

**MEETING OF THE BOARD OF GOVERNORS OF THE NATIONAL PRESS CLUB
Sept. 24, 2007
Sylvia Smith, Secretary**

Chairwoman Maureen Groppe called the meeting to order at 6:45 pm. Present were President Jerry Zremski, Vice president John Donnelly, Secretary Sylvia Smith, Treasurer Donna Leinwand, Membership secretary Mark Hamrick and Governors Alan Bjerga, John Gallagher, Keith Hill, Gayela Bynum, Lou Priebe and Dipka Bhambhani. Also General manager Bill McCarren and Membership director Julie Schoo. Absent were Governors Joe Anselmo and Theresa Werner and Jonathan Salant, immediate past president. Also attending were members Marshall Cohen and Ron Baygents.

Smith moved and the board approved the minutes of the July meeting.

MEMBERSHIP

Hamrick moved and the board approved the membership applications of the following 52 people:

Active: J. Jesus Esquirel, Revista Proceso Washington correspondent; Matthias Fornoff ZDF German television deputy bureau chief; Andrew Gray, Reuters military affairs correspondent; Pedro Ruz Gutierrez, Legal Times senior reporter; Sam Horn, author; Carole Jackson, author; Debra Levy, Key Communications Inc. publisher; Martin E. Klingst, Die Zeit Washington bureau chief; Aliza Marcus, Bloomberg News health policy reporter; Terry L. Mattingly, Washington Journalism Center director; Jun Sano, Fuji Television Network senior news producer; Hanno Settele, ORF - Austrian Radio and Television bureau chief; Klaus-Peter Siegloch, ZDF German Television Washington bureau chief/senior correspondent; Mary Beth Slack, Need to Know News senior financial reporter; Gabor Steingart, Der Spiegel senior correspondent; Mark Stencel, Governing Magazine deputy publisher/columnist; Christine Vestal, Stateline.org staff writer; David Wright, ABC News correspondent.

Active under 35: Carrie Levine, Legal Times reporter; Takeo Miyazaki, The Yomiuri Shimbun Washington correspondent.

Active under 30: Paul Barbagallo, Telecommunications Reports International associate editor/reporter; Matt Canham, The Salt Lake Tribune federal government reporter; Nathan Carlile, Legal Times reporter; Keith Chu, Western Communications Washington correspondent.

Active non-resident: Marybeth Hicks, East Lansing, Mich., The Washington Times columnist; David G. Spielman, New Orleans, freelance photographer.

Active con-resident reinstatement: William Manuel, San Pedro, Calif., Manmade Multimedia Inc. producer/editor.

Provisional under 30 : Attila Berry, Legal Times reporter; Keith Lobodzinski, Need to Know News financial writer; Marisa McQuilken, Legal Times editorial assistant; Gautham V. Nagesh, Need to Know News financial writer; Joseph Palazzolo, Legal Times reporter.

Affiliate: Hope Katz Gibbs, Social Technologies managing editor; Sear Herr, US Air Force/National Defense University, associate faculty leader; Edwin Myhre, National Defense University assistant professor; Peter B. Sidle, Department of Defense deputy Director, defense visual information.

Affiliate non-resident: David Demko, Boca Raton, Fla., freelance editor.

Affiliate reinstatement: Douglas Burton, freelance.

Student: Jennifer N. Carter, Towson University, undergraduate communications; Erwin Thamm, George Mason University, undergraduate photography; Federica Valabrega, American University, graduate, international journalism.

Associate: Donald G. Everist, Cohen, Dippell and Everist, electrical engineer; Susan Hesser, Verizon telecommunications manager; Sharolyn Rosier Hyson, Healthcare Information and Management manager; Chanel Lagarde, Entergy Corp. director of national communications; Janice Trey, Association for Asian Research board member/business editor.

Associate under 35: Bridget Scallen, National Academy of Sciences media assistant.

Associate under 35 reinstatement: Sarah A. Chase, American Horse Council director of communications.

Associate non-resident: Elizabeth Griffin, Baltimore, Catholic Relief Services director of communications; Joy Barrett Sabol, Orlando, Lockheed Martin vice president of communications; August E. Whitcomb, Plano, Texas, Rent-A-Center, vice president of public affairs.

Harvard Club reinstatement: John Ashford, The Hawthorn Group chairman and CEO.

Hamrick moved and the board approved retired status for one member and a six-month dues waiver for two members.

Hamrick said the initiation fee will be waived as usual in October and said there will be a recruitment reception for broadcast professionals on Oct. 11. XM Radio's Bob Edwards will be featured. He said a recruitment event co-sponsored with PRSA on Sept. 25 was attended by about 80 people.

BOARD COMMITTEE AND LIAISON REPORTS

Groppe said the board requested information on what Club photographers' out-of-pocket expenses are for taking photos for the Record and other events and the photographers' reaction to the proposal for selling Club photos on our web site and sharing the income with photographers. She said the inquiry stems from budget preparation for 2008. She said Cohen had prepared a memo to the board, which was previously circulated, and was at the meeting to summarize it for the board.

Cohen said previous information given to the board about the amount of money paid to photographers is incorrect. He said the correct amount for 2006 was \$5,012. He said the amount photographers receive is fair value but not reflective of the price of their time and labor. He said photography equipment is very expensive and that writers can cover a luncheon or other event with a paper and pen, whereas photographers have to have expensive equipment. He said photographers are paid \$60 per luncheon (for 2 8x10 color photos plus emailing a photo to the Record and archives and to the organizer). They are paid \$20 per newsmaker event (four pictures to the Record). Groppe asked what the difference is between photographers who receive money for taking photos at Club events and writers or editors who receive no payment for covering the same event. Cohen said it's far less than equal work because photographers have more equipment. Groppe said the board was trying to determine photographers' out-of-pocket expenses for their volunteer Club activity. Hamrick noted that Club members who volunteer to produce the weekly radio broadcast are not paid even though the equipment they use at their home studios is very expensive. Hamrick said that, at the end of the day, all Club members are volunteers. He said he wasn't saying that photographers shouldn't ask for reimbursement for actual expenses. Cohen said photographers aren't charging for their time but for their materials. He said the documentarian was paid \$300,000 for a film. He asked why every luncheon speaker should get a gift (a photo) from a Club photographer. Groppe asked whether the \$60 is for the cost of printing the luncheon photos, and Cohen said yes. Groppe said the board recognized that, at one time, photographers had the cost of film, developing chemicals and photo paper but that now

cameras are digital, and those expenses do not occur. Cohen said he has not seen a study that says digital photography is less expensive because the equipment is very expensive. Bhambhani said a digital photo can be printed at Kinko's for \$1.80; Cohen said the quality is only worth \$1.80.

On the subject of selling photos on the web page as a way for photographers to recoup some of their costs (if the per-event payment were eliminated), Cohen said there isn't a lot of demand for vanity photos taken at luncheons. Bynum said there would be if the photos were taken and were on the web site so people could order them. She said if photos were taken of a speaker such as Cal Ripkin with many of the VIP reception attendees, there would be many photos ordered on line.

Zremski said the board was having the discussion because of the idea that there is something inherently unfair about paying some volunteers and not others. He said the board wants a system that is fair to everyone. He said everyone appreciates what the photographers do for the Club and that he would like Cohen to meet with him and McCarren to discuss the web-sales idea.

International Correspondents - Portugal Embassy night this week; sponsored Sen. Carl Levin on Sept. 17

Communication and Marketing - is helping with Book Fair and publicizing the 100th anniversary events

Oral History - has speakers for fall and winter

Young Members -- Wine tour is sold out; Brody Mullins is Oct. 24

Breakfast with Champions; mentor program announced; karaoke Oct. 25.

Photo - Members' exhibit reception Oct. 5.

Freedom of the Press - Met with ICC and International Federation of Journalists; in May will have a panel on covering conflicts

Book and Author-Cartoons & Cocktails is Oct.3; Book Fair Nov. 1

Travel -- In the works: Thailand, Laos, Vietnam; Rome over

Martin Luther King Jr. weekend; travel journalism awards

luncheon coming up

Newsmakers - Congressional Black Caucus coming up

Speakers - First video luncheon with the president of Iran;

Zremski will explore how video luncheons might be used in the future

House - Talked about how to increase business on Saturdays

TREASURER'S REPORT

Leinwand said the summer was very, very bad for the bottom line, but business is picking up. She said the board needs to start thinking about the 2008 budget issues and said the Budget Committee recommended early action on deciding whether to close the Reliable Source on Saturdays in August. She said acting on

that would not preclude a decision on closing on other Saturdays.

During discussion, Gallagher asked whether the gym would also be closed on those Saturdays and was told it wouldn't. McCarren said that on Saturdays, the Club must have a bartender, a waiter, a manager and a cook on board no matter how little business there is. He said the manager, especially, is working at a time when there is little in sales to manage.

Leinwand moved and the board agreed to form as the committee of the whole. She moved and the committee of the whole agreed, with one "no" vote from Gallagher, to close the Club on the Saturdays of August in 2008 plus the Saturdays of the following three-day weekends: Martin Luther King, Presidents' Day, Easter, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.

Leinwand said the Budget Committee recommended a 2 percent dues increase for 2008. She said that was in keeping with the recent practice of having regular, small increases that reflect inflation rather than occasional, large increases. She said the 2 percent would be rounded up to the nearest dollar. **Leinwand moved and the committee of the whole approved a 2 percent increase in dues for 2008, with the amount rounded up to the nearest dollar.**

Leinwand reported that the Library is restructuring to pay for its expenses rather than relying on the Club to do so. She said that will create a truer picture of expenses for both entities. Zremski noted that the Library is in transition. For example, he said, in July only 11 hours of research was performed. Leinwand said this discussion has to include the reality that the Club will have to pay for all the centennial; she said thus far \$38,000 has been raised. McCarren said that even though all but \$40,000 of the \$280,000 owed to Auteur for production of the documentary has been paid, it will not be posted on the books until the film is received in 2008.

The board moved out of the committee of the whole and approved the following motions from Leinwand:

Leinwand moved and the board approved that the general membership approve a 2 percent increase in dues for 2008, with the amount rounded up to the nearest dollar.

Leinwand moved and the board agreed, with one "no" vote from Gallagher, to close the Club on the Saturdays of August in 2008 plus the Saturdays of the following three-day weekends: Martin Luther King, Presidents' Day, Easter, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas.

Leinwand said the Budget Committee recommended that the Club move from semi-annual dues to monthly dues as a way to spread the cost in a way that is more checkbook friendly to members. Hamrick said it was a wakeup call for him in the spring when 400 people were knocked off the membership roll because of non-payment of dues. He said paying smaller, more regular dues amounts would probably cut down on the number of people who resign because they cannot afford the large amount of semi-annual dues. Smith said people could opt out of the monthly charge and pay once or twice a year but that the default system would be a monthly charge to each Club member's credit card on file.

Leinwand moved and the board convened as the committee of the whole. Leinwand moved and the committee of the whole unanimously approved establishing that dues payment would be monthly beginning January 2008. The committee of the whole dissolved; Leinwand moved and the board unanimously approved establishing that dues payment would be monthly beginning January 2008.

GENERAL MANAGER'S REPORT

McCarren said he has developed a different way to present the Club's financials to the board. He will do both ways until January.

He said personnel changes include the departures of Library Director Tom Glad and Archivist Christina Zamon for new jobs and researcher Barbara VanWoerkom. He said this raises the question of the future mission of the Library to an increasingly training-based function. He said Julie Schoo will head the 501(c)3 operation. He said he is taking steps to fill the researcher and archivist positions.

The board moved into executive session to discuss personnel issues and resumed open session.

McCarren said a 1,500-square-foot space has become available on the fourth floor that would be ideal for the accounting department. That would provide more space for expansion of the broadcast center. He said rent and overhead would be \$60,000 a year and the National Press Building would waive the several months of rent, so there would be little financial impact in 2008. He said there is enough room in that space for an office for the webmaster and for the Record staff.

McCarren said the building management also told him that a 3,600-square-foot space adjacent to the archives will be available in December. He said one thought is to consolidate the archives and Library on the fourth floor. He said that would also free up space on the 13th floor for business opportunities.

Zremski said it is an intriguing idea and that he hopes the board can think about it in ways that benefit members. In addition to providing more room for catered events, he said, it would create more room for Club events. He said the board might also want to consider having a reading room remain on the 13th or 14th floors, such as the current members' lounge or the training room. Several board members were enthusiastic about the idea.

Groppe moved and the board unanimously approved a motion to authorize Bill McCarren to proceed with discussions with the building management about acquiring the 1,500-square-foot office space on the 4th floor.

Leinwand moved the board unanimously approved a motion to authorize Bill McCarren to negotiate with the building management to acquire the 3,600-square-foot space on the 4th floor.

Bhambhani, who noted she covers energy issues, said she is concerned about the additional cost of the green initiative for the hand dryers in the restrooms. McCarren said dryers will save the 250,000 non-recyclable paper towels used each year and that there are additional energy savings overall. He said the hand dryers run on clean energy, produced by wind power, and that the price for wind energy is locked in for three years. Zremski said having a green initiative will also help with clients for whom this is an important concern.

McCarren said he has hired a webmaster to generate income and to make the web site more useful to journalist. Zremski said the ads won't be pop-ups.

PRESIDENT'S REPORT

Zremski said the survey is going out to all members.

He said a year ago the board authorized the Library board to raise money for the centennial documentary and did so on the basis of a legal opinion from the NPC attorney that the Club could give the film to the Library, which could then raise money to pay for the production and reimburse the Club. The Library's lawyer has since said the Library can't raise tax-exempt donations for this film because it has little educational value. He said the Club will sustain the cost of the documentary and wants board approval for a fund-raising effort under the auspices of the Club, to be overseen by a committee. Donations would not be charitable donations. He said such fundraising can be done ethically and does not imply a quid pro quo.

Hill asked how this would be different from what was being conducted by the Library. Zremski said it would be different

people. He said Lisa Miller would do the real work and the committee would oversee it. He said he has come to the conclusion that the effort must be led by a journalist. Groppe said Salant sent board members an email recommending that media organizations be approached first. Zremski said 50 packets were sent (by the initial effort), many to media foundations.

The board moved into executive session to discuss personnel and then resumed open session.

Zremski moved approval the following resolution:

The National Press Club authorizes President Jerry Zremski to appoint an fundraising committee to oversee efforts to secure underwriting for the "NPC at 100" documentary. Underwriters will be properly credited in the documentary, in its promotional materials and at its debut, but underwriters will get no other benefits contingent to their donation. The board approved, with one "no" from Groppe.

Zremski said a group saw the latest version of the documentary and feels much better about it.

NEW BUSINESS

Smith announced the election. (See attached.)

The next meeting is Oct. 15

The meeting was adjourned at 9:45 pm.

2007 Election Calendar

Sept. 24 -- Notice in Record that nominations open Oct. 1

Oct. 1 -- Nominations open

Nov. 2, Noon -- Nominations close; candidate bios & photos to Record editor; campaign mailing materials due; mailing house picks up campaign material

Nov. 12 -- Ballot, bios and photos appear in Record; copy of ballot posted on web and bulletin board; absentee ballots available

November board meeting -- Board appoints Election Committee

Dec. 6 -- Mail-in requests for absentee ballots due

Dec. 13 -- Walk-in requests for ballots due

Dec. 14 -- Polls open 8 a.m. - 7 p.m.

