Progress Report January 2011-June 2012



Contents

Accomplishments 4
Education 6
Collaborations 8
Financial Summaries 11
Board of Directors 13
Staff 14
List of Funders 15
Membership List 16
Member Organization Map 18



Three years ago, a small group of dedicated and experienced journalists gathered in Pocantico, New York to reassert the need to deliver investigative and public service journalism, and to create a consortium of nonprofit journalism centers named the Investigative News Network.

Some of those present had been in the nonprofit sector for years; others were just starting out. But all of us envisioned a collaborative effort that would create cost savings, find new ways of distributing our work, and, most of all, support and ensure the production of high-quality journalism.

Over the following year we created a board, shared business tips, worked on stories together, and hired a first-rate digital publisher. Since then we have nearly tripled the number of our member organizations, continued to build our editorial collaborations, raised millions of dollars in support, and become increasingly savvy in our business practices.

We are still striving to find ways to sustain and expand the network, but this report shows the deep validity of our initial vision, and details the impressive accomplishments thus far. We hope it will serve as further inspiration and encouragement for both our members and supporters.

With Best Regards,

Brant Houston

Chair, Board of Directors, INN

This July marked the end of my second year as the Investigative News Network's inaugural CEO and first employee.

In our third year, I am happy to report that INN has doubled the size of its membership, successfully secured its own 501(c)(3) status, and is fully operational in each of the five key areas of support services: back-office, technology, sustainability, editorial, and social marketing.



We've staffed up to five full-time members of the INN team, and have expanded our board to nine members. The board includes representatives from member organizations of a range of size and models, and experienced executives and journalists as public members with significant business experience. Without the board's guidance and support, none of our achievements would have been possible, especially during my early months on the job.

INN also owes a debt of gratitude to the individuals and foundations that have invested in the network and continued to provide the support and flexibility we needed to establish a fully-functional operation.

Our growing community of 64 member organizations is undeniably vibrant. No two organizations have the same resources, funding, focus or business model, but we all have one thing in common: an unswerving devotion to producing high-quality, public-service and investigative journalism.

Our initial goals were to establish a working structure for the network and roll out programs in each of our key areas of service. I am pleased to report we have met those goals. That said, I want to take this opportunity to share some of the achievements, challenges and lessons learned that are helping shape our future efforts.

In the following report, we highlight many of our success stories, including the production of multiple editorial collaborations among the membership and with outside partners, a media insurance program that has saved participating members tens of

thousands of dollars, and an ambitious training program in business skills for our members.

We also came up against persistent challenges that our member organizations face as they strive to establish sustainable institutions. These challenges are most acute in organizations wholly focused on in-depth investigative reporting, and start-up organizations that entered the market without significant initial funding.

To help address these needs, we have started an ongoing educational initiative focused on giving practical guidance in running a mission-driven news operation. Entitled "Audience Development & Distribution Strategies: A Primer for Nonprofit News Organizations," this first installment of our educational program took more than six months to produce, and encapsulated practical business knowledge gleaned from more than 50 interviews with foundations, outside media partners, and nonprofit organizations focused on informing the public.

INN also provided significant support in operational, technology and back-office areas. In addition to our successful media insurance program, we recently launched a health insurance portal that allows our member organizations to offer their staff and volunteers a wide-range of personal insurance products at competitive rates. We also provide free, best-practices-driven publishing and social media training and tools to help offset the small number of non-editorial resources across the network.

Looking ahead to the remainder of 2012 and beyond, INN is focused on building upon these commitments and lessons learned. Our ultimate goal is to add more cost-saving, distribution and earned-revenue opportunities, coupled with forward-thinking and practical training to help members reach a predictable level of sustainability.

I need not remind anyone of the challenges facing journalism — and the nonprofit news movement in particular. The path to sustainability and the achievement of a viable place for nonprofit news within the greater media ecosystem face hurdles from multiple sources. Chief among them is a continued uphill battle to distribute members' work for revenue, a reliance on increasingly weak for-profit media partners, reduced sources for start-up funding for new nonprofits and an IRS that has made securing a necessary 501(c)(3) determination increasingly difficult.

Nevertheless, I deeply believe in the need for the nonprofit investigative and public-service news movement, and the power of INN to increase the viability of our member organizations, and to foster new nonprofit newsrooms that leverage the knowledge and services that we provide.

Thank you for taking the time to read this report, and for your continued interest in our organization. It is an honor

to serve as the organization's inaugural CEO & executive director, and I look forward to keeping you informed on how we are furthering the nonprofit investigative and publicservice journalism movement in the future.

Most sincerely,

Kevin Davis

CEO & Executive Director

Accomplishments

In the past 18 months, INN has:

- ★ Increased its membership to 64 members, a 60 percent increase from 2010. All are nonprofit, watchdog journalism organizations. Members are located in 27 states, as well as Puerto Rico and Canada. Members are producing editorial content using text, data, news applications, graphics, photography, audio and video reporting, on-air and in print. They have collaborated with more than 1,800 outside media partners across the network. We expect the number of organizations to be more than 70 by the end of this year.
- ★ Launched its website, which posts all stories by members, nearly 100 each day, and automatically sorts them by topic. By the end of July 2012, the number of organizations utilizing the INN site metrics were up 100 percent, jumping from 1,295 to 2,578 unique visitors on average per month.
- ★ Negotiated a media insurance program through ThinkRisk. This program has collectively saved participating members over \$150,000 in premiums, often with increased coverage over their previous carrier.
- * Assumed management of The Hub (www.npjhub.org), a free, online resource center for community-based and nonprofit newsrooms. This benefit has proven valuable to members in organizing and managing their operations and editorial work.
- ★ Become fully staffed with the addition of an editorial director, a technology director and an engagement manager.

- ★ Created a pilot partnership with Thomson-Reuters for worldwide syndication of members' stories. Currently, 34 members participate. The project allowed INN to test a distribution model while each member received free access to Thomson-Reuters America's Wire service and photo library, a monthly value of over \$4,000.
- ★ Purchased access to the National Institute of Computer-Assisted Reporting (NICAR) databases, for use by all INN member organizations.
- ★ Worked to create a low-cost or pro bono legal assistance to members through the Digital Media Law Project (formerly the Citizen Media Law Project) at the Berkman Center for Internet & Scoiety at Harvard.
- ★ Partnered with HealthInsurance.com to provide sideby-side comparison shopping for personal insurance products, including medical and dental insurance available to all member staff, freelancers and family members
- Launched, in partnership with the Center for Investigative Reporting (CIR) in Berkeley, Calif., a news channel on YouTube: "I Files." CIR will produce and curate content for the channel, and INN will provide capacitzy-building planning, contract management and revenue-sharing support. INN will help promote the channel and engage the audience through social media and online chats. A generous grant from the Knight Foundation supports this project.

- Received the Manship Prize by Louisiana State
 University's Manship School of Journalism,
 recognizing encouragement of civic engagement
 through innovative media. This is only the second time
 in 10 years the prize was awarded to an organization
 rather than an individual, and INN is the first nonprofit
 organization to receive it.
- * Added two experienced executives and journalists as public members of INN's board: Vivian Schiller of NBC Digital, and Neal Shapiro, president of WNET in New York City.

Education

Providing ongoing educational programs to our members is a staple of INN's mission.

In the past 18 months, we have offered training to help independent newsrooms improve their business practices and produce strong investigative reports.

- * 'Audience Development and Distribution Strategies:

 A Primer for Nonprofit News Organizations,' was released by INN in March 2012. It examines strategies critical for nonprofit newsrooms to become sustainable ventures. Through in-depth interviews with leaders at foundations, journalists and editors at some of INN's 60 member organizations, and key players in the nonprofit media movement, the report offers tactics for increasing sustainability, developing an audience, and expanding reach for public-interest reporting.
- Community Journalism Education and Training (CJET) has been developed to give smaller-sized members the tools to manage the business side of their operations. Building on a program developed by the Knight Digital Media Center at USC/Annenberg with help from the Patterson Foundation, members of both INN and Block-by-Block will take part in a three-day session this October in Los Angeles. Up to 40 participants from both INN and Block by Block will receive training in business tools and techniques to help them drive revenue, measure performance, and identify opportunities. This is supported by the Knight Foundation and will be on ongoing component of INN's educational offerings.

- ★ For the past two years, INN has staged a seminar on Best Practices for Nonprofit Newsrooms in conjunction with the Investigative Reporters and Editors' annual conference. These intense, one-day sessions covered a multitude of topics, including collaborations, risk management, membership generation, dataset usage, and video production.
- * As social media has become a key component of our members' work, INN stepped up to the plate with a series of web-based social media training seminars in the summer of 2012. This 11-week program, designed by INN's social media editor Jessica Plautz and Wisconsin Watch's Lauren Hasler, had 44 eager participants, and provided in-depth tutoring on all aspects of social media, including optimal use of analytics and development of strategy.
- For the past two years, INN has hosted a membersonly best business practices seminar prior to the
 Logan Symposium on investigative reporting,
 which is held on the campus of the University of
 California, Berkeley. This seminar is an intense, highly
 participatory, two-day course in non-editorial aspects
 of running a nonprofit newsroom financial, human
 resources, fundraising, and revenue-generating ideas.
 A grant from the Robert McCormick Foundation
 generously supported this effort.
- * INN began to work in the international arena, sponsoring a day-long program on covering corruption for the annual Congress of the International Press Institute, and beginning to advise international nonprofit newsrooms in business practices.

INN's Outreach Efforts

INN's CEO Kevin Davis has promoted INN with a number of speaking engagements, putting a face on nonprofit newsrooms' efforts, and increasing public awareness of nonprofit investigative news. He testified on the state of nonprofit journalism at two regional FCC hearings, at the State Environmental Leadership Conference on changes in investigative journalism, at an Investigative Reporters and Editors conference on new technology, and on new business models in investigative reporting at a Colorado symposium.



He was also part of a panel on investigative reporting at the Columbia Graduate School of Journalism, and at the New Orleans Coalition on Open Governance's panel, among others.

Brant Houston, INN's board chair, has championed INN from its very beginnings. In his role as Knight Chair of investigative journalism at the University of Illinois, and author or co-author of several definitive texts on investigative and computer-assisted reporting, he is a sought-after keynote speaker, panelist and instructor. In the past year, his work has taken him to international investigative conferences in Kiev, Sao Paulo, Johannesburg and Trinidad, and he has always incorporated the 21st century new journalism model of INN into his presentations.

Collaborations

One of INN's core strengths is its unique ability to bring members together to produce investigative journalism. INN's 64 members range from large nonprofit newsrooms like ProPublica and NPR, to more locally-focused newsrooms such as Fair Warning in Los Angeles, Wisconsin Watch, and InvestigateWest in the Pacific Northwest. As these groups increasingly join forces to produce stories of significant social, political and environmental impact, a wealth of different voices are incorporated into these investigations, and a number of localized spinoff stories are created which "bring home" the issue to everyone's backyard.

INN's members have collaborated on a number of investigative reports. They include not only comprehensive national projects, such as airline safety, toxic communities, and campus sexual assault, but also on more localized efforts of vital interest to local communities, regions and states. These stories are often investigated in partnership with each other and also with local print, online and/ or broadcast media. INN members' tireless reporting efforts have brought to light hundreds of issues, often uncovering the unexpected, sometimes creating systemic change in legislation or policy, and always informing the public in a fair, transparent, non-partisan manner.

Deadly Patrols

INN members Texas Observer and Investigative Newsource in San Diego regularly cover U.S.-Mexican border issues. When INN learned that PBS magazine Need to Know was working on a story of a migrant who died — allegedly at the hands of several Border Patrol agents — INN contacted the producer about digging deeper and brokered a collaboration. The Texas Observer and Investigative Newsource agreed to help, and new INN member Investigative Fund at the Nation Institute was involved from the start.



PBS Need to Know footage

The resulting investigation uncovered a total of 14 deaths.

Along with Investigative Newsource's local partner KPBS, several stories were published in July 2012, and coincided with the Need to Know segment. The stories were co-branded and linked.

http://www.investigativenewsnetwork.org/news/undocumented-immigrant-shot-us-agent-recounts-terror-desert

Aviation Safety



Credit Robert Benincasa/NPR

A group of journalists working at eight nonprofit, investigative centers across the U.S. and at NPR took on the daunting task of reviewing the National Aviation Safety Agency's 150,000 confidential airline safety records, going back 20 years. To put the reports in context, the journalists did extensive data analysis and conducted interviews with pilots, air traffic controllers and aviation safety experts. This review of little-explored NASA records showed a wide variety of problems translated into more than 130 near-mishaps

and lapses reported on an average day, most happening unbeknownst to the flying public, or those living near airports. The investigation found instances of pilot fatigue, communications breakdowns, equipment failures, and a lack of private pilot training and experience as compared to commercial pilots.

Participating INN members were NPR, Investigative Newsource, Wisconsin Watch, Investigate West, New England Center for Investigative Reporting, Connecticut Health Investigative Team, Watchdog Institute, and the Rocky Mountain Center for Investigative Reporting.

http://www.investigativenewsnetwork.org/news/aviation-database-reveals-frequent-safety-problems-airports

2011 Financial Summary

2011 Actuals

ı	n	C	or	n	e

Foundation Grant/Income		
	Ethics & Excellence in Journalism	\$ 125,000
	Knight Foundation	\$ 100,000
	MacArthur	\$ 100,000
	Open Society Institute	\$ 100,000
	McCormick Foundation	\$ 78,000
	Rockefeller Brothers Fund	\$ 70,000
	Buzz Woolley	\$ 50,000
	Atlantic Philanthropies	\$ 25,000
	LSU Foundation (Manship Prize Money)	\$ 1,000
	Other Donations	\$ 300
Total Foundation/Grant Income		\$ 649,300
Dental Income (aublesse)		¢ 6.074
Rental Income (sublease)		\$ 6,074
Interest Gross Profit	_	\$ 711 \$ 656,085
GIOSS FIOIL	-	\$ 000,000
Expenses		
	Salaries - employees	\$ 385,434
	Employee taxes & benefits	\$ 37,538
	Consultants/contract labor	\$ 37,909
	Insurance	\$ 16,115
	Legal Fees	\$ 50,240
	Marketing	\$ 1,074
	Depreciation	\$ 996
	Miscellaneous	\$ 2,517
	Travel	\$ 36,233
	Office Equipment & Supplies	\$ 13,997
	Rent	\$ 18,110
	Technology	\$ 36,502
	Subtotal - Expense	\$ 636,664
	Member distributions, services & editorial subsidies	\$ 3,000
Total Expenses		\$ 639,664
Surplus (Deficit)		\$ 16,421
Balance Sheet (12/31/2011)	Note: all figures preliminary and unaudited	\$ 230,231

2012 Financial Summary

2012 Actuals: Jan - June

2012 Actuals. Jail - Julie		
Income		
Foundation Grant/Income		
	Ethics & Excellence in Journalism	\$ 125,000
	McCormick Foundation	\$ 125,000
	MacArthur	\$ 100,000
	Open Society Institute	\$ 100,000
	Rockefeller Brothers Fund	\$ 70,000
	Karin Winner	\$ 12,500
	Other revenue	\$ 406
Total Foundation/Grant Income		\$ 532,906
Rental Income (sublease)		\$ 4,263
Interest		\$ 216
Gross Profit		\$ 537,385
Expenses		* 27. 222
	Salaries - employees	\$ 271,323
	Employee taxes & benefits	\$ 33,906
	Consultants/contract labor	\$ 18,749
	Insurance	\$ 10,960
	Legal Fees	\$ 11,653
	Marketing	\$ 2,474
	Miscellaneous	\$ 927
	Travel	\$ 24,549
	Office Equipment & Supplies	\$ 3,174
	Rent	\$ 12,114
	Technology	\$ 36,605
	Subtotal - Expense	\$ 426,432
	Member distributions, services & editorial subsidies	\$ 32,400
Total Expenses		\$ 458,832
Surplus (Deficit)		\$ 78,553

Note: all figures preliminary and unaudited

\$ 308,970

Balance Sheet (07/01/2012)

INN Board of Directors

Brant Houston, Chair of the Board & Knight Chair of Investigative Reporting, Journalism Department, College of Media, University of Illinois

Charles Lewis, Treasurer, Board Member & Executive Editor, Investigative Reporting Workshop, The American University School of Communication

Robert Rosenthal, Board Member & Executive Director, Center for Investigative Reporting

William Buzenberg, Secretary, Board Member & Executive Director, The Center for Public Integrity

Laura Frank, Board Member & Executive Director, I-News, The Rocky Mountain Investigative News Network

Margaret Freivogel, Board Member & Editor, St. Louis Beacon

Vivian Schiller, Board Member & Chief Digital Officer, NBC News

Neal Shapiro, Board Member & President and Chief Executive Officer, WNET

Kevin Davis, CEO & Executive Director, Investigative News Network

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List of Funders

The following foundations and individuals supported the Investigative News Network in 2011 and 2012. We are tremendously grateful for their belief in our mission, and confidence in our ability to deliver.

- John D. & Catherine T. MacArthur Foundation
- Atlantic Philanthropies
- Buzz Woolley
- Ethics and Excellence in Journalism Foundation
- John S. and James L. Knight Foundation
- Robert R. McCormick Foundation
- Open Society Foundations
- Rockefeller Brothers Fund
- Karin Winner

INN's 990 for 2011 is available here:

http://bit.ly/inn-990-2011

Membership

1. 100Reporters

100r.org

2. Alicia Patterson Foundation

aliciapatterson.org

3. Aspen Journalism

aspenjournalism.org

4. Broward Bulldog

browardbulldog.org

5. Canadian Centre for

Investigative Reporting

canadiancentreinvestigates.org

6. Catalyst Chicago

www.catalyst-chicago.org

7. Center for Investigative

Reporting, including The Bay Citizen & California Watch

cironline.org

8. Center for Public Integrity

www.publicintegrity.org

9. Centro de Periodismo

Investigativo

cpipr.org

10. ChicagoTalks

www.chicagotalks.org

11. City Limits, New York

www.citylimits.org

12. Common Language Project

clpmag.org

13. Connecticut Health

Investigative Team

www.c-hit.org

14. Education News, Colorado

www.ednews.org

15. FairWarning

www.fairwarning.org

16. Florida Center for

Investigative Reporting http://fcir.org

17. Food and Environment

Reporting

thefern.org

18. G.W. Williams Center for **Independent Journalism**

www.tidescenter.org

19. Health News Florida

www.healthnewsflorida.org

20. i-team.tv

www.i-team.tv

21. Initiative for Investigative **Reporting at Northeastern**

University

www.northeastern.edu

22. InSight Crime

www.insightcrime.org

23. InvestigateWest

invw.org

24. Investigative Newsource

www.inewsource.org

25. Investigative Reporting

Workshop at American

University

investigativereportingworkshop.org

26. Juvenile Justice Information **Exchange, including Youth**

Today

jjie.org

27. Maine Center for Public

Interest Reporting

pinetreewatchdog.org

28. MapLight

maplight.org

29. Media Crime and Justice The

Crime Report

thecrimereport.org

30. Midwest Center for **Investigative Journalism**

www.investigatemidwest.org

31. MinnPost.com

MinnPost.org

32. National Institute for **Computer-Assisted Reporting**

data.nicar.org

www.propublica.org

54. The Iowa Center for Public **Affairs Reporting**

www.iowawatch.org

33. National Institute on Money in **State Politics**

www.followthemoney.org

34. New England Center for **Investigative Reporting**

necir-bu.org/wp

35. New Haven Independent

www.newhavenindependent.org

36. NewsDesk.org

www.newsdesk.org

37. NPR

www.npr.org

38. Oakland Local

oaklandlocal.com

39. Oklahoma Watch

oklahomawatch.org

40. Open Secrets

www.opensecrets.org

41. Pacific News Service/New **America Media**

newamericamedia.org

42. PIN/Spot.us

spot.us

44. PublicSource

43. ProPublica

publicsource.org

45. Pulitzer Center on Crisis Reporting

www.pulitzercenter.org

46. Rocky Mountain Investigative **News Network**

inewsnetwork.org

47. Schuster Institute for **Investigative Reporting**

www.brandeis.edu/investigate

48. SFPublicPress

sfpublicpress.org

49. St. Louis Beacon

stlbeacon.org

50. Sunlight Foundation

sunlightfoundation.com

51. Texas Observer

www.texasobserver.org

52. The Austin Bulldog

www.theaustinbulldog.org

53. The Investigative Fund at the **Nation Institute**

www.theinvestigativefund.org

55. The Lens

thelensnola.org

56. The Philadelphia Public **School Notebook**

www.thenotebook.org

57. Toni Stabile Center for **Investigative Reporting**

stabilecenter.org

58. TucsonSentinel.com

www.tucsonsentinel.com

59. Voice of San Diego

www.voiceofsandiego.org

60. VTDigger

vtdigger.org

61. WBEZ, 91.5 Chicago Public

Media

www.wbez.org

62. Women's eNews

womensenews.org

63. Wisconsin Center for **Investigative Journalism**

www.wisconsinwatch.org

64. WyoFile

wyofile.com

INVESTIGATIVE NEWS NETWORK

MEMBER ORGANIZATIONS

The Investigative News Network (INN) is devoted to providing investigative and public service journalism in a new media environment. A consortium of more than 60 nonprofit news organizations, INN members' reporting ranges from local to national to international issues. The Network's mission is to develop and sustain through its members the highest quality watchdog journalism to benefit a free society.



- 8. Center for Public Integrity
- 9. Centro de Periodismo Investigativo*
- 10. ChicagoTalks
- 11. City Limits, New York
- 12. Common Language Project
- 13. Connecticut Health Investigative Team
- 14. Education News Colorado
- 15. FairWarning
- 16. Florida Center for Investigative Reporting
- 17. Food and Environment Reporting Network
- 18. G.W. Williams Center for Independent Journalism
- 19. Health News Florida
- 20. i-team.tv
- 21. Initiative for Investigative
 Reporting at Northeastern University
- 22. InSight Crime
- 23. InvestigateWest
- 24. Investigative News Network
- 25. Investigative Newsource
- 26. Investigative Reporting
 Workshop at American University
- 27. Juvenile Justice Information Exchange

- 28. Maine Center for Public Interest Reporting
- 29. Maplight
- 30. Media Crime and Justice The Crime Report
- 31. Midwest Center for Investigative Journalism
- 32. MinnPost.com
- 33. National Institute for Computer-Assisted Reporting
- 34. National Institute on Money in State Politics
- 35. New England Center for Investigative Reporting
- 36. New Haven Independent
- 37. NewsDesk.org
- 38. Oakland Local
- 39. Oklahoma Watch
- 40. Open Secrets
- 41. Pacific News Service/New America Media
- 42. PIN/Spot.us
- 43. ProPublica
- 44. PublicSource
- 45. Pulitzer Center on Crisis Reporting
- 46. Rocky Mountain Investigative News Network
- 47. Schuster Institute for Investigative Reporting

- 48. SF Public Press
- 49. St. Louis Beacon
- 50. Sunlight Foundation
- 51. Texas Observer
- 52. The Austin Bulldog
- 53. The Investigative Fund at the Nation Institute
- 54. The Iowa Center for Public Affairs Reporting
- 55. The Lens
- 56. The Philadelphia Public School Notebook
- 57. Toni Stabile Center for Investigative Reporting
- 58. TucsonSentinel.com
- 59. Voice of San Diego
- 60. VTDigger
- 61. WBEZ Chicago
- 62. Women's eNews
- 63. Wisconsin Center for Investigative Journalism
- 64. WyoFile
- 65. Youth Today