

Minutes
IRE Board of Directors
June 17, 2021
Board Video Meeting

IRE Board President Cheryl W. Thompson presiding, called the meeting to order at 9:02 a.m.

The following board members were present: Bethany Barnes, Jodie Fleischer, Jennifer Forsyth, Cindy Galli, Marisa Kwiatkowski, Jennifer LaFleur, Steven Rich, Mark Rochester, Brian Rosenthal, Kat Stafford, Jodi Upton, Mark Walker and Cheryl W. Thompson.

Staff present: Diana Fuentes, Denise Malan and Heather Feldmann Henry. Other staff were attending and available as needed.

Members presenting: Megan Luther

Diversity training

Megan Luther discussed diversity training for board/members from the Raben Group. She wanted to gauge interest and see what questions the board had. Rich asked how we would handle turnover and training new staff and board members. Fuentes responded that turnover would be addressed in the strategic plan. Jodi Upton asked for examples of Raben's other clients. Luther said their clients include The SEC, the Gates Foundation, Hispanic Heritage Foundation, Pew Charitable Trusts, Rockefeller and others. The full list is available here: <https://rabengroup.com/clients/>

Stafford asked what would be covered in the training. Luther said that Raben would work with IRE on a plan for training. We give them a budget and they can let us know what they could do for a certain amount of money. She said she could go back to Raben with our questions and get more details.

Rochester said that our next step should be requesting a scope of work from them based on our size organization so we have an idea of what the possible range of services could be. Luther said she would go back to Raben with the board feedback and come back with a scope of options.

Fuentes and Henry gave the IRE Budget Report

Fuentes noted that the budget is conservative, but looks good.

Henry noted that this report was unusual because IRE is between several grant proposals. The budget is conservative based on where we are. She said she hoped it will change in the next few months when grants come in. She asked for questions.

Fleischer asked whether Chris Vachon will be doing grant applications before she leaves IRE. Fuentes said that Vachon has agreed to continue working with IRE until we have someone new. (Note: Vachon will be working part time as needed.)

Rosenthal asked where the \$194,000 surplus from this year will go. Henry said that half will be used to build the reserve fund and the other half will go to cash on hand. In accounting terms, it will be considered retained earnings. Rosenthal asked what will happen with money from grants that come through. "Is money going to be earmarked for anything in particular, or is that just going to be into the general fund?"

Henry said that it depends on the grants that come through. She explained that several grants are for training but that she is hoping to get grant money for general operating costs.

Rosenthal asked why the new budget has less money for fellowships and scholarships (\$100K for FY 2021 versus \$30K for FY2022). Henry explained that IRE is waiting for grants and if IRE returns to in-person events, costs will go up. She noted that IRE builds in fellowships and scholarships into any programming grant. She said she hopes the numbers will change once IRE has more funds. Fuentes added that as the money from grants comes in, IRE will update the board. The budget will be updated in October.

Rosenthal asked why nothing is budgeted for Watchdog Workshops. Fuentes noted that the grant for those workshops expired and that IRE is reevaluating the training offerings.

Forsyth asked whether IRE was considering increasing pay for the two lowest paid employees. Fuentes said she was reviewing staff pay.

Fleischer asked why IRE on Campus is zeroed on the budget. Henry and Fuentes said that is one of the grants IRE is waiting for.

Stafford asked whether IRE is considering virtual fellowships as well as in-person fellowships. Henry affirmed that and that she hopes to have updated fellowship information in the future.

Upton asked why the budget shows a membership renewal increase of about 50 percent. Henry said that in-person events should increase membership and that the number is a goal we need to meet to balance the budget. She also said that the estimates for conference revenue is conservative. Upton also asked whether we used all the revenue from the Pulliam endowment this year. Henry said IRE did not because it wasn't needed, but it is in the budget for next year. Upton also asked whether the relocation expenses include rent. Henry said it does not. Fuentes said that she met with the Dean (Missouri School of Journalism) and IRE should not be charged for rent in the coming year. Upton asked whether he said any other costs would be passed on to IRE. He said he doesn't anticipate that, but if any costs such as payroll management would come up, IRE could offset those costs with fellowships for Missouri students.

Rosenthal asked whether, when more grant money comes in, we could revisit the budget to make sure there are enough fellowships and scholarships for IRE next year.

Henry said that will happen. Fuentes explained that many of the grants come in over the summer.

Motion to adopt the preliminary FY 2022 budget from Kwiatkowski. **Second** from Upton
Vote: Passed unanimously

Jennifer LaFleur gave the Contest Committee report

The committee proposed that the rule against ads in entries be clarified and proposed language to tweak the rules (underlined). Fleischer offered a friendly amendment to the proposed language (in yellow)

Proposed wording for video: I have removed all commercials, including sponsors, underwriting and house ads, from my video. This includes bumps and teasers that are not original editorial content or show opens that mention funders or advertising. I understand that any ads left in will result in disqualification.”

Proposed wording for audio: I have removed all commercials, including sponsors, underwriting and house ads, from my audio. This includes preroll, midroll and post role and anything that is not editorial content or show opens that mention funders or advertising. I understand that any ads left in will result in disqualification.”

Proposed wording for print: “I have removed all ads, house ads and sponsorship from the pdf of my entry.”

Motion from Forsyth to approve the revised language. **Second** from Upton.
Vote: Passed unanimously

The committee asked whether IRE should consider changing the size limits for the large text category. This category had 121 entries for the 2020 contest. The next category had 28. Several entries were from small organizations that were part of a collaboration with a national organizations’ local networks. In addition, smaller nonprofits with a national scope were in this category.

Motion from Barnes to put on agenda for new contest committee to discuss whether to change the size limits of the large print/text category. **Second** from Galli.

Vote: Passed unanimously

The committee received a recommendation that IRE do more to publicize finalists for the awards. Fuentes said that staff is looking into that and will work with the committee on changes.

Jodie Fleischer gave the Revenue Committee report

Fleischer updated the board on the campus campaign program.

In the last year the program had:

- \$42,780 in revenue from universities;
- 500+ new student members attended a conference
- 23 universities participated in the campus campaign

For each conference, the universities paid for student memberships and conference registration at full price. For every 10 students, the university was afforded one free educator registration. The educator had to already be an active IRE member or pay for new membership.

The committee recommended that the board consider altering the fee structure for the Campus Campaign for future conferences to generate additional revenue. Discussion also should include how to ensure that the virtual version of future conferences offers value to those who can't attend in person but does not deter managers from sending professional members to attend in person.

Fleischer recommended establishing a working group to look into altering the program fee structure and asked board members interested in helping reach out to her.

Steven Rich and Mark Walker gave the Governance Committee report

**The committee recommended the board consider putting in place a code of conduct for the new mentorship program. The board discussed whether a separate Code of Conduct was needed, how to work best with the new mentorship platform partnerships and what the next steps should be.

The recommendation was sent back to the committee for a formal recommendation.

**The committee also recommended formalizing a policy surrounding enforcing the deadline for running for the IRE board. The new policy would not allow anyone to run for the board after the deadline. Any unfilled spots would go to the top vote-getters from the previous election.

Discussion about best ways to fill vacant spots in the case that not enough candidates run.

Motion from LaFleur to approve a deadline for running for the board with the caveat that the governance committee or a working group or task force will further discuss the election process. The motion is to approve setting a deadline, but no specific deadline was set. Second from Fleischer.

Vote: Motion passed 9 to 4

**The committee recommended considering a ban on board members using membership lists to launch email campaigns, which has been done in the past. Board members have access to membership lists that those not on the board might not have access to. Also, the previous website membership list was easily scrapeable. Rich said that the new website doesn't allow scraping. Discussion from members. Upton suggested that we specify "election" campaigns to avoid confusion with other activities such as membership campaigns.

Motion from Rich to ban the use of internal membership lists acquired through board service or community service for use in elections or other unintended uses. **Second** from Walker.

Vote: Motion passed 10 to 3

**The committee recommended formalizing the advisory chair of the board position. The position is for departing board presidents only. This position currently exists but has been implemented informally. The governance committee has been working on documenting board procedures and would formalize as a board procedure.

Article 7 of the IRE Bylaws already accounts for this process: "Section 7.01. Number, Qualification, and Term. Beginning with the officers elected at the June 2006 meeting of the Board of Directors of the Corporation, the executive committee of the Board of directors shall consist of five Directors, including the president, vice-president, treasurer and secretary. The remaining member of the Executive Committee shall be a director elected by a majority vote of the Board. The president shall be chairman of the Executive Committee. The members of the Executive Committee shall hold office until the next annual meeting of the Board of Directors of the Corporation. **The immediate past president – to the extent possible – shall serve in an advisory role to the board.**"

In cases where the board chair is still serving a board term, they would be a voting member. If the board chair is no longer serving a board term, the position would be non-voting.

Motion from Walker to incorporate language from Article 7 about the advisory chair position into the documents that the governance committee is preparing outlining processes. **Second** from LaFleur.

Vote: Motion passed 12 to 0, 1 abstention (Thompson)

--10 MINUTE BREAK--

**The committee recommended allowing board members who are not on the executive committee to observe executive committee meetings.

Barnes said that the executive committee should take minutes and share them with the full board, except for personnel matters, contracts and other items that need to stay within the executive committee.

Motion from Walker that the issue of executive committee minutes will go back to the Governance Committee. **Second** from Fleischer.

Vote: Passed 10 to 2, 1 abstention

**The committee recommended formalizing the reporting process for complaints and incidents at IRE conferences and events.

Motion from Rich that that the complaint process go back to the Governance Committee. **Second** from Walker.

Vote: Passed unanimously

Upton gave the Endowment Committee report

Upton said that IRE had a good return and has just under \$5 million in the endowment. We are pretty conservatively invested; we are most conservative among nonprofits represented by our advisor

IRE has \$650K in the reserve fund, which is for 6 months of salaries and basic operating expenses. To keep it liquid, our return is at 0%. We don't normally need the full amount and we usually get a warning if we are going to need a large amount of money. Our investment advisor and the committee recommend giving our advisor the flexibility to invest in some things of up to two years. That's 30% in equities, 20% in cash and the rest in investments with the maturity of two years. That will give us a return of about \$6,000 per year or a little more.

Motion from **Upton** to give IRE's financial advisor flexibility in investing reserve fund as described in the committee report. **Second** from Forsyth.

Vote: Passed unanimously

The committee recommended increasing the reserve fund to \$850K because IRE now has a larger staff. It also is recommending that amount be updated annually depending on the amount needed to cover six months of salaries and basic operational expenses.

Motion from Kwiatkowski to accept the committee's recommendation to increase the reserve fund and reevaluate it annually. **Second** from Fleischer.

Vote: Passed unanimously

IRE has not been able to use money from the Knight endowment because of how the investment formula was interpreted. Heather worked with Knight, which confirmed that money could be used. That represents \$40K to \$50K a year that IRE could tap. Henry confirmed that the money could be moved into the general endowment and said that it also makes the paperwork easier on her end.

Motion from Upton to move the Knight endowment into the general endowment.

Second from Forsyth.

Vote: Passed unanimously

Upton said that our normal practice is to take half of our excess operational funds and move that into the reserve fund. Doing so will make the reserve fund \$750K. That is still \$100K short of what we need. But if some of the grants come through we may be able to have the reserve fund fully funded for the first time.

IRE had directed the endowment committee to take a look at what exactly the endowment is defined as. What do you do with those unused endowment funds? And after some research, the endowment committee **recommended** that any unused income at the end of the year gets rolled back into the endowment corpus. Henry has been keeping track of the funds, which total about \$526K. That money was completely undirected.

The recommendation of the endowment committee is that the board vote to move that money back into the endowment corpus. This does not change the amount of money IRE has on an annual basis. It just means that if the money is unused, it goes back into the corpus of the endowment.

Motion from Upton to accept the committee's recommendation. Second from Forsyth

Vote: Passed unanimously

Thompson gave the President's report

Thompson gave an update on the survey approved last September. The board had decided to work with Ida B. Wells to do a survey of newsrooms about the number of journalists of color who work in investigative reporting. We had been waiting for Ida B. Wells to hire a researcher, which they have done. Thompson said she secured funding from a University of Missouri faculty member to help defray the costs. We're waiting for the University of North Carolina to get the researcher into the system.

Thompson also said she wanted to recognize two board members who are leaving the board. Stephen Rich and Bethany Barnes. She thanked them for their service and presented them with certificates.

Diana Fuentes gave the IRE staff report.

Fuentes commended the staff for their work, especially on the IRE conference. She said that attendance was about 1,900. That number is good for IRE's third virtual conference in less than a year. NICAR22 is set for March 3-6 in Atlanta and IRE22 will be June 23-26 in Denver. Membership has been increasing and IRE's diversity numbers are growing. IRE is seeking a replacement for Chris Vachon, who is leaving.

IRE has raised \$110K to date for the Journalists of Color Fellowships. IRE has awarded 172 fellowships and scholarships. Sixty-two percent went to journalists of color. IRE has had 70 training events attended by more than 11,000 people. (See report for full details.)

IRE is reviewing its training offerings. Fuentes said she wants to continue the virtual curricula because it has increased accessibility and affordability. She said they will continue even as IRE returns to in-person.

IRE is doing well on social media with increases on every platform.

Stafford gave the Member Services Committee report.

Stafford said that the main focus of the committee has been mentoring and that IRE had 90 mentors sign up for this conference. She said that IRE needs to make sure that we have in-person activities for mentoring when we return to in-person events.

Stafford also said IRE needs to have a conversation about the new platform IRE is using for mentoring and thanked her committee members.

She also said the committee will resume working on the membership survey after the conference.

Stafford presented Thompson with a service award for her years of mentoring, board service and diversity. "As the first black president of IRE, thank you for blazing a trail."

Galli presented the Conference Committee report

Galli thanked her committee and said that the "Ask Me Anything" sessions have been very successful. She thanked the IRE staff for their work. Virtual show and tell was a huge success. Ron Nixon, the keynote, was amazing.

The committee is excited about the conference in Baltimore in October. Want to make sure that the conference is affordable and emphasizes our mission of training. We want to make sure we get enough people there in person, taking into account any COVID measures.

Kwiatkowski gave the Audit Committee report

Kwiatkowski said two items were identified in the auditors' report. Both have been resolved and related to internal control issues. We added a signer onto the Commerce Bank bill payer system. They also are making sure that when staff are opening mail in the office and cash receipts, it is done on a zoom call to make sure it is observed by two people. Auditors also flagged how membership is counted, which has been mentioned in previous audits. If someone signs up for a two-year membership, IRE has counted the funds in the year the member signed up. Auditors and staff agree that it is not creating any issues with money.

Thompson gave her departing words and thank yous (see video for full remarks)

I'm proud that there are four members of color on the board and that the JOC membership is increasing. And for the first time in history, a journalist of color is the IRE director. She said that mentoring and the campus campaign were highlights of her time on the board. She said she was proud that IRE implemented a code of conduct. She thanked board members, committee chairs and others for their service. She thanked the "amazing" staff. It has been my honor to serve on this board and to be the first black president. I am here for you. "Continue doing what you do. And keep doing good journalism."

Thompson will serve as advisory chair in the next year.

Meeting opened to member comments and questions

Fleischer asked for a thank you to Chris Vachon, who will be leaving IRE.

Walker thanked Thompson for her service.

Thompson called for a **motion** to adjourn

Motion from Forsyth to adjourn the meeting. **Second** from Barnes.

Vote: Approved unanimously

Meeting adjourned at 12:37 p.m.

IRE Committee and staff reports

Approved YE
2021 Projected 6.30.21 Proposed YE2022

REVENUE

MEMBERSHIP

New Membership	\$75,000	\$160,000	\$110,000
Membership-student	\$10,000	\$24,000	\$22,000
Membership-international	\$6,000	\$9,500	\$9,000
Membership renewals	\$115,000	\$110,000	\$165,000
Renewals-student	\$5,000	\$5,000	\$5,000
Renewals-international	\$4,000	\$9,000	\$9,000
Membership revenue	\$215,000	\$317,500	\$320,000

IRE SALES & SERVICES

Data analysis/visualization & database sales	\$7,500	\$12,000	\$15,000
IRE Journal subscriptions/advertising	\$3,000	\$5,000	\$5,000
Book sales and royalty	\$15,000	\$24,000	\$25,000
Story/tipsheet sales & Research Desk	\$2,500	\$1,300	\$2,000
Award Contest fees	\$40,000	\$37,000	\$40,000
Web ads/services	\$30,000	\$34,000	\$35,000
Fiscal Agent fees	\$12,000	\$18,000	\$20,000
Other	\$1,000	\$7,800	\$4,000
IRE Services / Products revenue	\$111,000	\$139,100	\$146,000

CONFERENCES

Registrations and fees (IRE20, NICAR21, IRE21)	\$766,000	\$660,000	\$961,000
Hands-on training classes	\$34,000	\$15,000	\$40,000
Other revenues	\$47,000	\$26,000	\$40,000
Sponsorships	\$495,000	\$540,000	\$440,000
Conference revenue	\$1,342,000	\$1,241,000	\$1,481,000

Program Revenue

Watchdog workshops	\$20,000	\$0	\$0
TV watchdog workshops	\$4,000	\$6,000	\$0
Data in Local Newsrooms	\$0	\$0	\$0
Custom newsroom training	\$30,000	\$28,000	\$80,000
IRE on Campus program	\$0	\$0	\$0
Boot camps	\$96,000	\$51,000	\$75,000
Program Revenue	\$150,000	\$85,000	\$155,000

GRANTS / FOUNDATIONS Released

	Approved YE 2021	Projected 6.30.21	Proposed YE2022
Google News Initiative: Data in Local Newsrooms (restricted)	\$16,000	\$16,000	\$0
John S. and James L. Knight Foundation: TV initiative (restricted)	\$142,000	\$97,000	\$45,000
Kohlberg Foundation: TNT (unrestricted)	\$217,000	\$150,000	\$0
Excellence and Ethics in Journalism: Watchdog workshops (unrestricted)	\$100,000	\$100,000	\$100,000
Lumina Foundation: IRE On Campus (restricted)	\$94,000	\$94,000	\$0
Dow Jones Newspaper Fund: intern data boot camp (restricted)	\$0	\$21,560	\$0
McCormick (\$50,000) Chicago newsrooms	\$0	\$0	\$50,000
Arnold Ventures (unrestricted)	\$150,000	\$150,000	\$0
Jonathan Logan Family Foundation (unrestricted)	\$75,000	\$75,000	\$75,000
Syracuse University-IRE on Campus Program	\$0	\$9,500	\$0
Park Foundation (unrestricted)	\$0	\$50,000	\$0
Grants / Foundations revenue	\$794,000	\$763,060	\$270,000

INDIVIDUAL DONATIONS

Unrestricted/temporary restricted	\$30,000	\$35,000	\$40,000
Perm. Restricted -Endowment	\$25,000	\$20,000	\$20,000
Individual donations revenue	\$55,000	\$55,000	\$60,000

INVESTMENT INCOME

Income released-fellowships,administrative	\$150,000	\$0	\$250,000
Income not released		\$150,000	\$0
Investment income revenue	\$150,000	\$150,000	\$250,000

General Operating funds-from YE21	\$0	\$0	\$200,000
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TOTAL REVENUE	\$2,817,000	\$2,750,660	\$2,882,000
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EXPENSES

PERSONNEL

Salaries: full-time staff	\$987,000	\$1,008,000	\$985,000
Benefits: full-time staff	\$326,000	\$322,000	\$328,000
Part-time wages	\$75,000	\$42,000	\$45,000
Student wages	\$40,000	\$25,000	\$25,000
Personnel expenses	\$1,428,000	\$1,397,000	\$1,383,000

	Approved YE 2021	Projected 6.30.21	Proposed YE2022
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IRE SALES & SERVICES

Membership	\$2,000	\$2,000	\$2,000
Data Library	\$2,000	\$2,000	\$2,000
Journal	\$35,000	\$35,000	\$37,000
Book costs	\$15,000	\$15,000	\$15,000
Resource Center	\$10,000	\$13,000	\$7,500
Contest (platform, plaques, awards)	\$15,000	\$15,000	\$12,000
Web services	\$2,000	\$2,000	\$2,000
Other	\$1,000	\$1,000	\$1,000
Sales/Products	\$82,000	\$85,000	\$78,500

PROGRAM EXPENSES

Conferences	\$839,000	\$175,000	\$1,089,000
Watchdog workshops	\$5,000	\$0	\$0
TV watchdog workshops	\$5,000	\$1,000	\$0
Data in Local Newsrooms	\$0	\$0	\$0
Total Newsroom Training (TNT)	\$0	\$0	\$0
Lumina-IRE on Campus	\$5,000	\$5,000	\$0
Custom newsroom training	\$5,000	\$2,500	\$15,000
Boot camps	\$5,000	\$4,500	\$10,000
Fellowships/scholarships	\$100,000	\$160,000	\$30,000
Program Expenses	\$964,000	\$348,000	\$1,144,000

PROFESSIONAL SERVICES

Investment management fees	\$18,000	\$18,000	\$18,000
Accounting	\$25,000	\$25,000	\$25,000
Legal	\$5,000	\$1,000	\$2,000
Professional services expenses	\$48,000	\$44,000	\$45,000

BOARD OF DIRECTORS

Retreat-audio/visual, room rental, faciliator	\$0	\$0	\$5,000
Board travel assistance	\$1,000	\$0	\$1,000
Election software	\$2,500	\$2,500	\$2,500
Board of directors expenses	\$3,500	\$2,500	\$8,500

GENERAL OFFICE

Telephone and fax	\$6,000	\$10,000	\$10,000
Postage	\$3,000	\$3,000	\$3,000
Office supplies	\$6,000	\$5,000	\$5,000

	Approved YE 2021	Projected 6.30.21	Proposed YE2022
Photocopying	\$3,000	\$2,000	\$2,000
Insurance	\$20,000	\$26,000	\$18,000
Computer supplies	\$2,000	\$2,000	\$2,000
Credit card service fees	\$40,000	\$50,000	\$50,000
Dues/fees/subscriptions	\$2,500	\$3,000	\$3,000
Office Travel/Executive Director Travel	\$5,000	\$0	\$5,000
Marketing/promotions	\$9,000	\$3,000	\$6,000
Staff retreat / professional development	\$3,000	\$1,000	\$2,000
Software/equipment/maintenance/hosting	\$30,000	\$35,000	\$35,000
Web design/updates	\$40,000	\$45,000	\$20,000
Office relocation expenses	\$0	\$0	\$15,000
Other office expense	\$4,000	\$5,000	\$5,000
General office expenses	\$173,500	\$190,000	\$181,000
Fundraising expenses	\$10,000	\$10,000	\$10,000
Depreciation	\$10,000	\$10,000	\$7,000
TOTAL EXPENSES	\$2,719,000	\$2,086,500	\$2,857,000
Reinvested Investment Income	\$0	\$150,000	\$0
Permanently restricted-Endowment	\$25,000	\$20,000	\$20,000
PPP loan payoff	\$47,000	\$0	\$0
Sponsorships-deferred to Oct. event		\$100,000	\$0
General operating funds deferred to YE22		\$200,000	\$0
REVENUE MINUS EXPENSES	\$26,000	\$194,160	\$5,000

Employee

	MU salary 7.1.21	Supplemental pymts	Total	Benes
Diana Fuentes	\$141,800	\$0	\$141,800	\$49,630
Malan, Denise	\$81,744	\$10,000	\$91,744	\$28,610
Heather F. Henry	\$55,640	\$6,700	\$62,340	\$19,474
Charles Minshew	\$68,120	\$3,000	\$71,120	\$23,842
Cody Winchester	\$71,264	\$6,000	\$77,264	\$24,942
Patti Divincenzo	\$70,000	\$1,000	\$71,000	\$24,500
Francisco Vara-Orta	\$70,000	\$1,000	\$71,000	\$24,500
Amy Johnston	\$44,533	\$1,500	\$46,033	\$15,587
Lauren Grandestaff	\$50,128	\$10,000	\$60,128	\$17,545
Madison Fleck	\$50,000	\$0	\$50,000	\$17,500
Sarah Hutchins	\$70,000	\$1,000	\$71,000	\$24,500
Stephanie Klimstra	\$73,360	\$8,000	\$81,360	\$25,676
Director of Partnerships	\$90,000	\$0	\$90,000	\$31,500
	\$936,589	\$48,200	\$984,789	\$327,806

2% pool for raises

Total Salary Budget for YE21	\$984,789
Benes	\$327,806
	\$1,312,595

Part-time

Dylan	\$18,720
Mac	\$26,000

2020 Contest Committee Report IRE Board meeting, June 17, 2021

IRE Contest Committee: Bethany Barnes, Fernando Diaz, Jennifer LaFleur, Zaneta Lowe, Eric Sagara, Kameel Stanley

Based on our experiences with judging, the committee proposes the following recommendations and pose two questions to the board. We will be happy to provide any additional information or answer questions. **Proposed wording for video:** I have removed all commercials, including sponsors, underwriting and house ads, from my video. This includes bumpers and teasers that are not original editorial content. I understand that any ads left in will result in disqualification.”

Ads rule: The application of the “no ads” rule has been inconsistent over the years. The committee recommends the rule be clarified and that entrants and screeners be given specific examples of what constitutes an ad. Screeners also should be provided clarity on ads. We also recommend the rule be applied to print entry pdfs. We also should encourage entrants to reach out when they are not sure.

Current wording for video:”I have removed all commercials, including sponsors and house ads, from my video and understand that any ads left in will result in disqualification.”

Proposed wording for video: I have removed all commercials, including sponsors, underwriting and house ads, from my video. This includes bumps and teasers that are not original editorial content. I understand that any ads left in will result in disqualification.”

Current wording for audio: “I have removed all commercials, including sponsors, and house ads, from my audio and understand that any ads left in will result in disqualification.”

Proposed wording for audio: I have removed all commercials, including sponsors, underwriting and house ads, from my audio. This includes preroll, midroll and post role and anything that is not editorial content. I understand that any ads left in will result in disqualification.”

Proposed wording for print: “I have removed all ads, house ads and sponsorship from the pdf of my entry.”

Membership: If a member(s) -- elected or appointed -- is/are unable to participate at the time judging begins, the President should appoint another member to the committee so there can be an odd number of judges to prevent ties. The chair should confirm with members that they will still be able to judge as judging is several months after the election and their situation(s) could have changed.

Remote judging: The committee recommends that IRE continue judging via Zoom or another virtual platform to save money and keep judging more accessible to those who may not be able to travel.

Questions for the board

1. Should we consider changing the size limits for the large text category? That is the one group that consistently sends more finalists because there are so many entries. This category had 121 entries. The next category had 28. Several entries were from small organizations that were part of a collaboration with a national organizations' local networks. In addition, smaller nonprofits with a national scope were in this category.
2. The committee received a recommendation that IRE do more to communicate how prestigious it is to be a finalist. We now email finalists because in prior years some people did not notice they were finalists. This year, IRE sent out tweets for each winner, but to see finalists you had to go to the IRE website. Some awards (Goldsmith, Livingston, Scripps) make a big splash about finalists to show how big a deal it is to be recognized, should IRE? If yes, we would propose emulating the treatment of other awards like the Pulitzers, which announce the finalists within the category.

Revenue Committee Report – June 2021

Committee Members: Jodie Fleischer (co-chair), David Boardman (co-chair), Jennifer Forsyth, Brian Rosenthal, Dana Chinn, Mc Nelly Torres, Manny Garcia

The Revenue Committee met in April to discuss the June conference rollout for the Campus Campaign. Fleischer began by updating the committee on the success of the program thus far, including the combined revenue and membership metrics for the 2021 NICAR Conference and the 2020 IRE Conference. Detailed data is included on page 2.

- \$42,780 in revenue generated from universities
- 500+ new student members attended a conference
- 23 universities participated in the Campus Campaign

For each conference, the universities paid for student memberships and conference registration at full price. For every 10 students, the university was afforded one educator registration for free. The educator had to already be an active IRE member or pay for new membership.

The Revenue Committee had previously discussed expansion of the program and the desire to increase the revenue opportunities by creating a tiered fee structure, however staff advised that was not possible for the 2021 virtual conferences.

The remainder of the meeting was spent considering ways to attract students and universities to the June conference or, more likely, virtual attendance to coincide with the fall semester since the June conference dates fall during the summer when there will likely be less participation from universities.

Chinn raised the concern about how much her students valued the live networking sessions at the September conference, and worried there wouldn't be as much excitement watching it later. Fleischer suggested rather than discount the cost, we work to organize a fall networking zoom for the students who register for the recorded conference through the Campus Campaign. Staff said they would explore that possibility.

Staff also advised that future outreach for the program would include emails to all existing academic IRE members and each of the 23 schools that previously participated in this program. Staff will also initiate targeted outreach to contacts at HBCU and HSI campuses. Many students who've participated in the program thus far, identified themselves as journalists of color in their conference profile.

CAMPUS CAMPAIGN – DETAILED DATA

1	CAMPUS CAMPAIGN	March 2021	March 2021	March 2021	Sept 2020	Sept 2020	Sept 2020	
2	UNIVERSITY NAME	NICAR students	NICAR Educators	NICAR Revenue	IRE Students	IRE Educators	IRE Revenue	TOTAL
3	University of Southern California - Annenberg	41	4	\$3,075	66	5	\$4,950	\$8,025
4	University of Florida	10	1	\$750	24	2	\$1,940	\$2,690
5	Arizona State University	6	0	\$325	30	3	\$2,250	\$2,575
6	University of Illinois-Urbana Champaign	16	1	\$1,050	20	2	\$1,500	\$2,550
7	Temple University	10	1	\$820	20	2	\$1,570	\$2,390
8	University of Minnesota				50	5	\$3,890	\$3,890
9	University of North Carolina				27	2	\$2,025	\$2,025
10	St. Bonaventure University				15	3	\$1,735	\$1,735
11	Syracuse University				22	1	\$1,650	\$1,650
12	San Jose State University				19	1	\$1,425	\$1,425
13	Univeristy of Maryland				15	1	\$1,125	\$1,125
14	University of New Mexico				13	1	\$975	\$975
15	University of Illinois, Springfield				11	1	\$825	\$825
16	University of Kentucky				10	1	\$750	\$750
17	University of California - Berkeley Grad. School	40	4	\$3,140				\$3,140
18	Univeristy of South Carolina	15	2	\$1,320				\$1,320
19	Stanford University	20	2	\$1,225				\$1,225
20	University of Missouri	16	2	\$1,175				\$1,175
21	University of the Witwatersrand, Johannesburg	9	2	\$1,065				\$1,065
22	Boston University	16	1	\$800				\$800
23	University of Arkansas	10	1	\$750				\$750
24	American University of Central Asia	6	0	\$450				\$450
25	Elon University	3	0	\$225				\$225
26	TOTAL	218	21	\$16,170	342	30	\$26,610	\$42,780

The Revenue Committee previously recommended that a portion of the funds generated by the Campus Campaign be used to fund the new Media Mentors online platform, since the new year-round mentoring program will likely benefit many of the same students and younger journalists. The Board approved that recommendation at its last meeting with a multi-year collaboration and “not to exceed” amount as recommended. No further action needed from the Revenue Committee as of now, however committee members were open to seeking sponsorships later if needed.

Other Business:

In prior meetings, the Revenue Committee discussed development of an IRE Legacy program to solicit planned gifts and estate gifts from aging members and how that money should be allocated internally. Staff has proceeded with adding a special solicitation page to the new website. In a joint meeting with the Endowment Committee in October, we agreed the Board should provide further guidance on whether the money should become part of the general operating fund or the endowment in the future.

The Revenue Committee also discussed other avenues to generate new revenue streams, including the potential for future member-oriented fundraisers, branded merchandise, auctions, etc. Forsyth agreed to spearhead further research into the logistics and feasibility of this concept.

We also discussed whether assisting with conference sponsorships should be a role of the Revenue Committee; the members did not support this idea for a number of reasons. This has traditionally been a staff function, and there was concern about the potential for duplication of efforts without extensive coordination. Several members of the committee also expressed that they did not have expertise in this area.

Action Item for the Board:

- 1) The Board should consider altering the fee structure for the Campus Campaign for future conferences to generate additional revenue. Discussion should also include how to ensure that the virtual version of future conferences offers value to those who can't attend in person but does not deter managers from sending professional members to attend in person.

Governance Committee agenda

Chair, Mark Walker
June 2021

Action item #1

Put in place a code of conduct for the new mentorship program.

Action item #2

Formalize a policy surrounding the deadline for running for the board. The new policy will not allow anyone to run for board after the deadline has passed. Any unfilled spots will go to the top vote-getters from the previous election.

Action item #3

An official ban on board members using membership lists to launch email campaigns. Some board members can access these lists from the committees they sit on.

Action item #4

Formalize the advisory chair of the board position. This position is only for departing board presidents. This position currently exists but only in an informal capacity.

Action item #5

Allow board members to observe executive committee meetings. But, they are not allowed to take part in any capacity. They also are not allowed to discuss those meetings with anyone outside of the board. Sarah Cohen says this was the practice of previous boards.

Action item #6

Formalize the reporting process for complaints and incidents at IRE conferences and events. In simple terms, the staff handles unofficial complaints. The board will address formal complaints filed.

Endowment Report

June 17, 2021

Committee members: Jodi Upton (chair), Jennifer Forsyth, Laura Frank, Corey Johnson and Norberto Santana, Jr.

Endowment Funds

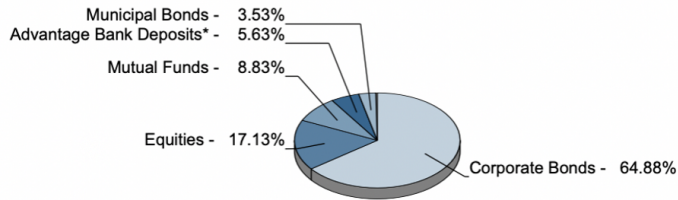
IRE's Endowment Funds stand at just under \$5 million. As of May 31, our three endowments are:

One year comparison								
	Nickname	Account Value 05/31/20	Interest	Deposit	Withdraws (FY2020)	Market Change	Account Value 05/31/21	Percent chg
G69-1367374	General	\$2,945,492	\$114,555	\$150,000	(\$110,000)	\$286,574	\$3,386,621	14.98%
G69-1367382	Knight	\$828,373	\$37,532	\$0	\$0	\$76,551	\$942,456	13.77%
G69-1367390	Pulliam	\$546,630	\$23,615	\$0	(\$42,000)	\$42,216	\$570,461	4.36%
Total Portfolio Value (\$)		\$4,320,495					\$4,899,538	13.40%
One month comparison								
	Nickname	Account Value 04/30/21	Interest	Deposit	Withdraws	Market Change	Account Value 05/31/21	Percent chg
G69-1367374	General	\$3,371,467	\$8,615	\$0	\$0	\$6,539	\$3,386,621	0.45%
G69-1367382	Knight	\$932,489	\$1,576	\$0	\$0	\$8,391	\$942,456	1.07%
G69-1367390	Pulliam	\$566,561	\$576	\$0	\$0	\$3,324	\$570,461	0.69%
Total Portfolio Value (\$)		\$4,870,517					\$4,899,538	0.60%

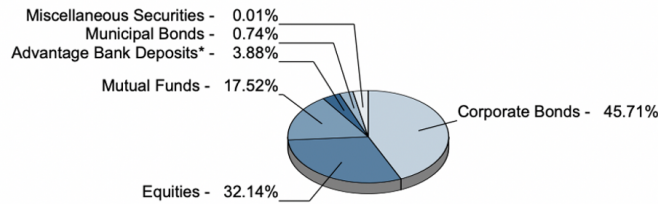
Note: Knight and the General Endowment funds are unrestricted; the Pulliam is restricted to IRE's Library

Through May 2021, we had an annual rate of return of about 13% (though that is somewhat misleading because of volatility in the market last spring). IRE's investments are conservative (the most conservative non-profit administered by JJP Capital, our financial advisor) with the largest investments in corporate bonds.

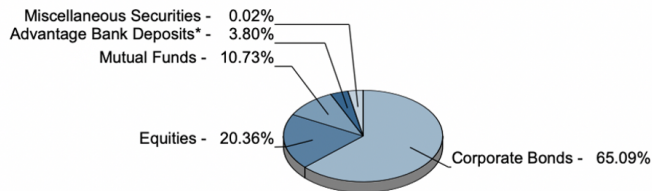
Pulliam:



General Endowment:



Knight:



Due to long-standing board policy, staff and directors do not know details of specific bundled investments. While IRE could consider a slightly higher-risk profile, our advisor expects inflationary pressure to improve the bond and other markets, which will help our low-risk returns.

While IRE has only needed to withdraw Endowment income in two of the past six years, the Endowment has provided \$1.4 million in operational funding since 2008 – a security IRE has not always had.

Year	Knight	Pulliam	General Endowment	Total
2007-08	\$ 5,000	\$ 30,000	\$ 110,000	\$ 145,000
2008-09	\$ 5,000	\$ 6,000	\$ 80,000	\$ 91,000
2009-10	\$ 74,000	\$ 30,000	\$ 98,000	\$ 202,000
2010-11	\$ 40,000	\$ 30,000	\$ 90,000	\$ 160,000
2011-12	\$ 80,000	\$ 25,000	\$ 90,000	\$ 195,000
2012-13	\$ 30,000	\$ 25,000	\$ 90,000	\$ 145,000
2013-14	\$ 40,000	\$ 30,000	\$ 80,000	\$ 150,000
2014-15	\$ 30,000	\$ 30,000	\$ 90,000	\$ 150,000
2015-16	\$ -	\$ -	\$ -	\$ -
2016-17	\$ 10,000	\$ 10,000	\$ -	\$ 20,000
2017-18	\$ -	\$ -	\$ -	\$ -
2018-19	\$ -	\$ -	\$ -	\$ -
2019-20	\$ -	\$ 42,000	\$ 110,000	\$ 152,000
2020-21*	\$ -	\$ -	\$ -	\$ -
	\$ 314,000	\$ 258,000	\$ 838,000	\$ 1,410,000
*expected				

Reserve Fund

Our current reserve fund stands at about \$650,000, including \$10,000 in a checking account. The investment return has been \$0 to negative for the past few years.

Issues

Based on recommendations by the Endowment Committee (after direction by the Board in June 2020), Financial Officer Heather Feldmann Henry and our financial advisor Garry Banks, there are **four action items** to address the following issues:

- 1) In addition to the Reserve Fund, there is a competing “fund” of \$526,000 in unspent endowment income from previous years. Because there is no board policy on unspent income, it is increasing rapidly as an unrestricted, undesignated fund and rivals the Reserve Fund.
- 2) The Reserve is underfunded. Staff expansion and salary raises have increased the amount required to cover six months of salaries and basic operating expenses for an emergency. It should be closer to \$850,000. It has also not been invested, giving us a near-\$0 return on a large account.
- 3) The Knight Endowment has been unusable (under water) for several years now, because the returns have not been high enough to draw from the account, according to an audit formula. This was never the intention for the nearly \$1 million fund, though significant changes must be approved by the Knight Foundation.

IRE Board of Director's Meeting – Endowment Committee Action Items
June 17, 2021

- 1) IRE's Reserve Fund is about \$650,000, but in order to keep it liquid for emergencies, it's return has been nearly 0%. It would be highly unusual for us to need the entire amount, or to have no advance notice of the need for funds, making a longer investment duration possible.

Action item: The Endowment Committee recommends that the Board give our investment advisor the flexibility to invest IRE's Reserve Fund in a mix of up to 30% equities, 20% cash and the remainder of the portfolio in investments with a maturity of two years or less.

- 2) IRE's Reserve Fund goal has not changed in several years, and with new hires we need to regularly consider whether our Reserve Fund will cover six months of expenses.

Action item: The Endowment Committee recommends that the Board annually reconsider the goal for the Reserve Fund to ensure it reflects six months of basic operational expenses, salaries and benefits starting in FY22. [Note: The Board annually puts 50% of its excess operational revenue into the Reserve Fund at the end of the fiscal year but has not changed the overall funding goal. At the end of FY21, the six-month recommendation is \$846,477].

- 3) Income from IRE's Knight Fund has been unavailable for several years, due to a formula that required interest earned to be higher than our typical return. IRE Financial Officer Heather Feldmann Henry met with the Knight Foundation and they agreed to allow us to roll the fund into our General Endowment to free up that income.

Action Item: The Endowment Committee recommends that the Board move the Knight Endowment into the General Endowment as of July 1, 2021 (FY22).

- 4) In years when the interest income from the endowments has not been used, Heather has kept track of it on a separate spreadsheet for later, unspecified use by the Executive Director. That fund has now grown to \$526,000, rivaling the Reserve Fund. Last year, at the request of the Board, the Endowment Committee researched best practices for handling the excess, and whether it should be returned to the endowment if unused at the end of the fiscal year.

Action item: The Endowment Committee recommends that the Board return the unused income to the respective endowment's corpus at the end of each fiscal year. [Note: If the Knight and General endowments are combined, income derived from that fund would return to it; same for the separate Pulliam Endowment].

IRE STAFF REPORTS

JUNE 2021 Board meeting

EXECUTIVE DIRECTOR | Diana Fuentes

Here are key achievements via collaboration and support of the full IRE staff:

Management/leadership:

- Staff is awesome! As interim director, Denise Malan kept everything running smoothly and I inherited a good operation. I am working with staff on streamlining a few procedures and we are continuing to increase our efforts on the diversity and membership fronts. We have increased the diversity of our membership to 26 percent as of June 8, 2021.

Training:

- 5/19: Public records workshop with The Reader in Chicago as part of our McCormick grant-funded training

PARTNERSHIPS | Chris Vachon

GRANT MANAGEMENT

Kohlberg Foundation

IRE is waiting to hear back from the Kohlberg Foundation about the status of the grant for 2021-22. Typically, IRE receives notification between June and August of each year. The \$150,000 grant has been for the TNT (Total Newsroom Training) program in the past. For 2020-21, it was a general operating grant due to the pandemic. IRE requested another general operating grant for 2021-22.

Logan Foundation

IRE received a three-year grant of \$75,000 per year starting in 2019 (\$225,000 total). Later this year, IRE will be submitting another grant request to the foundation.

Inasmuch Foundation

IRE received a \$100,000 grant in April 2021. In the past, this grant was for the Watchdog Workshop program; however, due to COVID, the 2020-21 and 2021-22 grants are for general operating expenses.

Park Foundation

The foundation has been awarding a general operating grant of \$40-\$50,000 annually since 2018. At the end of 2021, IRE will again be requesting a grant.

Knight Foundation

Due to the pandemic, there was unused money from the TV grant and the Knight Foundation approved shifting that money to: IRE21 fellowships for journalists, educators and students of color; a data journalism bootcamp specifically for TV journalists; and two custom trainings for TV newsrooms.

Lumina Foundation

The foundation provided a grant of \$95,000 for the IRE on Campus program which recently wrapped up. After the final report is submitted to the foundation, IRE will inquire about another round of funding for the program.

Syracuse University

The journalism program provided \$35,000 in funding for the IRE on Campus program.

Grants for Conference Sponsorships

The following foundations provide grants for conference sponsorships: Gannett Foundation, TEGNA Foundation, Scripps Howard Foundation, Knight Foundation and Lumina Foundation.

INDIVIDUAL FUNDRAISING

Legacy Society

The webpage promoting the Legacy Society is located [here](#).

It will be, and has been, promoted in the following ways:

- QuickHits (quarterly)
- The Journal (an annual ad)
- Donor newsletter (quarterly)
- Mailing (annually)

Donor Newsletter

A donor newsletter was started in 2021 and will be sent quarterly. Its purpose is:

- 1) To provide communication with donors that is not asking for money and that helps to connect them with IRE
- 2) To inform and promote legacy giving to IRE.

End of Year Campaign	Amount	# of Donations
2020	\$35,306	255
2019	\$32,538	257
2018	\$26,636	212
2017	\$18,827	130
2016	\$19,722	154
2015	\$13,900	51

Contributions by FY	Amount	# of Donations	Notes
FY20-21	\$65,353	470	Does not include June donations; attribute decline to pandemic
FY19-20	\$77,248	594	
FY18-19	\$177,853	578	\$118,236 bequest gift from Eric Sager

FY17-18	\$141,098	444	\$25,000 of it from one donor & \$67,279 bequest gift from Eric Sager
FY16-17	\$92,484	297	\$25,000 of it from one donor
FY15-16	\$56,721	120	\$25,000 of it from one donor

IRE JOURNALISTS OF COLOR INVESTIGATIVE REPORTING FELLOWSHIP

Money raised to date: \$110,500

- From foundations: 54%
- From donors: 26%
- From companies: 18%

What does the fellowship include?

- One-year membership
- Bootcamp support: registration + travel stipend
- NICAR support: registration + travel stipend + lodging
- IRE support: registration + travel stipend + lodging
- Data services support
- Mentor network: Three IRE members who bring experience in the following areas: data, beat, editorial. The three-person mentor network works with the fellow from cradle-to-grave on his/her project, which can be 12 months or longer.

FELLOWSHIPS/SCHOLARSHIPS

IRE was able to award more fellowships/scholarships during fiscal year 2021 due to the pandemic. The numbers are outlined below. Note: When IRE returns to in-person conferences, the numbers will return to their pre-pandemic level which is less than 20 per conference.

CONFERENCE	# FELLOWSHIPS	% TO JOCS
IRE21	172	62%
NICAR21	54	50%
IRE20	189	56%

CONFERENCE SPONSORSHIPS

CONFERENCE YEAR	GOAL	RAISED	PERCENTAGE	Notes
2021	\$235,000	\$295,000	+126%	Goal lowered due to pandemic
2020	\$325,000	\$329,500	+101%	
2019	\$325,000	\$390,500	+120%	
2018	\$260,000	\$301,460	+116%	

MEMBERSHIP | Amy Johnston

Membership Numbers

May 2021 ended with 6,702 members, which is up 25.8% from the same time last year. This is a new record high for membership. The previous record set in September 2020 was 6,592.

	Year			Difference	% Difference	Difference	% Difference
	2019	2020	2021	21 to 20	21 to 20	20 to 19	20 to 19
May	6,178	5,327	6,702	1,375	25.8%	-851	-13.8%

June 2021 started with 6,410 members, which is up 28.4% from the same time last year.

	Year			Difference	% Difference	Difference	% Difference
	2019	2020	2021	21 to 20	21 to 20	20 to 19	20 to 19
June	5,750	4,993	6,410	1,417	28.4%	-757	-13.2%

Membership Revenue (fiscal) YTD: \$308,525

Membership Breakdown (as of June 8, 2021)

Membership Type	Media Type
Professional: 4,147	(Members choose all that apply)
Student: 1,755	Books: 495
Academic: 365	Education: 775
Associate: 225	Freelance: 1,203
Retiree: 44	Magazine: 1,015
	Newspapers: 2,592
	Online: 3,265
	Other: 1,043
	Radio: 992
	Television: 1,519
	Trade publication: 83
	Wire service: 180

Gender
Female: 3,339
Male: 2,264
Non-binary: 48
Prefer not to answer: 874

Location
United States: 5,915
International: 555

Diversity Numbers		
	# of Members	% of Membership
Diverse Members	1,674	26%
Non-Diverse/ Decline to Specify/ Unknown Members	4,856	74%

Race/Ethnicity*	
	# of Members
American Indian / Alaska Native only	16
Contains American Indian / Alaska Native	27
Asian only	564
Contains Asian	93
Black / African American Only	371
Contains Black / African American	47
decline to specify only	800
Contains decline to specify	8
Latino/Hispanic only	432
Contains Latino/Hispanic	151
Native Hawaiian / Pacific Islander only	8
Contains Native Hawaiian / Pacific Islander	13
Not-Specified / Other	37
White only	3646
Contains White	254
Blank	369
*Members choose all that apply.	

TRAINING | Patti DiVincenzo, Sarah Hutchins, Denise Malan, Stephanie Klimstra, Charles Minshew, Dylan Sinn, Francisco Vara-Orta, Cody Winchester

General notes: The pivot to virtual training during the pandemic was challenging, but it also allowed us to reach more people than ever before while refining our virtual delivery methods.

From the end of NICAR 2020 (roughly the beginning of the pandemic) to March 2021, IRE led 70 training events attended by ~11,100 people -- **nearly double** the total from the previous comparable period, March 2019-NICAR 2020, in which we delivered 90 training events to ~5,900 people.

The training team continues to update our virtual curricula to meet this growing need. We're also prioritizing the development of new training materials on diversity, belonging, inclusion and equity topics in the newsroom, and we are re-evaluating all of our existing curricula to ensure that our materials reflect and encourage the best of these values.

Staff updates: Cody Winchester was promoted to senior training director.

Online master classes: Offering master classes [outside of a conference setting](#) was a great idea! Our first two online classes had strong demand and elicited a lot of great feedback:

Feb. 19, 2021	Digital Investigations	Craig Silverman and Jane Lytvynenko, BuzzFeed News	103 participants
March 17, 2021	Becoming a Public Records Sleuth	Grace I. Cheng, Thomson Reuters, and David Cuillier, University of Arizona	92 participants

We're planning additional master classes into the fall and spring 2022, including a class in August with the Media Law Resource Center.

IRE on Campus: Interest remains strong in our offerings for journalism educators and students, with new/updated materials and a new endowed grant to support student journalists of color.

Since the last board report, the training team led three virtual data bootcamps for educators (with fellowship seats reserved for educators of color) attended by ~60 people.

With funding from the Lumina Foundation, we trained students at the University of Arizona, the University of Texas - El Paso, San Diego State University, Florida A&M University, Morgan State

University and North Carolina Central University. And [a new endowed gift](#) established the Rick Gevers-Karen Burns Diversity Fund for College Journalists, which in the future will allow us to provide additional virtual training at Historically Black Colleges and Universities, Hispanic Serving Institutions and other campuses for the benefit of student journalists of color.

Knight broadcast workshops: We organized four watchdog workshops for TV journalists attended by more than 100 journalists total. The remainder of this grant was converted to allow us to deliver two days of virtual data training to two selected TV newsrooms this fall, plus an upcoming data bootcamp for broadcasters.

McCormick Foundation grant: IRE secured a new \$50,000 grant from the McCormick Foundation to provide training to underserved newsrooms in Chicago “primarily staffed by or serving people of color.”

The grant included one full day of training, IRE memberships, follow-up consultation with IRE trainers, credits for IRE Data Services and one fellowship per newsroom to attend NICAR 2022 in Atlanta. Six newsrooms took part in the training -- Block Club Chicago, Borderless, City Bureau, South Side Weekly, The Reader and The TRiiBE -- which wrapped up in late May.

Custom Training: Custom training inquiries are still coming in strong, and we’re forming solid partnerships with some new organizations, including the Judith Neilson Institute in Sydney, Australia, which has booked multiple virtual training sessions with us into 2022.

Since the last board report, we have provided custom virtual training to the following organizations:

- Gannett
- Scripps
- Global Ties KC
- MIC
- Associated Collegiate Press-College Media Association
- Judith Neilson Institute
- Bridge Pittsburgh
- York Dispatch
- CT Public
- University of Iowa
- Chicago Press Club
- Lee Enterprises
- Neiman Fellows
- University of North Carolina
- Boise State Public Radio
- PA NewsMedia Association Foundation

Online data bootcamps: Since last June, the training team has organized and led 10 virtual data boot camps attended by 173 people, including full-length data bootcamps, and new mini-boot camps focused on specific skills -- spreadsheets, SQL, Tableau, R and Python.

Dow Jones Newspaper Fund data residency: As in previous years, IRE trained [the class of DJNF data interns](#) -- this year, we delivered a week of virtual training to a class of 17 students.

[NICAR-LEARN](#): Interest in our library of data training videos grew with our offer of one free year of access during the pandemic and new videos for Python, R and other tools -- as of June 7, we had 376 members on the site.

Conferences: In the last 10 months, IRE has planned three virtual conferences:

- IRE 2020, attended by 3,000 people
- NICAR 2021, attended by 1,666 people
- IRE 2021, attended by 1,528 people (as of June 7)
- Finished final negotiations on the NICAR26 and IRE28 contracts for Indianapolis along with paying the \$50,000 penalty in reference to the cancellation of IRE21.
- Finished final negotiations on the October 2021 and NICAR24 contracts with Baltimore in reference to the cancellation of NICAR21.

Upcoming conferences:

- NICAR 2022: March 3-6, Atlanta
- IRE 2022: June 23-26, Denver

DATA SERVICES | Charles Minshew

Data sales:

- Our data sales have continued their decline, in part to data being made available easily online through government portals as well as the shift to COVID coverage over the past year.
- In preparation for a future office move, the process of digitizing NICAR data offerings will continue when we have students working in person this fall. ProPublica is interested in packaging some of our historic data for sale in their data store.

Data services:

- Data services have been buoyed by three large data analysis jobs -- those from the Better Government Association, Gray Television and Civil Beat in Hawaii.
- We have continued to do grant-funded work through our programs for TV journalists and journalists of color. Examples of their work can be seen in the partnerships section of this report.
- We continue to see rapid growth in data services requests as we exit the height of the pandemic. Much of our work throughout the past year was COVID-related, but we're beginning to see a variety of work. In fact, our data analysis revenue will replace all lost data services revenue this year.

Total revenue for the Data Library so far this fiscal year: *(Does not include billable hours for grant-funded hours of work; Analysis jobs include in progress work and is an estimate)*

	Data Sales	Analysis Jobs
FY 2020	\$0	\$22,380*
FY 2019	\$4,125	\$18,405
FY 2018	\$4,160	\$9,690

EDITORIAL | Madison Fleck Cook

The IRE Journal:

The IRE Journal continues to receive great feedback. In the past year, we've covered COVID reporting, the 2020 Census and following the money. Upcoming issues will include education reporting (Q3) and LGBTQ+ issues (Q4).

Social Media:

We've seen growth across all social platforms. In the past six months, we've become verified users on Facebook and Twitter (waiting for verification on Instagram), which has helped grow our following. We've also been more active on Instagram and have created a TikTok channel, which gets hundreds of views on postings.

- Twitter: 37,700 followers (21% increase, from June 2020 to June 2021)
- Facebook: 21,452 followers (10% increase)
- LinkedIn: 6,573 followers (35% increase)
- Instagram: 694 followers (375% increase)
- TikTok: 95 followers

Newsletters:

- Quick Hits (monthly IRE updates): 20,431 subscribers (15% increase)
- Local Matters (weekly local reporting roundup): 5,521 subscribers (19% increase)
- I-Team Toolkit (monthly broadcast tips): 1,740 subscribers (8% increase)
- Conference-specific newsletters: NICAR21 had about 218 subscribers and IRE21 had 201. These numbers have been down since we've been having virtual conferences

Marketing:

- We continue to update and improve on our graphics using the IRE branding guide created by Hoot Design. We've used this color and branding scheme in email marketing campaigns as well as our End of Year Giving campaign for 2020.

RESOURCE CENTER | Lauren Grandestaff

Archives: With the help of students throughout the spring semester, the stories database is slowly but surely being updated after several years of inactivity due to website issues. Members now have access to the majority of award entries from the 2018, 2019 and 2020 contests.

Contests: The Philip Meyer and IRE Awards contests both saw a slight dip in entry numbers, likely due to the 2020 presidential election and the pandemic. Philip Meyer received 25 entries. We received 455 entries for the IRE Awards. For the 2019 contest, there were 38 and 470 entries, respectively.

- **IRE Awards:** The IRE Awards debuted a new contest entry and screening/judging platform, using the service OpenWater. All went smoothly from an entrant and staffing standpoint.

Research Desk: Aside from the occasional one- or two-hour job, FIRE Virtual Newsroom is the only contract we have.

Course Packs: Sales continue to do well. Sarah Hutchins has taken on the task of regularly updating course packs so that the most up-to-date data is available to students and instructors. We also now offer Google Sheets as part of the course pack offerings.

Member Services Committee Report:

Responsible for member recruitment, reviewing training efforts and member resources.

- Kat Stafford, The Associated Press – Chair
- Bethany Barnes, Tampa Bay Times
- Kiran Chawla, freelance broadcaster, Baton Rouge
- Jodie Fleischer, NBC4 Washington
- Ana Ley, The Virginian Pilot
- Emmanuel Martinez, The Markup
- Topher Sanders, ProPublica
- Mark Walker, The New York Times

The Member Services Committee met June 2 to discuss IRE's 2021 conference mentorship program – but work has been ongoing on this effort for months. We were joined by IRE executive director Diana Fuentes, IRE deputy director Denise Malan, IRE board president Cheryl Thompson and Journalism Mentors founders Adriana Lacey and Caitlin Ostroff.

Informational item:

IRE conference mentoring:

IRE is using the Journalism Mentors page and partnership to help facilitate the mentoring program at this year's virtual conference. Mentees will have the ability to self-match and schedule meetings with a mentor during the conference or after. All mentors must abide by IRE's Code of Conduct, which is displayed prominently on the site.

Visit here for more information on how the program will function: <https://www.ire.org/join-the-ire21-mentorship-program/>

The IRE staff has done a wonderful job promoting the program via targeted marketing: Email blasts, outreach to specific members, tweets/social media and posting about it in the IRE conference Slack. Member Services Committee members have also spent time recruiting mentors. As a result, we currently have 90 mentors signed up as of Friday, June 11.

IRE staff and the Journalism Mentors founders are in the process of migrating all of the vetted mentors onto the platform by the conference for mentees to select from. We are also hosting a special session Tuesday, June 15 during the conference for mentors and mentees to learn more about what makes a successful mentor-mentee pairing.

Note: This was the best option for this year's virtual conference. But the platform is **not** replacing the mentoring offered through our in-person conferences. However, after this conference the board should discuss how to create a robust mentorship offering for people

attending the conference in person (continuing the mentorship breakfast) – but also offering an option for members who might not attend the in-person conference but are still interested in being mentors/mentees. We also need to continue prioritizing recruiting more mentors who represent underrepresented communities – including journalists of color, LGBTQ+ journalists, as well as those in local markets.

Informational item:

1. **Membership survey:** Nothing new to report since the bulk of the committee's time has been dedicated to the mentoring program. This effort will resume after IRE21.

Conference Committee Report – June 2021

Members:

Cindy Galli (Chair) – ABC News
Matt Dempsey – Houston Chronicle
Kyle Jones – NBC Connecticut
John Kelly – ABC Owned Stations
Marisa Kwiatkowski – USA TODAY
Steven Rich – Washington Post
Mark Rochester – Type Investigations
Brian Rosenthal – The New York Times

The Conference Committee met on March 25 to discuss IRE planning and again on April 28 to discuss IRE as well as the October hybrid (in-person & virtual) event.

KEY ACTIONS:

- 1) **IRE 2021 Preparation.** The committee was successful in brainstorming and securing speakers and moderators for the “Ask Me Anything” sessions. Huge thanks to the entire committee for their ideas and efforts to reach out to and book speakers – and to Denise Malan and staff for finalizing details with them.

Also many thanks to Kyle Jones who headed up the Broadcast Track sub-committee. That group brainstormed and suggested speakers for broadcast panels with an emphasis on new speakers and panelists who represent smaller outlets or who have a range of experience. The sub-committee also discussed how best to execute a virtual “show and tell” for broadcast attendees. Thanks to Stephanie Klimstra who secured all moderators for those sessions.

Finally, with help from the full board, we were pleased to secure Ron Nixon as this year’s keynote.

2) October In-Person Event. The committee discussed the idea staff had presented for the planned October event in Baltimore. The committee was supportive and enthusiastic about the DBIE-focused conference/workshops. Questions/concerns focused on a few areas:

- Ensuring that the event registration would be affordable for all who attend, either in-person or virtual;
- Ensuring that the content would emphasize IRE's mission of training (i.e. hands-on sessions, etc.);
- Ensuring that the training schedule and other events will attract enough members for in-person in order to meet our minimums for the event space and avoid any penalties;
- Ensuring that COVID protocols are followed and that our members and staff who attend in-person feel safe.

IRE Audit Committee Report
June 12, 2021
Andy Donohue, Committee Chair

There are no red flags. The auditors identified some minor internal control issues, mostly related to the practical difficulties related to pandemic restrictions on working at the IRE office.

The issues regarding internal controls over cash disbursements and cash receipts (checks in the mail) were resolved: a signer was added to the Commerce Bank BillPay system so all checks and ACHs must be approved before the financial officer signs them and there is a disbursement log that shows all outgoing checks and ACHS that is available for review; for cash receipts, the financial officer has ensured a second person witnesses opening of the mail. On days when there is only one person in the office, a Zoom call is made so that opening of the mail is observed by two people.

There were no actual problems and the adjustments have been made.

The auditors also flagged one misstatement related to how we account for membership revenue that was not corrected — both management and the auditors agreed the impact was not material. Board and staff should also be mindful of making sure the new executive director is properly onboarded on internal controls and the audit process in general.

REPORT OF
INVESTIGATIVE REPORTERS
AND EDITORS, INC.
JUNE 30, 2020 AND 2019

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Investigative Reporters and Editors, Inc.

We have audited the accompanying financial statements of Investigative Reporters and Editors, Inc. (IRE), which comprise the statements of financial position as of June 30, 2020 and 2019; the related statements of activities, functional expenses, and cash flows for the years then ended; and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

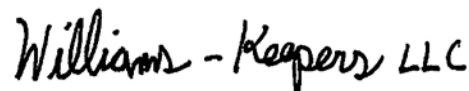
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IRE as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.



January 8, 2021

INVESTIGATIVE REPORTERS AND EDITORS, INC.

STATEMENTS OF FINANCIAL POSITION

June 30, 2020 and 2019

ASSETS	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 1,197,181	\$ 1,751,492
Accounts receivable	37,506	274,309
Prepaid expenses	54,482	26,400
Publications inventory	22,474	13,589
Pledges and grants receivable	325,000	210,000
Capital assets, net of accumulated depreciation of \$116,447 for 2020 and \$109,521 for 2019	13,705	15,010
Investments	5,527,454	4,869,942
Total assets	<u>\$ 7,177,802</u>	<u>\$ 7,160,742</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 68,008	\$ 488,416
Funds administered as a fiscal agent	370,256	259,105
Paycheck Protection Program Loan	233,400	-
Unearned revenues	50,525	12,195
Total liabilities	<u>722,189</u>	<u>759,716</u>
NET ASSETS		
Without donor restrictions:		
Reserve funds	644,452	582,459
Board-designated for endowment	18,952	17,221
Other	124,726	358,613
Total net assets without donor restrictions	<u>788,130</u>	<u>958,293</u>
With donor restrictions:		
Perpetual restrictions	3,469,047	3,454,757
Purpose or time restrictions	2,198,436	1,987,976
Total net assets with donor restrictions	<u>5,667,483</u>	<u>5,442,733</u>
Total net assets	<u>6,455,613</u>	<u>6,401,026</u>
Total liabilities and net assets	<u>\$ 7,177,802</u>	<u>\$ 7,160,742</u>

The notes to financial statements are an integral part of these statements.

INVESTIGATIVE REPORTERS AND EDITORS, INC.

STATEMENT OF ACTIVITIES
Year Ended June 30, 2020
(with summarized totals for 2019)

	2020			2019 Total
	Without Donor Restrictions	With donor Restrictions	Total	
OPERATING ACTIVITIES				
REVENUE AND OTHER SUPPORT				
Membership	\$ 259,435	\$ -	\$ 259,435	\$ 296,875
Sales and services	136,163	-	136,163	119,094
Conferences and seminars	490,688	-	490,688	1,098,258
Contributions	354,814	950,632	1,305,446	1,185,927
Investment return	5,066	15,876	20,942	225,175
Other	40,673	-	40,673	41,910
Net assets released from restrictions	756,048	(756,048)	-	-
Total revenue and other support	2,042,887	210,460	2,253,347	2,967,239
EXPENSES				
Program:				
Member services	132,385	-	132,385	115,612
Sales and services	213,300	-	213,300	230,231
Conferences and seminars	1,111,203	-	1,111,203	1,319,793
Awards contest	7,364	-	7,364	8,835
Total program expense	1,464,252	-	1,464,252	1,674,471
General and administrative	612,536	-	612,536	574,266
Fund-raising	136,262	-	136,262	166,368
Total expenses	2,213,050	-	2,213,050	2,415,105
Excess of operating revenues and other support over expenses	(170,163)	210,460	40,297	552,134
NONOPERATING ACTIVITIES				
Contributions	-	7,824	7,824	3,805
Investment return	-	6,466	6,466	36,475
Increase (decrease) in net assets	(170,163)	224,750	54,587	592,414
Net assets at beginning of year	958,293	5,442,733	6,401,026	5,808,612
Net assets at end of year	\$ 788,130	\$ 5,667,483	\$ 6,455,613	\$ 6,401,026

The notes to financial statements are an integral part of these statements.

INVESTIGATIVE REPORTERS AND EDITORS, INC.

STATEMENT OF ACTIVITIES

Year Ended June 30, 2019

	<u>Without Donor Restrictions</u>	<u>With donor Restrictions</u>	<u>Total</u>
OPERATING ACTIVITIES			
REVENUE AND OTHER SUPPORT			
Membership	\$ 296,875	\$ -	\$ 296,875
Sales and services	119,094	-	119,094
Conferences and seminars	1,098,258	-	1,098,258
Contributions	609,058	576,869	1,185,927
Investment return	2,615	222,560	225,175
Other	41,910	-	41,910
Net assets released from restrictions	570,846	(570,846)	-
	<u>2,738,656</u>	<u>228,583</u>	<u>2,967,239</u>
EXPENSES			
Program:			
Member services	115,612	-	115,612
Sales and services	230,231	-	230,231
Conferences and seminars	1,319,793	-	1,319,793
Awards contest	8,835	-	8,835
	<u>1,674,471</u>	<u>-</u>	<u>1,674,471</u>
Total program expense	1,674,471	-	1,674,471
General and administrative	574,266	-	574,266
Fund-raising	166,368	-	166,368
	<u>2,415,105</u>	<u>-</u>	<u>2,415,105</u>
Total expenses	2,415,105	-	2,415,105
Excess of operating revenues and other support over expenses	323,551	228,583	552,134
NONOPERATING ACTIVITIES			
Contributions	-	3,805	3,805
Investment return	-	36,475	36,475
	<u>323,551</u>	<u>268,863</u>	<u>592,414</u>
Increase in net assets	323,551	268,863	592,414
Net assets at beginning of year	634,742	5,173,870	5,808,612
Net assets at end of year	<u>\$ 958,293</u>	<u>\$ 5,442,733</u>	<u>\$ 6,401,026</u>

The notes to financial statements are an integral part of these statements.

INVESTIGATIVE REPORTERS AND EDITORS, INC.

STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended June 30, 2020 and 2019

	2020			
	Program	Supporting Services		Total
		General and Administrativ	Fund-raising	
Payroll and benefits	\$ 849,137	\$ 348,221	\$ 128,372	\$ 1,325,730
Audio/visual and computer rentals	148,818	-	-	148,818
Travel and meals	129,782	38,768	4,835	173,385
Banquets	122,660	-	-	122,660
Scholarships, fellowships, and awards	121,902	-	-	121,902
Other expenses	26,633	61,871	567	89,071
Depreciation	-	6,926	-	6,926
Copying and printing	26,049	7,950	-	33,999
Shipping and postage	14,100	6,495	72	20,667
Software and IT support	16,025	42,382	2,340	60,747
Books and merchandise	4,863	-	-	4,863
Equipment and supplies	4,283	4,433	76	8,792
Credit card service fee	-	38,410	-	38,410
Bad debt write-offs	-	3,910	-	3,910
Professional services	-	21,038	-	21,038
Insurance	-	20,132	-	20,132
Rent	-	12,000	-	12,000
Total expenses	\$ 1,464,252	\$ 612,536	\$ 136,262	\$ 2,213,050

	2019			
	Program	Supporting Services		Total
		General and Administrativ	Fund-raising	
Payroll and benefits	\$ 719,598	\$ 312,131	\$ 155,132	\$ 1,186,861
Audio/visual and computer rentals	293,531	-	-	293,531
Travel and meals	183,957	20,723	6,207	210,887
Banquets	157,968	-	-	157,968
Scholarships, fellowships, and awards	159,866	-	-	159,866
Other expenses	48,002	31,897	2,500	82,399
Depreciation	-	8,113	-	8,113
Copying and printing	46,316	2,104	189	48,609
Shipping and postage	15,846	5,092	-	20,938
Software and IT support	17,087	51,371	2,340	70,798
Books and merchandise	25,632	-	-	25,632
Equipment and supplies	6,668	5,336	-	12,004
Credit card service fee	-	50,986	-	50,986
Bad debt write-offs	-	27,193	-	27,193
Professional services	-	27,651	-	27,651
Insurance	-	19,669	-	19,669
Rent	-	12,000	-	12,000
Total expenses	\$ 1,674,471	\$ 574,266	\$ 166,368	\$ 2,415,105

The notes to financial statements are an integral part of these statements.

INVESTIGATIVE REPORTERS AND EDITORS, INC.

STATEMENTS OF CASH FLOWS Years Ended June 30, 2020 and 2019

	2020	2019
OPERATING ACTIVITIES		
Increase in net assets	\$ 54,587	\$ 592,414
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation expense	6,926	8,113
Realized and unrealized investment loss (gain)	170,335	(74,858)
Permanently restricted contributions	(7,824)	(3,805)
Reinvested endowment earnings	(6,466)	(36,475)
(Increases) decreases in operating assets and increases (decreases) in operating liabilities:		
Accounts receivable	236,803	61,164
Pledges and grants receivable	(115,000)	277,000
Prepaid expenses	(28,082)	438
Publications inventory	(8,885)	500
Accounts payable	(420,408)	(48,126)
Funds administered as a fiscal agent	111,151	(181,078)
Unearned revenues	38,330	(795)
Net cash provided by operating activities	31,467	594,492
INVESTING ACTIVITIES		
Capital asset additions	(5,621)	(3,243)
Purchases of investments	(2,099,344)	(707,594)
Sales of investments	1,602,066	46,680
Net change in cash sweep account	(330,569)	354,948
Net cash used by investing activities	(833,468)	(309,209)
FINANCING ACTIVITIES		
Proceeds from issuance of debt	233,400	-
Cash collected from permanently restricted contributions	7,824	3,805
Reinvested endowment earnings	6,466	36,475
Net cash provided by financing activities	247,690	40,280
Net (decrease) increase in cash and cash equivalents	(554,311)	325,563
Cash and cash equivalents, beginning of year	1,751,492	1,425,929
Cash and cash equivalents, end of year	\$ 1,197,181	\$ 1,751,492

The notes to financial statements are an integral part of these statements.

INVESTIGATIVE REPORTERS AND EDITORS, INC.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: Investigative Reporters and Editors, Inc. (IRE) is a non-profit, educational organization of journalists, students, researchers, and academics. IRE's purpose is to enhance the skills and resources available to working journalists and to teach the techniques of investigative work.

IRE operates the National Institute for Computer-Assisted Reporting (NICAR), a joint program of IRE and the Missouri School of Journalism. NICAR's mission is to train and educate journalists in the techniques and technologies of computer-assisted reporting. Its mission is also to conduct data analysis and research to help news organizations better serve the public.

Basis of accounting: The financial statements of IRE are prepared using the accrual basis of accounting. Operating revenues include donor contributions that are spendable. Operating expenses consist of various costs of operating programs initiated by IRE. Non-operating revenues and expenses include gains and losses on investments, non-spendable donor contributions, and investment income

Financial statement presentation: In accordance with U.S. generally accepted accounting principles for not-for-profit organizations, IRE reports information regarding its financial position and activities based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. Gifts of cash and other assets received without donor stipulations are reported as revenue without donor restrictions. If a donor-imposed restriction expires or the condition is met within the same reporting period in which the support was recognized, it will be reported as an increase in net assets without donor restrictions. Otherwise, when a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Assets without donor-imposed restrictions that are designated for specific use by IRE's Board of Directors are included in net assets without donor restrictions.

Net assets with donor restrictions: Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource has been fulfilled, or both.

Contributions in-kind: IRE receives office space and utilities at no charge from the University of Missouri - Columbia. The estimated annual fair value of these contributions, \$12,000, and the off-setting expenses are included in the Statement of Activities.

Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash equivalents: For purposes of the statement of cash flows, investments with an original maturity of three months or less are considered to be cash equivalents unless they are included in the long-term investment portfolio. IRE maintains cash balances at financial institutions that are in excess of the amount insured by the Federal Deposit Insurance Corporation (FDIC).

Investments: Investments are reported at fair value, which is generally obtained from IRE's investment manager, who obtains quoted market prices and dealer quotes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of securities are recorded on a trade date basis. Dividends are recorded on the declaration date. Interest is recorded when earned. Net appreciation includes IRE's gains and losses on investments bought and sold as well as held during the year.

Investment securities of IRE are exposed to various risks, such as interest rates, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the statements of financial position.

Inventory: Inventory is determined using the first in, first out (FIFO) method and is stated at lower of cost or net realizable value.

Receivables: IRE records an allowance for estimated uncollectible accounts when necessary. At June 30, 2020 and 2019, IRE considered all accounts to be fully collectible.

Capital assets: Capital assets, which consist of computers and other equipment and website development costs, are stated at cost if purchased or fair value if contributed. Capitalized assets are depreciated over 3-7 years using the straight-line method.

Program expenses: Program expenses include expenses directly related to the respective programs and certain allocated indirect expenses. Indirect expenses, such as telephone, postage, and other staff salaries that pertain to IRE general programs, are allocated to specific programs based on criteria established by management.

Statement of Functional Expenses: The costs of providing programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Income taxes: IRE is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. IRE's Form 990 annual report to the Internal Revenue Service (IRS) and its taxable status are subject to examination by the IRS for open tax years, which as of the date of this report are the years ended June 30, 2017 through 2020. Interest and penalties incurred, if any, related to annual Form 990 or unrelated business income tax filings are reported within general and administrative expenses in the Statement of Activities.

Reclassifications: Certain prior year amounts have been reclassified to conform to the current year presentation.

Subsequent events: Events that occurred subsequent to June 30, 2020 have been evaluated through January 8, 2021, which is the date the financial statements were available to be issued.

2. CASH AND INVESTMENTS

As of June 30, cash and investments consisted of the following:

	2020	2019
Cash and cash equivalents:		
Checking	\$ 1,194,053	\$ 1,168,658
Interest-bearing cash account:		
Reserve funds portion	2,753	582,459
Petty cash fund	375	375
Total cash and cash equivalents	<u>\$ 1,197,181</u>	<u>\$ 1,751,492</u>
Long-term investment portfolio:		
Cash sweep accounts	\$ 578,541	\$ 247,972
Common and preferred stocks	1,148,662	1,345,683
Mutual Funds	534,698	-
Corporate, U.S treasury, and municipal bonds	3,265,553	3,276,287
Total long-term investments	<u>\$ 5,527,454</u>	<u>\$ 4,869,942</u>
Long-term investment portfolio consists of:		
Investments under IRE's sole control	\$ 4,377,986	\$ 4,367,535
Investments under IRE's sole control - reserve fund portion	641,699	-
Investments limited as to use (FOI revolving fund - see Note 8)	507,769	502,407
	<u>\$ 5,527,454</u>	<u>\$ 4,869,942</u>
Net investment return of IRE for the years ended June 30 was as follows:		
	2020	2019
Interest and dividends, less investment fees	\$ 197,743	\$ 186,792
Net investment (losses) gains	(170,335)	74,858
	<u>\$ 27,408</u>	<u>\$ 261,650</u>
Operating activities	\$ 20,942	\$ 225,175
Nonoperating activities	6,466	36,475
	<u>\$ 27,408</u>	<u>\$ 261,650</u>

Reserve fund policy:

In June 2015, IRE approved a formal reserve policy setting goals for the amount of emergency reserves IRE must have on hand. These goals set the floor and the ceiling for the reserve at three months and six months, respectively, of total operating expense. Operating expenses are calculated based on quarterly payroll expenses and annualized budgeted administrative and general expenses. Reserve funds are available to be used in the case of a financial shortfall requiring immediate attention. A proposal to use reserve funds requires approval by the Board of Directors. If reserve funds fall below the floor amount, any funds that are available at the end of the fiscal year are to be used to replenish the reserves.

3. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For assets and liabilities required to be reported at fair value, U.S. generally accepted accounting principles (GAAP) prescribes a framework for measuring fair value and financial statement disclosures about fair value measurements. A fair value hierarchy has been established that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

The three levels of the fair value hierarchy as prescribed by GAAP are as follows:

- Level 1 Valuation is based upon quoted prices (unadjusted) in active markets for identical assets or liabilities that IRE has the ability to access.
- Level 2 Valuation is based upon quoted prices for similar assets or liabilities in active markets, quoted market prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Observable inputs may include interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals.
- Level 3 Valuation is based on methodologies that are unobservable and significant to the fair value measure. These may be generated from model-based techniques that use at least one significant assumption based on unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. IRE's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of valuation methodologies used for assets and liabilities recorded at fair value.

Common and preferred stock: Valued at closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the daily closing price as reported by the fund on an active market which is based on the underlying net asset value (NAV) of shares held by IRE at fiscal year-end. Mutual funds held by IRE are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by IRE are deemed to be actively traded.

Corporate bonds: Certain corporate bonds are valued at the closing price reported in the inactive market in which the bond is traded. Other corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

U.S. Government, state and local government bonds: Valued at the closing price reported in the market in which the individual security is traded. When quoted market prices are not available for identical or similar bonds, the securities are valued under a discounted cash flows approach.

The table below presents IRE's assets measured at fair value on a recurring basis as of June 30, 2020 and 2019, aggregated by the level in the fair value hierarchy within which those measurements fall:

Description	Total	Level 1	Level 2	Level 3
2020:				
Common and preferred stocks:				
Financial services	\$ 149,225	\$ 149,225	\$ -	\$ -
Industrial materials	159,196	159,196	-	-
Energy	173,937	173,937	-	-
Transportation	72,699	72,699	-	-
Utilities	50,754	50,754	-	-
Health care	182,558	182,558	-	-
Consumer goods	60,601	60,601	-	-
Communications	153,607	153,607	-	-
Technology	77,268	77,268	-	-
Food and Beverage	42,717	42,717	-	-
Retail services	26,100	26,100	-	-
Total common and preferred stocks	1,148,662	1,148,662	-	-
Mutual Funds	534,698	534,698	-	-
Corporate bonds	3,095,545	-	3,095,545	-
U.S. Treasury Bonds	124,978	-	124,978	-
Municipal bonds	45,030	-	45,030	-
Total investments at fair value	4,948,913	\$ 1,683,360	\$ 3,265,553	\$ -
Cash sweep accounts	578,541			
Total investment portfolio	\$ 5,527,454			
2019:				
Common and preferred stocks:				
Financial services	\$ 237,710	\$ 237,710	\$ -	\$ -
Industrial materials	182,468	182,468	-	-
Energy	255,763	255,763	-	-
Transportation	93,769	93,769	-	-
Utilities	55,823	55,823	-	-
Health care	156,288	156,288	-	-
Consumer goods	55,398	55,398	-	-
Communications	163,306	163,306	-	-
Technology	69,420	69,420	-	-
Food and Beverage	44,438	44,438	-	-
Retail services	31,300	31,300	-	-
Total common and preferred stocks	1,345,683	1,345,683	-	-
Corporate bonds	3,205,598	-	3,205,598	-
Municipal bonds	70,689	-	70,689	-
Total investments at fair value	4,621,970	\$ 1,345,683	\$ 3,276,287	\$ -
Cash sweep accounts	247,972			
Total investment portfolio	\$ 4,869,942			

4. CAPITAL ASSETS

Capital assets, which consist of computers and other equipment and website development costs, are as follows at June 30:

	2020	2019
Computers and other equipment	\$ 115,152	\$ 109,531
IRE website	15,000	15,000
Total in service, at cost	130,152	124,531
Less accumulated depreciation	(116,447)	(109,521)
Total capital assets, net of depreciation	<u>\$ 13,705</u>	<u>\$ 15,010</u>

5. CONTRIBUTIONS

Contributions received, including unconditional promises to give, are recognized as revenues in the period in which the contributions or pledges are made, at the net present value of their estimated future cash flows. Pledges that are conditional promises to give are recognized in the period in which the conditions are met. Grants are included with contributions for purposes of financial reporting. Pledges and grants receivable at June 30, 2020 and 2019, are primarily from foundations and news organizations and are as follows:

	2020	2019
Due in one year or less	\$ 250,000	\$ 210,000
Due in two through five years	75,000	-
Net pledges and grants receivable	<u>\$ 325,000</u>	<u>\$ 210,000</u>

6. FUNDS ADMINISTERED AS A FISCAL AGENT

From time to time, IRE may agree to serve as a fiscal agent for other organizations or individuals who have received grant funding for purposes that are not inconsistent with IRE's mission. In situations where IRE is only a fiscal agent administering the grant receipts and expenditures and reporting to or on behalf of the grant recipients, but has no grant program performance responsibility, the funding receipts and expenditures from those receipts are reported as a liability on IRE's Statement of Financial Position. IRE charges an administrative fee for its fiscal agent services.

7. PAYCHECK PROTECTION PROGRAM LOAN

In April 2020, IRE qualified for and received a loan pursuant to the Paycheck Protection Program (PPP), a program implemented by the U.S. Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economy Securities Act, from a qualified lender, for an aggregate principal amount of \$233,400. The PPP loan bears interest at a fixed rate of 1.0%, has a term of 18 months and is unsecured and guaranteed by the SBA. The principal amount of the loan is subject to forgiveness under the program upon IRE's request to the extent that proceeds are used to pay expenses as permitted by the SBA, which include payroll, covered rent and mortgage obligations, and covered utility payments incurred by IRE during the specified time frame per the SBA. Management expects that the full loan amount will be forgiven during fiscal year 2021.

8. NET ASSETS WITH DONOR RESTRICTIONS

As of June 30, IRE's donor restricted net assets are composed of the following:

	2020	2019
Accumulated investment earnings	\$ 491,524	\$ 664,259
Subject to purpose or time restrictions	1,706,912	1,323,717
Total subject to time or purpose restrictions	2,198,436	1,987,976
Subject to perpetual restrictions - original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	3,469,047	3,454,757
	<u>\$ 5,667,483</u>	<u>\$ 5,442,733</u>

Donor Restricted Net Assets with Purpose and Time Restrictions

Net assets with donor restrictions related to purpose and/or time restrictions represents resources either expendable only for those purposes specified by the donor or subject to a donor's time restrictions on when they are available for expenditure.

The following describes the nature of the restrictions of the major categories of net assets with donor restrictions under a purpose or time stipulation as of December 31 and the amounts released from those restrictions for the years ended June 30:

	<u>Purpose or Time Restricted</u>		<u>Released from Restrictions</u>	
	2020	2019	2020	2019
John S. and James L. Knight Foundation grants:				
NFOIC Freedom of Information revolving fund	\$ 489,116	\$ 485,453	\$ -	\$ -
Conference support	102,295	125,076	85,111	-
TV grant	142,000	217,157	75,157	40,999
Workshops	184,741	273,221	408,480	237,503
Pledges (time restricted)	300,000	-	-	277,000
Scholarships, fellowships, and trainings	519,692	579,365	77,300	-
Bootcamps	21,625	-	-	11,949
General endowment accumulated earnings	214,335	314,574	110,000	-
IRE conference support	215,000	-	-	-
Underwater endowments	(15,368)	(6,870)	-	-
Other	25,000	-	-	3,395
Total net assets subject to purpose/time restrictions	<u>\$ 2,198,436</u>	<u>\$ 1,987,976</u>	<u>\$ 756,048</u>	<u>\$ 570,846</u>

NFOIC Freedom of Information revolving fund: IRE and the National Freedom of Information Coalition (NFOIC), a nonprofit organization, entered into a Memorandum of Understanding (MOU) on October 1, 2015. Under the terms of the MOU, a total of \$460,632, which was the balance of an original \$500,000 grant to NFOIC from the John S. and James L. Knight Foundation, was transferred on June 10, 2016, by the University of Missouri, operating as a fiscal agent for the grant, to IRE to act as a successor fiscal agent for the grant. The purpose of the grant was to establish a revolving fund to help defray costs for individual states of the U.S. for FOI litigation. Because of the related nature of the mission of IRE and NFOIC, and because IRE's responsibilities for the FOI grant program management extend beyond being a fiscal agent, IRE has reported the funds received as contribution revenue in its Statement of Activities and as an investment in its Statement of Financial Position. Consistent with this accounting, IRE intends to report as changes in net assets in its Statement of Activities for future periods investment earnings and expenditures of the funds and return by states of any unspent grant funds previously distributed to them.

The changes in these donor restricted net assets for the years ended June 30 are as follows:

	<u>2020</u>	<u>2019</u>
Beginning of year	\$ 1,987,976	\$ 1,759,393
Contributions	950,632	576,869
Investment earnings and other	15,876	222,560
Releases from restrictions	<u>(756,048)</u>	<u>(570,846)</u>
End of year	<u>\$ 2,198,436</u>	<u>\$ 1,987,976</u>

Donor Restricted Net Assets with Perpetual Restrictions and Endowments

The original gifts and any subsequent gifts from donors for which the corpus of the gift is required to be maintained into perpetuity are classified as donor restricted endowment funds, including any outstanding donor pledges of endowment contributions. In addition to permanently restricted donor gifts, IRE's endowment also contains certain other donor restricted and non-donor restricted funds, as designated by the Board. Endowment funds are invested in IRE's long-term investment portfolio, but at any point in time a portion may be temporarily held in uninvested bank deposit accounts.

The following are the donor restricted net assets with perpetual restrictions maintained by IRE in the endowment, including any outstanding pledges of contributions that are permanently restricted:

	<u>2020</u>	<u>2019</u>
John S. and James L. Knight Foundation: Cumulative amounts recognized under challenge grants. The grants call for an annual addition to the permanently restricted portion for inflation	\$ 855,336	\$ 848,870
Other individual endowment funds, excluding any portion of the Knight Foundation challenge match funds that are allocable to these individual funds:		
Eugene S. Pulliam Fund: to fund the salary and other expenses of the IRE Resource Center directorship	475,000	475,000
Samuel I. Newhouse Foundation: for general IRE purposes	225,000	225,000
Gannett Foundation: to fund computer assisted investigative reporting training sessions	150,000	150,000
Nicholas B. Ottaway Foundation: to fund minority fellowships.	299,999	299,999
Las Vegas Sun: to fund investigative reporting training sessions	150,001	150,001
Fund for Freelance Journalists: to fund training fellowships for journalists working on investigative projects	106,352	106,352
Phillip Graham Foundation: to fund minority fellowships	137,500	137,500
James Bennett Award Funds: to fund fellowships to IRE/NICAR training events for students in Arkansas (except for the University of Arkansas-Fayetteville), Oklahoma, Louisiana, and Mississippi	47,404	47,404
General endowment: Cumulative individual donor contributions, some of which has been designated for specific purposes	<u>1,022,455</u>	<u>1,014,631</u>
Net assets subject to donor perpetual restrictions	<u>\$ 3,469,047</u>	<u>\$ 3,454,757</u>

Interpretation of Relevant Law

A version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) is the law governing the management of donor-restricted endowment funds in Missouri. UPMIFA provides guidance for investment management and expenditure decisions related to endowment funds.

The Board of Directors of IRE has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date for donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, IRE retains in perpetuity (a) the original value of the initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Pursuant to UPMIFA, donor restricted amounts not retained in perpetuity are subject to appropriation and expenditure by IRE in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, IRE considers the following factors in making a determination to appropriate or accumulate from a donor-restricted endowment fund: duration and preservation of the endowment fund; purposes of IRE and the endowment funds; general economic conditions; the possible effect of inflation and deflation; the expected total return from income and the appreciation of investments; other resources of IRE; and the investment policies of IRE.

IRE has not adopted a spending rate approach for appropriation of endowment earnings for expenditure. Instead, endowment earnings are expended based on the current needs of the organization and consistent with the purpose restrictions imposed by the donors. Accordingly, endowment gifts are invested appropriately to provide maximum long-term growth of the endowment portfolio balanced with the liquidity needed for current expenditure of a portion of the endowment earnings. A diversified mix of equity and fixed income securities traded in public markets is used to achieve these objectives.

Underwater Endowment

From time to time, due to unfavorable market conditions, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or UPMIFA requires IRE to retain as a fund of perpetual duration (underwater endowments). IRE follows a policy of not spending from such underwater endowment funds.

At both June 30, 2020 and 2019, IRE had one endowment fund that was underwater. This fund had an original value of \$600,000 in 2003 but was to be adjusted for yearly inflation. At June 30, 2020, the current year inflation adjusted balance was \$855,336 and the current year aggregate value of the fund was \$839,968, resulting in the fund balance being underwater by \$15,368. At June 30, 2019, the current year inflation adjusted balance was \$848,870 and the current year aggregate value of the fund was \$842,000, resulting in the fund balance being underwater by \$6,870. As a result of the endowment fund being underwater, the minimum amount to be distributed for program and administrative costs, deemed as 3.50% per the endowment agreement, was not distributed during these years.

The following is a summary of changes in endowment funds by net asset classification for the years ended June 30, 2020 and 2019.

	Without Donor Restrictions	With Donor Restrictions		Total
		Time Restricted	Perpetual	
Endowment net assets, July 1, 2018	\$ 7,869	\$ 651,307	\$ 3,414,477	\$ 4,073,653
Investment return	1,064	214,212	36,475	251,751
Contributions:				
Perpetual restrictions	-	-	3,805	3,805
Board designated for endowment	8,288	119,775	-	128,063
Endowment net assets, June 30, 2019	17,221	985,294	3,454,757	4,457,272
Investment return	221	26,864	6,466	33,551
Contributions:				
Perpetual restrictions	-	-	7,824	7,824
Board designated for endowment	1,510	1,678	-	3,188
Appropriated for expenditures	-	(152,000)	-	(152,000)
Endowment net assets, June 30, 2020	\$ 18,952	\$ 861,836	\$ 3,469,047	\$ 4,349,835

The following is a summary of changes in endowments by category for the years ended June 30, 2020 and 2019:

	Long-term Investment Portfolio	Temporary Cash Funds	Total
Balance, July 1, 2018	\$ 4,017,707	\$ 55,946	\$ 4,073,653
Contributions	-	3,805	3,805
Board-designated endowment contributions	-	128,063	128,063
Investment return:			
Income	187,137	-	187,137
Appreciation	64,614	-	64,614
Investment of endowment funds	98,000	(98,000)	-
Balance, June 30, 2019	4,367,458	89,814	4,457,272
Contributions	-	7,824	7,824
Board-designated endowment contributions	-	3,188	3,188
Investment return:			
Income	193,742	-	193,742
Depreciation	(160,191)	-	(160,191)
Expenditures	(152,000)	-	(152,000)
Investment of endowment funds	128,900	(128,900)	-
Balance, June 30, 2020	\$ 4,377,909	\$ (28,074)	\$ 4,349,835

9. REVENUE RECOGNITION

Revenues other than contributions and investment return are recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which IRE expects to be entitled in exchange for those goods or services. Revenue for conferences and seminars is recognized at a point in

time when the performance obligation is satisfied, which is the date the event occurs. Amounts received for events occurring subsequent to fiscal year end are reported as deferred revenue. Membership revenue is recognizable over time in the fiscal years in which benefits are delivered, but IRE recognizes membership revenue at a point in time in the fiscal year of receipt as net amounts received from members for subsequent years are considered to be immaterial. Revenues from sales and services are recognized at a point in time when the product or service is delivered to the customer.

Variable consideration, such as refunds and discounts, are considered to be immaterial based upon historical experience and known trends. Estimated amounts are included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur.

See Note 5 for policies governing the recognition of contribution revenue.

10. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

IRE receives significant contributions with donor restrictions to be used in accordance with the associated purpose or time restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs. In addition, IRE receives support without donor restrictions, investment income without donor restrictions, and appropriated earnings from gifts with donor restrictions.

IRE considers contributions without donor restrictions for use in current programs which are ongoing and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include general and administrative expenses, fund-raising expenses, and commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during IRE's fiscal year.

IRE manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term commitments that support mission fulfillment will continue to be met, ensuring the sustainability of IRE.

The table below presents financial assets available for general expenditures within one year at June 30, 2020:

Cash and cash equivalents	\$ 1,197,181
Investments	5,527,454
Accounts receivable	37,506
Pledges and grants receivable in one year or less	<u>250,000</u>
Financial assets at June 30, 2020	<u>7,012,141</u>
Less those unavailable for general expenditures within one year due to:	
Donor-restricted endowment fund	3,469,047
Donor-restricted for specific purpose	<u>1,948,436</u>
Total assets not available within one year	<u>5,417,483</u>
Total assets available within one year	<u><u>\$ 1,594,658</u></u>

11. COMMITMENTS AND CONTINGENCIES

From time to time, IRE may receive grants which require any unused funds to be returned to the grantor at the conclusion of the grant period. Unless it is uncertain whether or not grant funds will be used for their respective restricted purpose within the grant period, unexpended grant funds are reported as net assets with donor restrictions. As of June 30, 2020 and 2019, any unexpended grant funds have been reported as contributions and are included in net assets with donor restrictions.

12. ADOPTION OF NEW ACCOUNTING STANDARDS

The Financial Accounting Standards Board (FASB) issued new guidance that created Topic 606, *Revenue from Contracts with Customers*, in the Accounting Standards Codification (ASC). ASC 606 supersedes the previous revenue recognition requirements in U.S. GAAP, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services.

IRE adopted the requirements of the new guidance in ASC 606 as of July 1, 2019, utilizing the modified retrospective method of transition. IRE applied the new guidance using the following practical expedients provided in ASC 606: i) all contract modifications that occurred prior to the date of initial application when identifying the satisfied and unsatisfied performance obligations, determining transaction price, and allocating the transaction price have been reflected in the aggregate; and ii) all contracts completed at the initial date of application were not considered. Therefore, the comparative information in the financial statements has not been adjusted and continues to be reported under previous revenue guidance. Because contract modifications are minimal, there is not a significant impact as a result of electing these practical expedients.

The adoption of this ASU did not have a material impact on IRE's financial statements. Based on IRE's evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. Therefore, no changes were required to previously reported revenues as a result of the adoption.

13. COVID-19 PANDEMIC

As a result of the COVID-19 pandemic, economic uncertainties have arisen which could impact IRE's operations. However, the duration of the pandemic and the related financial impact on IRE cannot be reasonably estimated at this time.