

IRE Board Minutes
June 11, 2009 – 6:00 p.m. EDT
Baltimore, Md., at the 2009 IRE Conference

In attendance: Cheryl Phillips, Alison Young, Duff Wilson, Manny Garcia, James Grimaldi, Jason Grotto, Lise Olsen, Mc Nelly Torres, Lawan Williams and Phil Williams. **Absent:** Stephen C. Miller, Lea Thompson and Marilyn Thompson.

Staff present: Mark Horvit, Jennifer Erickson, IRE Attorney David B. Smallman, Esq.

1. **Call to Order (Phillips):** Phillips called the meeting to order at 6:10 p.m. EDT.
2. **Approval of Minutes:** Young made a motion to approve the March 27, March 28 and June 2 minutes as submitted. Garcia seconded her motion. All were in favor and the minutes were approved.
3. **Update from IRE Attorney (Smallman):** Smallman said that IRE and Miramax are close to reaching an agreement on rights to the Arizona Project movie, but that open issues remained that could still affect whether an agreement could be reached, including issues regarding IRE's trademarks.

Smallman reviewed some of the basic terms of the proposed agreement, some of which were still being negotiated. Smallman said that his work on the matter was entirely pro bono and that he would donate any amount allocated by Miramax for legal fees in the proposed agreement to the IRE endowment fund.

Horvit recommended continuing with negotiation of the proposed agreement. The board reached a consensus that negotiations should continue and that any final proposal would be reviewed when available.

4. **Executive Director's Report (Horvit):** Horvit introduced IRE's new training directors, Doug Haddix and Jaimi Dowdell. He said they've already garnered great reviews and are having success in recruiting business. In addition to their training duties, Haddix edits The IRE Journal and Dowdell helps coordinate the data library with David Herzog.

Horvit reported that as of Thursday, registration for the Baltimore conference currently stands at 760; he expects that the number will grow beyond 800 with on-site registration, which is stellar in this atmosphere. Early reviews are positive and there is good energy. Horvit said the Knight Foundation-sponsored session on nonprofit regional investigative centers went extremely well. He said that Knight Foundation representatives would announce an investigative reporting initiative at the Awards Luncheon on the Saturday of the conference.

Horvit distributed a report on IRE investments, prepared by JJP Capital Management. He said that the investments are doing well and that the market value has gone up. The Pulliam Fund is back above principal and may have accrued enough interest income for it to be applied to this current fiscal year.

Horvit said that many grant applications are pending and in the works. IRE applied for a \$650,000 grant over three years from the Lumina Foundation, in collaboration with the Student Press Law Center and Education Writers Association, to support a campus coverage initiative for college journalism students. He said this has potential to reinvigorate student memberships in IRE. He said that IRE employees Stephanie

Sinn and Jennifer Erickson were instrumental in putting together a strong proposal.

Horvit said that the McCormick Foundation has new leadership. According to McCormick staff, they will not renew the ethnic media training grant at this time. Horvit said he and staff will look for new funders; the program is covered through June 2010. Overall, McCormick remains supportive of IRE and its work.

Horvit reported that longtime IRE member and blogger James Hopkins said he intends to donate \$15,000 to IRE – that entire amount may be applied to the matching portion of the Challenge Fund for Journalism grant, wherein IRE must raise \$75,000 to receive a \$50,000 grant. The board members expressed gratitude for Hopkins' generosity in support of IRE's mission.

Horvit said the IRE Journal Web page will launch next week; staff has Web-only content ready to go.

Horvit gave an update on IRE books. He said the Criminal Justice Beat Book would be released in electronic format first, followed by the CAR Research book by Nora Paul. He said he's in discussions with Len Downie, Jr. for IRE to revise and distribute his book, *The New Muckrakers*; Downie would write a new forward and afterword for the book. Grimaldi said he would like to see a revenue plan that may task a grad student to look at all sales and the potential revamping of Beat Books and other IRE books for more revenue.

5. **Conflict of Interest Policy and Whistleblower Policy:** The IRE board members reviewed proposed Conflict of Interest and Whistleblower policies. Young made a motion to accept them as written; Phil Williams seconded her motion. All were in favor and the policies were adopted. The policies as adopted by the board are as follows:

Investigative Reporters and Editors Inc. Conflict of Interest Policy The purpose of the following policy and procedures is to complement Investigative Reporters & Editors, Inc bylaws to prevent the personal interest of staff members, board members, and volunteers from interfering with the performance of their duties to Investigative Reporters & Editors, Inc., or result in personal financial, professional, or political gain on the part of such persons at the expense of Investigative Reporters & Editors, Inc.'s members, supporters, and other stakeholders.

Definitions: Conflict of Interest (also Conflict) means a conflict, or the appearance of a conflict, between the private interests and official responsibilities of a person in a position of trust. Persons in a position of trust include staff members, officers, and board members of Investigative Reporters & Editors, Inc. *Board* means the Board of Directors. *Officer* means an officer of the Board of Directors. *Volunteer* means a person -- other than a board member -- who does not receive compensation for services and expertise provided to Investigative Reporters & Editors, Inc and retains a significant independent decision-making authority to commit resources of the organization. *Staff Member* means a person who receives all or part of her/his income from the payroll of Investigative Reporters & Editors, Inc. *Member* means a Member of Investigative Reporters & Editors, Inc. *Supporter* means corporations, foundations, individuals, 501 (c) (3) nonprofits, and other nonprofit organizations who contribute to Investigative Reporters & Editors, Inc.

POLICY AND PRACTICES

1. Full disclosure, by notice in writing, shall be made by the interested parties to the full Board of Directors in all conflicts of interest, including but not limited to the following:
 - a. A board member is related to another board member or staff member by blood, marriage or domestic partnership.

- b. A staff member in a supervisory capacity is related to another staff member whom she/he supervises.
 - c. A board member or their organization stands to benefit from a transaction with Investigative Reporters & Editors, Inc. or staff member of such organization receives payment from Investigative Reporters & Editors, Inc. for any subcontract, goods, or services other than as part of her/his regular job responsibilities or as reimbursement for reasonable expenses incurred as provided in the bylaws and board policy.
 - d. A board member or staff member is a member of the governing body of a contributor to Investigative Reporters & Editors, Inc.
 - e. A volunteer working on behalf of Investigative Reporters & Editors, Inc who meets any of the situations or criteria listed above.
2. Following full disclosure of a possible conflict of interest or any condition listed above, the Board of Directors shall determine whether a conflict of interest exists and, if so the Board shall vote to authorize or reject the transaction or take any other action deemed necessary to address the conflict and protect Investigative Reporters & Editors, Inc's best interests. Both votes shall be by a majority vote without counting the vote of any interested director.
3. An interested Board member, officer, or staff member shall not participate in any discussion or debate of the Board of Directors, or of any committee or subcommittee thereof in which the subject of discussion is a contract, transaction, or situation in which there may be a perceived or actual conflict of interest. However, they may be present to provide clarifying information in such a discussion or debate unless objected to by any present board or committee member.
4. Anyone in a position to make decisions about spending Investigative Reporters & Editors, Inc's resources (i.e., transactions such as purchases contracts) – who also stands to benefit from that decision – has a duty to disclose that conflict as soon as it arises (or becomes apparent); s/he should not participate in any final decisions.
5. A copy of this policy shall be given to all Board members, staff members, volunteers or other key stakeholders upon commencement of such person's relationship with Investigative Reporters & Editors, Inc. or at the official adoption of stated policy.

Investigative Reporters and Editors Inc. Whistleblower Policy

General

Investigative Reporters and Editors Inc. (IRE) requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of IRE, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility

It is the responsibility of all directors, officers and employees to report ethics violations or suspected violations in accordance with this Whistleblower Policy.

No Retaliation No director, officer or employee who in good faith reports an ethics violation shall suffer harassment, retaliation or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within IRE prior to seeking resolution outside IRE.

Reporting Violations

IRE has an open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you have two additional options:

- The University of Missouri System has a whistleblower hotline available to all IRE employees and volunteer workers.

- Two members of the IRE Board of Directors, the President and the Chair of the IRE Audit Committee, serve as Compliance Officers and can be contacted confidentially. If an employee is not comfortable contacting either of these individuals, any member of the IRE Board of Directors can be contacted.

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Handling of Reported Violations

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

6. **2009-2010 Budget:** Horvit distributed a revised budget for FY09 that includes updated actuals as of early June. He said that budget numbers have improved over the past month; new members have signed on and registrations have come in for Baltimore. Horvit said that John Green's efforts as membership coordinator have made an impact with a real dollar amount.

The board members reviewed the budget and asked questions. Discussion ensued.

Grimaldi asked if there is a plan in place for replenishing the reserve fund starting in 2010. Young said the likelihood of borrowing money from the reserve fund at the end of the year is large. Horvit said that any grant money or general donations that come in between now and the end of the year will help with the bottom line. Staff is working on new training events for the fall, and the board membership committee is putting together a membership drive. Olsen wondered if moving the annual CAR conference to the fall would help with cash flow; Horvit said this would be good from the staff perspective and could potentially bring in more revenue during that part of the year.

Grimaldi and Olsen discussed performance budgeting and suggested asking all staff members to submit goals for the year with measurable benchmarks. Garcia said that a key question to consider would be: what are you doing to grow the business? Phillips reminded the board members that the Challenge Fund for Journalism drive is extremely important and that any money we raise will help IRE with its bottom line. Horvit said we still need to raise an additional \$40,000 to meet the Challenge Fund goal. He and staff have put together a presentation for the IRE Awards luncheon, with current donors explaining why they support IRE.

Phil Williams made a motion to accept the 2009-2010 budget as submitted. Grotto seconded the motion. All were in favor and the motion passed.

Lise moved that IRE staff must submit updates on the status of the budget and related performance criteria on a monthly or quarterly basis. Phil Williams asked for discussion of Olsen's motion. Young said that Horvit has been sending budget updates on a regular basis and that performance measures should be left up to Horvit. Young asked to strike the second part of Olsen's motion. Olsen revised her motion as follows: *The executive director will submit monthly budget reports to the board of directors. In addition, Horvit will work with staff to develop performance measures at his discretion and will submit them to the board.* Young seconded Olsen's motion. All were in agreement and the amended motion passed.

7. **Discussion on Number of In-person Board Meetings:** Grimaldi made a motion to change the number of in-person meetings from 3 to 2 per year. Olsen seconded the motion and discussion ensued. Phillips said there should be one meeting in Columbia, Mo., each year at the same time as the IRE Contest judging.

Grimaldi removed his motion.

Olsen moved that there should be two board meetings scheduled each year at the discretion of the board, with a preference of about 6 months apart.

Young made a new motion that the board should meet two times per year for in-person meetings. Garcia seconded the motion. All were in favor, with the exception of Olsen. Young's motion passed.

Young said that the board should tentatively schedule the next board meeting for late November/early December. All were in agreement.

8. **Conference Committee Update (Phil Williams):** Williams said that he and the committee worked hard to invite as many big names as possible for the Baltimore conference to help encourage people to register. He suggests that the conference committee do this in the coming year as well.

The board members discussed possible locations for upcoming conferences. Horvit said that staff recommended Boston for 2012 and San Antonio for 2013. There was a consensus among board members that staff should move forward with this plan.

9. **Discussion of IRE Committee Structure:** Olsen said that the board should discuss whether the current IRE committee structure is working or not working. Phil Williams said he believes that task forces are a great way to address current issues. Young said that task forces could be organized to tackle important issues facing IRE today, including revenue and membership. Phillips said that task forces are different than committees; task forces have specific tasks and end dates, while committees are standing. Young said the task forces should include board members and IRE members with related skills and experience.

10. **Adjournment:** Grimaldi made a motion to adjourn at 9 p.m. Wilson seconded his motion. All were in agreement and the meeting adjourned.