

**MEETING OF THE BOARD OF GOVERNORS OF THE NATIONAL PRESS CLUB  
Dec. 18, 2006  
Sylvia Smith, Secretary**

Chairman Mark Hamrick called the meeting to order at 6:35 pm. Present were President Jonathan Salant, Vice president Jerry Zremski, Secretary Sylvia Smith, Treasurer Donna Leinwand, Membership secretary John Donnelly and Governors Joe Anselmo, Alan Bjerga, John Gallagher, Maureen Groppe, Keith Hill, Gayela Bynum, and Lou Priebe, and former president Rick Dunham. Also, General manager John Bloom, Membership director Julie Schoo, Membership recruitment director Sarahanne Driggs and Governor-elect Theresa Werner. Governor Alison Bethel was absent.

Hamrick welcomed newly elected board member Werner.

**Smith moved and the board approved the minutes of the Nov. 27 meeting.**

**MEMBERSHIP**

**Donnelly moved and the board approved the membership applications of the following 31 people:**

ACTIVE: Joshua Brockman, special projects editor, Stateline.org; Paul Ciampoli, managing editor, McGraw-Hill/Platts; Ted Goldman, correspondent, Legal Times; Courtney Schlisserman, reporter, Bloomberg News; Brendan Smith, news editor, Legal Times.

ACTIVE UNDER 30: Salome Angrand, office manager, webmaster, Medill News Service; Osita Iroegbu, reporter, Legal Times; Jason McLure, reporter, Legal Times; Anna Palmer, reporter, Legal Times; Emma Schwartz, reporter, Legal Times.

ACTIVE NON-RESIDENT: Sarah Coffey Berkowitz, New York City, deputy editor-in charge, Reuters; Benjamin Shapiro, Valley Village, Calif., columnist, Creators Syndicate; Hal W. Vaughan, Paris, France, author.

ACTIVE RE-INSTATEMENT: Ole Morten Orset, correspondent/bureau chief, Radio Norway/Norwegian News Agency.

ACTIVE NON-RESIDENT RE-INSTATEMENT: Daniel DiPerro, New York City, executive director, CBS News; Lee W. Murray, Annapolis, Md., publisher, The Beverage Journal; Rick Pfeiffer, Niagara Falls, N.Y., reporter, Niagara Gazette.

PROVISIONAL: Jennifer Rabinowitz, reporter, White House Media.

PROVISIONAL UNDER 30: Charles Harris, correspondent, The Yomiuri Shimbun.

AFFILIATE: Omer Daffallah A. Hussein, news anchor/producer, Sudan Radio Service.  
AFFILIATE UNDER 35: Kerry Bothwell, public affairs officer, Embassy of New Zealand; Michael Song, web coordinator, Radio-Television News Directors Association.

AFFILIATE NON-RESIDENT: Joe Holbert, Juneau, Alaska, communications director, Alaska governor.

AFFILIATE RE-INSTATEMENT: Suzanne Ackerman, press officer, Environmental Protection Agency.

AFFILIATE NON-RESIDENT RE-INSTATEMENT: Jeffrey A. Davis, Baltimore, partner, Sawmill Marketing Public Relations; Rory J. O'Connor, San Francisco, senior vice president, Fleishman-Hillard International Communication.

ASSOCIATE: Mark Alan Kitchens, director of media relations, AARP.

ASSOCIATE UNDER 35: Kristin Lee, press secretary, League of Conservation Voters.

ASSOCIATE NON-RESIDENT: Suraiya Farukhi, Argonne, Ill., director of communications and public affairs, Argonne National Laboratory.

ASSOCIATE RE-INSTATEMENT: William E. Jackman, AUTHOR.

ASSOCIATE NON-RESIDENT RE-INSTATEMENT: Jubi Headley, Houston, director of communications, The Sports Philanthropy Project.

### **Donnelly moved and the board approved retired dues status for 5 members.**

Donnelly reported that he and membership staff went to CNN with muffins and a DVD about the Club. Ten CNN members filled out membership applications. He said this approach will be repeated at other media venues.

### **BOARD AND COMMITTEE LIAISON REPORTS**

Young Members – had a final pub quiz and a final event (skating lessons).

House – Will talk to appropriate members about the new no-smoking law. David King briefed the committee on how things will be handled if a member or guest lights up.

Scholarship – McGraw-Hill is exploring the possibility of setting up a scholarship.

Travel – Argentina trip in January is sold out; Brussels scheduled over Presidents' day; other trips for 2007 include Malta, Sicily, Sardinia, Vancouver.

Library – Priebe's birthday party donations raised \$355 for the Library. The chef-cookbook event will be wrapped into the Book Fair in November 2007.

Future task force – conducted 8 focus groups for the strategic plan. The two that had low attendance will be repeated in early 2007.

Centennial – Bob Schieffer will do the intro for the documentary. Beginning next year the committee will do monthly reports to the board.

Presidential inaugural – Jan. 20. Mark Russell is the entertainer and volunteered his time.

New media – Is testing the web site.

Speakers – Coming up are Barney Frank and Ted Kennedy.

Hamrick asked liaisons to ask the committee chairs to write year-end reports/

### **TREASURER'S REPORT**

Leinwand said there is a strong year-end finish. The broadcast center is below budget for income because it got a later-than-scheduled start but is doing well. She said the year-end forecast is \$11.6 million in expenses on \$12 million in income. She said that should not be confused with profit because the \$11.6 million figure does not include servicing the debt, capital improvements and depreciation. The bottom line for 2006, she said, is a loss.

Leinwand said the 2007 outlook is good because of the broadcast center and the dissolution of the agreement with Connect Live. The financial challenges, she said, are the increasing gap between income and expenses and the cost of the centennial. She said \$50,000 is due on the documentary in March 2007 and \$150,000 is due in 2008, all of which the Club will have to pay if fund-raising is not successful.

Leinwand reported that late member Robin Perry willed \$20,000 to the Club.

She said fixed costs and building pass-through costs could increase as much as 20 percent next year. She said the shortfall between dues and member services is growing and will be \$1.8 million this year. She said catering and the broadcast center make up the difference. She said the subsidy for operating the Reliable Source and Fourth Estate is \$500,000 per year. She said Open Table reservations has produced about \$6,000 net income. Negotiations with Connect Live for a buyout are coming to a close and involve a \$385,000 loan from BB&T. She said assuming the webcasting is expected to add \$425,000 in income to the Club in 2007. She commended Bloom for his diligence.

**Leinwand moved and the board approved the contract with Connect Live and gave the treasurer and the president authority to sign it.**

**Leinwand moved and the board agreed to dissolve into a Committee of the Whole to discuss the 2007 budget.**

Leinwand said the budget assumptions had been revised as per board instruction to keep the Club open on Saturdays, to reflect the \$13.25 dues increase approved by the membership and restaurant price increases of about 6 percent.

**Salant moved and the Committee of the Whole approved closing on Saturdays during three-day weekends, including Martin Luther King Jr. Day, Presidents' Day, Labor Day, Easter. In addition Bloom was authorized to ask the union to remain open on Columbus Day.**

**Leinwand moved and the Committee of the Whole unanimously approved the 2007 budget.**

The Committee of the Whole dissolved into the board.

**Leinwand moved and the board unanimously approved the 2007 budget.**

Leinwand reported that the auditors did preliminary work the last week of November and the first week of December. The final report is expected in March. She said they asked that the board prepare and sign a conflict of interest policy and travel reimbursement policy. She presented a draft version. During general discussion of the conflict of interest policy, board members questioned the different treatment of ownership of public and non-public stocks, the definition of "doing business with" the Club, and other items. Leinwand said she would have information at the next meeting.

Leinwand noted that any violations of the city's smoking ban that goes into effect Jan. 2, 2007, could come with a \$1,000 fine. **Leinwand moved and the board approved a policy that any fines charged to the Club caused by a member smoking shall be assessed to the member.**

She said member donations to the employee holiday fund were at \$2,770. In 2006, \$6,000 was donated with the Club making up an additional \$14,000. **Leinwand moved and the board approved authorizing Bloom to use Club resources to make up the difference between member donations and \$20,000 for distribution as year-end payments to employees.**

**Salant moved and the board approved that the Club will ask groups that receive free meeting space to provide the NPC with free booths at their regional and national conferences.**

**Salant moved a policy that Record photo assignments must include a picture and outline for the website within 24 hours of the event.** After discussion, he withdrew the motion.

#### GENERAL MANAGER'S REPORT

Bloom said the Club had to migrate to a new file serve over the weekend but will get another 5 years from it. He said it was done with virtually no interruption to the Club. He said the staff holiday party is Jan 3.

#### PRESIDENT'S REPORT

Salant said he and Zremski will meet with Leland Schwartz of the NPC building management to hear his ideas for building tenancy.

Jerry Bastarache will chair a task force on coming up with ideas for more member attendance and business on Saturdays.

#### NEW BUSINESS

**Salant moved the following two resolutions, which were approved unanimously:**

Whereas Alison Bethel has served this Club and this board with distinction; whereas it was her idea to bring 20 inner-city kids to the Nickleodeon luncheon; whereas she directed our Black History Month celebration, be it resolved that the board of governors 1) Thanks Alison for her service to the Club and the board and 2) Urges Alison to remain active in the Club.

Whereas Rick Dunham is concluding his service on the Board of Governors, whereas Rick has served the Club with distinction as treasurer, vice president and president; whereas Rick this year chaired our library board in addition to being an active member of the Board of Governors, be it resolved that the Board of Governors 1) Thanks Rick for his service to the Board and 2) Urges Rick to remain active in Club affairs.

Smith reported the following results of the Dec, 8 Club election: President, Jerry Zremski (142 votes), Vice President, John Donnelly (140 votes); Treasurer, Donna Leinwand (140 votes); Secretary, Sylvia Smith (138 votes); and Membership Secretary, Mark Hamrick (144 votes). In the race for three three-year seats on the Board of Governors, Theresa Werner (127 votes), Alan Bjerga (126 votes) and Dipka Bhambhani (101 votes) were elected over Alison Bethel (84 votes). Lou Priebe (23 votes) was re-elected to a non-voting, two-year Board term. In all, 174 Club members cast ballots.

Smith also reported that a vendor erred in printing the ballots, changing accurate material that was sent. She strongly encouraged the management not to use AAA Graphics for any business in the future. Zremski said he concurs with that recommendation.

Hill said he was discouraged at the voter turnout for the past 2 elections and suggested several ideas to promote the election. Smith asked whether he had rejected the idea of using mailed ballots or internet voting. Hill said there could be a problem of corruption or voter impropriety. Salant said he thinks it's important for people to make an effort to vote. He said it's possible that the number of uncontested races is a testament to how well the Club is run. Bjerga said he disagrees with that and said he'd like to see more candidate recruitment. Groppe said she set up a briefing for potential candidates and no one attended. **Leinwand moved and the board approved a motion asking the Communications and Marketing Committee to implement Hill's suggestions.**

Smith briefed the board on the activities toward hiring a replacement for Bloom with several action items for the board:

**She moved and the board approved adding Doug Harbrecht to the search committee.** Its membership is Former president Tammy Lytle, chairwoman; Leinwand and Harbrecht.

**Smith moved and the board approved the following job description for the general manager:**

The National Press Club, a Washington, D.C.-based, national membership social and professional organization of journalists and communications professionals worldwide, seeks a general manager to oversee the operation of the organization and its facilities.

The Club has \$12 million in revenue with 3,700 members. It includes a multimedia operation with full broadcast facilities, two full-service restaurants and a fitness center. The Club's chief revenue source is a full-service catering business that handles 2,000 non-member events a year with 10 to 1,000 members, guests and customers attending each event. In addition, the Club annually sponsors about 250 member events, including press conferences, training programs and a luncheon program televised live on C-SPAN and other media. High-profile events at the Club, including appearances by the president of the United States and heads of state, can pose security issues.

The general manager also oversees the operation of a non-profit arm that operates a library and training center; coordinates fund-raising events; is a trustee for \$7 million in investment funds; and supports two board agendas and policies.

The National Press Club is governed by a 15-member elected board. The staff, all of whom are supervised by the general manager, consists of 95 employees (including 55 union members) and eight department heads. An appointed board of directors governs the non-profit arm.

The ideal candidate will have management, business operation and marketing experience and possess strong financial and budget skills.

Understanding the role of the media in society and knowledge of journalism industry are a plus, as are knowledge of politics and public affairs. Although experience in the communications industry is not essential, being a news junkie is a plus.

Other qualities that will be considered are hospitality industry experience; computer/technology skills (networking, club software and websites); multimedia experience; and familiarity with journalism and demands for news.

Salary range is \$90,000 to \$140,000. The benefits package includes a generous 401(k) plan and insurance coverage.

To apply, send resume, cover letter and salary requirements to Search Committee, National Press Club, 529 14<sup>th</sup> St. NW, Washington, DC, 20045.

**Smith moved and the board approved the following timetable:**

Search committee gets final direction from board on Dec 18; Smith informs committee Dec 19

Working backward:

- John leaves June 29. One-month overlap, so person starts June 1.
- Job offer made April 1; accepted April 15; candidate gives 1-month notice to current employer
- Board or board designees interview in March; probably special board meeting needed to vote on finalist(s) in March
- Search committee narrows to 2-3 candidates by Feb. 28 and submits those names to the board
- Dec-January: Job listing advertised and posted in-house (Advertisement to be handled by search committee; in-house posting to be coordinated by 2006 board chairman)

**Smith moved and, with adjustments, the board approved the following instructions for the search committee to use in weighting of qualifications:**

Essential: Management, business operation and marketing experience; financial/budget skills.

Major additional points: Understanding the role of the media in society and knowledge of journalism industry; knowledge of politics and public affairs; news junkiness; hospitality industry experience.

Minor additional points: Computer/technology skills (networking, club software, websites); multimedia experience; familiarity with news demands.

The board concurred that the compensation package will consist of:

Base salary of \$90,000 to \$140,000.

Package includes \$5,400 insurance; 401(k) contribution of \$.70 per dollar up to legal allowable amount (currently \$14,000), \$2,000 expense account. Does not include bonus or deferred pension contribution. Other items are negotiable.

The next meeting is Jan. 19, immediately following the general membership meeting.

The meeting was adjourned at 9:05 pm.