**Radio Television Digital News Association
Full Board Meeting**

**August 23, 2013**

**Anaheim, CA**

**Attending:** RTDNA Chair Vince Duffy, RTDNA Chair-elect Chris Carl, RTDNA Treas. Loren Tobia, RTDNF Sec/Treas. Ed Esposito, Kathy Walker (Reg. 1/3), Brandon Mercer (Reg. 2), Scott Libin (Reg. 4/5), Carlton Houston (Reg. 6), Jam Sardar (Reg. 7 & AAJA Ex-Officio), Andrew Vrees (Reg. 10), Mark Kraham (Reg. 12), Amy Tardif (Reg. 13), Terry Scott (Reg. 14), Dan Shelley (AL), Jerry Walsh (AL), Harvey Nagler (AL), Janice Gin (RTDNF Trustee), David Louie (RTDNF Trustee), Mike Cavender, RTDNA/F Exec. Dir.

**Attending by phone:** Randy Bell (Reg. 8/9), Amanda Meko, Greenwalt

Chairman Duffy called the meeting to order at 2pm.

Minutes from the June 17, 2013 meeting were approved earlier by e-mail vote and were not read.

Audit Committee Report

The board was joined via telephone by RTDNA/F auditor Amanda Meko in Indianapolis. Meko said she had met with the association’s audit committee, and that the audit went very well.

Meko said there was one adjustment made - to write off some old, outstanding accounts receivables.

She found no significant or material deficiencies.

She made some recommendations for management changes regarding document retention/destruction and the association’s expense reporting process, as well as a recommendation that the foundation consider gift acceptance and endowment policies. She noted those recommendations were already being made or have been made.

Meko said the auditor’s report on the organization’s financial statement contains a “clean opinion,” which is the highest level of assurance possible on financial statements.

She noted that financial activity in 2012 showed a significant improvement over the organization’s 2011 performance. Net income for 2012 was $171,000 compared to a loss of $467,000 the year before. Factors for this change include an increase in investment income and a significant reduction in expenses.

Meko said the organizations, combined, spent $5000/day in 2011. That was reduced to $3900/day in 2012.

Meko said the combined organizations are in a very strong position. The ability to meet our current obligations is very high. The organizations maintain $4.90 in current assets compared to $1 of liability, which is basically a 5 to 1 ratio. It’s recommended that ratio be at least 2 to 1.

Meko said, as of Dec. 31, the organization had 8-months of funding in reserve, which is very strong. The minimum goal is to have 3 to 6 months of reserves on hand.

Meko noted the organization paid off its line of credit at the end of the year.

Tobia said the audit shows a significant turnaround for the organization, and he’s glad the full board could hear the report.

Nagler asked about the organization’s equities, which were about $700k at the end of the year. He wondered if the organization was benefitting from the improved market of 2013, but Cavender pointed out the balance was less because the money was used to pay off the association’s debt. Cavender said current investments, which are conservative, are up about 6% for the first half of the year.

Walker asked Meko if she had any further guidance for the association, and if she needed anything from the board? Meko asked that the line of communication remain open.

Tobia pointed out that traditionally the audit report had gone to board officers before staff, which was not done this year, but should be in the future.

Meko assured board members that the report would not be “watered down” before presented to the board, but she’d be happy to send future audits to the audit committee first. She also assured the board that should anything of concern arise during the audit, the treasurer(s) would be contacted first – especially if related to abuse or fraud. Esposito reiterated that the audit should be sent to the treasurers, chair and executive committee first to ensure the integrity of the report.

Cavender said it was a pleasure working with the audit team and he looks forward to continuing the relationship. Meko agreed that it was a pleasure and said the first year went very smoothly. She is also looking forward to continuing the relationship. Walker also said it was a great audit, and the “fresh set of eyes” of a new firm makes her feel even better about it.

**Esposito moved to accept the audit. Tobia seconded. The motion passed unanimously by voice vote.**

Finance Committee Report

Committee chair Walker stated that an important part of the board’s fiduciary duty was to take a hard look at the RTDNA/F budget.

She said the proposed 2014 budget reflected an organization which was out of debt, managing expenses very closely and reflects a conservative revenue projection.

Walker credited Cavender for bringing the amount of money spent to support the organization more in line with where revenues are than in years past.

Walker said rent for RTDNA/F offices will be a bigger expenditure in 2014.

Walker said there is a continued commitment to add to the RTDNA/F savings account.

Cavender said the organization’s “rainy day fund” is funded for a year-and-a-half, which well exceeds the recommendation of the auditor.

Walker said RTDNA’s expenses per day in 2012 were $3220. Currently, that number is $2880/day.

Cavender credited the RTDNA staff for their help in identifying ways to save the association money. Duffy echoed Cavender’s praise and thanked the RTDNA staff, crediting them for their hard work, in particular on EIJ, as well as their efforts throughout the year.

Duffy also credited Cavender for his work over the past year, including a tremendous effort to go through the books to find savings, which has turned the organization around financially.

**Tobia moved that the board meet in executive session. Esposito seconded. The motion was approved by unanimous voice vote.**

Executive session began at 2:33pm.

The meeting reconvened at 3:06pm.

**Tobia moved to include AEMJC funding in the 2014 RTDNA/F budget and have Mike Cavender be RTDNA’s representative to AEJMC. Kraham seconded. The motion was approved by unanimous voice vote.**

**Walker moved to accept the proposed 2014 RTDNA/F budget as amended. Esposito seconded. The motion was approved by unanimous voice vote.**

The meeting adjourned for a 10 minute break.

Cavender presented his Executive Director’s report.

2013 association highlights include:

* The association paid off its credit line and is debt free.
* A record number of Murrow entries (3600), with an improved revenue structure, including late fees. Late fees generated $17k.
* Further expansion as being a major spokes-organization for the electronic news industry.
* Played a major role in key 1st Amendment, media access and other legislative and regulatory issues, including a meeting with U.S. Dept. of Justice.
* Launched a new mobile website for rtdna.org.
* Grew membership by 22% thru increased recruiting and special initiatives (Membership is up from 847 to 1030.)
* Changed accounting & audit firms – reducing costs by 45%.
* Determined EIJ convention sites thru 2016. (Contract with SPJ expires after 2014.)

Foundation highlights include:

* New computerized scholarship/fellowship application software
* 434 scholarship applications (an increase from the previous year, due to more publicity and the ease of the application process)
* Formed partnership with ICFJ for training grant applications and ongoing cooperative initiatives (similar to RIAS – bringing in journalists from other countries for exposure here and sending American journalists to other countries). Beginning in Jan., RTNDF will help recruiting broadcasters and digital participants.
* New venue for FAD for 2014
* Endowment fund continues to grow, with a 5% YTD increase to $1.3M.

RTDNA.org highlights include:

* Better organization of key sections and ease of navigation, with enhanced content
* Revamped careers site to increase postings and access
* Mobile-friendly site launched in June. Mobile apps are under review.
* RTDNA.org has received an estimated 2.8-million-plus impressions from various reports in the press.

Sales Process Changes

Cavender said the association has entered into an agreement with Association Headquarters to take over all sales efforts for RTDNA/F and EIJ, effective in November.

The contract is for three years, with opportunities to terminate it under certain conditions or at the end of any year.

Shelley asked about digital revenue goals. Cavender said the digital goal is $25k with a stretch goal of $40k, which is 10% of total revenue. Shelley suggested a better goal would be 15%. Cavender suggested Shelley meet with the new sales rep via conference call.

Revenue highlights

Cavender said revenue from the Murrow competition was up 16% to $73k.

The upcoming banquet will use simplified sponsorship levels with minor price increases, which may produce slightly higher net revenue in 2013.

Murrow product sales saw a 15% profit margin increase due to lower unit costs and customer-paid shipping.

Net profit for the First Amendment Dinner was up 24% over 2012 due to lower venue costs and concessions.

Challenges and opportunities in 2014

* NAHJ will not return to EIJ for 2014, but the association’s 2014 budget reflects no NAHJ participation.
* Establishment and ramp up of the new sales firm
* Expansion of partnership opportunities, including American Meteorological society
* Review of membership structure and pricing
* Review and updating of 2000 RTDNA Code of Ethics

Tobia asked what Cavender hoped his accomplishments will be at this time next year? Cavender said he hopes to have the association code of ethics updated, as well as updated membership structure and pricing. He is also hoping to provide more training opportunities and education opportunities to members.

Shelley reminded Cavender that membership categories and dues are set by the board.

Cavender said he would like to offer discounted membership in the fall/early winter, when memberships typically decline. He said the 20% promotion was successful and would like to do it again, with board approval.

Treasurer’s Report

Tobia said the association is out of debt and finances have been turned around. The association’s investment structure is also being reviewed.

Gin asked if money is being put back into the investment account. Cavender said yes and the goal of investing $5000 quarterly is being fulfilled.

Chairman’s Report

Duffy reviewed the stated goals for his term as chair:

* Membership – Goal: 25% increase. 22% realized.
* Advocacy – more representation of association and prominence in media. Duffy said great progress has been made in this area. He thanked Shelley for calling issues to his attention.
* Training/Programming – Duffy pointed out that Cavender has done ethics training, and he and Tardif have represented RTDNA at events.

Duffy said he attended the NABJ national conference in Orlando. He said it was an excellent convention with fantastic programming and engaged attendees. It attracted 1609 attendees. Duffy said NABJ is exploring rewriting their constitution. Bob Butler is the new NABJ chair. Duffy says Butler is open to EIJ participation, but he doesn’t sense a strong desire.

Duffy questioned whether RTDNA/F Board of Directors meeting minutes should be put on the association website. Esposito warned such a move would result in discussions that may not be as free and open, and executive session would have to be utilized more often. Cavender said he will seek legal counsel on the issue. Duffy said the purpose would be to keep membership informed, plus he pointed out that RTDNA calls for others to be transparent and should set an example. Tobia pointed out that any member’s request for meeting minutes needs to be honored.

Chair-elect Report

 Chair-elect Carl reported he was unaware of any major problems facing EIJ13 and that everything was in place for the start of the convention.

Carl said registration, at last check, stood at 1445. He also said NAHJ informed EIJ that they typically have a large number of walk-up registrations, so total registration of 1500 is within reach.

Carl thanked Carlton Houston for his help on the EIJ programming committee. He also thanked Vince Duffy for the EIJ preview article he wrote for RTDNA.org.

Carl noted that, if elected as Chair-elect, Amy Tardif will represent RTDNA on the EIJ14 programming committee, as will Scott Libin.

**Nagler moved to adjourn the meeting. Esposito seconded. The motion passed by unanimous voice vote.**

The meeting adjourned at 4:33pm.

Following a meeting of the RTDNF board, the RTDNA board reconvened at 4:41pm.

Kraham asked if shared regions should be split up and a new directors be named. Duffy said, as nominations chair, if the board wants to go that route, he will make it happen. Options include splitting the regions and appointing new directors or holding an election at the next convention. Esposito said no bylaw amendments were necessary.

Vrees asked if the board’s composition should be reevaluated. Duffy said the board could create a committee to review that idea. Esposito said the Governance Committee could review that, at the chair’s direction.

**Mercer moved to separate the joined regions and appoint new directors.**

Walker stated the joined regions were combined because of a small amount of TV markets and members in those regions.

Cavender said it would take some time to study these issues because of the impact on revenue sources like Murrow awards.

**Mercer withdrew his motion.**

Carl said he would ask the Governance Committee to review these issues.

Tobia suggested there be a corporate position on the board, to represent major corporations with ownership interests that are not currently on the board.

Cavender asked if the audit and finance committees should be combined.

Awards Committee

Shelley thanked those who recruited new judges. He said new blood resulted in a new pool of winners. He credited Katie Switchenko for her work in administering the awards program.

Esposito pointed that, other than Sardar, no ex-officio members attended the meeting. He said it would be good to remind them they have a seat at the table and make them aware that RTDNA wants to be inclusive.

**Kraham made a motion to adjourn the meeting. Sardar seconded. The motion was approved by unanimous voice vote.**

The meeting was adjourned at 5:01pm

Respectfully submitted,

Chris Carl