

**North Carolina Open Government Coalition
Board Meeting
Wednesday, Nov. 17, 2010**

Board members attending in person and by phone: Rick Gall, Mark Prak, Rick Thames, Jim Hefner, Sue P. Johnson, Jon Buchan, Judie Burke, Pauletta Brown Bracy, Beth Grace, Monica Hill, Steve Riley, Sue Rowland, Roger Sarow, Hugh Stevens, Rick Willis

Non-voting members attending: Brooke Barnett, Connie Book, Dale Harrison, Paul Parsons

Guests: Dan Maynard, Ed Johnson, Laura Roselle

President Rick Willis called the meeting to order at 11:05 a.m. Minutes from July 29, 2010, meeting were approved.

RFP for Endowment Management Services: Connie Book, former director of the Sunshine Center, and Willis drafted an RFP (request for proposal) for endowment management and investment services. Willis explained they distributed three RFPs prior to the meeting. They received no proposals in return, indicating none of the three could guarantee a 5 percent return while protecting the principal. Book explained to the board the Coalition's funds are currently in a transit account and have not been invested. After hearing a proposal to form a trust, board members determined establishing a trust to be unnecessary and not required by Knight Foundation policies.

Treasurer's Report: Paul Parsons and Beth Grace discussed copies of the transaction report and budget summary. In July 2010 the Coalition had achieved its fundraising goal and received \$250,000 in Knight Foundation matching funds. That July total was \$500,970. The current amount is now at \$476,761, reflecting operating expenses currently being drawn from that principal. The transaction report, they noted, reflects a need to continue to raise funds. Parsons expressed his hope that the Coalition can raise funds so that the amount to be invested returns to \$500,000. He explained ongoing annual expenditures, such as \$21,000 in salary — an amount that a return on the endowment should eventually cover. Jim Hefner asked if Elon University might manage the funds. Parsons explained that current policies allow only irrevocable gifts, indicating the Coalition's funds would have to remain at Elon should the Coalition ever decide to relocate.

Board members then shared recommendations on endowment management firms and approaches. Jon Buchan, for example, suggested the board seek advice on best practices in nonprofit investment strategy. Book recommended that the board consider allowing a strike point, as suggested by a possible investor, instead of requiring a protection of the

principal. Hefner recommended that the board move quickly in making an investment decision. Hugh Stevens then made the motion that the executive committee be authorized to explore and act on a short term CD of the current balance of the endowment while investigating a more permanent investment strategy. That motion was seconded and approved. Willis announced that the executive committee would meet within the next 14 days and share its findings with the full board in January.

Grace withdrew a motion to change the Coalition's fiscal year, after board members determined that the need is to change the calendar for the budget instead.

National Freedom of Information Coalition Request: Willis informed the board that he and Director Brooke Barnett had forwarded to NFOIC a request for \$30,000 in emergency operating funds (\$15,000 for two years). Initial indications are that a grant of \$15,000 is promising; if so, the Coalition will reapply for a second year.

Non-profit Investigative Reporting Study: Hugh Stevens shared copies of a report from Jonathan Jones, UNC-CH law and journalism student. Stevens discussed Jones' findings and his proposal as to how a center might be established in North Carolina. Board members then discussed the need for such a center and how it might be related to the mission of the NCOGC. Two members, Willis and Sue Rowland, cautioned that the mission of such a center might be at odds with the Coalition's bylaws.

Membership Dues: The board took no action on an individual request for a discounted membership rate.

Sunshine Day: Steve Riley directed board members to a Sunshine Day document referencing plans for the day and table sponsorship and award proposals. Sunshine Day will be Thursday, March 17 from 11:30 a.m. until 3:30 p.m. at the Salisbury Train Depot. Featured speaker will be UNC President Tom Ross.

Guest Speakers: Dan Maynard and Ed Johnson of Campbell University presented research findings from a statewide open records study conducted by Campbell students. Maynard and Johnson had also presented these results at the NCOGC fall workshop in Asheville. Laura Roselle of Elon University announced plans for an upcoming political communication conference at Elon and a possible partnering with the Sunshine Center for that conference.

Sunshine Center Updates: Dale Harrison reviewed the agenda and from the October fall workshop at UNC-Asheville. He thanked new board member Rowland for suggesting speakers. The workshop was held in conjunction with one of the six regional workshops of N.C. Scholastic Media Association. Harrison discussed coordinating plans with another NCSMA regional, in fall 2011 at East Carolina University. Harrison reviewed calls to the center regarding animal control and mediation.

Mediation/Legal Updates. Stevens updated board members on a possible unintended consequence of July 2010 provisions regarding the state's public records act. While a mediation option was intended to help citizens seek mediation instead of filing suit related to such matters, some have interpreted the provision as requiring mediation before litigation.

The meeting was adjourned at 1:27 p.m.