

**Public Relations Society of America
Minutes
Board of Directors' Meeting
Detroit, Michigan
October 23-24, 2008**

Officers Present: Jeffrey P. Julin, APR
Michael G. Cherenon, APR
Rosanna M. Fiske, APR
Mary Deming Barber, APR, Fellow PRSA
Rhoda E. Weiss, APR, Fellow PRSA

Directors Present: Leslie J. Backus, APR
Thomas E. Eppes, APR, Fellow PRSA
Dennis John Gaschen, APR
Jim Haynes, APR, Fellow PRSA
Vincent Hazleton, Ph.D., APR, Fellow PRSA
Margaret Ann Hennen, APR
Kathryn D. Hubbell, APR, Fellow PRSA
David M. Imre, APR
Chris R. Lynch, APR
Francis Onofrio, APR
Philip A. Tate, APR
Christopher Veronda, APR

Senior Counsel: Dave C. Rickey, APR
Mary Beth West, APR

Staff Present: William Murray, President & Chief Executive Officer
Phil Bonaventura, Chief Financial Officer
Christina Darnowski, Director, Research & Project Management
John Robinson, VP, Corporate Dev & Industry Partnerships
Karla Voth, Vice President, Special Events and Programs
Arthur Yann, Vice President, Communications
Donna Jonas, Executive Assistant

Guests: Mary Henige, APR
Gerry Corbett, APR, Fellow PRSA (by telephone)
Ann Thomas, Esq.

Call to Order

Mr. Julin called the meeting to order at 10 AM Eastern time.

Approval of the Board of Director Conference Call minutes

Mr. Imre moved to approve the minutes from the October 20 conference call. Ms. Hennen seconded the motion. Motion passed.

PRSA Recertification – BYU

Ms. Weiss moved to approve the recertification of the public relations program at Brigham Young University. Ms. Backus seconded the motion. Motion passed.

PRSSA Chapter Charters

Mr. Haynes moved to approve the charters for Lynchburg College (Lynchburg, VA) and Messiah College (Grantham, PA) Mr. Imre seconded the motion. Motion passed.

President and COO Report

Mr. Murray reported on the 2008 major initiatives at PRSA during the first eight months of the year. He also discussed major initiatives planned for 2009.

Mr. Imre, Mr. Cherenson, Ms. Hennen and Mr. Eppes will work with Mr. Murray about long-term strategic growth for the organization.

Mr. Yann provided the Board with a strategic organizational plan for PRSA communications.

Advocacy Report

Ms. West reported on the Advocacy program for 2008 as well as 2009-2010 including a discussion surrounding the case for public relations, a major initiative in the coming years.

Finance Report

Ms. Fiske and Mr. Bonaventura reported they expect PRSA to meet/exceed its budget targets. There have been no additions to the investment portfolio this quarter.

On behalf of the Finance Committee, Ms. Fiske put forth a motion from the Finance Committee endorsing the Investment Committee's recommendation to hire Wachovia Trust as PRSA's investment partner. Motion passed. The Investment Committee will continue to monitor the investment given the state of the economy.

The Finance Committee moves that the Section leaders receive communications from PRSA's chair and/or president reinforcing the Section business model and the financial status of each Section at the one-year mark, and at the end of 2009 decisions will be made according to the achievement of the new business model.

The Finance Committee moves that the 2009 Board create a subcommittee of the Finance Committee (which may include non-Board members) charged with delivering recommendations by looking at non-dues revenue generation best practices by the April 2009 Board of Directors meeting. Motion passed.

Member Research Task Force

Ms. Darnowski presented follow-up information regarding the task force's member research supporting that PRSA is moving to a more strategic and knowledge based organization.

Ms. Fiske moved to go into Executive Session; Ms. Weiss second the motion. Motion passed.

Ms. Backus moved to go out of Executive Session; Ms. Weiss seconded the motion. Motion passed.

International Conference Report

Ms. Henige and Mr. Corbett provided the Board with an overview of the International Conference.

Nominating Committee

Ms. Weiss provided the Board with a report on the work of the Nominating Committee including a series of recommendations for moving forward. Mr. Imre moved for approval of the following recommendations and asked the Nominating Committee to revise the policies and procedures that will be brought to the Board for approval:

- Allow the online application to be manipulated by the user
- Change application questions each year to reflect current industry and PRSA issues
- Make e-groups training mandatory; create tutorial for those unable to make a training call
- Continue using an executive recruiter for committee training. Additionally, incorporate a scoring sheet for the interview process.
- Remove questions from the surveys where respondents don't have the information, e.g., were all treated fairly – candidates don't know; were the candidate calls helpful – committee members don't know because many don't participate in the in the calls.
- Use pass codes for the survey for security purposes.

Mr. Gaschen seconded the motion. Motion passed.

Mr. Imre suggested the Nominating Committee work with staff to devise a system to provide feedback to unsuccessful candidates. The should consider best practices from the Silver Anvil competition, College of Fellows and other organization best practices.

Dr. Hazleton moved to go into executive session; Ms. Backus seconded the motion. Motion passed.

Dr. Hazleton moved to go out of executive session; Mr. Imre seconded the motion. Motion passed.

PRSA Foundation Task Force

Dr. Hazelton presented the Board with the recommendations of the Foundation task force based upon a discussion of the professional needs served by the Foundation. The resolution was discussed and revised by the Board of Directors.

Mr. Imre moved to approve the attached resolution presented by the PRSA Foundation Task Force as amended pending legal approval of the resolution. Mr. Haynes seconded.

Mr. Imre moved to go into executive session; Dr. Hazleton seconded the motion. Motion passed.

Mr. Imre moved to go out of executive session; Mr. Haynes seconded the motion. Motion passed.

Mr. Imre called the question. The motion passed.

Mr. Onofrio, Ms. Hennen and Ms. Fiske were nominated and approved as members of the Foundation Board of Trustees for 2008. The PRSA Board approved the appointments.

Governance/Assembly Report

Mr. Rickey delivered the Governance and Assembly report and provided details of the Assembly agenda.

Ms. Fiske moved to adjourn the meeting at 3 PM ET.

Respectfully submitted,

Mary Deming Barber, APR, Fellow PRSA
PRSA Secretary

A Resolution to Express the Perspective of the PRSA Board of Directors Regarding the Actions of the PRSA Foundation

Whereas, the purpose of the PRSA Foundation (“Foundation”) (as stated in its Articles of Incorporation) is to “function in accordance with its charter under section 403 of the New York State Corporation Law as a not-for-profit organization and under Section 501(c)(3) of the US Internal Revenue Code of 1986, as amended (the “Code”), for the purpose to foster, sponsor and conduct research, education and continuing education in public relations”; and

Whereas, PRSA has a vested interest in the Foundation because PRSA established the Foundation, and continues to maintain an ongoing relationship with the Foundation through its appointees to the Foundation Board of Directors, affiliation agreement, and shared resources; and

Whereas, under an affiliation agreement between PRSA and the Foundation, dated as of August 9, 2002, PRSA licenses its name and logo to the Foundation, and provides certain administrative services to the Foundation; and

Whereas, the Foundation does not have any members of its own; and

Whereas, the members of PRSA are afforded an opportunity to contribute to the Foundation through a “check-the-box” system through PRSA member invoices, and such amounts constitute a significant source of revenue for the Foundation; and

Whereas, the Foundation survey conducted in October 2007 shows that 70 percent of respondents felt that the Foundation should support public relations education through scholarships; and

Whereas, the Foundation has not conducted any activities in furtherance of its purposes proposed and approved in calendar year 2008, other than adhering to the requirements of restricted donor funds which mandate the disbursement of certain funds for scholarships, the ongoing sponsorships, and planning a fundraiser; and

Whereas, the Foundation has not elected any officers for the 2008 fiscal year, other than a President; and

Whereas, at the April 2008 Foundation Board of Directors meeting, Jeff Julin, an ex-officio director of the Foundation, informed the Foundation Board of Directors of PRSA’s growing concerns about the proposed activities of the Foundation; and

Whereas, at the July 2008 PRSA Board of Directors meeting, the PRSA Board of Directors reiterated to Ms. Kathy Lewton and Mr. Gary McCormick, president and immediate past president of the Foundation, respectively, about its concerns about the proposed activities of the Foundation; and

Whereas, at an August 2008 call between certain leaders of PRSA and certain leaders of the Foundation, in light of PRSA’s concerns about the activities of the Foundation and in conjunction with the Foundation’s request for approval to amend the purposes of the Foundation, PRSA requested that the Foundation provide PRSA with a copy of its business plan by no later than the October 2008 PRSA Board of Directors meeting; and

Whereas, the PRSA Board of Directors is concerned about the lack of coordination and a unified vision between PRSA and the Foundation, and how the activities of the Foundation could adversely impact the reputation and activities of PRSA; and

Whereas, the PRSA Board of Directors believes that PRSA members, as well as business leaders and other donors, will be motivated to support the Foundation when they are aware of the purpose, vision, plan of action and benefits that will result from their support.

Now, therefore, be it resolved that the PRSA Board of Directors strongly urge that the Foundation Board of Directors conduct the following actions:

1. By November 21, 2008 provide PRSA with a copy of the Foundation's fundraising, business and operating plan, and a description of the Foundation's proposed activities for the remainder of 2008 and calendar year 2009; and
2. Prioritize activities involving research and scholarships to coincide with the types of activities where public relations professionals have interest, as expressed through PRSA member surveys, including, but not limited to, developing a focused and directed effort to support public relations research and education through identification of appropriate research priorities, solicitation of funds to support research that will address those priorities, and development of RFPs to attract the participation of scholars and professionals in relevant research; and
3. Provide quarterly reports to the PRSA Board of Directors to share the progress, successes and challenges of implementing the Foundation's business plan; and
4. Provide an annual report to Foundation donors; and
5. Communicate in writing to the PRSA Board of Directors by October 31, 2008 concerning the intentions of the Foundation Board with respect to these recommendations.

Be it further resolved, that, in the event that the concerns of the PRSA Board of Directors are not alleviated through demonstrated action by the Foundation, PRSA reserves the right to exercise any and all of its powers with respect to the Foundation, including, but not limited to its right to terminate the affiliation agreement, remove Foundation Directors for cause, and modify PRSA's member invoices to remove the "check-the-box" funding for the Foundation.

The motion to accept the resolution passed.

Minutes of the PRSA Board meeting of last October reflect a resolution taken by the board regarding the PRSA Foundation. After the resolution was issued, new information became available to the PRSA Board. Ongoing, there has been an improved flow of information, including a presentation by the Foundation on its strategic planning, and the Foundation has, since last year, been working with increasing vigor, passion and focus. The PRSA Board of Directors fully supports the Foundation's volunteer leaders in their efforts and looks forward to continued collaboration with the PRSA Foundation leadership to jointly build on the PRSA Foundation's past successes.