

MEETING OF THE BOARD OF GOVERNORS OF THE NATIONAL PRESS CLUB

MAY 23, 2005

Sylvia Smith, Secretary

Chairwoman Donna Leinwand called the meeting to order at 6:35 pm. Present were President Rick Dunham, Vice president Jonathan Salant, Secretary Sylvia Smith, Treasurer Jerry Zremski and Membership secretary John Donnelly and Governors Joe Anselmo, Alison Bethel, Gayela Bynum, Maureen Groppe, Mark Hamrick and Lou Priebe. Also present were General manager John Bloom, Membership director Julie Schoo, Awards Committee chairwoman Fresia Rodriguez, Fourth Estate Award Committee chairwoman Tammy Lytle and member Elisa Free. Governors John Gallagher and Alan Bjerga were absent.

Smith moved and the board approved adoption of the April 25 minutes.

COMMITTEE CHAIRS

Rodriguez presented the list of nominees for the NPC journalism awards. Board members discussed the concept of awarding honorable mentions, and members noted that in two categories, no winner was awarded, but an honorable mention was. Rodriguez was asked to ask the panel to clarify the judges' rationale. Smith inquired about the proposed recipient for the award for on-line contribution; she said the material was a series of news articles, not a website that offered assistance to journalists. Other board members noted the lack of broadcast entries and said there should be more outreach. **Dunham moved and the board agreed to approve the nominees with some adjustments, including giving him the authority to ask the co-chairmen of the Freedom of the Press Committee to nominate an international recipient (in keeping with previous board policy) and (on a friendly amendment offered by Salant) eliminating the award for on-line distinguished contribution until questions are resolved.** Those matters will be voted on by email. **By e-mail, the board approved the list of 2004 award recipients. There were no dissenting votes.** The list is attached to the minutes. **Salant moved and the board approved a thank you to Rodriguez and the participants in the judging panel.**

Free proposed that the board create an award in honor of her mother, Ann Cottrell Free, who joined the Women's National Press Club in 1941. She said the Ann Cottrell Free Animal Reporting Award would recognize enterprise stories that bring to light information about dangers facing the animal kingdom. She said the award would be funded with an endowment. Free said this award would be different and distinct from the NPC Award for Environmental Reporting, in that it would focus on stories about animals and not on issues such as clean air, water, pesticides, recycling, etc. During discussion, Bloom was asked how much money is needed to endow an award; Bloom said \$30,000. Smith asked whether Free was thinking of awarding print and broadcast entries; she said yes. **Smith moved the board create a contest category on the animal kingdom. Salant offered a friendly amendment that the Awards Committee chairwoman and liaison work with Free on developing the criteria. Smith declined the amendment, saying the board should set a precedent of defining criteria for contests. The board approved Salant's amendment to the amendment with one "no" vote (Smith). The board approved Smith's amendment motion with three dissenting votes: Groppe, Zremski, Donnelly.**

The board moved into executive session to discuss the Fourth Estate award and then resumed open session.

Zremski moved and the board approved a thank you to Lytle and the members of the Fourth Estate Awards Committee for their hard work.

MEMBERSHIP REPORT

Donnelly moved and the board approved the following 39 membership applications:
ACTIVE: Elizabeth Bowen, writer, copy editor, National News Research Syndicate;
Martin J. Coyne, editor, McGraw-Hill; Eleni Kretikos, reporter, Washington Business Journal; Anita Kumar, reporter, St. Petersburg Times; Takashi Sadhiro, correspondent, Yomiuri Shimbun; Charlotte Wright, managing editor, McGraw-Hill/Platts.

ACTIVE UNDER 34: Robert Gehrke, reporter, Salt Lake Tribune; Jeffrey J. Selingo, senior editor, Chronicle of Higher Education.

ACTIVE UNDER 30: Wesley Elmore, reporter, Tax Analysts; Kristin Gribben, editor, Argus Media; Kathleen Hunter, staff writer, Stateline.org; Elizabeth Kountze, reporter, Kiplinger Washington Editors; Simon Lomax, transportation editor, Argus Media; Veronika Oleksyn, reporter, Congressional Quarterly; Amie Parnes, reporter, Scripps Howard News Service; Brett Widness, senior programming manager, American Online.

ACTIVE NON-RESIDENT: Brett M. Rhyne, assistant professor of communications, Salem State College; Armando Barragan Velosa, reporter, WICC 600 - WEVE 108 News.

ACTIVE NON-RESIDENT RE-INSTATEMENT: Dennis Ryerson, editor, Indianapolis Star.

PROVISIONAL UNDER 30: Thomas Burr, reporter, Salt Lake Tribune.

AFFILIATE: Kevin M. Wensing, special assistant for public affairs, U.S. Navy; Maryann S. Young, director of communications, District of Columbia office of the CFO

AFFILIATE UNDER 34: Ben Allen, communications director, Rep. Jose E. Serrano; Carol Guthrie, communications director, Sen. Ron Wyden; Scott Kuschmider, press secretary, Rep. Dale E. Kildee; Christina Lisi, director of communications, Sen. Mark Dayton; Jenifer McCormick, communications director, Rep. Martin Sabo; Arild Strommen, editor, press and cultural section, Norwegian Embassy.

AFFILIATE RE-INSTATEMENT: Dan McKay, SAP basis administrator, BearingPoint.

ASSOCIATE: Michael Balmoris, executive director of public affairs, SBC Services Inc.; Sarah Howell, director of corporate communications, BP America; Edward Jacobson, international trade analyst, U.S. Department of Commerce; Ihor O.E. Kotlarchuk, attorney; Paul J. Reagan, vice president of issue advocacy and government communications, McGuire Woods Consulting; Mary Woolley, president and CEO, Research America.

ASSOCIATE UNDER 34: Annemarie Pender, senior public affairs specialist, Honda North America.

ASSOCIATE NON-RESIDENT: T. Markos Mulugeta, chief department commissioner, Virginia Department of Agriculture.

GRADUATE STUDENT: Monique M. Lyons, American University, Department of Communications; Tanya Weinberg, American Political Science Association Congressional Fellowship for Journalists.

Members as of April 2005: 3,727 vs. 3,780 as of April 2004.

Donnelly moved and the board approved retired dues status for 3 members.

Donnelly said that at next month's meeting, the list of active members would be distributed for board review because of the requirement that the board examine the list each year in advance of the election and resolve any questions or move members to membership categories they are eligible for, if not active.

Schoo asked to discuss the membership directory. She said that to date, she had collected or invoiced for \$118,501. Last year at this time, the amount was about \$40,000 more. She said the advertising receipts have been on a downward trend for several years, and the main complaint from advertisers is that they don't get enough calls from their ads. She said the cost of producing the book is about \$50,000, including staff time. Last year the book netted \$150,000 from \$248,000 in ad sales.

She estimated this year's ad sales will be \$200,000. In response to questions, Schoo said she contacts media organizations as well as traditional advertisers. Leinwand said the directory is still making a profit, but the board should look ahead to when it will not and should consider promoting an electronic rolodex. Dunham said he has always thought that a good member benefit, especially for non-resident members, is a good source list. He said that runs counter to advertising, however. Leinwand asked the futures task force to look into the issue.

Leinwand moved and the board approved making Ann Cline an honorary member. Cline began working at the Washington Evening Star in the 1940s until its demise. During the years she was an active journalist, the NPC did not admit women.

TREASURER'S REPORT

Zremski said May has been a good month and that the Club's financials are looking up from where they were a few months ago. Zremski said the Budget Committee reviewed a proposed policy for committee spending. After discussion and a few changes he accepted as friendly amendments, Zremski moved that the board accept this policy:

POLICY ON DONATING PROCEEDS TO OUTSIDE GROUPS

The National Press Club and its committees shall neither donate nor share proceeds from a National Press Club sponsored event with any outside group (defined as a group not financially supported by or housed in The National Press Club) without approval from the Club president and treasurer.

Groups that may be considered for such arrangements are those with no direct political agenda and whose mission or values do not conflict with those of the Club and its members. Groups that might be considered would include college or high school journalism groups, professional journalism groups that will use the funds for educational, professional development or freedom of the press issues and some limited, non-profit charities.

POLICY ON FINANCIAL SUPPORT OF CO-SPONSORED EVENTS

When other groups cosponsor social events with the National Press Club, the cost of the event - and the financial risk -- should be split evenly with the sponsoring organization unless the National Press Club President and the Club's Treasurer approve another arrangement.

COMMITTEE SPENDING POLICIES

Any single committee event costing more than \$500 in total must be approved in advance by the Club treasurer.

Committee budgets are to be used for Club events only. Committees may not use their budgets for their own entertainment purposes, or to pay for meals and beverages at committee meetings. Committees also are prohibited from making charitable donations without the approval of the Club president and treasurer.

POLICY ON HIRING OUTSIDE CONSULTANTS

The hiring of outside marketing or event-planning consultants is discouraged. Committees can hire outside marketing consultants or event-planning consultants only with the approval of the Club treasurer and president.

Leinwand said she considered the policy burdensome and that most of the policies are covered by the Club ethics policy. Zremski said the value of a policy is that even though the concepts are reviewed at the annual board/committee chairs retreat, not everyone retains the information. Having a policy in paper that committee chairs can refer to would be helpful, he said. He said the recent comedy night was successful

financially, but its success shouldn't blind the board to the fact that a lot of mistakes occurred.

On Zremski's motion, the board approved the policy with one dissenting vote (Leinwand.)

Zremski said on Bloom's recommendation, the Budget Committee recommends the closing of the 4th Estate for the last two weeks in August for cleaning and to ease vacation scheduling. Bloom also proposed closing the Reliable Source all four Saturdays in August as a money-saving move. (The Reliable Source loses money each Saturday.) After discussion, **Zremski moved and the board approved closing the 4th Estate for the last two weeks in August and the Reliable Source on two Saturdays, Aug. 20 and 27. Dunham voted no.**

Zremski reported that insurance costs continue to go up, primarily because the Club is in Washington. **He moved and the board approved insurance policies with Chubb.**

Bloom said in response to a board member's previous inquiry about the level of board and officer insurance, he had not yet gotten an opinion from an attorney. Bethel asked him to obtain advice.

GENERAL MANAGER'S REPORT

Bloom said the broadcast studio and other facilities on the 4th floor are scheduled to be in operation in November. He said he hopes to finish the lease negotiation this week for Dunham and Zremski to review, but has run into some snags. He said there have also been some snags with the loan over the ultimate lender's policies, but those are also being worked out. Zremski said after he and Dunham review the lease, he will make sure it is available for board members to see and then will ask for an e-mail vote to approve the lease. Subsequently, he circulated a memo with the following points:

-- It's a 10-year lease for 9,746 square feet of space. The NPC's rent starts at \$34.50 a square foot and moves up to \$43.09 a square foot by year 10. There is also a lower rental rate for a small amount of mechanical space.

The first year rent, in total, would be \$341,817. By year 10, it would be \$426,919. That represents a significant reduction from what the building had proposed. Overall, the total rent over 10 years is approximately \$250,000 lower than it was in the building's first proposal.

-- The Club saved about \$55,000 through negotiation of the "construction management fee" the building was requesting. The new construction management fee will be \$9,756.

-- In the event of a default on the fourth-floor lease, the building could not threaten to evict the Club from its 13th and 14th floor space. The lease includes the following clause: "Landlord specifically acknowledges and agrees that this lease is not and shall not be deemed to be cross-defaulted with that certain Lease Agreement between Landlord (as successor-in-interest to Resource/Press Building Realty LLC) and Tenant dates as of May 1, 2000, as amended, with regard to the 13th and 14th floors of the Building."

By e-mail, Zremski moved and the board approved a 10-year lease with Quadrangle for space on the 4th floor of the National Press Building. There were no dissenting votes.

Bloom reported that there have been enough Club members purchasing Washington Sports Club memberships that the NPC has earned a free membership.

PRESIDENT'S REPORT

Dunham said he sent a note to the committee chairs saying the board will conduct a mid-year budget review and make adjustments to committee budgets. He said one possibility for the Washington Sports Club membership is a raffle to benefit the

scholarship fund. He said the 5K is doing well in obtaining sponsorships and that he wants to create some kind of reward for members to come up with \$500 sponsorships.

CHAIRWOMAN'S REPORT

Leinwand said she and Dunham asked the chairman of the HiTech Committee to come up with recommendations for improving members' web access and their ability to do business on line.

NEW BUSINESS

Smith said the House Committee modified and approved a proposed policy for naming rooms and other real estate in the Club. After discussion and a small modification, **Smith moved and the board approved the following policy:**

NPC TRIBUTE NAMING PROCESS

The National Press Club wishes to appropriately bestow honor on deceased members who have made significant contributions to the National Press Club and the field of journalism. The following guidelines will be used to consider certain methods of recognition, specifically the naming of NPC items and facilities:

1. The formal naming process would not begin until one year after someone's death. Persons interested in proposing a tribute would be required to develop a written proposal including information on the person's life and contributions to the press club and journalism, with supporting documents included, and a suggested item to be named. Club elements that can be named for individuals would include, but not be limited to, rooms and other physical spaces, menu items, plaques on walls, seats at the bar (and on the bar itself), tables in the restaurants and awards.
2. The "1st Amendment Lounge" name would not be eligible for change.
3. At any time after the one year waiting period has passed, persons interested in naming an element of the press club after a member would present their proposal to the House Committee. Proposals would be evaluated with special attention to the individual's contributions to the National Press Club, as well as their contributions to journalism. The House Committee will consider each proposal. Those approved by the committee would be forwarded to the Board of Governors for acceptance, revision or rejection.
4. No individual should have more than one memorial named for him/her.

COMMITTEE/BOARD LIAISON REPORTS

Professional Affairs is working on a program on journalism ethics for early June.

The holiday bazaar is Nov. 2.

The International Correspondents Committee is sponsoring a recruiting happy hour June 23 for press attaches and international correspondents. It is planning an excursion to Dodona Manor in November.

The softball team is 1-3.

The Scholarship Committee made the first cut on the Feldman award.

The next meeting was set for June 27.

The meeting was adjourned at 9:25 pm.

By email, Dunham moved and the board approved the selection of Zaidee Rose Stavely as the recipient of the Dennis Feldman scholarship for graduate students.

Scholarship Committee chairwoman Kathy Kiely provided this background: Stavely is a 26-year-old graduate of UC Santa Cruz who has spent the last four years working as a freelance journalist in Mexico City. She has placed stories in notable publications on both sides of the border; her stories for Mexican publications are written en espanol. Patricia Guadalupe, one of the judges who is fluent in Spanish, said Stavely's use of the language was excellent. (But Stavely also took the trouble of providing English translations of her Spanish language pieces). The judges were impressed by Stavely's initiative and her passionate voice. We believe that a stint at Columbia Journalism school (where she's been accepted) will give her the polish she needs to break through to the next level in the profession.

2004 NPC award winners

- **The National Press Club Consumer Journalism Award, newspapers:** Ellen E. Schultz, Theo Francis, The Wall Street Journal; Honorable Mention: Staff, The Rocky Mountain News.
- **The National Press Club Consumer Journalism Award, periodicals:** Tod Marks, Mari McQueen, Jeff Blyskal, Consumer Reports; Honorable Mention: Derek Burnett, Reader's Digest.
- **The National Press Club Consumer Journalism Award, television:** David Rummel & Staff, PBS Frontline's "Secret History of the Credit Card."
- **The National Press Club Washington Correspondence Award:** Mike Soraghan, The Denver Post; Honorable Mention: Lisa Zagaroli, The Detroit News.
- **Arthur Rowse Award for Press Criticism, single entry, print/online:** Charles Layton, American Journalism Review; Honorable Mention: Lori Robertson, American Journalism Review.
- **Arthur Rowse Award for Press Criticism, body of work, print/online:** William Powers, National Journal.
- **Arthur Rowse Award for Press Criticism, body of work, television/radio:** Emily Rooney and John Carroll, Beat the Press, WGBH-TV, Boston.
- **Robin Goldstein Award for Washington Regional Reporting:** Mike Doyle, McClatchy Newspapers; Honorable Mention: James R. Carroll of The (Louisville) Courier Journal.
- **Edwin M. Hood Award for Diplomatic Correspondence, print/online:** Thomas Omestad, U.S. News & World Report.
- **National Press Club Newsletter Journalism Award, analytical reporting:** Elaine Grossman, Inside the Pentagon/Inside Washington Publishers.
- **Robert L. Kozik Award for Environmental Reporting, print/online:** Peter Eisler, USA Today.
- **National Press Club Online Journalism Award, top journalism site:** MSNBC.com; Honorable Mention: Businessweek.com, SURPRESS.com.
- **National Press Club Online Journalism Award, distinguished online contribution:** Diana K. Sugg, The Baltimore Sun; Honorable Mention, Steve Lovelady & Staff, CampaignDesk.org; Harriet Ryan & Staff, CourtTV.com.
- **John Aubuchon Freedom of the Press Award, U.S.:** Matthew Cooper, Time Magazine, and Judith Miller, The New York Times.
- **John Aubuchon Freedom of the Press Award, International:** The courageous, independent journalists of Ukraine.
- **The National Press Club Sandy Hume Memorial Award for Excellence in Political Journalism:** John Cloud, Time Magazine.
- **The National Press Club Joseph D. Ryle Award for Excellence in Writing on the Problems of Geriatrics:** Julie Appleby, Barbara Hansen and Kevin McCoy, USA Today; Honorable Mention: Ellen Gamerman, the Baltimore Sun.
- **Angele Gingras Humor Award, single entry:** Bill Shein, The Berkshire Eagle; Honorable Mention: Peter Tannen, Long Island Press.
- **Angele Gingras Humor Award, body of work:** John Kelso, The Austin American-Statesman; Honorable Mention: Mary Roach, Reader's Digest.