

Minutes of the ASNE Foundation Board of Directors Meeting April 8, 2003 – The Fairmont Hotel, New Orleans

The ASNE Foundation Board of Directors met on the call of President Edward L. Seaton.

Directors Attending:

Peter K. Bhatia, executive editor, The Oregonian, Portland
Robert H. Giles, curator, The Nieman Foundation, Cambridge, Mass.
Deborah Howell, editor, Newhouse News Service, Washington, treasurer
Diane H. McFarlin, publisher, Sarasota (Fla.) Herald-Tribune, vice president
Tim J. McGuire, retired editor, Star Tribune, Minneapolis
Robert W. Mong, president and general manager, The Dallas Morning News
Edward L. Seaton, editor-in-chief, The Manhattan (Kan.) Mercury, president
Howard A. Tyner, vice president/editorial, Tribune Co., Chicago

ASNE Staff Attending:

Scott Bosley, executive director, ASNEF secretary and assistant treasurer
Bobbi Bowman, diversity director
Diana Mitsu Klos, senior project director
Cristal Williams, project director

Legal Counsel:

Kevin M. Goldberg, Cohn and Marks, Washington
Richard M. Schmidt, Cohn and Marks, Washington

Directors Attending by Conference Call:

Leonard Downie Jr., executive editor, The Washington Post

Directors Not Attending:

Clark Hoyt, Washington editor, Knight Ridder Newspapers

The minutes of the previous meeting were approved.

Elected unanimously to three-year terms on the board were Karla Garrett Harshaw, Clark Hoyt and Howard A. Tyner.

The board elected as officers for the coming year Edward L. Seaton, president; Peter K. Bhatia, vice president; Deborah Howell, treasurer; and Scott Bosley, secretary and assistant treasurer.

Deborah Howell, reporting as treasurer, said that through Feb. 28, 2003, Foundation working funds were \$2.6 million, down from \$3.3 million on June 30, 2002. Much of this decline was attributable to cash flow for pass-through support of programs by foundations. Howell noted that ASNE's unrestricted funds had increased by \$33,646 through Feb. 28 to \$1.735 million.

Our investment accounts were down in value for the period by \$132,000. However, a slight market rebound had reduced that number to \$93,000 as of March 22.

Bosley briefly reviewed the audit report from McGladrey and Pullen LLP, which included no significant recommendations.

Howell reviewed fund solicitation results. Through Feb. 28, \$91,970 had been received: \$65,000 from corporations and foundations and \$26,970 from members, including \$3,770 in Cuba trip balances donated by members. An additional \$6,000 was received from members in March.

Seaton and McFarlin led a discussion of major financial needs going forward. Most pressing, as discussed at the Fall meeting, is diversity funding. Seaton explained that our pool of diversity money would be exhausted before the end of the 2002-03 fiscal year, including \$125,000 the Knight Foundation allowed us to transfer from the Institute for Journalism Excellence for this purpose. During this year we will be spending unrestricted principal on diversity, raising the urgency of addressing this matter.

The first steps in this process have been taken. Diversity funding was the backdrop, McFarlin explained, for the ASNE-organized industry summit on diversity that was held in Nashville in January. She said that the broad-based group that included diversity organizations, corporate executives, members of the ASNE Diversity Committee and ASNE board members had helped shape a new emphasis for ASNE's future programs. From this meeting, it was determined that the centerpiece of efforts in the coming year would be development of a Leadership Institute that will assist top editors in creating newsroom environments that help the industry develop and retain talented journalists of color.

McFarlin explained that, also as an outgrowth of the diversity summit, another important initiative that will not involve ASNE raising funds will likely be an extension the Readership Initiative to address questions that will help editors to build more diverse readers. Led by current chair Dean Singleton and his successor, Tony Ridder, NAA is working to fund this effort. ASNE editors will work with the Readership Institute and NAA on making this a successful effort.

The Diversity Committee and ASNE officers are to refine the Leadership Institute concept. Then the officers of ASNE and the Foundation leadership will work together to begin a fund-raising effort.

Seaton said it was going to be essential to organize a campaign that would touch both corporations and foundations. Best case, he said, would be to find some lead funders who could give us challenge grants to help us spur others to contribute.

Seaton also discussed the need for finding long-term support for the International Journalism Exchange, which until this year had been funded by The Freedom Forum. A consortium of donors, Knight Foundation being the largest, helped fund this fall's program, but future years are in question.

Seaton directed the group to a compilation of media and related foundations that are interested in issues central to our mission. He noted, as did others, that this would be a good tool for us as we make approaches for various programs.

Another opportunity for the future, Seaton said and others agreed, is to get members to think of us as they consider planned giving or estate planning. Seaton said he would work with staff on developing a process that could assist ASNE in this regard.

The board discussed funding available for support of industry organizations, committee work and general administrative expenses (auditing, office expense) and set the budget at \$100,000 with the proviso that as much as possible would be held back to help offset diversity costs.

Bosley noted that two of our major programs are up for renewal this year by the Knight Foundation: the High School Journalism Initiative and the Institute for Journalism Excellence (IJE). Application for IJE renewal went to the foundation last week and the high school proposal is due later in the month. Knight's journalism advisory board is to review grant proposals in June and final action on these grants is expected in the fall. We are hopeful of success; both programs are rated highly by Knight.

ASNE staff members then reported on their foundation-supported work:

Senior Project Director Diana Mitsu Klos noted several recent achievements in the High School Journalism Initiative: expansion of the Web site to include more information on broadcast journalism, the training of nearly 400 high school journalism teachers so far with 190 more scheduled for the coming summer at six colleges, working partnerships with 92 high schools (32 more than promised) and 69 newspapers, and development of a new Web site, My.highschooljournalism.org, that hosts more than 140 high school newspapers.

Project Director Cristal Williams said that the first four of 24 ASNE Readership Training Seminars, funded by McCormick Tribune Foundation, had been held and were very well attended. Early reviews by participants are very encouraging. Ten additional seminars are scheduled in 2003. Meanwhile, the Institute for Journalism Excellence will begin its ninth class this summer and, after some last-minute scurrying for funds and success with Knight, Scripps-Howard and the Hearst Foundations, the International Journalism Exchange will begin its 20th year with orientation of a new class in Washington, Sept. 21-24.

Diversity Director Bobbi Bowman noted that ASNE sponsored nine job fairs during the fiscal year and Pamela Moreland of the San Jose (Calif.) Mercury News would be editor of this year's ASNE Reporter. She also noted that ASNE organized panels or other programs for most of the conventions of diversity organizations and that she had filled several requests as a speaker on demographics. Also, following the Diversity Summit, Bowman said McCormick Tribune Foundation had expressed an interest in supporting our Latino seminars, which began two years ago. Bobbi is following up and optimistic that this support will be forthcoming.

The board then approved the following banking resolution:

Resolved that Morgan Stanley and United 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 L. Seaton, president; Deborah Howell, treasurer; or J. Scott Bosley, 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.

The meeting was adjourned.

J. Scott Bosley
Secretary and Assistant Treasurer