

MEETING OF THE BOARD OF GOVERNORS OF THE NATIONAL PRESS CLUB

April 24, 2006

Sylvia Smith, Secretary

Chairman Mark Hamrick called the meeting to order at 6:30 pm. Present were President Jonathan Salant, Vice President Jerry Zremski, Secretary Sylvia Smith, Treasurer Donna Leinwand and Membership secretary John Donnelly and Governors Joe Anselmo, Alison Bethel, John Gallagher, Alan Bjerga, Keith Hill, Gayela Bynum and Lou Priebe and former President Rick Dunham. Also, Scholarship Committee chairwoman Kathy Kiely, General manager John Bloom, Director of membership recruitment Sarahanne Driggs, Comptroller Georgetta George, and David Jones and Tina Emerson, both of the auditing firm Ribis, Jones & Maresca. Absent was Governor Maureen Groppe.

Smith moved and the board approved the minutes of the March 20 meeting.

Kiely presented the Scholarship Committee's nominees for this year's \$20,000 scholarships to high school seniors interested in a journalism career and who are minorities. **Salant moved and the board approved awarding the Persina Scholarships to Joshua Weaver of Houston, Texas, and Ana Arellano of Cupertino, Calif.** Smith suggested the Scholarship Committee work on a definition of "minority" for presentation to the board. Kiely said she would prepare a memo. **Salant moved and the board approved a motion thanking Kiely and the committee members for their work.**

Donnelly moved and the board approved the following 33 new members:

ACTIVE: Jon Belmont, correspondent, Associated Press Broadcast; Diedtra Henderson, staff writer, Boston Globe; Anne W. Hoyt, correspondent, Grupo Radio Centro; James Mathews, editorial director, Aviation Daily; David Morgan, correspondent, Reuters; Yasuyuki Oguri, correspondent, Tokyo-Chunichi Shimbun; Patriece Pascual, acting director, Casey Journalism Center; Alec Russell,, bureau chief, Daily Telegraph; Roger Simon, chief political correspondent, Bloomberg News.

ACTIVE UNDER 35: David Shepardson, reporter, Detroit News; Alex Wayne, reporter, Congressional Quarterly

ACTIVE UNDER 30: Geoff Brumfiel, correspondent, Nature Magazine; Erin Killian, reporter, Washington Business Journal; Emma Marrus, correspondent, Nature Magazine; Daniel E. Pulliam, reporter/producer, Government Executive; Daniel C. Vock, staff writer, Stateline.org.

ACTIVE NON-RESIDENT: Rick Amato, La Jolla, Calif, talk show host, KCBQ Radio; Pradeep Bhavsar, Daman, India, reporter, Daman Ganga Times; Abby Ellin, New York City, freelance writer; Mohammed H.S. Mohammed, Baghdad, Iraq, reporter, Newsweek Magazine.

ACTIVE REINSTATEMENT: Jim Allison, program director, WGMS-FM.

ACTIVE NON-RESIDENT REINSTATEMENT: Maximilian Junker, Atlanta, Ga., freelance writer.

REQUEST ACTIVE STATUS: Jim Wallace, freelance photographer.

PROVISIONAL UNDER 30: Eric Bontrager, reporter, Environment & Energy Publishing; Debra Kahn, reporter, Environment & Energy Publishing.

REQUEST PROVISIONAL UNDER 35 STATUS: Henry Brier, freelance reporter.

AFFILIATE: Antigoni Charalambous, press counselor, Embassy of Cyprus; Sabina Lozovsky, senior editor/reporter, Voice of America; Riaz J.P. Saehu, press counselor, Embassy of Indonesia.

AFFILIATE UNDER 35: Dominic Bellone, executive producer, Voice of America; Cara Santos Pianesi, communications officer, United Nations Development Program.

AFFILIATE NON-RESIDENT: Carolyn Russell, Wichita, Kan., president, Russell Public Relations.

ASSOCIATE: Vanita Datta, communications manager, SAIC; Jay Hyde, director of office of communications, National Governors Association.

ASSOCIATE REINSTATEMENT: Dennis R. Boxx, senior vice president of corporate communications, Lockheed Martin Corp.

Donnelly reported that 60 to 70 people attended a membership recruitment reception and that Diane Rehm gave an excellent presentation.

Donnelly moved and the board approved retired dues status for 4 members.

TREASURER'S REPORT

Jones reported that he and his team met with the Budget Committee to go over the audit in detail. He presented the board with highlights of the audit and consolidated (Club and Library) financial statement, including:

- Revenue in 2005 exceeded income by \$206,000, primarily because of an infusion of money from the Friedheim bequest that was used for the Library's portion of the 4th floor expansion.
- The Club had a negative \$103,000. About \$80,000 was associated with the set-up costs and operating expenses of the broadcast center, which was unanticipated when the 2005 budget was drawn up.
- The total unrestricted equity of the organization is \$2.3 million. Equity and assets exceed liabilities.
- Comparing 2004 and 2005: Member dues and fees are up, webcasting income is down, total expenses are rising as food and beverage costs increase (because of increased events). It is not clear what the maximum growth is for catering operations.
- The tax liability has been paid and the building partnership has been dissolved.

The management letter includes these recommendations:

- Institute a conflict-of-interest policy.
- Institute a reimbursement policy.
- Create a 5-year strategic financial plan.

Salant said the final cost of the broadcast center was dramatically higher than original estimates. He asked whether the audit found anything untoward. Emerson said she found no irregularities. Zremski said the future task force will take on the task of a strategic plan. In response to Dunham, Jones said the Library should have its own strategic plan. Leinwand said the Budget Committee will work on conflict-of-interest and reimbursement forms. **Leinwand moved and the board approved a motion to accept the 2005 audit report.**

Leinwand reported the staff obtained bids for printing the Record. The low bid would save \$60,000 a year. Bloom said he requested references and said Publications Committee chairwoman Lorna Aldrich helped greatly by standardizing how the Record is produced. Leinwand noted the Record is

now available electronically at 2 pm on Tuesdays. **Leinwand moved and the board approved giving Bloom authority to negotiate with the lowest bidder for printing the Record.**

Leinwand moved and the board approved the Photography Committee's request for an additional \$1,146.02. She said the committee produced its 2005 members' show in early 2006, so has exhausted its budget. She said the committee wants to be able to pay its guest speakers' lunches. She said the Budget Committee stipulated that the committee's events must be promoted to the full Club rather than being held exclusively for committee members.

GENERAL MANAGER'S REPORT

Bloom said first quarter income is up 14 percent over 2005, but meeting the budget is still a challenge. He said he is negotiating with two banks on transferring the loan to permanent financing and will have a recommendation by week's end that he will pass on to the board. He said the Broadcast Operations Center has been designated the official media location for any future state funerals. He said Stratton Davis, manager of the Fourth Estate, will move to Chicago in mid-June. He encouraged the board to ratchet up planning for the centennial and said space was reserved for the main event.

PRESIDENT'S REPORT

Salant detailed recent programs. He said he asked the Communications and Marketing Committee to develop ways to get NPC recognized more often in on-the-media columns and programs.

NEW BUSINESS

Hill said he met with representatives of Foundation Hironnelle, a Swiss NGO that sets up media centers in war-torn areas. He said he suggested some of their participants could attend training sessions here, or the NPC could produce a joint program with the London Press Club. During discussion, board members said this might be something to consider after the Club's training mission has been better defined and that other groups are better able to deal with journalism in emerging democracies than the Club is.

Zremski said the future task force met with Leland Schwartz, who was hired by the building to promote tenancy among media organizations. He said one of the ideas is to revise the blue screen behind the luncheon speakers to say "National Press Club/National Press Building." Smith asked whether this is advertising that violates the Club's ethics rules. Salant said it does not. Zremski said it wouldn't be given away. Bloom noted that the TV screens in the lobby are not tuned to C-SPAN and should be, especially when there are live events being covered at the Club. Salant said Bloom should explore the idea of revising the blue screen. Smith said the board should either approve the change or disapprove it and, if approved, then tell Bloom to negotiate with the building.

Salant said some outside groups have been holding training sessions that do not meet Club guidelines with respect to pricing and promotion. Dunham said the board has been very specific about this but the directives have been ignored. **Salant moved and the board approved the following policy: Non-journalism organizations that hold training events at the Club or Library must include a disclaimer on their publicity to the effect that they are not affiliated with the Club or Library. Any listing on the Club web site must also include this disclaimer. The events will not be listed in the Record at all and will not be listed for free on the Club home page unless they both carry the disclaimer and provide at least a 25 percent discount to Club members, under Board of Governors policy to enhance the value of membership. Groups may pay for listing on the home page.**

Hamrick said a demo is being prepared for XM with an eye toward getting an air date.

BOARD AND LIAISON REPORTS

Speakers -- Going great guns after a lull.

New Media – Met to discuss web site, is working on a blog, will have a story of the week online.

Inaugural – Costs were \$8,500 below budget. Salants wants to use that money for a fancier Fourth Estate Award Dinner program and will propose it later.

Forums – Forum on immigration is coming up.

Events – Scheduled: Karaoke, movies, golf tournament (June 26), Club picnic (July 15).

Newsmakers – Scheduled: George Clooney, two senators; gay-lesbian-straight education network; climate survey.

Press Freedom – The NPC is among the journalism organizations that signed a statement in support of a federal shield law.

Young Members – Scheduled: May happy hour, non-resident weekend in July.

Mentor – Opening reception went well; 3 mentees already have new jobs.

5K – Wants board members to obtain sponsors.

International Correspondents – Pairings in the Buddy Program have been made; recruitment reception is May 17.

Travel – Trips for the remainder of the year: May 30-June 10 Poland & Prague; Sept. 1-15 Greece and Turkey; Nov. 10-20 Tunisia. Destinations for 2007 include: Buenos Aires, Argentina (MLK Jr. Birthday weekend), Brussels, Malta plus Croatia & Slovenia, India, Panama Canal cruise

Donnelly moved and the board approves a resolution telling John Bloom to pursue reciprocal agreements with non-journalism organizations that do not discriminate.

The next meeting is May 22.

The meeting adjourned at 9:30 pm.