

 PROPUBLICA

JANUARY-APRIL, 2018

Report to Stakeholders



Innovative Coverage of a Challenging Administration

Since the election of President Donald Trump, millions of Americans have put their faith in the media to do its most important job: Ferret out facts and expose wrongdoing. Through emails and donations, readers have shared with ProPublica concerns about the threats Trump has posed to freedom of the press and to facts themselves.

In our coverage of the Trump administration, ProPublica has remained committed to digging into stories other reporters are not covering. In the first four months of this year, we have sought out innovative approaches, from inviting readers to help us investigate especially opaque areas to developing searchable databases and technologies, all with an aim to holding our government accountable.

Cover: *Demetrius Smith was wrongfully convicted for murder. Our reporting cleared the charge from his criminal record. (Lexey Swall, special to ProPublica)*

Investigating the President's Business

In February, we launched “[Trump, Inc.](#),” a podcast reporting project with WNYC that examined the relationship between Donald Trump’s presidency and his business empire. The 12-episode series (plus three bonus installments) dug into some of the central questions surrounding the business dealings of the President and his family.

More than a year after his election, so much is still unknown about the president’s businesses — what deals are happening, who his partners are, who’s providing the financing, and if he’s benefiting financially. Conceived as an “open investigation,” the series invited listeners to join our reporters Jesse Eisinger, Eric Umanksy and Heather Vogell and WNYC reporters Andrea Bernstein and Ilya Marritz in their quest for answers.

The series unfolded with detailed stories about rampant casino money-laundering rule violations by the Trump Taj Mahal in Atlantic City. It pointed to the many red flags surrounding the Trump Organization’s projects in India, where corruption is common in the real estate industry. It looked at how the Trump family’s businesses are suing local governments across the United States, claiming it owes less in property taxes. And it produced a deep-dive into the background of Trump’s lawyer Michael Cohen. Listeners helped the “Trump, Inc.” team, providing more than 100 tips for the reporting team to follow.

Welcome to Trump Town

In March, we published [Trump Town](#), the first comprehensive and searchable database of Trump’s 2,684 political appointees, along with their federal lobbying and financial records. Searchable by staffer name, federal agency or former employer, the app is the result of a year spent filing Freedom of Information Act requests, collecting staffing

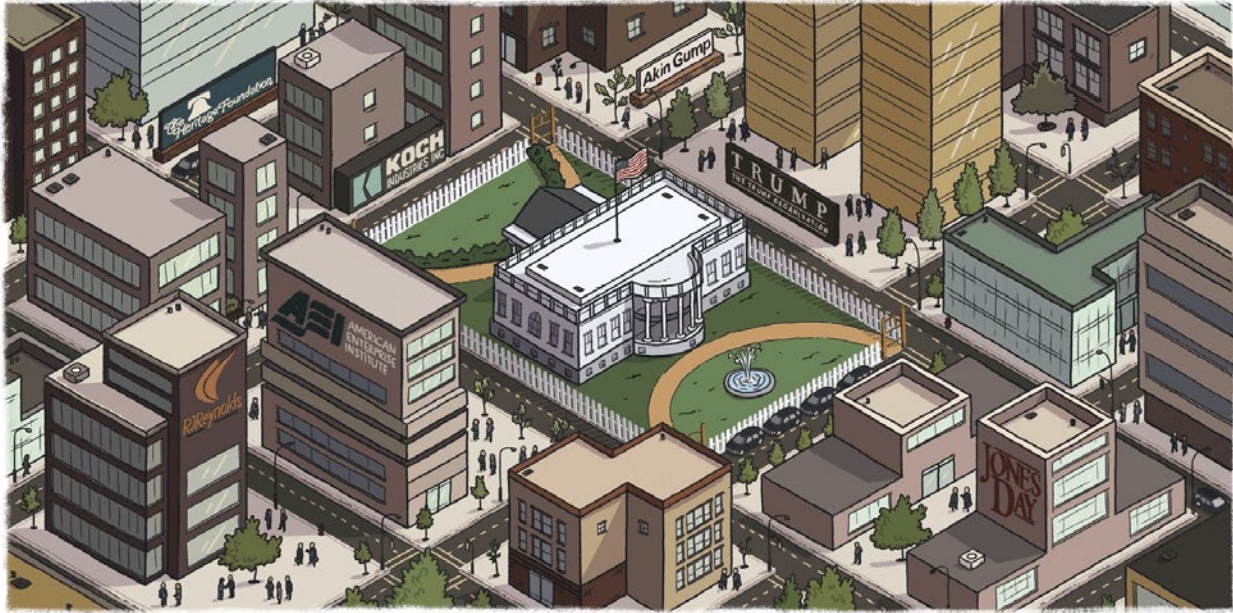


Our podcast project with WNYC, “Trump, Inc.,” examines the relationship between Donald Trump’s presidency and his business empire. (Photo of Donald Trump: Michael Vadon)

One tip resulted in an episode devoted to a phone call by Trump one month after his election to the prime minister of Vietnam. Rather than have this contact set up by the State Department, which is standard procedure during transitions, the call was arranged by Trump personal lawyer Marc Kasowitz — who also represents Philip Falcone, an investor with a major casino in Vietnam. Another tip prompted an episode about the Trump Organization’s commissioning of golf course tee markers emblazoned with the presidential seal. Under federal law, the seal’s use is permitted only for official government business — and the golf courses removed them the day after the episode aired.

With nearly 1.8 million downloads, “Trump, Inc.” launched as the #5 podcast in the country on the Apple podcast charts and the #1 podcast for news & politics. It finished its season in the Top 10 podcasts overall. Esquire named it one of the 10 best podcasts of 2018 so far.

lists and publishing financial disclosure reports. It illuminates the degree to which President Trump has failed to “drain the swamp,” despite his campaign promises to address corporate lobbying and corruption problems in Washington. Led by ProPublica research editor Derek Kravitz, news applications developer Al Shaw and reporter



“Trump Town” is the first comprehensive and searchable database of Trump’s 2,684 political appointees, along with their federal lobbying and financial records. (Susie Cagle, special to ProPublica)

Isaac Arnsdorf, the Trump Town team identified at least 187 Trump political appointees who have been federal lobbyists. Many are now overseeing the industries on whose behalf they once lobbied. We also discovered ethics waivers that allow Trump staffers to work on subjects where they have financial conflicts of interest. And we found at least 254 appointees affiliated with Trump’s 2016 presidential campaign, in addition to at least 125 staffers from prominent

conservative think tanks, are now working in the federal government, many on efforts to undo Obama-era regulations.

We also published a Trump Town reporting recipe, explaining the journalistic insights and techniques that allowed us to do the reporting and guiding other journalists in how they can use our database. The New York Times, Washington Post, NPR and Esquire, among other outlets, wrote stories using this database.

Digging Beyond Transitory Headlines

Some of our coverage of the administration added importantly to ongoing stories. In February, while much of the media was obsessing about Veterans Affairs Secretary David Shulkin’s spending abuses, ProPublica reporter Isaac Arnsdorf uncovered a bigger issue: A huge political battle raging over whether veterans health care should be privatized. Arnsdorf’s reporting brought to light a signature aspect of Trump’s governing style. He appointed a VA secretary who disagreed with the president’s stated views on veterans health care, and then undercut him by appointing subordinates who disagreed with the secretary. The result,

Arnsdorf revealed, was a conflict that stalled reform of the VA.

In March, Arnsdorf published a piece that examined the continuing battle at the VA, this time looking at the actual working of a law passed to make it easier to fire senior officials whose work was subpar. Of the 1,704 people fired by the VA since the law passed, only four fit the job description of the “senior leaders” who were the target of the legislation. Arnsdorf found that the other 1,700 had titles like housekeeper, food service worker or nursing assistant.

And Much More

Of course, the Trump administration was hardly the sole focus of our coverage in early 2018. Guided by a remarkable feat of crowdsourcing with more than 1,100 former employees, reporters Peter Gosselin and Ariana Tobin exposed how [IBM has systematically cut tens of thousands of older employees from their jobs](#), flouting rules against age bias.

To help tell the wrenching story of an [MS-13 informant](#) who risked his life to work with local police, only to be betrayed by them and marked for deportation, reporter Hannah Dreier combed through years of texts and WhatsApp conversations on his cellphone.

Reporters Justin Elliott and Ariana Tobin expanded our reporting on mismanagement at the American Red Cross with a story about a former [Red Cross executive accused of sexual misconduct](#). Reporter Kiera Feldman and developer Al Shaw tagged along on [the night shift of a garbage truck driver](#), with an interactive map taking readers through the route, to tell the story of the shocking dangers in the world of private commercial garbage collection in New York City.

We also began rolling out projects from the inaugural members of the ProPublica Local Reporting Network, a new initiative supporting investigative journalism at seven local news organizations. These include an investigation into [major gaps in public housing in Southern Illinois](#), an examination of [how Oregon has mismanaged violent offenders with mental illness](#), issues surrounding [nuclear worker safety in New Mexico](#), a close look at [conflicts of interest among members of the Louisiana legislature](#), the beginnings of an investigation of [West Virginia's approach to its bounty of natural gas](#) and a look at how Florida handles first responders with PTSD.

We feel as if the year has only just begun. We hope you will stay with us for many important stories ahead.



Young residents play with plywood panels, which are used to cover up vacated properties at the Elmwood housing development in Cairo, Illinois. (William Widmer, special to ProPublica)

In 2017, we developed a piece of software that lets the public help us identify and archive political ads as they appear on Facebook. Today, the Facebook Political Ad Collector has helped us identify more than 40,000 political ads shown to users around the world. We have partnered with newsrooms in Canada, Germany and several other countries to help monitor elections and uncover misleading ads. As we continue toward the U.S. midterm elections, we will use the tool more extensively throughout the year. Learn more: politicaladcollector.com

Impact

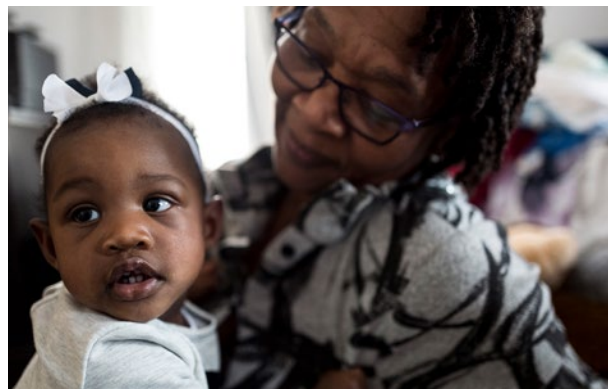
When ProPublica was started ten years ago, impact was at the core of our mission, and it remains the principal yardstick for our success today. We measure our impact not in terms of audience size or honors, but real-world change. In the first few months of 2018, our journalism spurred such change in a number of important areas.

Chicago politician voted out of office

In partnership with the Chicago Tribune, ProPublica Illinois investigated Cook County, Illinois' unfair property tax assessment system, revealing that it unfairly penalized small businesses and poorer homeowners while giving the wealthy undeserved tax breaks and lining the pockets of politically connected tax attorneys. In the Democratic primary election in March, fairness in the property tax system was a major issue — and Assessor Joseph Berrios, who also serves as the Cook County Democratic chairman, lost his bid for re-election.

State bills to improve maternal health adopted

Our reporting with NPR about maternal mortality in the U.S. spurred significant change. Citing the series, state and local lawmakers around the country proposed a flurry of bills aimed at reforming how maternal deaths are identified and investigated. Indiana, Oregon, Maryland, Washington, D.C. and Pennsylvania passed laws creating maternal mortality review committees to scrutinize deaths and near-deaths among expectant and new mothers, and make policy recommendations to improve maternal health. Similar bills are pending in Connecticut and New Jersey. The American College of Obstetricians and Gynecologists, which sets standards of care for obstetrician-gynecologists, also released sweeping



Soleil Irving is held by her grandmother Wanda. Soleil's mother, Shalon, was one of an estimated 700–900 women who died from pregnancy-related causes in the U.S. in 2016. (Sheila Pree Bright for ProPublica)

new recommendations for improving maternal care, including guidelines for doctors to see new mothers sooner and more frequently and for insurers to cover the increased visits.

Red Cross official steps down

In January, we reported on Gerald Anderson, a former senior executive at the American Red Cross who was found by an internal investigation to have sexually harassed a subordinate. Red

Cross General Counsel David Meltzer had lauded Anderson on his way out and gave him a positive reference, helping him land a new position at Save the Children. When ProPublica contacted Save the Children about the circumstances of Anderson's departure, the organization placed Anderson on administrative leave. Following the article, Meltzer resigned from the Red Cross, saying that he deeply regretted his handling of the sexual misconduct case.

Wrongfully convicted man exonerated

Last year, we reported on Demetrius Smith, who was wrongfully convicted of murder in Baltimore and agreed to an Alford plea — a deal that allows defendants to maintain their innocence while at the same time pleading guilty and accepting the status of a convicted felon. Our story showed that the prosecutor had blocked Smith's request to revise his plea deal so that he would no longer be a felon. Prompted by the story, the prosecutor filed a motion saying he had been wrong and asked a judge to schedule a new hearing for Smith. In January, that hearing ended with Smith's criminal record being cleared.

Discriminatory police practice abandoned

ProPublica and the Florida Times Union reported that police in Jacksonville, Florida, disproportionately issued pedestrian tickets to black residents, almost all of them in the city's poorest neighborhoods. After the story, Jacksonville Assistant State Attorney Andrew Kantor issued a bulletin to the city's sheriff's



After our story showed pedestrian tickets are disproportionately issued to black residents of Jacksonville, Florida, local lawmakers called for the suspension of pedestrian ticket writing. (Cameron Cottrill, special to ProPublica)



Demetrius Smith was wrongfully convicted of murder. Prompted by our reporting, Smith got a new hearing which ended with his criminal record being cleared. (Lexey Swall, special to ProPublica)

office detailing the proper enforcement of Florida's pedestrian statutes, and the Jacksonville City Council president and other local lawmakers called for the suspension of pedestrian ticket writing. The reporting also prompted the NAACP Legal Defense Fund to go to Jacksonville to conduct on-the-ground interviews for an investigation concerning the sheriff's office's enforcement of pedestrian tickets.

Illegal uses of presidential seal halted

In March, our "Trump, Inc." podcast with WNYC reported that the Trump Organization had ordered dozens of golf tee markers emblazoned with the presidential seal, even though it's illegal to use the seal for commercial purposes. The day after the story appeared, President Trump's company said it would remove the markers from its golf courses.

Neo-Nazis lose access to online platforms

In February, ProPublica reported that the California man accused of killing a gay, Jewish college student was a member of Atomwaffen Division, a neo-Nazi group. Our reporters obtained 250,000+ messages from the group's secret chat room, showing that other Atomwaffen members cheered the killing of the student. After this story, at least four technology companies — including YouTube; Discord, a chat app for video gamers; Steam, a community discussion board for gamers; and Inktale, an online t-shirt retailer — took steps to bar the hate group from using their online services and platforms.



Otis Nash is a resident of Chicago's Garfield Park, whose drivers are likely to pay higher premiums than the more affluent Lake View neighborhood. Regulators are examining the disparity. (Alyssa Schukar, special to ProPublica)

Campaign contributions limited

Last year, ProPublica, WNYC and the New Yorker reported that Manhattan District Attorney Cyrus Vance Jr. had overruled prosecutors who wanted to bring felony fraud charges against Ivanka Trump and Donald Trump Jr. We disclosed that Vance had met in 2012 with Trump lawyer Marc Kasowitz, who had donated to Vance's re-election campaign. Following the report, Vance said he would no longer take campaign donations from defense attorneys with cases before him and will cap donations from their law partners. He also will not solicit contributions personally and will have his campaign shield him from the identities of his donors.

Transparency on Kushner firm's business dealings enforced

In a story co-published with the New York Times Magazine, we spotlighted Jared Kushner's role as a

real estate developer and landlord to hundreds of tenants in low-income housing units in the Baltimore suburbs. Our story disclosed how Kushner Industries had bought up rental complexes — only to leave the homes in extreme disrepair, humiliate late-paying renters, and sue them for thousands of dollars when they try to move out. After the story, tenants brought a class-action lawsuit against the firm's property management arm. In January, on a motion brought by news organizations including ProPublica, a federal judge ruled that Kushner Industries could not keep secret in federal court the identities of its partners in the apartment complexes. In response, Kushner's company moved its case back to state court.

Federal legislation introduced to examine harmful car insurance practices

In partnership with Consumer Reports, we published findings in 2017 that car insurance companies across California, Illinois and two other states charge safe drivers in minority ZIP codes at least 10 percent more, on average, than in predominately white ZIP codes. Spurred by our reporting, Rep. Mark Takano introduced legislation in February requiring federal authorities to examine racial disparities in auto insurance premiums. The bill called for the Treasury Department's Federal Insurance Office to collect ZIP-code level claims data from insurers across the nation, and use the information to study whether higher prices in minority neighborhoods are justified by the risk of bigger payouts in those areas.

Additional examples of what we mean can be found at <http://www.propublica.org/about/impact/>, as can a white paper on how ProPublica thinks about impact and related questions.

What People Are Saying

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

"I receive your daily reports and am totally blown away by the quality of your journalistic efforts. And your bravery and thoroughness in chasing down these stories! Your reporters have taken risks to get the truth, and we as consumers of your work do value it highly." —**Robert**

"I am donating because of the fabulously in-depth reporting on IBM's ageist firing tactics. I am an ex-IBMer and ex-Millennial Corp, and saw from the inside how the massive layoffs affected longstanding employees of the company." —**G.**

"I just sent ProPublica a donation because I like your health care reporting, especially on waste and price gouging. Articles like yours are crucial to fixing health care in the US. Keep up the good work." —**Chris**

"Recently, I heard that ProPublica would be supporting the investigative journalism efforts of local news stations. Among them, the South Bend Tribune and WMFE. I've had the pleasure of, at different times, calling both South Bend and Orlando home. I'm proud of both of them for being selected to be a part of ProPublica's Local Reporting Network." —**David**

"Back in May your piece on maternal mortality prompted me to set up a small recurring monthly donation. In the subsequent months, I would notice that donation on my credit card and wonder, 'Hmm, is that still worthwhile? Should I be funding these guys when there are so many other demands on my resources?' I just received your annual report and am happy to say that the answer to those questions is an unequivocal 'YES!' I'm delighted you were able to hire more people and increase your operating budget via thousands of donations like my very small one." —**Johna**

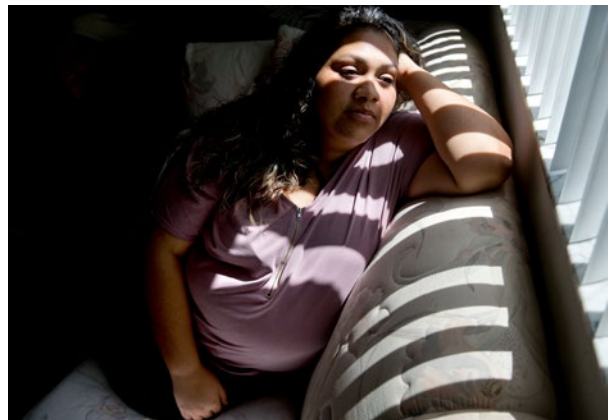
Honors

Much of our best work from last year has been honored in recent months.

Our collaboration with NPR, on **the maternal mortality crisis in the U.S.**, was a finalist for the Pulitzer Prize for Explanatory Reporting. The series won the Peabody Award in the radio/podcast category, the Goldsmith Prize for Investigative Reporting, the George Polk Award for medical reporting, the Sigma Delta Chi Award for excellence in journalism, the Edward R. Murrow Regional Award for Excellence in Innovation, the New York Academy of Medicine Health Equity Journalism Prize, and the Council on Contemporary Families Award for Outstanding Media Coverage of Family Issues. The series was also a finalist for the National Magazine Award for public interest, and the Investigative Reporters and Editors Award for print/online and the Association of Health Care Journalists Award for print journalism, is a finalist for the Deadline Club Award for public service, and received honorable mention for the MOLLY National Journalism Prize.

“The Tax Divide,” a series from ProPublica Illinois and The Chicago Tribune on Cook County’s property tax assessment system, was a finalist for the Pulitzer Prize for Local Reporting. The series won the Taylor Award for Fairness in Journalism, the National Headliner Award for news series in a daily newspaper, and the Richard H. Driehaus Foundation Award for Investigative Reporting. It is also a finalist for the Peter Lisagor Award in the categories of best investigative reporting (general interest daily newspaper) and best investigative reporting (all media).

Our series with NPR on how employers and insurance companies use threats of deportation to get out of paying **workers’ compensation for undocumented workers** won the MOLLY National Journalism Prize, the James Aronson Award for Social Justice Journalism, the Society of American Business Editors



After Yuliana Rocha Zamarrripa hurt her knee at work, an investigator working for her employer’s insurance carrier reported her for using a false Social Security number. (Scott McIntyre for ProPublica)

and Writers Award for explanatory reporting, and the Investigative Reporters and Editors Award in the radio/audio category. The series is also a finalist for the Deadline Award for beat reporting.

“Too Broke for Bankruptcy,” our series on how the bankruptcy system routinely fails those it is meant to aid and particularly punishes poor black Americans, won the American Society of News Editor’s Dori J. Maynard Award for Justice in Journalism, the Society of American Business Editors and Writers Award for investigative reporting, and second place for the Philip Meyer Award for journalism using social science research methods.

Our project with the Florida Times-Union, **“Walking While Black,”** on racial disparities in Jacksonville, Florida’s, enforcement of pedestrian violations, won the Al Nakkula Award for Police Reporting and



An epidemic of unnecessary treatment is wasting billions of health care dollars a year. Patients and taxpayers are paying for it. (Kasia Bgdańska, special to ProPublica)

the Paul Tobenkin Memorial Award, and is a finalist for the Deadline Club Award for minority focus.

“**Wasted Medicine**,” our series highlighting shocking examples of the hundreds of billions of dollars that the U.S. wastes each year on health care, won the Association of Health Care Journalists Award in the consumer/feature category and the Society of American Business Editors and Writers Award for health/science.

“**Automating Hate**,” a collaboration with the New York Times and German news organizations that exposed discriminatory Facebook policies, won the Society of American Business Editors and Writers Award in the technology category.

Our investigation with Fortune, “**The Billion-Dollar Loophole**,” on a popular charitable donation tax scheme that is being manipulated to make big profits, won the Society of American Business Editors and Writers Award for banking/finance.

Our storytelling and **reporting on Twitter about the Trump administration** won the Edward R. Murrow Regional Award for Excellence in Social Media.

Our story on **foreigners on liver transplant lists** with WVUE-TV New Orleans won an Edward R. Murrow Regional Award for Hard News.

Our collaboration with the Investigative Fund, “**Trashed: Inside the Deadly World of Private Garbage Collection**,” won the February Sidney Award.

“**How the U.S. Triggered a Massacre in Mexico**,” a collaboration with National Geographic, was a finalist for the National Magazine Award for reporting.

Our investigation disclosing unseemly practices by the family **real estate business of President Trump’s son-and-law and adviser Jared Kushner**, co-published with New York Times Magazine, was also a finalist for the National Magazine Award for reporting.

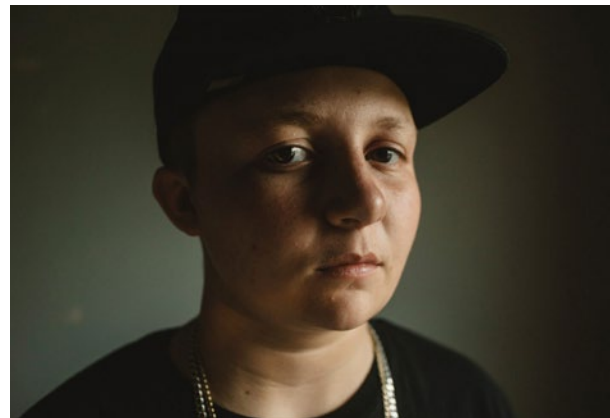
The ProPublica-led project “**Documenting Hate**,” a coalition of newsrooms reporting on hate crimes, was a finalist for the Scripps Howard Award for Topic of the Year. Rachel Glickhouse, the partner manager for Documenting Hate, is a finalist for a Livingston Award for national reporting.

Our series “**The Failure Track**,” on profiteering, harsh discipline and educational neglect in alternative schools, is a finalist for the National Award for Education Reporting in the investigative reporting category.

Our story exposing that thousands of **criminal cases in New York City relied on disputed DNA testing** techniques, co-published with the New York Times, was a finalist for the Al Nakkula Award for Police Reporting and is a finalist for the Deadline Club Award for local reporting.

ProPublica Illinois is nominated for **Best Start-Up** by the Chicago Headline Club’s Peter Lisagor Awards.

Our reporting on the **financial disclosures of hundreds of officials** President Trump has installed across the government was a finalist for the Investi-



Schools touted by Betsy DeVos aggressively recruit at-risk students, offer barebones courses, and boost revenue by inflating enrollment. Sabrina Blevins missed school for weeks at a time because of her full-time job at McDonald’s, but she says the school has never dropped her from its rolls. (Andrew Spear for ProPublica)



Our series “Bombs in Our Backyard” uncovered the various ways in which the U.S. military is the country’s most dangerous polluter. (Ashley Gilbertson/VII Photo, special to ProPublica)

gative Reporters and Editors Award for freedom of information. The **“Trump Town”** news app, tracking ex-lobbyists and D.C. insiders who have been appointed across the federal government, was recognized on the Data Journalism Awards shortlist.

Our series on **Alford Pleas**, a little-known feature of criminal law under which defendants maintain their innocence while pleading guilty, was a finalist for the Taylor Family Award for Fairness in Journalism, and is a finalist for the Deadline Club Award for public service.

A ProPublica Illinois and Chicago Tribune series on **police accountability in Chicago** is a finalist for Pe-

ter Lisagor Awards for best political and government reporting, best multimedia feature presentation, best multimedia collaboration, and best non-deadline reporting.

“How Chicago Gets its Guns,” a ProPublica Illinois collaboration with the Chicago Sun-Times and WBEZ, is a finalist for the Peter Lisagor Award for best multimedia feature presentation.

The ProPublica Illinois post **“Downstate-of-Mind: Your Responses to Defining ‘Downstate’ Illinois”** is a finalist for the Peter Lisagor Award for best individual blog post.

“Bombs in Our Backyard,” a series on the various ways in which the U.S. military is the country’s most dangerous polluter, is a finalist for the Deadline Club Award for science, technology, medical or environmental reporting, and was a silver winner in the Tokyo International Foto Awards.

Our investigation on **mental health care in Mississippi jails** is a finalist for the Deadline Club Award for feature reporting and received honorable mention for the National Press Foundation Carolyn Mattingly Award for Mental Health Reporting.

Our **news applications and data visualizations** won 35 Society for News Design Awards of Excellence for site redesign, design team portfolio, news apps portfolio, breaking news, features, graphics, social media graphics, and the individual portfolios of design director David Sleight, editorial experience designer Rob Weychert, and social visuals and graphics producer Lucas Waldron.

We launched ProPublica Illinois, our first regional publishing outlet, just six months ago. The team of about a dozen reporters and editors is off to a fast start, publishing stories of impact and garnering awards. We’ve listed them in the sections above, but here are a few of the most significant accolades:

- Finalist, Pulitzer Prize for Local Reporting
- Best Startup, Peter Lisagor Award nomination
- Taylor Award for Fairness in Journalism
- Richard H. Driehaus Foundation Award for Investigative Reporting
- News Series in a Daily Newspaper, National Headliner Award

Publishing Partners

New partners marked in **bold**.

- Advocate (Baton Rouge, La.)
- **Alton Telegraph**
- **Association of Health Care Journalists**
- Atlantic
- **Charleston [WV] Gazette-Mail**
- Chicago Sun-Times
- Chicago Tribune
- Chronicle of Higher Education
- Consumer Reports
- Fortune
- Florida Times-Union
- **Globe and Mail**
- **Malheur [OR] Enterprise**
- Mother Jones
- New York Magazine
- New York Times
- NPR News
- IRE Journal
- Philadelphia Inquirer
- Politico
- Real Deal
- **Reveal**
- **Santa Fe New Mexican**
- Source
- **Southern Illinoisan**
- Texas Monthly
- Texas Tribune
- Univision
- Vox
- Washington Post
- **WMFE (Orlando)**
- WNYC

By the Numbers, January–April, 2018

3,200,000	Page views on ProPublica platforms per month on average	DOWN 26% VS. 2017
569,000	Off-platform pages viewed on MSN, Apple News, Google Play Newsstand, and SmartNews per month on average	DOWN 36% VS. 2017
245,000	Pages republished under Creative Commons per month on average	DOWN 47% VS. 2017
1,400,000	Unique visitors to ProPublica.org per month on average	DOWN 40% VS. 2017
127,000	Email subscribers	
728,000	Twitter followers	UP 2% SINCE DECEMBER 2017
377,000	Facebook fans	UP 1% SINCE DECEMBER 2017
11,000+	Donors	