

**Society of Environmental Journalists Board of Directors Meeting
Saturday, January 26, 2013
Woodrow Wilson Center for International Scholars, Washington, DC**

Board members present:

Don Hopey, President
Jeff Burnside, First Vice Pres. & Programs Chair
Ashley Ahearn, Second Vice Pres. & Membership Chair
Carolyn Whetzel, Treasurer & Finance Chair
Peter Thomson, Secretary
Imelda Abano
Peter Fairley
Christy George
Tom Henry
Robert McClure
Jennifer Weeks
Roger Witherspoon
Meaghan Parker, Rep. for Associate Membership

Board members absent:

Tom Yulsman, Rep. for Academic Membership
Douglas Fischer, Future Conference Sites Chair
Jim Detjen, Founding President (non-voting ex-officio)

Also present:

SEJ Executive Director Beth Parke
SEJ member Cheryl Hogue
SEJ member/SEJournal editor Adam Glenn

President **Hopey** calls meeting to order 9:13 a.m., welcomes guest (Hogue, Glenn) and new board members (Parker, Marcos).

Agenda Item 1: Approval of Oct. 2012 board meeting minutes

**Motion: George
2nd Fairley**

Discussion: **Parke**: Auditor says minutes must be signed by Secretary from now on, so we need to make sure former sec. Oosthoek signs these.

Vote: Passes unanimously

Agenda Item 2: Executive Committee Report

Hopey reports: No actions taken by Executive Committee since last full board meeting

Agenda Item 3: Approval of Consent Calendar (all items with single vote)

• Reappointments to Elections Committee: Election supervisor Chris Bruggers, members Christine Heinrichs and Chuck Quirnbach;

- Reappointments to Awards Committee: Co-chairs Beth Daley and Douglas Fischer, members Saul Chernos, Jeff Burnside and Emilia Askari;
- Appointments to Audit Committee: reappoint Chair Jennifer Weeks and member Roger Witherspoon, appoint member Bruce Ritchie;
- Reappointments to Freedom of Information Task Force: Board Liaison Robert McClure, and Chair Tim Wheeler

**Motion to approve consent calendar: Whetzel
2nd Fairley**

No discussion

Vote: Passes unanimously

Agenda Item 4: Executive Director's report and presentation of 2013 budget options

Parke reviews her written report to the board (attached) and lays out “big deals” for 2013:

- A very challenging financial landscape with much less margin than years past—whichever budget we approve, we must meet or exceed our income & fundraising targets.
- We must establish a 2014 conference plan, even if it's different than the past
- We must deal with succession planning & staffing issues

Hopey: SEJ has to change our approach in some fundamental ways in order to progress—we've had problems in fundraising, and changes in the journalism landscape compel us to move in new directions. We need to look very closely at all programs, embrace what works, maybe toss what doesn't, streamline, blow up where necessary.

General discussion of 2012 details and how to approach priorities for 2013 and beyond.

Whetzel says SEJ actually ended last year in better shape than the year before.

Parke: We had some good breaks and surprises. But we also had a lot of austerity & cost control, skipped a board meeting, innovated with conference planning, skipped an issue of the SEJournal, all of which saved us about \$30,000.

Whetzel: Foundation support is shifting—we recognized that the big money grants we'd been used to just aren't there so went for more smaller, \$20-25k grants. It's a lot more work, which is part of why we have to rethink our approach to fundraising. At the same time, earned revenue and individual donations were both up—a really positive sign. We took in over \$33k in individual gifts—that's huge.

George: You characterize this as lucky year—why not look at it as new way of doing business?

Parke: True, we have similar opportunities this year in Chattanooga—the newspaper there has a charitable foundation, which will essentially be the fundraising entity for the conference and we'll get to keep any surplus. That's not in writing but a handshake. My goal is that they like it so much we can keep working with them.

Parke presents 2013 A/B budget options (Business As Usual vs. Caution). Says she could support either one, given that there's really no such thing as a year-long plan anymore—we'll review whatever we do month to month.

The difference between the two is largely staff/consultants lines. All staff members have agreed to compensation cuts if the board decides to do that. Otherwise, there are only small differences, totaling roughly \$40k. It's really a matter of symbolism.

George: Everything has to go on the table.

Discussion of publications, including SEJournal costs vs. benefits.

McClure (SEJournal Editorial Board Chair): Volunteers are doing a great job selling ads, we're moving toward breaking even.

Hopey asks member Adam Glenn to discuss his experience with the journal going way back—he was involved early on, then took break, and was recently recruited back.

Glenn: The value of the journal over the years has increased but we need to make sure that value is clear to the membership. It's beautiful now and has left. It holds mirror up to our profession, showcases the best of what we do, but a distinction needs to be made between content & platform.

I have a strong affinity for online but there's still real value to print—it's a concrete expression of what the society is about when members get it in the mail, especially those members who don't make it to the conference.

The big questions are how to improve the content as the field and our membership change, and what range of delivery methods hit the mark best? Right now, the journalism is on mission, our surveys show that members recognize that. So let's do it better but keep doing it.

Ahearn: I'd propose a deadline for making the journal revenue neutral.

Hopey: But would we cut it even if we were \$1000 short?

Glenn: Finding additional revenue sources is vital but cost should not be the bottom line. It can be a "loss leader" with great value to the organization.

Ahearn: I agree with the value but everything needs to pull its own weight.

George: The member survey shows that lots of folks don't read the journal, or read only our online offerings. Maybe we should move some content online, put new content in the print journal and print fewer issues—things like best practices, award winners. It could be a huge marketing piece.

McClure: We need to focus on all of our publications and how they work together—the journals, Tip Sheet, EJ today, etc.

Break: 10:35

Resume: 10:50

Budget discussion continues:

Parke: "Self-funding" programs is a tough issue. Much of what we do is important, highly valued, but loses money. The question is a key part of our "rethink" process.

Thomson: I have a problem with the whole "pay for itself" notion—we're in the business of doing stuff that the market won't pay for.

Fairley: I disagree—our market includes foundations—we need to find specific support for specific initiatives. It shouldn't be strict rule but it should be our goal.

Parker: The Wilson Quarterly has always been run as a loss leader. We went this summer to digital. Leadership saw the shift as way to modernize a staid institution but we lost a lot of “senior” subscribers.

Hohey asks for a motion to approve a 2013 budget plan.

McClure offers Motion to approve the 2013 Version A budget:

The board adopts the Executive Director's proposed operating budget of \$902,750 for 2013 without cuts in compensation, programs, or publications (Version A) with the following conditions:

1: Grant, gift, and earned income to be carefully monitored throughout the year, with monthly reports to the treasurer and president; quarterly reports to the finance committee; and a mid-year review of the budget by the full board;

2: If the organization is unsuccessful in meeting grant, gift, and earned income targets, the board's internal endowment set-side funds could be tapped to achieve the executive director's goal of carrying over at least \$250,000 into 2014;

3: That the organization launch an initiative that would yield a plan to reposition SEJ over the next two years that: updates or reinvents programs, publications and staffing; increases SEJ's viability and relevance; and develops a path to a financially sustainable future. The board's endowment set-aside could be used to implement the plan.

Second by George

Discussion:

George reviews the history of the board set-aside to endowment—these are board-restricted funds, NOT donor-restricted funds, always set aside with the possibility of tapping it for other important purposes. My thought when I proposed this in the fincom was to give us some resources to focus on new initiatives.

Fairley: We also have the \$100k Silverman account (revolving earmarked fund)—I'd argue for using that first. It's a bad signal to ourselves and others to tap the endowment.

Thomson: This would be an investment in our future, not to pay current bills. As someone who helped establish the endowment I have no problem using some of the money SEJ set aside to invest in our future.

Hohey: No one wants to be spending that money to just keep the lights on, but the idea is to have it available to seize opportunities. I'm not concerned we're going to blow this money.

George: I want to assure Peter F—this idea was borne out of acknowledgement of the possible need for austerity. It's not a last ditch effort but a combination of austerity and optimism, a way to help us rethink and reposition, an investment of the board's own little nest egg.

Further discussion of how the review initiative should be structured & focused. The process is dubbed “SEJ 3.0.”

McClure asks to call the question regarding the budget motion:

Vote to call:

12 Yes, 1 No (Fairley)

Vote on motion to approve Budget Version A:

12 Yes, 1No (Fairley)
Motion passes

Agenda Item 6: 2013 endowment spending policy

Whetzel: This is an annual action the board instituted last year to comply with federal law requiring that nonprofits spend some portion of their endowments annually.

Motion by Whetzel: The board sets the 2013 endowment spending policy on permanently restricted funds at 5 percent, with the funds transfer into operating accounts based on a 3-year rolling average of permanently restricted funds as of Dec 31 of fiscal years 2010, 2011 and 2012, as calculated and established by independently-audited financial statements for each of those years.

Second by George

Parke says the actual amount transferred would be roughly \$11,000.

No further discussion.

Vote: unanimous
Motion passes

Hopey reminds board that all members are expected to donate to the organization. We don't have 100% right now so we need to step up. This is important to potential donors.

Parke distributes Director and Officer Annual Conflict of Interest Statement for each board member to sign.

Parke also reports:

- Our longtime bookkeeper is retiring, but we've found a highly recommended new one.
- Adam Hinterhuer has been hired half time by IJNR so we're losing his role in conference work.
- Update of our website is underway, including some user interface issues.
- We're upgrading our conference registration system, partly due to the departure of longtime contractor Convention Management Services from this part of the business.
- I'm not recommending a change in our auditor this year, as the latest best practice in the business is not to switch auditors every 3 years or so but to stick with someone who works and knows your business. Our company does rotate auditors within the firm.

Parke continues Executive Director's report with update on discussions with the Institutes for Journalism and Natural Resources:

Frank Allen has retired, IJNR has hired a new part-time Executive Director, Adam Hinterhuer has moved in to bigger role, and we've received a joint Joyce Foundation grant that includes partnership activities in the Great Lakes region as well as funds to continue to explore a future relationship. That could include a complete merger, in which IJNR becomes a unit of SEJ, or maintaining separate organizations that work together more formally more often, including joint funding for specific programs.

Break—12:30—Lunch and committee meetings—Programs, Finance, Future Sites, Membership

Reconvene 3:08

Agenda Item 5: Committee reports

Finance Committee:

Whetzel: At Parke's urging, the committee recommends that the board revise SEJ financial policies regarding acceptable sources of grants in order to broaden the range of government organizations we may accept funding from. Recommends the following language:

Replace Financial Policies Section B, Part 1, Paragraph 3: "Grants from the National Science Foundation when applied for in partnership with another organization."

with

"Grants from any independent government or government-chartered agency whose mission is primarily competitive grant-making, such as the National Science Foundation."

Brief discussion.

Motion by Whetzel to adopt above language

Second by Witherspoon

Vote: unanimous

Motion passes

Membership Committee:

Ahearn says Abano will undertake outreach to Asian journals; Burnside will draft a standard outreach note to non-members who produce great e.j.; Parker will evaluate our website and application process to identify ways to clarify associate membership eligibility; all board members encouraged to pursue opportunities to reach out to local colleges & universities to recruit students & other academic members.

Re: regional events, **Ahearn** says we hear loud & clear from the recent survey that this is what people want, so board members should make efforts to organize them, especially in conjunction with events such as the AAAS conference.

Ahearn says the committee is working on ways to make better use of social media for outreach & recruitment.

Programs Committee:

Burnside: we talked a lot about the IJNR discussions. Receiving the joint Joyce grant shows we're already seeing a financial benefit without any formal alliance with them, so we're excited about further discussions. We also feel we should work with them on regional events and other opportunities for synergy. On the down side, if we merged we'd be taking on yet another project. But we believe this might pay for itself and more.

Brief discussion. Consensus is to continue SEJ's discussions with IJNR about future relationship.

Burnside continues Programs report:

We were discouraged by the survey responses re: mentoring & diversity programs. Our conclusion is that we don't sell these things well enough and should make better effort to market our less well-known offerings.

Parke: My big takeaway from the survey is how weak we are in understanding our membership and what we need to be focusing on. Maybe we need not a new programs person but a membership director.

Future Sites Committee:

Witherspoon (subbing for absent committee chair Douglas Fischer) says the committee wants the board to consider changes to our conference funding policies to allow for funding from corporations, interest groups, etc. There are a lot of obvious pitfalls but Douglas's feeling is it's very difficult to find a host/partner in DC, and it might work better to establish sponsored tracks. The board needs to consider – do we open it up at all, and if so how? Obviously we need to retain control over all programming. The question is whether we're willing to consider offering programmatic presence for sponsors.

Discussion:

Thomson: There was general agreement on the committee that we need to broaden our funding options and have a plan B for when our traditional plan A isn't working. But there was lots of concern about blurring the lines between funding and programming.

George: We do have this mechanism to pass some donors through our institutional partner, e.g. a university, the Chattanooga foundation, etc.

McClure: The question is, why have we not done this to date, and what are the hard questions we'd need to deal with re: expectations of "sponsors"?

Parke: We have come so far... We used to not even allow exhibitors. Phil Shabecoff called us "chaste

Parker: I think there's a mistaken expectation that these folks want a lot. I don't think we need to give them much to still make it worth their while.

Thomson: I have no problem giving "sponsors" something more than nothing but less than a place in program—e.g. a "Sponsor's reception," akin to current hospitality suites, etc. Not part of program but carved out spotlight event.

Weeks: I have a problem with the label "sponsor."

Whetzel: We already offer exhibitors & advertisers a package of benefits—we don't have to change anything

Parke: The difference is scale.

Fairley: And the logo. They want the logo.

George: This conflict goes back to before I got on the board, but it's changed a lot. It's still about perception vs. reality. In old "chaste" days there was no chance of misperception. We're a long way down the road, the potential for misperception is huge, but the reality is that we don't actually have a conflict.

Witherspoon: Our reputation is built on our program—that wouldn't change in any way.

Fairley: I must say I was shocked to read Douglas' memo—that it even suggested possibility of taking money to let people sit on our panels. To me that's unacceptable. Even to accept corporate money attached to a conference at all. Period. I don't want a corporate logo sitting on the conference at all. I think we should be much more willing to explore the possibility of smaller conferences—they'd be less impressive but would have unquestionable integrity. The fact that we're so unwilling to think about doing less shows how much we want that money.

Parke: There are absolutely people who would quit if we went down this road.

Fairley: If we want to consider this, let's put it on SEJ Talk—it would get shot down, because it should.

Weeks: I want to comment on behalf of Douglas, since he's not here. All of us were taken by surprise by his proposal but he's been busting his butt to try to line up future conferences and we really need a new way of doing this, and we need a structured discussion to get there.

Parker: I think Douglas's intention was to get the subject out on the table, start discussion.

Hopey: I'd like to move it along more than that. Most board members seem pretty clear on this, so let's let him know.

Others: Not so sure about that consensus...

Thomson: There's basic agreement on the need for more funding options. The real sticking point is whether there's a role for corporations & interest groups. Let's kick it to the Fincom for hard discussion.

Fairley: This should be part of the SEJ 3.0 rethink process.

Whetzel: Now that we've given the ED the authority to apply for grants from NSF etc., let's go to them for big multi year grants to fund conferences.

Thomson: So what's our message to the future sites committee?

Whetzel: The DC steering committee should look further into whether a DC conference is viable based on current financial policies & practices but perhaps with a creative funding mix, rather than our usual organizational model of a single university partner. Meanwhile for 2014, let's push on Seattle and Oklahoma and move discussion of new funding/sponsorship into the finance committee and the "3.0" effort.

Parke: Also ask them to look into scaled back conference.

Fairley: What would a world look like without a 2014 conference? We could have smaller regional conferences. It could be a chance to innovate, experiment. I wouldn't consider it a disaster if we took a year off.

Hopey: I agree—especially if by then we have IJNR in the fold, so could offer new stuff to fill the void.

Albano: I agree with Peter Fairley. From the members' survey, 34% have never come to a conference. Why? Members from developing countries likely can't afford to. Maybe we should have a small regional conference in Asia.

George: A smaller conference discussion is part of 3.0 discussion.

Whetzel: About not having a conference—it's important to remember that the conference is our biggest source of earned income.

Parke: In all my study of our business, the conference is the core of our business model. To not have one would be the signal that we're dying.

Thomson: We need to stick with our effort to get a conference more or less as usual until we're past the drop dead date—there's too much at risk. If it's still not happening past that date, go to plan B.

Agenda Item 6: New Business

Parke: We need to consider one candidate for for honorary membership. I'll recommend him to the membership committee.

Hopey: Discussion about next meetings will continue online.

George: Everyone please read material on succession plan— we need to vote next mtg. More succession planning can/should happen as part of "3.0" process.

Hopey asks for a motion to adjourn.

Thomson moves to adjourn meeting.

Second by George

Vote: unanimous

Meeting adjourned at 4:59 pm.

Minutes by Peter Thomson, SEJ Board Secretary

A handwritten signature in black ink, appearing to read 'Peter Thomson', with a long horizontal line extending to the right.

Society of Environmental Journalists
Board Briefing of January 2013
From Beth Parke, executive director

Hello everyone.

If you haven't already, please do review the survey data reflected in the "Member Survey Fall 2012" file you can find on <https://sej.basecamphq.com/clients> in the project titled "SEJ Board Meeting Jan 26 2013." I'd also recommend you review the "Strategic Planning Report" from consultants we hired last summer with that grant from the Brainerd Foundation. These are resources for SEJ leaders as we reflect on what is most essential for this organization to be doing "To strengthen the quality, reach and viability of journalism across all media to advance public understanding of environmental issues."

Meanwhile, here are some notes to set the stage for discussions and decision making.

Budget context

SEJ's budget in 2013 will be underwritten, per board policy, by the following revenue sources. For a successful fiscal year, we will need to work hard to maximize each of these:

- 1) Foundation grants (both general support and earmarked for specific projects,
- 2) Earned income (conf registration, ad & exhibitor fees, dues, press release distribution, subscriptions, award entry fees, etc.),
- 3) Gifts of general support from any source up to \$15,000, including individuals, businesses, enviro groups, media company sponsorships; FEJ gifts from individuals; and
- 4) Direct payment of conference bills by the Chattanooga Times Free Press Foundation in partnership with the U. of TN — Chattanooga. The SEJ conference account managed by the CTFPF will be funded locally by the CTFPF and UTN Host Committee through major gifts from every type of donor. Note: The SEJ board could consider establishing a different policy with regard to acceptance of conference sponsorship dollars direct to SEJ, but for this year,, any corporate, government or advocacy group dollars that are available to support the conference will be streamed to the CTFPF or sought as exhibitor/advertiser income. Our colleagues in Chattanooga are working to bring in gifts from entities who want to be listed as part of their host committee, and they welcome gifts we can deliver for that purpose. They willing to handle funds on SEJ's behalf over and above conference bills, and could write SEJ a grant check at the end of the process if wildly successful.

Programs and operations:

These are the programs and activities we absolutely must provide for in 2013, based on existing obligations and membership demand:

— Membership procedures, database, directory and listservs with headquarters staff available to members

— 2013 Annual Conference

— www.sej.org site and server with CMS (content management system) update from Drupal 6 to Drupal 7 no later than fall 2013

These projects are fully funded, nearly funded or self-funded:

— Freedom of Information WatchDog project, covering Watchdog TipSheet, public statement work, efforts to lobby agencies on press policies, events at Annual Conference relevant to information access, FOIA and open government issues. To some degree supports Twitter feed, EJtoday, SEJournal relevant to FOI.(McCormick grant @ \$50,000)

— Partnership activities in the Great Lakes region with the Institutes for Journalism and Natural Resources (Joyce IJNR grant @\$50,000)

— Partnership activities on climate communication with Michigan State's Knight Center (funded by the National Science Foundation up to \$60,000 in 2013);

— Fund for Environmental Journalism mini-grants (Grantham, individual gifts, up to \$25,000),

— SEJ Awards (entry fees)

— Diversity project, with mentoring and guidebook elements, (Gannett Foundation @\$15,000)

— Phase two of Pennsylvania study commissioned by the Heinz Endowments (@\$25,000, likely)

Publications activities that are not funded

— *EJToday* (daily news digest to 2500+), Twitter feed (6,000+ followers)

— *SEJournal* (quarterly, mailed to 950 members and subscribers, 45 electronic)

TipSheet went on hiatus from biweekly distribution to 2500+ in March 2012. The member survey indicates *TipSheet* has been missed and people would love to see it come back.

Budget context and choices for 2013

I am uploading the following information to help board members understand SEJ finances, past present and future.

- “Cash carryover” history (How much cash did SEJ have in unrestricted operating accounts at the start of each year 2006 – 2013? How much was prepaid grants and university sponsorships, how much was earned income reserve?)
- Total operating expense for each fiscal year 2006 – 2012
- Total revenue and total expense (P&L) for 2012 (unaudited)
- Balance sheet of Dec 31, 2012 showing cash, investment accounts and grants receivable in 2013.
- “Total information” budget for 2012, showing the budget approved by SEJ board January 2012 and information on what actually happened
- “Total information” budget for 2013 Version A (no cuts in compensation, programs or publications, set target for new grants, gifts and earned income, if unsuccessful, tap board-restricted reserve fund). Shows how SEJ starts the year, what we expect/hope with revenue and expense, and how SEJ ends the year if that’s what happens.
- “Total information budget” for 2013 Version B (compensation cuts at 8% for exec director and 5% for senior consultants, drop SEJournal altogether). Shows how SEJ starts the year, what we expect/hope with revenue and expense, and how SEJ ends the year if that’s what happens.

Other options: drop EJtoday and Twitter feed. Alternatively keep EJToday and Twitter feed AND revive TipSheet mid-way through the year with related ad revenue plan. Bring in more 2013 and 2014 grants and gifts than the modest target set in this budget.

In any case, we must do everything we can to end the year with at least \$250,000 in operating accounts and a viable 2014 conference plan.

A budget is a map, and a map is not the territory.

Thanks for considering these notes.

Beth