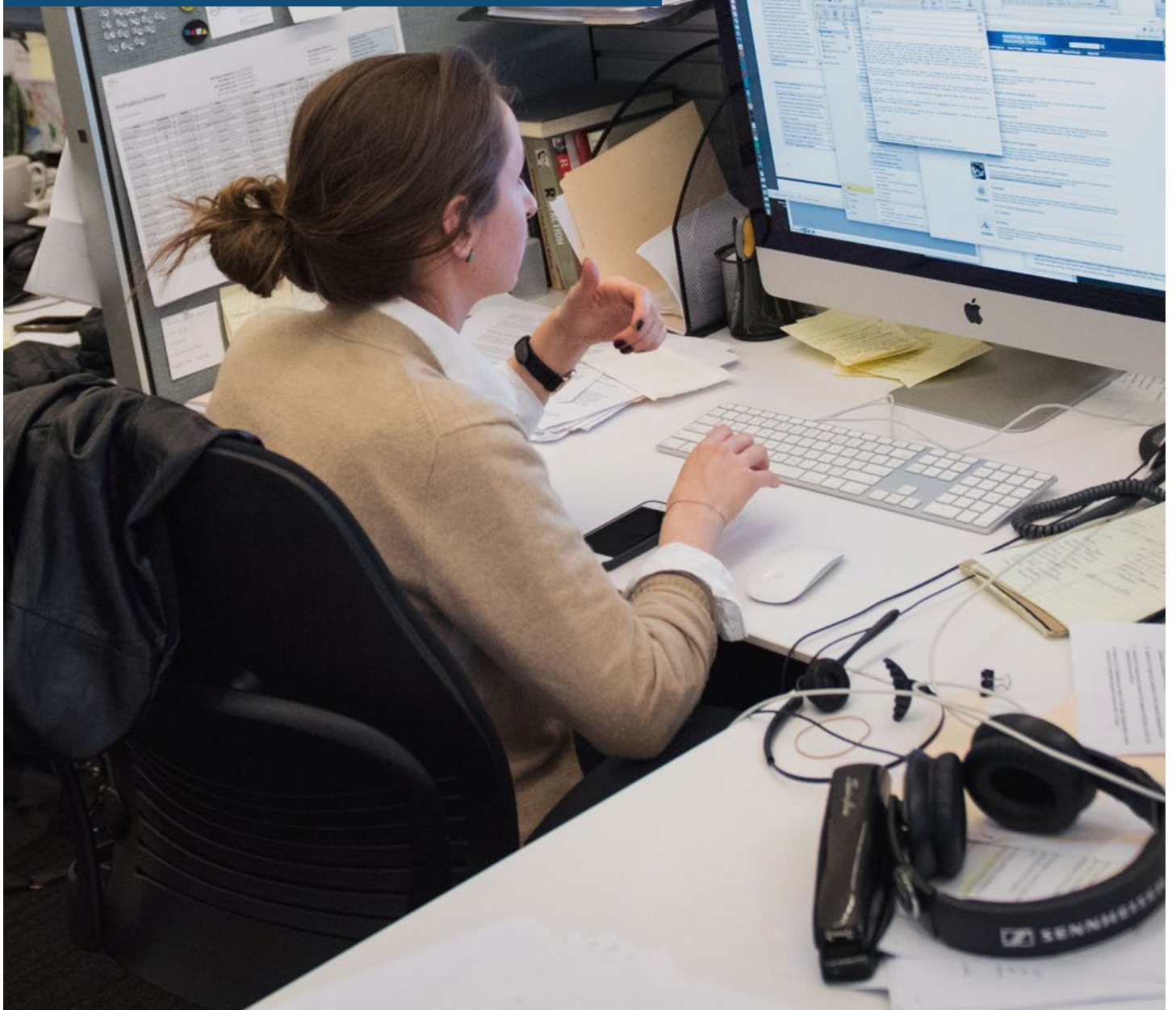


Report to Stakeholders



JANUARY–APRIL, 2016



The latest in a series of periodic reports to our stakeholders about progress at ProPublica. Earlier reports, including our annual report for 2015, are available at ProPublica.org.



A Third Pulitzer Prize for ProPublica

In December, ProPublica published the story that would become the most widely read article ever posted on our website. For “An Unbelievable Story of Rape,” ProPublica senior reporter T. Christian Miller teamed up with Ken Armstrong of The Marshall Project to tell the harrowing tale of “Marie,” a young woman in Washington State who told police she was raped at knifepoint, only to be disbelieved and even charged with falsely reporting a crime. The article also highlights the excellent investigative work of two detectives in Colorado who brought the interstate serial rapist to justice, vindicating Marie more than two years later.

Last month, the investigation won the **Pulitzer Prize in Explanatory Reporting**, ProPublica’s third Pulitzer in seven years.

Marie’s story marked the final installment in Miller’s yearlong project that brought to light critical law enforcement issues around the investigation of serial rape cases. The series outlined clear

remedies that include better collaboration among law enforcement agencies and the widespread utilization of the FBI’s violent crime investigation database. The article was particularly resonant for many readers because it came just a year after the discrediting of an initially highly touted media report of a gang rape on the campus of the University

Illustration by Wesley Allsbrook for ProPublica



Senior reporter Abraham Lustgarten's 2015 reporting on the water crisis in the American West was recognized as a finalist for the Pulitzer Prize for National Reporting. (Michael Friberg, special to ProPublica)

of Virginia. Marie's story was an important reminder to many of the need to listen closely to victims of rape.

In addition to Miller's Pulitzer win, senior reporter Abraham Lustgarten's 2015 reporting on the water crisis in the American West was recognized as a **finalist for the Pulitzer Prize for National Reporting**. Lustgarten's series, *Killing the Colorado*, focused on the manmade antecedents to the crisis and included articles and extraordinary photographs published in partnership with Medium's *Matter* magazine. This recognition marks the fifth time (including winners) our work has been cited as a Pulitzer finalist.

In the seven years of this decade so far, seven Pulitzers have been won by "digital native" online news organizations. ProPublica was the first such organization to receive a Pulitzer Prize, and has now been awarded three of the seven.

Of course, prizes are not the best measure of the worth of ProPublica journalism. Our own favored measure is impact, by which we mean real-world change spurred by our reporting. That is why the next section of this report charts such impact during the first four months of this year—and why each public report we issue, three times each year, in January, May and September—also reports in detail on the impact of ProPublica's work.

But prizes are a good measure of how our work is regarded by our peers in journalism, and are thus, on the whole and over time, some objective indication of the quality of that work. That is why we also chart these results in our public reports. We are very pleased to see that the overall judgment on much of our work from 2015 was so positive.

We believe that ProPublica journalism is off to a strong start in 2016 as well, with important stories ranging from an additional installment of Lustgarten's "*Killing the Colorado*" series, in partnership with the Atlantic, on efforts to build [competitive water markets](#) as a solution to the water crisis in the American West; to how Habitat for Humanity New York [pushed poor families out of their apartments](#) in the process of building new low-income housing; to a groundbreaking multimedia project with the Texas Tribune showing [the dangers that face Houston in the event of a crippling hurricane](#); to a series in partnership with the New York Daily News on a little-known NYPD practice of [displacing people from their homes and businesses](#), under the mere suspicion of illegal activity. There is much more to come in areas ranging from criminal justice to health care, education to technology and privacy, international security to the dysfunction of our own politics.

We hope you will join us on the journey.

Impact

As noted above, 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 <http://www.propublica.org/about/impact/>, as can a white paper on how ProPublica thinks about impact and related questions.

In the first period of 2016, ProPublica stories produced such change in a number of important areas:

- ProPublica and NPR reporting spotlighted Oklahoma's workers' compensation system, which allowed companies to "opt out" of state workers' comp and write their own plans for dealing with injured workers. In February, the Oklahoma Workers' Compensation Commission struck down the opt-out system as unconstitutional. Additionally, the U.S. Department of Labor said it is evaluating whether opt-out plans violate workers' rights under federal law.

- After we reported that students at for-profit schools accredited by the Accrediting Council for Independent Colleges and Schools (ACICS) are worse off than students at other schools – significantly less likely to graduate, in addition to struggling more in paying off their loans – 12 state attorneys general, citing ProPublica, asked the federal Department of Education to revoke its recognition of the organization. A coalition of 23 student and consumer protection organizations released a letter to the Education Department, also citing ProPublica's story, requesting that it revoke the recognition of ACICS. Amid the mounting scrutiny, ACICS' president and CEO resigned from the agency.

- A 2011 ProPublica investigation, published with Columbia's Stabile Center for Investigative Journalism and the Center for Public Integrity, found that, while student loan borrowers with severe disabilities are entitled to have federal student loans



As a result of our reporting with the Texas Tribune, Sen. John Cornyn filed legislation to protect Houston from a hurricane with potential to devastate the region. (Edmund D. Fountain, special to ProPublica)

forgiven, the program for deciding whether they qualify is deeply dysfunctional and inefficient. Federal officials consequently changed the program's regulations, and this April the Department of Education announced that it will offer to write off \$7.7 billion of student debt owed by approximately 387,000 borrowers who have become disabled.

- Following our 2014 reporting that Verizon and AT&T were attaching hidden tracking numbers to their subscribers' Internet activity, even when users opted out, Verizon agreed to pay \$1.35 million to



Since our investigation with the New York Daily News was first published in February, the number of controversial “nuisance abatement actions” filed by the NYPD—forcing people like Jameelah El-Shabazz from their homes—has dropped significantly. (Edwin Torres for ProPublica)

settle charges from the Federal Communications Commission that the undeletable “zombie” cookies violated customers’ privacy.

■ Our series of articles published with the New York Daily News, which detailed “nuisance abatement actions” – New York Police Department lawsuits that give police the power to get yearlong closures of homes and businesses, under claims they are being used for illegal purposes – has shown important results. The NYPD announced that it will change its tactics, with Police Commissioner Bill Bratton saying he will review the process that allows the NYPD to lock residents out of their homes before they’ve had a chance to tell their side of the story in court. The head of the agency that serves as the NYPD’s co-counsel said the organization will ensure such orders are “only sought in cases of appropriate urgency.” Since the investigation was

first published in February, the number of nuisance abatement actions filed by the NYPD has dropped significantly. In addition, several city council members are considering amendments and other reforms to safeguard abuses, and one family that was wrongfully kicked out of their apartment, citing our reporting, filed a lawsuit seeking to have the legislation declared unconstitutional.

■ Following our investigation into the company AdvoServ – which runs schools and residential facilities for children and adults with disabilities, and has overseen the abuse of people with disabilities for decades – Florida legislators are considering reforming a state law that favors the company. Lawmakers introduced a bill that would eliminate a current obligation for the state to contract with facilities licensed by AdvoServ, instead requiring the company to prove it offers high-quality care. The legislation would also require AdvoServ facilities to keep video recordings of common areas for at least 60 days, so officials could review them if a problem occurred.

■ Following our 2014 report on abusive discipline techniques at the Judge Rotenberg Center, a Boston-area school for children with severe developmental disabilities, the Food and Drug Administration moved to ban the facility’s use of a controversial electric shock device. In a 124-page document proposing the ban, the FDA accused the Rotenberg Center of underreporting harmful effects of electric shocks and misleading families about alternative treatments.

■ In March, along with the Texas Tribune, we launched a multimedia project showing that Houston is at risk of a major disaster: a hurricane with the potential to devastate the region. By April, U.S. Sen. John Cornyn filed legislation to expedite a U.S. Army Corps of Engineers study that will determine how best to protect Houston from such a hurricane. The bill would also streamline congressional authorization for any project that comes from the Corps study. U.S. Rep. Randy Weber announced plans to introduce a companion bill in the House.

■ After our reporting revealed that New York City landlords who collect lucrative tax breaks in exchange for providing rent-stabilized housing

failed to register up to 200,000 apartments for the program, city officials are increasing their oversight efforts. The city's housing commissioner outlined a plan for hiring more staff for oversight, as well as investments in technology and reorganization steps. State lawmakers also introduced a bill that would institute much higher financial penalties for landlords who overcharge their tenants, and two Brooklyn elected officials have asked the state's Tenant Protection Unit to investigate rent overcharges at a building ProPublica highlighted.

■ Following an article that uncovered dozens of workers at nursing homes taking degrading photos of residents and posting them on social media sites, Sen. Charles Grassley, chairman of the Senate Judiciary Committee, asked the U.S. Justice Department for specific information on how aggressively it pursues such elder abuse in nursing homes. This call for action came days after Sen. Tom Carper similarly asked government regulators at the Office for Civil Rights of the U.S. Department of Health and Human Services what they're doing to stop nursing home workers from the dehumanizing practice.

■ In response to our reporting on how New York lags behind other states in vetting nurses, failing to discipline those who are incompetent or even commit crimes, Gov. Andrew Cuomo said he would consider legislation shifting oversight of New York's nurses away from the state education department and giving that responsibility to the health department.

■ After our story on a Habitat for Humanity New York project that pushed out several low-income families in the process of buying and renovating buildings in Brooklyn, New York City Council



After our story on one of its New York projects, Habitat for Humanity took responsibility for pushing several low-income families like Roslyn Reed's out of their homes. (Edwin Torres for ProPublica)

member Robert Cornegy asked the charity's local affiliate to find housing for the families who were displaced. Habitat for Humanity's New York chapter took responsibility, encouraging the families named in the article to contact them directly in order to "help them find solutions that meet their needs."

■ Following a ProPublica investigation on the problems surrounding a New York City program that placed children with minor criminal records in small, unlocked group homes – including rushed implementation, unprepared supervisors, and children who ran away to commit violent crimes – the New York City Department of Investigation released a report that further exposed how the Administration for Children's Services (ACS) failed to adequately monitor the homes. Citing a "systemic failure," the report called for ACS to hire more staff and increase the frequency of inspections, among other urgent fixes, some of which have already been implemented.



What People Are Saying

“The truth is that we rely on people’s actual journalism to tell our stories. So I don’t want to claim that hard work. We find our stories because we read ProPublica. We find our stories because we read longform New Yorker stories. We rely on others to do the heavy lifting, and then we just come in with the jokes after.”

—**Samantha Bee**, television host and comedian (The Daily Beast, February 9)

“Investigative reporting has been hit particularly hard by the newspaper business’ financial woes. Some traditional news outlets continue to do excellent work, and new organizations, notably ProPublica, have been welcome additions to the investigative roster.”

—**Rem Rieder** (USA Today, February 29)

“[I follow] The Marshall Project and ProPublica. They are independent investigative news sites committed to doing the kinds of stories you don’t see anywhere else. What I’d like to see is a similar model on the local level. That’s what “Spotlight” illuminates – it was a local story, and local reporters were the right people to break it.”

—**Tom McCarthy**, director of “Spotlight,” winner of the Academy Award for Best Picture (New York Times, January 9)

“ProPublica, widely recognized as best in class, launched in 2008 with a \$30 million commitment from the Sandler Foundation. That financial runway provided room to not only attract first-rate talent for the newsroom, but also to establish its brand and diversify funding sources.”

—**David Uberti** (Columbia Journalism Review, April 25)

“Vox, Vice, the Texas Tribune, BuzzFeed, ProPublica, and Mic embody a new generation of promising organizations – some for-profit, others non-profit – that have put serious, high-quality journalism at the core of their identities.”

—**Chris Hughes** (Medium, January 11)

“With the decline in resources dedicated to investigative journalism by our major newspapers, ProPublica has stepped in to perform an absolutely critical function in our democracy – bringing to light institutional incompetence and corruption in our society. We as a country cannot function without it.”

—**Harlan**, a donor (January 4)

Honors

In addition to the Pulitzer Prize discussed in the introductory essay, much of our best work from last year has been honored in various venues this Spring.

Beyond the Pulitzer, our collaboration with The Marshall Project, **“An Unbelievable Story of Rape,”** also won the George Polk Award for justice reporting, the American Society of News Editors’ Deborah Howell Award for Nondeadline Writing, Columbia Journalism School’s Mike Berger Award for human interest reporting, the John Bartlow Martin Award for Public Interest Magazine Journalism and the Al Nakkula Award for Police Reporting. The piece was nominated for a National Magazine Award for feature writing, in addition to being a finalist for the Dart Award for Excellence in Coverage of Trauma, the Nieman Foundation’s Taylor Family Award for Fairness in Journalism and the Deadline Club Award for feature reporting.

As noted, ProPublica senior reporter Abrahm Lustgarten was a finalist for the Pulitzer Prize for National Reporting for **“Killing the Colorado,”** his groundbreaking investigation on the water crisis in the American West.

Our reporting with NPR News, **“Insult to Injury,”** showing how states have been driven by big business and insurers to dismantle workers’ compensation, won the IRE Medal, the highest honor bestowed by Investigative Reporters and Editors. The work also received an IRE Award in the print/online category, two Best in Business Awards from the Society of American Business Editors and Writers for digital innovation and digital investigations, a Society for News Design Award of Excellence for infographics,

and a bronze medal for features from the Malofiej International Infographics Awards. It is a finalist for the Anthony Shadid Award for Journalism Ethics, the Taylor Family Award for Fairness in Journalism, the National Institute of Health Care Management Foundation’s Research and Journalism Award for print journalism, and two Deadline Club

Awards for public service and business investigative reporting.

For a series of articles exploring critical changes in the structure and operations of U.S. democracy, reporter **Alec MacGillis** received the Toner Prize for Excellence in Political Reporting at a dinner in Washington, D.C., at which President Barack Obama gave the keynote speech.

“Color of Debt,” our analysis of racial disparities in debt collection lawsuits and wage garnishment, won the Society of American Business Editors and Writers’ Best in Business Award for digital explanatory. The piece is also a finalist for two Deadline Club Awards for beat reporting and minority focus.

Our coverage, with NPR News, of how the **Red Cross** has failed disaster victims in Haiti and made dubious claims of success, won the Investigative Reporters and Editors Award for radio/audio.

Our investigation into which colleges help low-income students the most, **“Debt by Degrees,”** is a finalist for the National Award for Education Reporting for data journalism.



“Surgeon Scorecard” won a Society for News Design Award of Excellence for features. (Miguel Montaner, special to ProPublica)

“Surgeon Scorecard,” which lifted the curtain on the complication rates of more than 16,000 surgeons nationwide and enabled Americans to compare their results for the first time, won a Society for News Design Award of Excellence for features, and is a finalist for the Deadline Club Award for science, medical or environmental reporting.

Reporting on **abuses by the for-profit company AdvoServ,** which runs schools and residential facilities for children and adults with disabilities, won the National Award for Education Reporting in the investigative category.

“Devils, Deals and the DEA,” our feature on how the DEA brought down one of the most vicious Mexican drug cartels – and the murky aftermath – is a finalist for the Deadline Club Award for enterprise reporting.

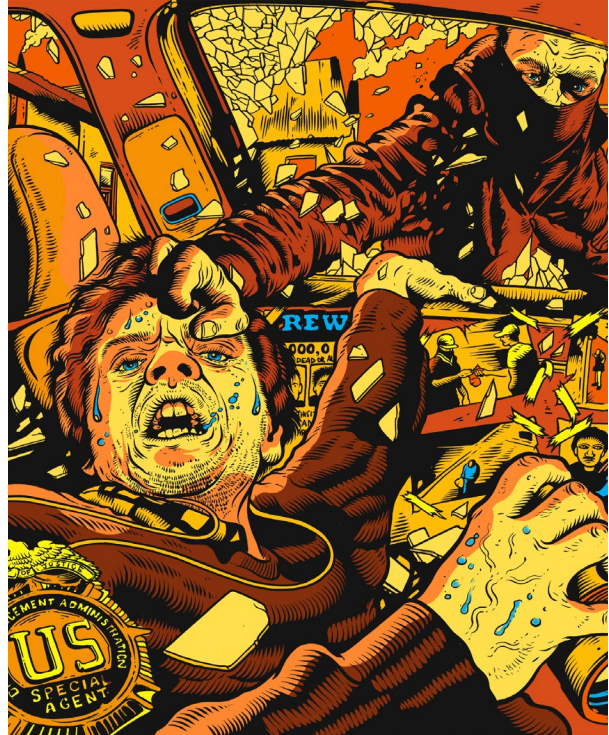
Our story exposing how a small but powerful lobbying group has blocked **homeschooling regulations** is a finalist for the National Award for Education Reporting in the investigative reporting category.

Stories about **New York City’s broken rent-stabilization system** were a finalist for the Society of American Business Editors and Writers’ Best in Business Award for real estate.

Original illustrations featured in our investigation on **Firestone’s activities in Liberia** during the country’s brutal civil war received a Society of Illustrators silver medal.

“Terror in Little Saigon,” a collaboration with PBS Frontline which revealed a political death squad that operated in the United States, murdering several Vietnamese-American journalists with total impunity, was a finalist for the Dart Award for Excellence in Coverage of Trauma.

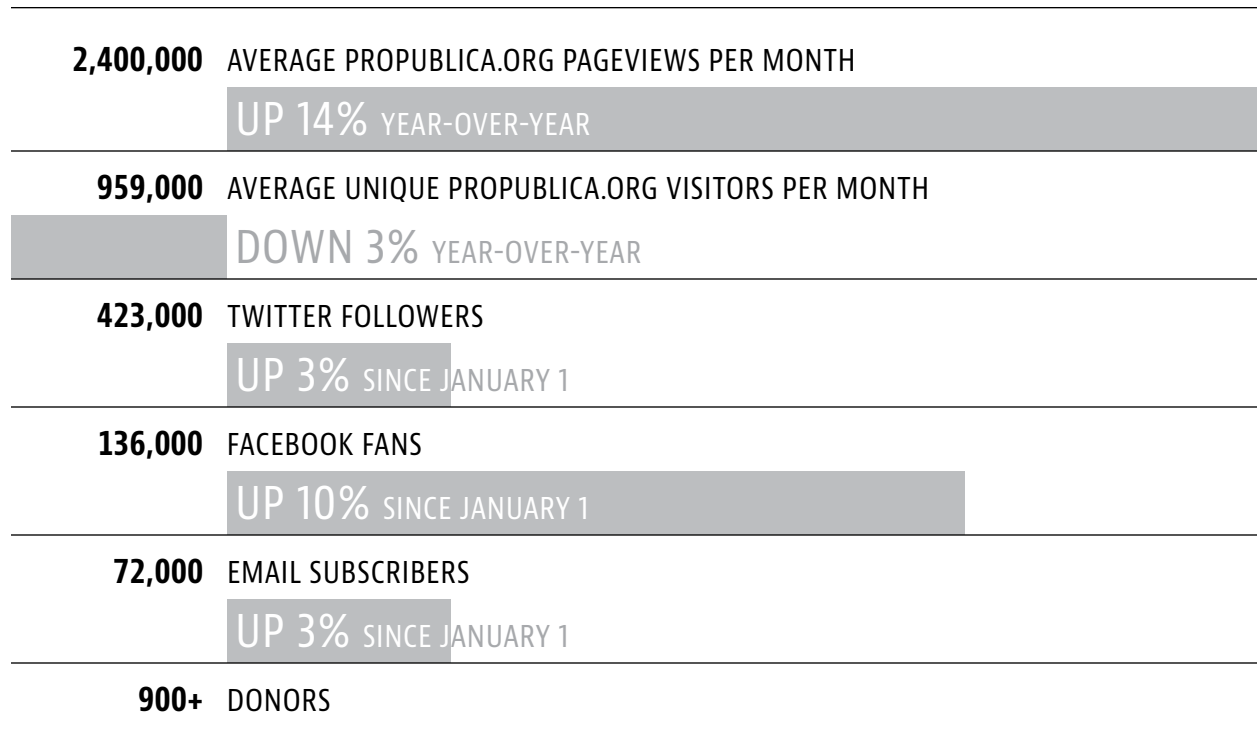
Reporting on “flashbangs” and the growing **militarization of law enforcement** was a runner-up for the John Jay College/H.F. Guggenheim Excellence in Criminal Justice Reporting Awards.



“Devils, Deals and the DEA” is a finalist for the Deadline Club Award for enterprise reporting. (Tim McDonagh, special to ProPublica)

Our **news applications and data visualizations** won a host of awards, including Society of News Design Awards of Excellence for infographics on cruise ship safety hazards and workers’ comp, as well as features on the water crisis in the American West and military waste. The Malofiej International Infographics Awards also bestowed bronze medals for visual reporting on health data breaches and our Facebook video on police failures to stop a serial rapist in the NFL.

By the Numbers



Publishing Partners, January–April, 2016

New partner marked in **bold**.

- Albany Times-Union
- Atlantic
- Boston Globe
- Chronicle of Higher Education
- Daily Beast
- Dallas Morning News
- Frontline
- Mother Jones
- New York Daily News
- New Yorker
- New York Times
- NPR News
- Seattle Times
- Source
- Tampa Bay Times
- **Texas Tribune**
- This American Life
- Virginian-Pilot
- Washington Post
- WNYC