



**MEETING MINUTES
SOCIETY OF PROFESSIONAL
BOARD OF DIRECTORS MEETING**

JOURNALISTS FOUNDATION

DATE: APRIL 23, 2022

TIME: 3:30 P.M. EDT

CALL TO ORDER

SPJ Foundation Board of Directors President Irwin Gratz called the meeting to order at 3:32 p.m. EDT via Zoom.

ROLL CALL

SPJ Foundation BOD Secretary Sonny Albarado called the roll. Those present were: Gratz, Albarado, Hagit Limor, Rebecca Aguilar, Howard Dubin, April Bethea, Michael Bolden, Fred Brown, Jay Evensen, Paul Fletcher, Patti Gallagher-Newberry, Todd Gillman, Matt Hall, Kelly Hawes, Evelyn Hsu, Alex Jones, Jane Kirtley, Jerry McCormick, Sue Porter, Claire Regan, Andy Schotz, Cheryl Smith and Alex Tarquinio. Frank LoMonte and Sonya Ross were not present for roll call but joined the meeting later at 3:37 p.m. and 3:49 p.m. EDT respectively. Those absent were Israel Balderas, Battinto Batts, Ivette Davila- Richards, Bill Ketter and Russ Pulliam.

APPROVAL OF MINUTES

Bolden made a motion to approve the minutes of the Nov. 19, 2021, meeting. Dubin seconded. No corrections or comments were added. Motion passed unanimously.

REPORT OF THE FOUNDATION PRESIDENT

Gratz referenced his report in the board packet and offered to take questions. The major development since the Foundation's last meeting, he said, was the sale of the headquarters building at 3909 N. Meridian St., which served SPJ well for 20 years as staff offices, a board meeting site and, in its final years, a source of rental income. However, the pandemic has shown staff the ability to work largely remotely and, as a result, it was converted into a \$500,000 asset

each for the Foundation and Society. The stock market has proved a challenge, but it is not an immediate problem for the Foundation or Society. In fact, the Foundation corpus remains close to the high levels of last year. Day of Giving and bolstering future fundraising will be discussed later in the meeting. And finally, this is Gratz's next to last report as president. A nominations committee for the Foundation will be created to prepare a new slate of officers as well as possible board members to consider when we gather in Washington, D.C., in October.

REPORT OF THE SPJ PRESIDENT

Aguilar gave a brief summary of actions taken in the SPJ board meeting from earlier in the day, including the addition of 900 new SPJ members, discussion about the membership database, delegate task force discussion and the vote to invest SPJ's half of the headquarters building sale proceeds to pay for future office expenditures in perpetuity.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director John Shertzer stated the foundation and society as doing well, as indicated by the report. The sale of the headquarters and the processes of transitioning workspaces have gone well, as most staff work remotely. Ethics Week, Sunshine Week were successful. The ethics program, overseen by Rod Hicks and funded with the Newmark grant through the foundation, supports several SPJ activities. The Ethics Central website was launched.

Newberry said she was not aware the SDX Awards ceremony would be virtual again this year. Shertzer explained that the final decision was made June 26. The decision came as staff agreed that uncertainty of COVID still exists, airfare prices are going up, and as the event has been virtual for the past two years due to COVID, the event should continue to be virtual this year. Award submissions have not dropped.

FINANCE COMMITTEE REPORT

Dubin gave the 2021 Year-End financial report. Controller Jake Koenig found revenue was exceeded in all categories, including the boiler pump replacement and salary line is over budget, as there have been 27 pay periods as opposed to 26. Grant money from the educational grants has been transferred to SPJ on a quarterly basis, money did not get transferred over at the end of 2021. Investments did exceptionally well, as assets at the end of 2021 were highest ever been in the organization's history; however, this month as been difficult due to the current market fluctuations.

There has been no advertising revenue for Quill and the amount spent on freelance labor line is \$11,000 less according to Irwin. There has been more electronic advertising than Quill. Koenig explained the money for ethics response program and not just Quill is included in this category, as the budget was not calculated due to missing information. Newberry asked how viable Quill is as a magazine, which Shertzer stated that Harry does an excellent job of budgeting for Quill and it is doing better than ever. As Shertzer mentioned, Quill has received positive feedback. Matt Hall suggested doing away with Quill print, keeping it only digital.

The sale of the building will impact the budget for the better, as it had cost money to maintain the building. Phone lines are a standard operation cost for both the Foundation and SPJ, and plans for dividing the expenses between SPJ and Foundation are being formulated. Gratz raised questions regarding the proceeds to from the sale of the building, suggesting that SPJ and the Foundation both take those funds and invest them in separate accounts and use for office expenses going forward. As of two days ago, the current figures show \$15.5 million, 75% are in mutual funds managed by Vanguard and \$11 million are in other mutual funds. Gillman asked if there was a plan on how to invest, to which Dubin explained they may get rid of a few bond funds that have performed poorly and instead invest in stocks considering the bond funds are the only investments that are not currently doing as well.

DEVELOPMENT COMMITTEE REPORT

Development Officer Matt Morris reported that SDX Day of Giving was a success. The communications team of Jennifer Royer, Zoë Berg, Michelle Lagos, and other staff members including Tony Peterson, creative director, and Corbin Rose, web administrator, really moved things along, and Amy Monteleone, membership specialist, made sure donations were updated. We appreciate the volunteers who donated and gave testimonials. Kudos to Bill Ketter, Steve Geimann and Howard Dubin for their matches. They really inspired people to give. We had a goal of \$10,000 which was a good goal, but maybe a little timid. Raised \$14,800 with 82 gifts and more still coming in. Having the board behind your fundraising efforts sends a really strong message. Gratz added that Morris was able to do some in-person visits with donors to build relationships. Morris said he values feedback and recommendations from the board.

Schotz asked about Giving Tuesday, saying it is difficult to stand out, so what are the plans for that this year? Shertzer said we will have a presence that day, but it won't be a full-throttled effort, which is more of what our Day of Giving is for. Brown said mid-April can be a difficult time of year to donate for those who have to pay taxes.

Bolden asked if we ever worked out the issues that a pass-through holder couldn't verify our status with the IRS. Morris said he spoke to the IRS last week and just received a letter of determination from them. He plans to follow up with them. Limor suggested making it clearer on the website the distinction between the Foundation and SPJ and the 501c6 and 501c3 statuses.

GRANTS COMMITTEE REPORT

Kirtley first thanked Morris for his first foray with preparing grant materials, then presented briefly the organizations that requested grants and discussed funding criteria the committee applies. She said several that are not recommended for funding could be slightly revised and considered in the next cycle. She outlined several questions the committee would like the board to consider including if there should be an SPJ tie to funding classroom projects; do we fund high school programs, support for student newspapers, etc. For those who apply for grants but do not include everything we ask for, should we go back to them and ask, for example, if they're working with a local SPJ chapter?

Kirtley formally moved that the report be accepted. Hawes seconded. Motion passed.

Gratz asked the committee to come back with guidelines to discuss at the next meeting to provide clarity on what grant applications we will and won't consider, and whether we go back to those that don't include everything we ask for the first time.

PUBLICATIONS COMMITTEE REPORT

Newberry said the committee has a couple of questions it would like the board to react to: Should we hire a contractor to put together the next SPJ history, picking up from 1984, where we left off. Preferably interactive. Bethea asked if there was a way to offer interactive highlights of earlier versions as well, in addition to PDFs? Guidance on what to pay contractor would be good to know earlier rather than later. And should we continue a print version of Quill, or go to entirely online? Gratz said a proposal should be drafted by the executive committee, including what it would really look like, would we interview former presidents, would we expect a contractor to write it, would they also do the website version, etc.?

PROGRAMMING TASK FORCE REPORT

It was suggested that SPJ should no longer have to go through the grant process for requests, but instead insert thoughts and ideas into the budget which would then be decided during budget meetings. It is a way the Society and Foundation could work toward common missions. Kirtley said she would not want this to be interpreted as an excuse to be vague in asking for funds without details like those that would be included in a grant request. Gratz said language should be incorporated as board policy.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was a lengthy discussion about what to do with proceeds of the sale of the headquarters building. SPJ board voted earlier to invest the funds and use proceeds toward occupancy expenses for office space for staff of the Foundation and Society. Koenig explained the advantages to splitting the \$1 million 50-50 between the two and investing the money. Gratz said it's always possible that the account would raise more money than needed for office expenses and we would not want staff to be tempted to spend the money just because they have it. Porter said if it did earn more, we would not disturb the corpus, but take the excess and appropriate it to something else. Dubin complimented and thanked Shertzer on the timing of the HQ sale, saying in Chicago people are trying to move out of office space now and are having a hard time selling it.

Limor called the question. Gillman made a motion to invest the proceeds from the headquarters sale in safe, but relatively liquid investments, to restrict the use of these funds to office

expenses unless otherwise designated in the future. Hsu seconded. Motion passed with Hall, Tarquinio, Newberry, Bolden and one other opposing.

ENTER EXECUTIVE SESSION

A motion was made and seconded to go into executive session. Board entered executive session at 6:01 p.m. EDT.

EXIT EXECUTIVE SESSION

Board exited executive session at 6:37 p.m. EDT.

MOTION TO ADJOURN

Motion to adjourn was made by Fletcher. Seconded by Albarado. Motion passed and meeting was adjourned at 6:38 p.m. EDT.