

ProPublica Report to Stakeholders

JANUARY–APRIL, 2017



Reimagining Engagement

Last fall, ProPublica’s engagement team started to reimagine its work. Then the presidential election stirred new interest in investigative journalism, notably an outpouring of small donations to our newsroom. We welcomed the additional resources and saw a chance to harness this burst of enthusiasm in support of our core mission, which is doing journalism that spurs change.

While “engagement” is often used in newsrooms as shorthand for social media posts, or thinking solely about grabbing the biggest audience, we had something different in mind: building and cultivating communities to both deepen our reporting and to galvanize responses to it.

By January we’d hired two skilled digital journalists, Adriana Gallardo and Ariana Tobin, as ProPublica’s first engagement reporters. They joined engagement editor Terry Parris Jr., who had been leading ambitious projects that create and exchange ideas with communities at the center of our stories. Overseen by deputy managing editor Eric Umansky, this expanded team focused its work on active conversations with the people most affected by our investigative reporting. In the first

months of 2017, these efforts have led to revelatory, hard-hitting journalism.

Setting the Record Straight, with Some Help

One of our most far-reaching recent projects began with suggestions@propublica.org, the email address to which we invite people to share ideas and observations. As congressional leaders readied an attempt to repeal and replace the Affordable Care Act in March, a reader sent a note to her senator, Sen. Roy Blunt, R-Mo., in support of the law. When she received a reply from Blunt explaining why he supported the ACA’s repeal, she

thought it seemed inaccurate and asked us to fact-check.

Senior reporter Charles Ornstein concluded that Blunt’s email was misleading and lacked important context. Then we thought: *Could we get letters from many members of Congress and fact-check them?*

We partnered with Kaiser Health News, Stat and Vox to gather these missives from our readers, just as the debate over repealing the ACA was heating up and constituents were flooding their elected officials with notes of support or concern.

Our engagement team quickly posted a form that allowed people to upload a document, or copy and paste the text of the email they sent, as well as the elected official’s response. We also created a public Google spreadsheet

that tracked all the officials we'd heard from.

In just under two weeks, we received more than 500 letters from 250 members of Congress. We found [dozens of errors and mischaracterizations](#) of the ACA and its proposed replacement – legislators had cited wrong statistics, conflated health care terms, and made statements that didn't stand up to verification. In an era of "alternative facts," this collaborative reporting helped us correct the record.

Vetting (and Crowdsourcing) the Trump Administration

ProPublica called for assistance again when we obtained, through a public records request, the names of more than 400 officials the Trump administration had quietly installed across the federal government.

These temporary employees, known as "beachhead" hires, had been appointed at every major federal agency under a veil of secrecy. Congress had not vetted them, and there had been no public airing of their views or backgrounds. While previous administrations have hired people in this manner, the Trump administration significantly expanded its number of beachhead employees.

Our reporters divvied up the appointees, researching their backgrounds and qualifications one by one. To get through the work more efficiently, we also enlisted the public's help. We published the names and position titles we'd collected, inviting people to contact us if they had



The ProPublica staff celebrates the announcement of its fourth Pulitzer Prize. (Demetrius Freeman for ProPublica)

any information about them or their roles. We received hundreds of emails and several dozen story suggestions.

It turned out that [President Trump's hires](#) included obscure campaign staffers and a number of people who have embraced fringe conspiracy theories. The hires also included at least 36 former lobbyists who represented private clients from health insurance, pharmaceutical, construction, energy, finance and other industries – many of them having lobbied the agencies they joined.

These employees were originally appointed for stints of only four to eight months, but we found that at least 25 of them have since moved into permanent federal jobs, oftentimes with little or no public notice.

Striking a New Tone on Social Media

Rather than merely using our social networks as a promotional platform – tweets summarizing and linking to a story in 140 characters, for example – we've refashioned our social posts to serve as acts of journalism in their own right.

This has often involved responding to events in the news. When the Trump administration announced its refugee ban in January, one of our most popular stories was not an article but a tweetstorm about how refugees were already being vetted.

The [series of nine tweets](#), laying out the country's current refugee vetting process, garnered more



Our analysis of premiums and payouts in California, Illinois, Texas and Missouri shows that some major insurers charge minority neighborhoods as much as 30 percent more than other areas with similar accident costs.

(Alyssa Schukar, special to ProPublica)

than 3,700 retweets and showed the journalistic power of moving quickly to address questionable claims with verifiable facts.

ProPublica also launched an attention-grabbing tweetstorm in April, responding to White House press secretary Sean Spicer's attempts to brush off a story by ProPublica. That story reported, correctly, that Donald Trump had changed the terms of his trust, allowing him to withdraw funds from his more than 400 businesses, at any time, without disclosing it. When asked about this at a White House press briefing, Spicer

falsely denied the accuracy of the story and called ProPublica a "left-wing blog."

We moved quickly to address this mischaracterization while also amplifying our reporting. Our response, on Twitter, was written in the informal tone that reflects how people talk to each other on the internet. We also took the opportunity, rare at an organization devoted entirely to investigative reporting, to have a bit of fun.

"Since we're actually in the biz of facts," began the [string of 16 tweets](#). "We figured we'd respond w/ a few..."

We posted the signed and dated trust document at the heart of the story, the Trump Organization's evasive email reply before the story was posted, and multiple examples of how our reporting has held people and institutions on both sides of the aisle accountable. Our response was retweeted more than 24,100 times and received nearly 40,000 likes. Within three days, ProPublica garnered more than 100,000 new followers on Twitter and \$30,000 in small online donations.

ProPublica has produced other powerful forms of journalism over the past few months, including a [new project to track hate crimes](#) and create the first national database of such incidents, as well as investigations on [White House staff financial disclosures](#) and potential conflicts of interest, [racial disparities in car insurance premiums](#), school districts that are [using alternative schools to hide dropouts](#), and how the [pharmaceutical industry is deploying top professors](#) to justify high drug prices.

In April ProPublica (in partnership with the New York Daily News) was also awarded the [Pulitzer Prize for Public Service](#), widely considered the highest honor in American journalism. It was our fourth Pulitzer in eight years.

There is much more work to be done this year, and we have many investigations underway. We deeply value our community's engagement with our work, and approach the rest of 2017 with optimism and determination.

Impact

The most important test of ProPublica is whether our work is having impact. By this, we mean not audience size or honors, but real-world change. Examples of what we mean can be found at <https://www.propublica.org/about/impact/>, as can a white paper on how ProPublica thinks about impact and related questions. In the first period of 2017, ProPublica stories produced such change in a number of important areas:

■ **Sweeping guarantees of due process passed.**

ProPublica and the New York Daily News reported on abuses in the New York City Police Department's enforcement of nuisance abatement actions, which allow police to ban people from their homes or businesses, without due process, under claims that they are being used for illegal purposes. Citing our reporting, the New York City Council passed 13 bills in February that made sweeping reforms in the way the NYPD can carry out nuisance abatement actions, including the virtual elimination of one of the most controversial aspects of the law: the city's ability to close locations without warning, pending a resolution to the case. Enacted in March, the new laws carve out exceptions only for cases involving prostitution, certain building code violations and businesses that pose a significant risk of physical harm to the public. The reforms mark the most sweeping changes to the nuisance abatement law since it was enacted in the 1970s.

■ **Spying TVs stopped.** We reported in 2015 that Vizio Smart TVs tracked users' viewing habits and shared them with advertisers, who could then find users on their phones and other devices. In February, the Federal Trade Commission fined Vizio \$2.2 million for surreptitiously collecting details on viewers' watching habits. Vizio also agreed to delete data

collected before March 1, 2016, to get consent before gathering data and to create a privacy program.

■ **Questionable hire resigns.** In March, we reported that the Trump Administration hired Taylor Hansen – a lobbyist for the largest trade group of for-profit colleges, who had pushed to weaken their regulation – for the Education Department's "beachhead" team of temporary employees. Three days after we revealed his hiring, Sen. Elizabeth Warren sent a letter to Education Secretary Betsy DeVos, citing ProPublica's reporting and requesting more information on Hansen's role. That same day, Hansen resigned from the Education Department.

■ **Predatory practice halted.** We reported in January that Wells Fargo had improperly charged customers exorbitant fees to extend their promised interest rates when mortgage paperwork was delayed – delays that were the bank's own fault. Weeks later, Wells Fargo placed Tom Swanson, the executive in charge of its home-lending operation in Los Angeles County (where our story was based), on leave while the company investigates its mortgage fee practices, in addition to reviewing how it charges customers nationwide. By March, Swanson had left Wells Fargo.



In a lawsuit that drew on ProPublica's reporting, in April a jury awarded more than \$11 million to the family of Deshaun Becton, who was sexually assaulted at a FamiliesFirst group home. (Kim Raff, special to ProPublica)

■ **Negligent group-home operators held accountable.** A 2015 ProPublica investigation, published with California Sunday magazine, spotlighted how California's network of dangerous group homes are failing many of the state's most vulnerable children – including a boy who was sexually assaulted by a peer at one group home. In a lawsuit that drew on ProPublica's reporting, in April a jury awarded more than \$11 million to the boy's family, ruling that the operators of the home, FamiliesFirst, neglected the boy as the facility descended into a prolonged period of violence and chaos.

■ **A Trump conflict of interest eliminated.** After our reporting in February that Ivanka Trump had not ceded control of her businesses – as she had pledged to do before her father became president – she quickly signed and filed the necessary paperwork to resign from her companies.

■ **Improper campaign funds returned.** ProPublica reported in December that the pro-Trump PAC America Comes First had violated campaign finance laws by not disclosing the source of its funding before Election Day and by exceeding caps on contribution

amounts. In February, the Trump Victory campaign fundraising group announced that it had returned the \$115,000 it received from America Comes First.

■ **Red Cross transparency pursued.** Following reporting by ProPublica and NPR on the American Red Cross failures in providing disaster relief, as well as Red Cross CEO Gail McGovern's attempts to kill a Government Accountability Office (GAO) investigation into the group's disaster response efforts, Sen. Charles Grassley and Rep. Bennie Thompson introduced legislation that would open the Red Cross to outside oversight that it has long resisted. Introduced in March, the American Red Cross Transparency Act would amend the group's congressional charter to allow unfettered access to its records and personnel by the GAO.

■ **Crucial investigation opened.** In partnership with USA Today, ProPublica exposed how officials in Orlando, Fla. are quietly removing low-achieving students from regular high schools, and funneling them into second-tier alternative schools to boost the graduation rates of traditional schools and hide the number of dropouts. In response, Florida's De-



In partnership with USA Today, ProPublica exposed how officials in Orlando, Fla. are quietly removing low-achieving students from regular high schools, and funneling them into second-tier alternative schools to boost the graduation rates of traditional schools and hide the number of dropouts. (Brain Stauffer, special to ProPublica)

partment of Education opened an investigation into how alternative schools classify students who leave without graduating.

■ **Patient privacy defended.** In December 2015, with the New York Times, ProPublica reported on patients who had details of their mental health diagnoses and treatments exposed by a New Jersey psychology practice suing them over unpaid bills. This April, the state attorney general's office and the New Jersey State Board of Psychological Examiners filed a complaint against the psychologist, Barry Helfmann, for failing to protect patients' confidentiality, a move that could revoke or suspend his license.

■ **Racial disparities confronted.** In partnership with Consumer Reports, this April we published our findings that car insurance companies across Illinois and three other states charge safe drivers in minority ZIP codes at least 10 percent more, on average, than in whiter ZIP codes. The disparities persisted even in affluent minority neighborhoods. Spurred by our reporting, six Democratic members of Congress sent

a letter to Treasury Secretary Steven Mnuchin urging him to appoint a director for the Federal Insurance Office, which monitors insurance practices (and has been targeted for elimination by House Republicans). The investigation also prompted two Illinois lawmakers to propose banning car insurance companies from using a person's ZIP code when setting auto insurance premiums, announcing plans to add this rule to a pending bill that would also block insurers from considering a person's credit rating.

■ **Draconian debt-collection practices challenged.** Last year we reported on how Nebraskans struggling to pay their medical debts were being sued over doctor bills of just a few hundred dollars. These lawsuits are filed in Nebraska by the tens of thousands each year, allowing collectors to clean out debtors' bank accounts, because filing fees are so inexpensive. In January, Nebraska state Sen. Adam Morfeld introduced a bill that would curb what debt collectors can take from debtors, automatically protecting the first \$2,000 in a debtor's bank account from garnishment, among other reforms.

What People Are Saying

We ask donors why they gave to ProPublica. Here's a sampling of recent answers.

“So many news outlets are so politicized – and perhaps fearful – that they do not go after the stories. I’ve decided that this year I will donate, as I am able, to those who are protecting our press and telling the stories that are ‘under the radar’ yet in full sight. Your work is important to our fight to save our democracy and to tell the stories of our citizens.” —Martha

“I donated today because of your help for whistleblowers. I read today about the information you’re providing to those who work for the government when they see abuses of power. When I read the details on your site I was amazed. Your instructions for sending encrypted messages and mailing letters without return addresses from ‘unfamiliar sidewalk boxes’ sound like strategies from John Le Carré. This is a bizarre reality we’re living in. Yet this is important stuff you’re telling us. Thank you so much for keeping us free.” —Kris

“Until Donald Trump got elected, I had not thought there was any risk to press freedom in this country. But I am very concerned about the threat to our society and our democracy when the administration characterizes the press as an ‘enemy of the people,’ and stifles transparency, access and free speech. So it’s more important than ever that we have an independent press that will

not back away from important investigative work, no matter how complicated, and no matter where it goes. I am counting on ProPublica to continue to be a journalistic leader, and happy to support you in your work.” —Name withheld on request

“I’m very grateful for sites like yours, more and more in these uncertain times that are full of wild developments and sometimes even wilder headlines. Your work is precise and vital. Though the world of politics is currently demoralizing, frustration compounds from the effects of rampant misinformation: fallacy-ridden debate, emotionalism, apathy and atrophy. But when reporting is honest and true, it empowers the hearers to resist — to resist false assertions and false conclusions, to resist indifference, and to resist the discomfort that comes with disorder and fear.” —Peter

“My husband and I just began a monthly donation because we care deeply about the health of our people and planet. We understand that our country cannot thrive without nuanced, thoughtful journalism that explores context and history more thoroughly than many mainstream news outlets do. Particularly in a time of national crisis and ‘alternative facts,’ we need independent investigative journalism.” —Sarah and David

Honors

Much of our best work from last year has been honored in various venues this spring.

Our collaboration with the New York Daily News, on **widespread misuse of New York City’s nuisance abatement law**, won the Pulitzer Prize for Public Service. The stories also won a James Aronson Award for Social Justice Journalism, and are finalists for the Deadline Club Awards for local news reporting and minority focus, and the Investigative Reporters and Editors Award in the print/online category,

“**Machine Bias**,” our series exploring the hidden power of computer algorithms across society, was a finalist for the Pulitzer Prize for Explanatory Reporting. Including our four Pulitzer winners, this was our seventh finalist designation. The series won the Scripps Howard Award for digital innovation, a Society for News Design Award of Excellence in the graphics category, and a silver medal from the Malofej International Graphics Awards.

Our project with The Texas Tribune, “**Hell and High Water**,” on how a major hurricane could devastate the Houston region, won the Peabody Award in the web category, the Society of American

Business Editors and Writers’ Best in Business Award for innovation, the Radio and Television Digital News Association’s Regional Edward R. Murrow Award for investigative reporting, and a Society for

News Design Award of Excellence for features. The series was also a finalist for the National Magazine Award for multimedia, is a finalist for the Deadline Club Award for digital innovation, and received



Our collaboration with the New York Daily News, on how police have kicked innocent people, like Asia Short, out of their homes, won the Pulitzer Prize for Public Service. (Edwin Torres for ProPublica)



“Busted,” our investigation on how police across the country use roadside drug tests to send tens of thousands of people to jail every year, despite widespread evidence that they routinely produce false positives, won several awards.

(David Sleight, ProPublica)

the Headliners Foundation of Texas’ Showcase Silver Award.

For his portfolio of stories on **the roots of the 2016 political season**, reporter Alec MacGillis won the George Polk Award for national reporting and the Scripps Howard Award for topic of the year.

“**Anatomy of Doubt**,” in collaboration with This American Life and The Marshall Project, won the Peabody Award for radio/podcast.

“**Busted**,” our investigation on how police across the country use roadside drug tests to send tens of thousands of people to jail every year, despite widespread evidence that they routinely produce false

positives, won the John Jay College/Harry Frank Guggenheim Award for Excellence in Criminal Justice Journalism in the series category, a James Aronson Award for Social Justice Journalism, and a Society for News Design Award of Excellence for graphics. The series was also a finalist for the Taylor Family Award for Fairness in Journalism and a runner-up for the Al Nakkula Award for Police Reporting.

Our coverage of **the lack of official oversight that has undermined legal protections for New York City tenants** won the Society of American Business Editors and Writers’ Best in Business Award for real estate and is a final-

ist for the Deadline Club Award for digital local news reporting.

Our “**Lost Cause**” maps showing counties that supported losing presidential candidates won the Society of News Design Award of Excellence for graphics, and a silver medal for visual reporting from the Malofiej International Infographics Awards.

A collaboration with the New York Times, on **New Jersey’s onerous student loan program**, is a finalist for the Education Writers Association Award for investigative reporting, large staff.

Our investigation on the **dis-mal outcomes for students at for-profit schools** accredited by the Accrediting Council for Independent Colleges and Schools is a finalist for the Education Writers Association Award for investigative reporting, medium staff.

A collaboration with Frontline, “**Terror in Europe**,” about the terror campaign that overwhelmed the defenses of Europe in 2015 and 2016, was a finalist for the Investigative Reporters and Editors Award for broadcast/video.

Our **news applications and data visualizations** won a host of awards, including Society of News Design Awards of Excellence for organizational portfolio, social media strategy, product design for the ProPublica Data Store, breaking news and special events for Electionland, and features for “Gunfight in Guatemala” and our stories on who Trump is putting in power. The Malofiej International Infographics Awards also bestowed a bronze medal for our Twitter graphics explaining Tor.

By the Numbers

4,300,000	Average ProPublica.org pageviews per month	UP 66% YEAR-OVER-YEAR
2,200,000	Average unique ProPublica.org visitors per month	UP 105% YEAR-OVER-YEAR
120,000	Email subscribers	UP 26% SINCE JANUARY 1
650,000	Twitter followers	UP 40% SINCE JANUARY 1
320,000	Facebook fans	UP 52% SINCE JANUARY 1
17,000+	Donors	

Publishing Partners, January–April, 2017

New partners marked in **bold**:

- Atlantic
- Consumer Reports
- **Investigative Post**
- **Kaiser Health News**
- **Louisville Courier-Journal**
- New York Daily News
- New York Times
- NPR News
- Slate
- Source
- **Stat**
- Univision
- USA Today
- Virginian Pilot
- Vox
- Washington Post
- WNYC