to approve the Grants Committee's report and recommendations. Albarado seconded.

Hall asked if the Foundation could fully fund NAJA's request. Kirtley said that would be up to the board. Limor said she was very supportive of supporting high school programs, although Kirtley noted that those that requested this year were more civics programs. Tarquinio requested a snapshot of grants over the last five years. Messing said he would have it completed. Tarquinio said that the Foundation should increase their grant budget before expanding the pool of candidates. Aguilar noted that she wanted to see more diversity in proposals to the Foundation. Kirtley responded that the entire committee is focused on diversity. Aguilar felt that high school support would be good. Kirtley said that the Foundation will need to explore rules related to contributing to public high schools. Bethea felt that SPJ could support NAJA's efforts through the Race & Gender Hotline. Schotz said that diversity has always been a high priority for the Committee and they look repeating support based on past success. Hsu said that the Foundation should be focused on how they are acknowledged by the grantees. Kirtley responded that the Foundation has updated the grant agreement. Gallagher Newberry said that the Foundation needs to investigate funding high school programs and looking at ways to increase giving from the foundation. Porter said that the funding is set by a percentage available. Dubin noted that the foundation must budget conservatively. Shertzer noted that any budget surplus is what is budgeted for grants. Cullier suggested that the Foundation seek to set up partnerships; perhaps have organizations seeking funding reach out to a Director of Partnerships at SPJ. Shertzer said he would consider this. LoMonte suggested that we prioritize those that involve local chapters. We should have one grant cycle that is general and a second that is more targeted. Kirtley said the Grants Committee would work with the Executive Committee. Schotz said that the committee looks to improve grantee reporting. Last year the Foundation did a targeted cycle around the elections. Typically, 50 percent of the grants budget is reserved for SPJ with the rest external. Aguilar asked about the make up of the committee.

*Called to vote: 21: Yes/ 2: Abstain
Motion passed.*

Publications Committee

Fletcher said it is a slow time right now for the committee. No sales update from the Ethics book, but the committee will look at setting up a meeting to talk about marketing opportunities for the book. In addition, the committee continues to look for new projects.

Old Business

Gratz noted that currently there is \$145k from the Atkins estate and \$40k from the anonymous gift remaining. The board needs to decide if they would like to place it in the corpus or use for another purpose.

Albarado made a motion to move the remaining Atkins' funds to the corpus. Limor seconded.

Gallagher Newbery suggested creating a subcommittee to review options for the funds. Schotz suggested using a portion for a second round of grants. Koenig said that funds can be placed in the corpus, but still tracked separately. Hsu asked whether we could hold off on a vote until we consider other uses.

Albarado moved to table the original motion. Limor seconded.

Motion passed unanimously.

Andy Schotz made a motion to set aside \$20,000 of the Atkins funds for a second round of grants. Gallagher-Newberry seconded. Passed unanimously.

Kirtley noted that the committee will set up a call soon to discuss the process for a second cycle. Gratz noted that any suggestions for targeted topics should be sent to him or Kirtley.

Foundation Policies

The Foundation's policies were reviewed by Geimann, Schotz and Shertzer. Schotz noted that some minutes were missing. A policy on electioneering was never voted on. Geimann said the board needed to vote on it to make it official. Gilman said that we did not want to set anything in stone. Gratz said a vote will be taking in the future.

McClellan Planned Gift.

Messing reviewed a proposal by Brad McLellan to propose a planned gift which would create an award for investigative journalism in San Diego. Koenig said management fees include 10 percent off the initial gift and 5 percent of the annual growth. Bolden suggested that award needs to be broad and the board needs to have an advisory role. Walker asked about the fees that are charged by the Foundation and Gratz noted that fees are collected for only funds not directly benefiting the Foundation. Brown suggested that it wouldn't be an annual award. Hall noted he was appreciative of McLellan's generosity, but had never met him before nor was the local chapter familiar with him.

Albarado moved to postpone decision until after Messing and Hall were able to talk to Mr. McLellan. Bolden seconded.

22: Yes/ 1: Abstain. Motion passed

Sale of SPJ building

SPJ Board approved the staff research the sale of the SPJ headquarters building at 3909 N. Meridian, Indianapolis, IN 46208. Shertzer presented report from research. He noted that timing might be good as large building next door is being turned into retail/residential use and we would like to approach the developer. Staff approves as most are working remotely and, once people begin to return, the schedule is likely to be very flexible. Shertzer asked for permission to engage with realtor to list the building.

Dubin provided background and history of SPJ's building. Porter asked how much the Pulliam's had given to the building. Gillman said he was currently undecided, but good to explore. He asked what the alternatives were. Shertzer noted that the current downstairs tenant, Boys & Girls Club of Indianapolis, is a good client and rental revenues cover most utility expenses of the building. Butler University journalism department is interested in possibly hosting SPJ within their offices. In addition, SPJ is talking to other media organizations. Bethea asked if the Pulliam Family should be part of discussions and Gratz responded yes. Gallagher Newberry asked what new expenses would be. Limor noted that SPJ is not landlords and exploring does not hurt anything. Tarquinio said that commercial real estate agents will always say it's an ideal time to sell. She is open to getting offers but is not in favor of having sign outside building. Shertzer noted that a roof and parking lot repair will cost significant funds if we stay in the building. Gillman asked what we might do with the proceeds of the sale. He does not want it intermingled with the corpus. Dubin said that SPJ needed an estimate. Gratz said a price could be discussed in executive session. Shertzer said that we will definitely discuss with the Pulliam Family. SPJ just needs permission to engage with realtor to move to next step. This can be done without a sign outside. He noted that the board needs to decide how long we have a building that is not being fully used by staff. Aguilar noted the board needs to be involved. More due diligence needs to be done. Hall noted that the SPJ board approved unanimously and that the Pulliams would definitely be part of any future decision. Shertzer noted that SPJ's tenant's lease would expire in September of 2022. Limor noted that the Pulliam's donated \$500k for a naming rights gift for the building and that they needed to be part of discussion. Aguilar agreed and noted that NAHJ is also spread out without centralized space. Tarquinio felt that the board was putting the cart before the horse and just wants to investigate options as part of the board's fiduciary responsibility. Davila-Richards wanted to be more informed. Tarquinio said that final decision is the board's.

Fletcher made motion to give executive director permission to explore the sale of SPJ's building Albarado seconded.

Albarado noted that this was just the first step and there's a possibility that SPJ may not move forward. Gillman said he would defer to Gratz, but agreed with Tarquinio. But was interested since SPJ's neighbor is currently undergoing construction.

Called to vote: 21: Yes/ 2: No

Motion passed

Gratz thanked Cuillier for his service. He also noted that SPJ was looking to move toward a virtual conference, but asked the board to consider meeting in person in September regardless.

Motion to adjourn was made by Bolden. Seconded by Davila-Richard. Approved unanimously.

Meeting adjourned at 4:04pm.