

**Board of Directors Meeting Minutes  
Excellence In Journalism Convention  
Tuesday, September 4, 2019**

President Hugo Balta called the meeting to order at 9:45 am

**Present:** Hugo Balta, Tomas Mier, Geraldine Cols Acozar, Dianna Nanez, Alberto Mendoza, Blanca Rios, Rafael Mejia, Steve Soliz, Mirta Ojito, Rosalba Ruiz, Rodrigo Cervantes, Ninette Sosa, Ivette Cabrera

**Guests:** B.A. Snyder, Vania Patino (student), Jackelyn Lezama (student), Michael Koretzky (NAHJ member), Yunuen Bonaparte (photographer NAHJ).

**Absent:** José Diaz

**On the Conference Call Line:** Nick Valencia, Rafael Olmeda, Brian de los Santos

### **Approval of Minutes**

- Blanca re-sends May minutes to be approved by e-mail.
- Rodrigo presents minutes from August; the board approves them.

### **President's Report**

- Hugo presents his report:
- This is the most successful EIJ in which we have participated.
- Next year will be the second time we partner with NABJ, now in DC during election year in July.
- More advocacy this year
- We will also keep addressing allegations made in the past against members who allegedly showed misconduct
- In 2021 we will have a stand alone conference in Miami

### **Budget Update**

- Alberto informs the auditors will call at 11:00
- Geraldine presents financial report:
- 206K surplus due to success from Miami conference
- 51,000 net income
- December 2018 market crash affected with a loss
- 2019 to do's: form a financial committee, quarterly check on investments, budget preparation and mid-year budget review, reconciling expenses

- Budget highlights: change of categorization, reflect income and expenses and breaking it into more categories, mid-year review.
- Geraldine says we expect to see an increase from donations as a reaction to NAHJ residing FOX's contributions.
- Income: 490K USD brought by Alberto, incl. Knight and Ford Foundations, plus Democracy Fund
- Investment income: 139%
- Sponsorship Income 71%
- Expenses: professional services and fees 96%
- Rodrigo asks if we consider in kind sponsorship and donations, Alberto explains they're not included until the end of the year.
- Dianna asks if we have a line to understand memberships and donations, Geraldine says we don't have a total so far. Alberto says 10,445 USD as a difference in donations for giving back Fox's money, includes memberships and donations, including a 5K donation from CBS.
- Alberto says 91% of income is as of July, but a discrepancy with expenses because the convention hasn't hit yet. Grants helped as they came in Spring.
- Travel expenses: 325% since Alberto has travelled a lot more this year to bring more grants, including also the Vegas retreat.
- Rodrigo suggests to break the travel expenses more to understand those expenditures. Alberto says the president and board are continuously informed by him on the travel expenses.
- Alberto says we are becoming a model for the organization. Geraldine and Alberto say board members could eventually participate in activities to collect sponsorships.
- Dianna says we should have a review on travel expense presentation, for instance, on a yearly basis. Hugo says we can become more transparent and work on reports to help digest information.
- Ninnette suggests to increase the budget line for travel.
- Chapters combined 120K USD. Top of the list is NYC, followed by the Bay Area and Chicago.
- Unclaimed funds are collected by chapters but hard to categorize: miscellaneous \$3236 plus registration fees \$435

## **Audit**

- Joining the call are auditors Jennifer McVeigh and Amanda Rico at 11:00 am
- Amanda: Significant matters of the audit include new accounting standards applied by non-profits.
- Accounting estimates included are consistent
- Two corrected adjustments for financial statements, one of them revenue recognition and another one accruing time off for employees, recommending to review PTO practices and policies.
- No disagreement with management
- No deficiencies in internal control that could represent mismanagement
- Ivette asks if we don't update policies and procedures would we have any issues with IRS. Amanda answers no; it wouldn't trigger IRS actions.
- Geraldine asks for what review of reconciliation means, Amanda explains there just needs to be more clarity. Alberto says they have those financial transactions registered, but not

formalized. Dianna asks what can we do to formalize it, Amanda suggests to have e-mails or retain any documentation of the process.

- Dianna says 19K are not properly reported according to audit letter, Amanda explains there's a gift reported in balance sheet rather than revenue, so the cash needs to be properly relocated on the statement.
- Alberto says every financial officer has tried to bring financial policies to the board, and that Geraldine plans to do so by the end of the year to take specific actions to the policies.
- Dianna asks for examples to amend the credit card policy, Amada says we should follow the recommendations the audit letter states; we are efficient, but put procedures into writing.
- Steve says we don't have a procedures manual update since 97 and suggests we put on paper things we should do in this matter. He offers support to work on this issue. Alberto says he has an updated employee handbook that he could present with the budget by the end of the year.
- Dianna asks details on travel expenses observations in the audit letter. Amanda replies to use tools to match receipts and expenses and to track them.
- Auditors report on financial statement highlights: they consider 2017 consistent.
- Geraldine suggests to approve setting a motion that we would fix the policy issues appointed. Dianna seconds. The board unanimously approves.

### **Executive Director's Report**

- Alberto's report:
- 782.2K USD in sponsorships with 92 booths for the entire EIJ, sold six weeks before. In 2017 we had 58K. This income is split three ways equally, except specific sponsorships allocated in different ways.
- 317,733.86 USD from sponsorships, plus 76K from booth revenue, go to NAHJ.
- Alberto says we expect an increase with NABJ in DC in 2020.
- Dianna says the value of Alberto's trips need to be expressed to help the community understand we are recruiting and bringing numbers.
- Alberto explains the budget reflected more a 2017 year, but the next one will be closer to 2016 in order to adjust our revenue expectations.
- Ivette asks why our numbers are higher on booth income, Alberto says he needs to ask.
- Currently dealing with Toyota since the truck they were going to show doesn't fit. That may have an impact on income.
- Grants we are getting are for us a good sign, since we started at zero.
- NAHJ, Miami Herald and Fund for Investigative Reporting collaboration for a 100K scholarship for freelancers. BA says this is a game changing model for the organization and sets a precedent for other organizations on projects for underserved and marginalized communities.
- New chapter cup criteria will be shared on Saturday.
- We will restructure and relaunch student projects as NAHJ Student Fellowship, meaning we will extend the program to 9 months for professional development training, tours in newsrooms, build mentorship relationships, cover the conference, make them NAHJ ambassadors to promote and talk about their work.

Hugo calls a motion to go into executive session. Geraldine seconds. We go into an executive session. Board approves. After executive session, the board goes back to the meeting.

### **Confidentiality Agreement**

- Dianna says confidentiality agreements should not be used to shut down people.
- Hugo suggests to put together a committee to revise the agreement. Dianna suggests to call for confidentiality before any email or discussion coming under the tone comes. Board agrees.

### **Violation of Bylaws**

- Dianna says we need to be clear that the president will answer to the board and take the Fox decision making as a learning experience.
- Hugo says we need a figure in the board that may interpret and supervise the bylaws.
- The board requests the president to consult the board whenever there are big, relevant decisions to make and to call for rapid response teams to attend emergency issues. The president agrees.

### **New Business**

- Rodrigo calls for the president to meet with María Bastidas, editor of Mundo Hispánico, to address the concerns brought by NAHJ Atlanta members on Mario Guevara's reporting. Hugo agrees.
- Brian calls for a committee to revise the election bylines. Blanca seconds. The board agrees.

Hugo motions to adjourn. Blanca seconds. Meeting adjourned at 4:00 pm