

Annual Report 2017



INN is a network of more than 150 newsrooms — nonprofit, nonpartisan and dedicated to public service.

Together, we are strengthening the sources of trusted information for thousands of communities.

# 151 U.S.-based news organizations

### Nonprofit, nonpartisan, dedicated to public service

INN trained **993** participants from nonprofit news organizations **541** took part in INN programs **452** joined "INN Friends Present" partner programs **73** learned social media tactics

Nonprofit news leaders received **91** hours of individual business coaching

Sessions on Startups helped **33** news entrepreneurs **59** organizations conferred with INN about ethics and standards



Provided 1,873 hours of tech consulting to nonprofit newsrooms

Advanced publishing industry initiatives with 1,417 hours of software development

Generated \$258,555 in savings for nonprofit newsrooms through donated services

Powered 53 U.S. news sites

Provided Largo WordPress news theme run by 197 sites worldwide

Logged more than 4 million sessions and 6 million page views per month on Largo sites



#### Cover:

Scalawag magazine Editor Danielle Purifoy captured this image of community members gathering around Studio South Zero at Mebane First Presbyterian Church in North Carolina. The mobile art studio was created for journalists to collect stories and make artwork illustrating the preservation of historic black sites in the South, for the project *In Conditions of Fresh Water*.

This photo also illustrates the creativity we see from so many nonprofit newsrooms as they find new ways to invite communities into the work of journalism and new ways for people to tell their stories. Learn more at <a href="https://www.scalawagmagazine.org/tag/in-conditions-of-fresh-water/">https://www.scalawagmagazine.org/tag/in-conditions-of-fresh-water/</a>.

#### **INN Board of Directors**

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Finance & Operations Manager

**Fran Scarlett**Director, Programs & Services

**Sherry Skalko**Director, Amplify Project

Julia Smith
INN Labs Director

### Building a new American news media

#### **Dear friends of INN:**

We are in a unique media and civic environment — one in which news outlets of all sizes are grappling with fundamental questions of trust, audience engagement and the role of news media in building community and fostering civic participation.

In this environment, nonprofit, nonpartisan newsrooms stand out as a great success story.

Since INN's founding in 2009 by 27 investigative newsrooms, the network has grown to more than 150 nonprofit news media organizations, all dedicated to public-service reporting on behalf of their communities and all committed to high standards of transparency, journalism ethics and quality reporting.

Their numbers continue to grow as journalists and community supporters alike find that nonprofit newsrooms are an effective way of providing quality coverage and giving more people a voice in public life.

INN is proud to support and help build our members' collective strength as an innovation network, sharing best practices and successful new strategies, providing services that help them provide more news coverage. **The Institute for Nonprofit News** is the only organization in the U.S. specifically focused on building the emerging nonprofit news sector and its unique role and commitment to public service news reporting.

Here at INN, we see the power of the nonprofit news network to help engineer a new media ecosystem, one that is inclusive, engaging and provides millions of people with trusted information.

We are deeply appreciative of the philanthropists, supporters and partners who help advance the work of nonprofit news organizations and of INN. Together with you, we are proud to be building a new and inclusive kind of American news media.

Laura Frank
INN Board Chair
VP Journalism,
Rocky Mountain PBS

Executive Director & CEO
Institute for Nonprofit News

INN builds the field of public service journalism by bringing independent newsrooms the strengths of a network and the leverage of shared services. Four program tracks help media find, invent and implement new revenue models to support great journalism and accelerate growth of public service news reporting so it reaches and benefits more people.

- Network-building and shared services
- Training and business capacity-building
- INN Labs: Open-source publishing tools
- Amplify: Collaborating to build reach and readership

### **Network-building**

#### INNOVATION NETWORK

Sharing what works is crucial in an environment where new models to support news are continually invented, tried and tested. INN speeds adoption of innovative approaches by publishing case studies, organizing presentations and facilitating peer groups. INN staff also spend 40+ hours a month individually connecting members with resources and references.

#### **INCUBATOR**

It is important to continue fostering new publications — the experimentation inherent in these ventures is critical to the future of journalism. INN helps communities and journalists plan and launch viable, successful newsrooms, often in "news deserts." INN Startup Sessions provided business and strategy coaching for more than 30 founders in 2017, and INN provides fiscal sponsorship that can improve early growth rates.

#### SHARED SERVICES

Negotiated group savings and vetted service providers bring economies of scale to independent media, from access to media insurance to donor research and charity registration.

#### JOURNALISM STANDARDS

INN's sample policies for editorial independence and donor transparency are used by more than 100 news organizations.

### Capacity-building

Entrepreneurial journalists are reinventing the U.S. news media. INN provides a rich mix of training and professional consulting to help them.

#### **BUSINESS COACHING AND TRAINING**

Participation in business training for journalists doubled in 2017 with the addition of an in-house startup and growth coach. The capacity-building program mixes monthly online video training, "pop up" sessions on hot topics and regular free Office Hours advising. Two convenings provide hands-on training and peer support. INN Days are held in conjunction with the Investigative Reporters & Editors conference each June and serve more than 90 news leaders. A fall Business Intensive launched in 2017, drawing 60 news leaders to sessions on audience development and sponsorship.

#### **NEWSMATCH**

For a second year, INN helped support this matching campaign launched by Knight Foundation and now backed



by the Democracy Fund, MacArthur Foundation and many other funders. This \$3 million matching campaign helps publishers develop reader revenue and other individual donors. INN worked with sponsors and News Revenue Hub to help more than 100 nonprofit

newsrooms prepare for the campaign and build community support of high-quality nonprofit journalism.

#### **LEADERSHIP**

INN launched two in-depth coaching and mentoring programs in 2017. The Emerging Leaders Council strengthens and supports 10 rising managers. "LEAP" — for Lead, Execute, Accelerate, Pivot — helps leaders of highly successful news organizations pursue major strategic initiatives.

"We are lean and mean with a focus on editorial operations. INN allows us to succeed on the business side as well ... Our first step isn't to call an attorney, or hire an HR consultant or recruiter, or do industry research. We call INN."



### Supporting nonprofit news leaders

CALmatters began operations in January 2015. One of the first places we visited was the Institute for Nonprofit News (INN) and it has been an invaluable resource ever since. INN's knowledge of the field, the investment it has made in providing infrastructure and capacity building, and its broad national network have made it a crucial partner for CALmatters as we've grown into the largest editorial bureau covering California state politics.

From its vantage point, INN has seen a myriad of models and strategies. We leverage that perspective and have turned to INN for feedback on strategies ranging from distribution to partnering to professional development.

It also serves as a terrific networking resource and repository of best practices: for example, when we decided to redesign our website, they provided counsel on the best technology platforms. We've used their statement on editorial independence and their guidelines on donor disclosure since the very beginning. The industry standard it sets is invaluable in explaining and defending our policy.

As a startup organization, we are lean and mean with a focus on editorial operations. INN allows us to succeed on the business side as well by making policy, standards and general industry expertise available. Our first step isn't to call an attorney, or hire an HR consultant or recruiter, or do industry research. We call INN. Thank you.

—SIMONE COXE BOARD CHAIR AND CO-FOUNDER, CALmatters

Simone Coxe

"INN gave us a home and a family of member newsrooms eager to continue helping our growing team scale our newsroom."



Without INN as our newsroom's fiscal sponsor, launching The War Horse would not have been possible. INN's backing extended credibility and tax incentives to our donors, sponsors and foundations when we existed only as an idea.

Most important of all, INN gave us a home and a family of member newsrooms eager to continue helping our growing team scale our newsroom responsibly and with sustainability in mind. Because The War Horse is fiscally sponsored by INN we're able to focus on what matters most — our stories.

— THOMAS BRENNAN FOUNDER, THE WAR HORSE

Thomas Brennan. Photo by Anna Hiatt/The War Horse

#### **INN Labs**

The INN Labs "news nerds" specialize in building opensource tools and news products for independent publishers – tools that can be used freely across the WordPress content management system that powers 70 percent of publishing sites.



This universal design work improves the scope and quality of news products and saves publishers thousands of dollars in custom development that can be reinvested in news coverage. Their work on

industry-wide solutions also is the bridge from innovation to impact for many journalism projects and prototypes. In 2017 those included building audio tools for NPR affiliates, a database for Poynter Institute's International Fact-Checking Network, working with The Trust Project on features to enhance newsroom transparency and reader trust and the Knight Lab on storytelling tools.

#### LARGO & THE POLYJUICE PROJECT

INN Labs created and maintains Largo, a news theme for WordPress in use by 197 sites. Building on Largo, the INN Labs Polyjuice Project is leveraging new WordPress capabilities to make it easier, faster and less expensive for news sites to update their designs without extensive software development or platform migrations. The team also worked with more than 15 news organizations in 2017



"Without INN we couldn't have produced an award-winning project. That says it all."

The resources offered by INN have helped our small investigative newsroom punch well above our weight. Thanks to INN's open-source web design for news organizations, we have a website that showcases our content and engages and impresses our readers.

But here's the example that really tells the story: When we decided to launch an ambitious police database project, we knew we didn't have the capacity to do it alone. So we chose INN to design the database. The INN Labs technology team members were more than contractors; they were real thought partners in the process. Without INN, we couldn't have produced an award-winning project. That says it all.

— SUSAN SMITH RICHARDSON EDITOR AND PUBLISHER THE CHICAGO REPORTER

Reporter La Risa Lynch interviews a community member in the Pilsen neighborhood of Chicago. Photo by José Alejandro Córcoles/The Chicago Reporter

on custom web projects, from site redesigns to editorial projects such as data visualizations and special series presentations. To date, INN Labs tools have been utilized more than 700 times by more than 150 news sites.

#### SUPPORTING NEWS TECHNOLOGISTS

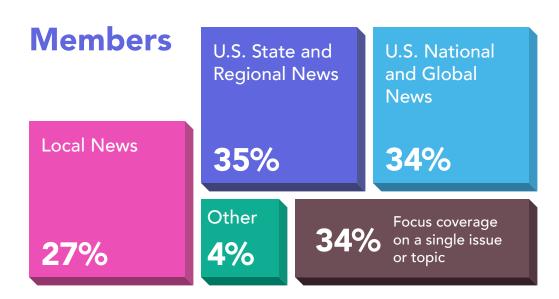
INN Labs runs a help desk and technical knowledge base for INN members, provides site maintenance and support and consults on Google Analytics and Data Studio. Members benefit from group licenses for premium WordPress plugins and software discounts. The weekly Nerd Alert newsletter, software documentation and open Office Hours further support the community.

### **Amplify**

Journalists from 21 Midwest newsrooms are testing how a news collaboration and distribution hub can help grassroots newsrooms share news and leverage today's complex digital distribution channels so their reporting reaches more people.

Amplify fosters local/national news collaborations to bring local and regional news of national interest to a broader audience, and to strengthen national newsrooms' sources of on-the-ground reporting from under-covered regions.

The pilot project also helps newsrooms increase the impact of their journalism through audience development techniques including newsletters and email outreach, social media and search.



Nonprofit news is growing across the U.S., and INN with it, from 27 newsrooms in 2009 to 151 in 2017.

### **INN Members**

100Reporters Alabama Initiative for Independent Journalism Alhambra Source Alicia Patterson Foundation All Digitocracy Anthropocene Magazine Arizona Center for Investigative Reporting Aspen Journalism Austin Monitor Baltimore Brew BenitoLink Better Government Association Borderzine Bridge Magazine California Health Report **CALmatters** Carolina Public Press Center for Public Integrity Centro de Periodismo Investigativo Chalkbeat

Charlottesville Tomorrow

Chicago Reporter

ChicagoTalks

City Bureau

City Limits

CivicStory

Civil Eats

Investigative Team Current East Lansing Info Economic Hardship Reporting Project ecoRI News EdSource Ensia FairWarning First Look Media Works Florida Bulldog Florida Center for Investigative Reporting Food and Environment Reporting Network G.W. Williams Center for Independent Journalism Georgia Health News Georgia News Lab Global Center for Investigative Journalism Hidden City Philadelphia High Country News Highlands Current Honolulu Civil Beat In These Times Indigenous Media Freedom Alliance

Coda Story

Colorado Independent

Connecticut Health

Injustice Watch Mountain Independent InsideClimateNews MuckRock International Consortium National Institute for for Investigative Computer-Assisted Journalists Reporting InvestigateWest National Institute on Money in State Politics Investigative Post New England Center for Investigative Reporting Investigative Reporting Workshop New Hampshire Center Iowa Center for Public for Public Interest Affairs Reporting Journalism Juvenile Justice New Haven Independent Information Exchange New Mexico In-Depth Kentucky Center for Investigative Reporting News Revenue Hub LkldNow Newsdesk Local Standrd Next City Madison365 NJ Spotlight Maine Center for Public North Carolina Health Interest Reporting News Maryland Matters Northern Kentucky Tribune Maryland Reporter NOWCastSA Midwest Center for Investigative Reporting Ohio Center for Investigative Journalism Midwest Energy News Oklahoma Watch Migratory Notes Milwaukee Neighborhood **News Service** PassBlue MinnPost PBS NewsHour Mississippi News and Philadelphia Public School Information Corp Notebook Mongabay

PolitiFact

Mother Jones

ProPublica **PublicSource** Pulitzer Center on Crisis Reporting Religion News Service Retro Report Rivard Report Rocky Mountain PBS San Francisco Public Press Scalawag Schuster Institute for Investigative Reporting Searchlight New Mexico Seattle Globalist Sembra Media Shelterforce Signcasts Solitary Watch Solutions Journalism Network South Dakota News Watch Southern Investigative Reporting Foundation St. Louis Public Radio Texas Tribune The Austin Bulldoa The Center for Investigative Reporting The Center for Responsive Youth Radio The Chronicle of Social Change

The Crime Report The CT Mirror The Hechinger Report The Hummel Report The Investigative Fund The Lens The Marshall Project The Nevada Independent The New Food Economy The Reporters Inc. The Trace The War Horse The Youth Project Tucson Sentinel Twin Cities Media Alliance Voice of Orange County Voice of San Diego Voices of Monterey Bay VTDigger Washington Monthly Wausau Pilot and Review WBUR WFYI Public Media WHYY Wisconsin Center for Investigative Journalism Women's eNews WyoFile

"INN makes a tangible difference for PublicSource."



Mila Sanina; Executive Director, PublicSource

We take advantage of their offerings — from a terrific newsletter to website redesign to webinars on fundraising and engagement strategy — and have extensively leveraged INN's expertise, services and network.

INN made the redesign of our website possible. Converting to Largo enabled us to activate pop-up capabilities to drive up our newsletter subscriptions, custom design editorial projects and gain a fully responsive design. Visitors' time on our site has increased.

Our organization has benefited from one-onone coaching on how to talk to local funders and board members about the importance of editorial independence. In addition, PublicSource has frequently taken part in INN training sessions on ways to build financial support for and public engagement with public service news reporting. I am delighted that our managing editor, Halle Stockton, was selected to be a member of INN's Emerging Leaders cohort. Through this fantastic network, she has formed valuable relationships, learned skills and brought new ideas to PublicSource. We've already implemented some of them.

PublicSource looks forward to being part of the INN network going forward, learning from other organizations in this ecosystem and hopefully serving as a resource and model for other newsrooms.

-- MILA SANINA EXECUTIVE DIRECTOR, PUBLICSOURCE

### **Journalism Partners & Supporters**

Building new models of journalism is the work of many organizations. INN acknowledges with deep gratitude the many people and organizations who work with INN to help build the future of nonprofit newsrooms — contributing funding and ideas, inspiration and insights, and collaborating on training and projects to advance the field.

craigslist Charitable Fund



















### Individual supporters include:

Trevor Aaronson
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Karin Winner
Hsiu Mei Wong

Kam Wong

## Partners who worked with INN to benefit nonprofit newsrooms include:

American Press Institute

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Cronkite School, Arizona State University

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Pete Skeggs

Beth Hutchins &

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Investigative Reporters & Editors Knight Lab and Medill School of Journalism,

Northwestern University LION Publishers

Media Law Resource Center MediaShift National Network of Fiscal Sponsors

News Revenue Hub NPR Digital Services

OpenNews
Public Narrative

Reporters
Committee for
Freedom of the Press

Reynolds Journalism Institute, University of Missouri

Society for News Design Solutions Journalism

Network
Temple University
The Membership

Puzzle Project, NYU
The Poynter Institute
The Trust Project
University of Illinois

Urbana-Champaign WordPress

#### 2017 Financials

INN's net assets grew from \$732,153 at the start of 2016 to \$1.3 million by the end of 2017. This enabled INN to build a six-month reserve and grow its operating budget to \$1.35 million in 2017. Combined, these factors give INN a healthy financial base and the ability to support a growing membership with a broader range and depth of programs. Totals exclude pass-through grants and fiscally sponsored projects, which are broken out below.

INN is funded primarily by foundation grants, leveraged to provide network-wide services and training. Earned revenue covered 30% of operating costs in 2016 and more than 40% in 2017. The 2017 percentage was unusually high because of a single large project and completion of a two-year plan to build operating reserves. Earned revenue includes membership dues but comes primarily from fees for services.

### **Statement of Activities 2017**

#### **REVENUE**

#### No donor restriction

Contributions	\$35,315
Grants	\$675,000
Investment income	\$84
Earned revenue	\$578,030
With donor restriction	
Grants	\$330,000

\$1,618,429

\$315,645

#### EXDENICES

Total revenue

\$909,111
\$251,204
\$142,469
\$1,302,784
\$1,302

**ASSETS** 

Net change in assets

(excludes fiscally sponsored projects.)

Net assets 2016	\$994,264
Net change in assets	\$315,645
Net assets 2017	\$1,309,909
Management reserve	\$829,000
Available cash assets	_ \$480,909

### **Functional Expenses**

**PROGRAM 70%** 

**ADMINISTRATION 19%** 

**FUNDRAISING 11%** 

### **Fiscally Sponsored Projects**

INN has helped launch 25 news organizations by providing fiscal sponsorship, a program under which INN serves as their 501(c)3 umbrella organization and handles their finances. Funds shown below are accounted separately and not mixed with INN's operating funds.

Sponsored projects in 2017 include the International Center for Investigative Journalism (ICIJ), Migratory Notes, News Revenue Hub, Sembra Media, Solitary Watch, The War Horse and Voices of Monterey Bay. ICIJ accounted for an unusually high 2017 total. Project revenues typically total under \$1 million per year and are expected to return to that level in 2018.

Sponsored Project Revenue	\$4,065,932
Sponsored Project Expenses	\$3,043,014
NET all fiscally sponsored projects	\$1,022,918

Full financials, tax filings, annual reports and audits can be found online at https://inn.org/about/financials/. The financial results depicted here are derived from INN's audited Dec. 31, 2016 full financial statements, which contain an unqualified audit opinion, and 2017 unaudited year-end results. In mid-2016, INN received IRS approval to change from a July 1 to calendar fiscal year. INN's FY2015 annual report covered activities through the first half of 2016. Full calendar 2016 financials are online.



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https://inn.org/2017/12/the-best-nonprofit-journalism-of-2017/