

Minutes of the ASNE Foundation Board of Directors

Oct. 17, 1996 – Detroit, Mich.

The foundation's directors met in advance of the ASNE board meeting in Detroit. Directors present were Edward Seaton, The Manhattan (Kan.) Mercury, ASNEF president; Robert H. Giles, The Detroit News, vice president; Howard A. Tyner, Chicago Tribune; and William B. Ketter, The Patriot Ledger, Quincy, Mass. Also present were ASNE director Richard Aregood, The Star-Ledger, Newark, N.J.; Lee Stinnett, ASNE executive director, ASNEF secretary/assistant treasurer; Richard M. Schmidt Jr., ASNE legal counsel; Craig Branson, ASNE publications director; Veronica Jennings, ASNE minority affairs director; and Diana Mitsu Klos, ASNE projects director. ASNE Foundation directors absent were Arnold Rosenfeld, treasurer, Cox Newspapers, Atlanta; John S. Carroll, The Sun, Baltimore; Sandra Mims Rowe, The Oregonian, Portland; and John Seigenthaler, The Freedom Forum First Amendment Center, Nashville, Tenn.

The board members expressed their grief over the death of Ruth Rosenfeld and conveyed their condolences to Mr. Rosenfeld.

The minutes of the April meeting were approved, and the discussion turned to the major projects funded by the foundation.

Ms. Jennings noted that The Freedom Forum has made a \$40,000 grant to fund a high school journalism project. Newspapers will be invited to team up with local secondary schools to create new or upgraded journalism programs.

Mr. Stinnett reported that The Freedom Forum/ASNE International Journalism Exchange accepted 11 participants this year, one more than was budgeted in order to take a Vietnamese applicant. Home stays were strongly encouraged – almost required – for the 1996 program. Housing the visiting editors with American families not only provides a better experience for the visiting editors, it's also easier on the budget. Consequently, the cost of the 1996 exchange may be held close to the \$100,000 provided by Freedom Forum's grant. The caliber of the participants this year is outstanding.

Mr. Seaton attended the Journalism Values Institute seminar in Washington and described it as an outstanding success. The Journalism Values Handbook is selling strongly – 231 copies since the convention. The regional seminars have filled up with a single mailing and have been very well received.

Ms. Klos, who joined the ASNE staff on Oct. 14, summarized the experience with the 1996 Institute for Journalism Excellence, funded by the John S. and James L. Knight Foundation. There were 25 participants in the 1996 program, five more than the 20 budgeted and three more than the 22 that participated in 1995, she said. Expenses to date total \$246,500 against a grant of \$250,000. There was a cumulative surplus of approximately \$40,500 over the first two years of the project. ASNE has agreed to include the educators' travel to the AEJMC convention in 1997, making the debriefing session a mandatory part of the program. This will add to the cost.

In the absence of Mr. Rosenfeld, Mr. Stinnett summarized the financial report for fiscal 1995-96. The final costs have been paid for two major research projects, and ASNEF covered deficits: \$3,058 for the "Beyond Survival" study and \$4,798 for the "Generation X" project.

Mr. Stinnett noted that the auditors have reviewed the foundation's books for 1995-96 and declared that the financial statements fairly represent the financial position of ASNEF. The financial summary prepared by the ASNE staff shows that receipts for the year amounted to \$1,035,199, while expenses were \$1,021,059. The unrestricted funds balance at the end of the year was \$997,610, compared to \$914,658 a year ago.

The foundation has continued its conservative investment strategy, purchasing four-year certificates of deposits in U.S. treasury notes or in financial institutions that have been screened by Merrill-Lynch. Mr. Seaton noted that the Foundation's reserves designated for minorities programs

continue to be spent down. They are now under \$75,000 and will likely be depleted in about three years.

Major payments have been received from Knight, Freedom Forum, and the McCormick-Tribune Foundation for continuing projects. The Knight Foundation declined to fund the Change Committee's request for \$140,000 over two years for "Project Reconnect." Discussions have been initiated with the Ford Foundation's Jon Funabiki about funding the project, and the board suggested pursuing funding through the Pew Memorial Trust as an alternative.

Discussions have also taken place with Mark Hallett, McCormick Tribune Foundation, about funding a minorities project, possibly an interactive CD-ROM diversity training module.

ASNE is also working with the Association of Schools of Journalism and Mass Communication to create a program to complement the Institute for Journalism Excellence, to bring editors to campuses. ASNE informed Knight that it could not support the version of the proposal submitted by ASJMC last year. The Knight Foundation declined to fund the project.

The Foundation committed \$1,000 to help fund a 30th anniversary commemoration of the Freedom of Information Act. This was handled as a reimbursement to ASNE for postage, materials, handling, etc. ASNEF accepted the funds from other associations and handled the disbursements. The latest count was \$8,300 income, expenses about \$7,000, with \$1,300 remaining to be spent.

Mr. Stinnett noted that ASNE has joined the Newspaper Association of America in launching a landmark study of media usage. The foundation has committed to providing \$60,000 for the project, and a solicitation of support from newspaper companies (for this project and for minorities projects) is under preparation. The foundation directors approved committing funding of the project at this level. The total cost of the project will be about \$170,000, with the balance coming from NAA.

The discussion turned to the development of concepts for a project growing out of the Journalism Values Institute. The ASNE officers have expressed an interest in continuing the program by focusing on credibility and helping newspapers clarify their procedures for making difficult journalistic decisions. The project would address accuracy, disclosure of journalists' intentions and sources of information, the integrity of quotes, and other issues. Once a better common understanding is reached among journalists, attempts will be made to develop public understanding of journalistic principles. The concept of the project was enthusiastically received.

The following banking resolution was approved: "Resolved that Dreyfus, Merrill Lynch, Vanguard and George Mason Bank are hereby designated as depositories for the funds of this Foundation and that said banks are hereby authorized and directed to pay checks and other orders for the payment of money drawn in the name of this Foundation when signed by either Edward Seaton, president; Arnold Rosenfeld, treasurer; or Lee Stinnett, secretary/assistant treasurer. And that said banks shall not be required to make inquiry respecting the application of any instrument executed in virtue of this resolution or of the proceeds therefrom, nor be under any obligation to see to the application of such instrument or proceeds."

Mr. Seaton commended the work of Mr. Stinnett and the ASNE staff in handling ASNEF projects and developing proposals for funding.

There being no further business before the board, the meeting was adjourned.

Lee Stinnett
Secretary and assistant treasurer