

Software in the Public Interest, Inc.
2005 Annual Report

Prepared for
July 1, 2005 Annual Meeting

To the membership, Board, and friends of Software in the Public Interest, Inc.:

As mandated by Article 8 of the SPI Bylaws, I respectfully submit this annual report on the activities of Software in the Public Interest, Inc., and extend my thanks to all those that contributed to the mission of SPI in the past year.

– *John Goerzen, SPI President*

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Chapter 1

President's Welcome

“What does SPI do?”

That’s a question I hear frequently. I have a standard answer: Software in the Public Interest, Inc. (SPI) holds assets on behalf of various Free Software projects. But I think that is not the question, or the answer, that is most interesting.

“Why does SPI do this?”

This is a much more interesting question. SPI, at its very core, is about freedom. There are many organizations out there that promote freedom. SPI promotes freedom through software. This is not an abstract academic notion. By promoting freedom through software, SPI is on the leading edge of an ongoing battle. SPI believes in freedom to share ideas, freedom to modify something one owns, and most importantly, freedom to develop new technologies by standing on the shoulders of giants. Many forces seek to restrict these freedoms. Proprietary software licensing agreements often prohibit users not just from modifying the software they have purchased, but from even attempting to learn how it works.

We believe that the world would be better served by preserving the freedoms of an earlier era in this digital age. We believe that Free Software holds great benefits in terms of quality, education, and price.

I believe SPI, and the greater Free Software community, are powerful forces for good. I would like to personally invite you to become involved with SPI if you aren’t already. Almost all of our activities are handled and managed by volunteers, and we are always seeking to expand participation and interest in SPI.

Thank you all for your hard work in this cause.

Submitted by John Goerzen, SPI President

Chapter 2

Committee Reports

SPI has the following chartered committees:

- Open Source Committee, chartered by 2001-04-26.nl
- Membership Committee, chartered by 2001-08-06.nl. This is a permanent committee per Article 10 of the SPI Bylaws.
- Trademark Committee, chartered by 2003-06-03.bmh.1
- Bylaws Committee, chartered by 2003-01-06.wta.2 , extended by 2003-06-27.jpg.1 and made a standing committee by 2004-01-05.dbg.1

Additionally, SPI has one unchartered permanent committee mandated by Article 10 of the SPI Bylaws: the administration committee.

On May 17, the Board abolished the Projects committee, which had been inactive for some time.

Committee summary submitted by John Goerzen

The following reports were submitted by or about SPI committees:

2.1 Membership Committee

Craig Small originally built the web site based on his scripts for Debian's NM process. Later, Martin Michlmayr and Peter Palfrader took over; little modifications to the system itself were made but Peter added support for handling votes. In April 2005, they indicated their interest to step down and in May Graham Wilson, Luk Claes and Michael Schultheiss became the new Membership Committee.

2.1.1 Statistics

Here are some statistics from the membership committee:

NC Applicants Pending E-mail Approval	31
Non-Contributing Members	282
Contributing Membership Applications	8
Contributing Members	313
Application Managers	6

2.1.2 Open Questions

In the past, Martin Michlmayr (head of the Membership Committee at that time) became an adviser to the SPI board. It is not clear whether the new head should become an adviser too since this is not the case with other groups within SPI. This is something the SPI Board has to decide.

2.1.3 To-Do List

- Move the PHP code from CVS to SVN
- Check all the scripts into SVN as well, and re-structure the layout (move the *.php scripts in a subdirectory)
- Create an archive for the Membership Committee alias.
- membership@spi-inc.org should probably just be an alias to members@members.spi-inc.org so the SPI admin doesn't have to be bothered when changes are needed.

Submitted by Martin Michlmayr, outgoing chair of the Membership Committee

Chapter 3

Board Report

3.1 Board Members

Board members as of July 1, 2004:

- Ean Schuessler (President) (term expires July 1, 2004)
- John Goerzen (Vice President)
- Wichert Akkerman (Secretary) (term expires July 1, 2004)
- Jimmy Kaplowitz (Treasurer)
- Branden Robinson
- Ian Jackson
- Martin “Joey” Schulze
- Bruce Perens
- Benjamin Mako Hill
- David Graham

Board members as of June 30, 2005:

- John Goerzen (President)
- Benjamin Mako Hill (Vice President)
- David Graham (Secretary)
- Jimmy Kaplowitz (Treasurer)
- Bdale Garbee
- Branden Robinson

- Ian Jackson
- Bruce Perens
- Martin “Joey” Schulze

Advisors to the board as of June 30, 2005:

- Gregory Pomerantz, legal counsel
- Jeff Waugh, GNOME Foundation Board representative

3.2 Board Changes

Changes that occurred during the year:

- The terms for Wichert Akkerman and Ean Schuessler expired on July 1, 2004. Neither sought reelection.
- Bdale Garbee and Branden Robinson were elected to the board on July 29, 2004.
- On August 10, 2004, the Board selected the following officers for the coming year:
 - President: John Goerzen
 - Vice-President: Benjamin Mako Hill
 - Secretary: David Graham
 - Treasurer: Jimmy Kaplowitz

3.3 Elections

One membership election for board seats was conducted in the past year. It ended in August 2004, selecting Bdale Garbee and Branden Robinson for seats on the board.

In August 2004, the Board approved 2004-08-10.dbg.2, which provided a regular framework for Board member elections.

This report submitted by John Goerzen, Chair of the Board

Chapter 4

Treasury Report

4.1 Accounting & Taxes

SPI's 2004 annual report reflected a desire to improve the timeliness of processing financial documents, as well as the implementation of procedures to make sure we provide the best possible service in the future. Over the course of the past year, much progress has been made on this task, and it has been the task receiving the single greatest attention of the Board over the past year. It is clear that SPI still needs to improve.

The Board and SPI Treasurer have taken the following actions over the past year to improve the situation:

- Switched to a more responsive bank, First Internet Bank of Indiana, in December
- Established a permanent legal address with a registered agent in the State of New York
- On October 28, established a regular budget for the Treasurer, providing for any expenses necessary to carry out work related to the organizations finances without obtaining Board approval each time
- The SPI Treasurer began issuing regular monthly income, expense, and balance reports
- On June 21, authorized a contract with Mark's Bookkeeping Service in Manhattan to help get our existing books in proper order and assist with day-to-day financial management and future reports
- Also on June 21, authorized retaining an CPA for advice on tax filing requirements in the State of New York

Submitted by John Goerzen

4.2 Account Balances

2005 balances are current as of May 30, 2005.

Description	Balance in 2004 AR	2005 Balance
AmEx Bank, FSB Checking, Debian account	\$568.64	n/a
AmEx Bank, FSB Checking, SPI account	\$238.27	n/a
AmEx Financial Advisors AXP Cash Mgmt. Fund	\$39,504.43	\$39,882.62
First Internet Bank of Indiana, Checking	n/a	\$12,901.34
Totals	\$40,311.34	\$52,783.96

Unfortunately, a detailed financial report was not available for this year's annual report.

Submitted by John Goerzen based on the 2004 Annual Report and the Treasurer's latest report

Chapter 5

Member Project Reports

During the past year, Drupal and GNUstep joined SPI as member projects.

The following report was received from an SPI member project:

5.1 Debian Project

The Debian Project is an association of individuals who have made common cause to create a free operating system. This operating system that we have created is called Debian GNU/Linux, or simply Debian for short. Debian is by far the most significant SPI project and represents the majority of SPI's membership and financial transactions.

Submitted by Ean Schuessler

Appendix A

About SPI

SPI is a non-profit organization which was founded to help organizations develop and distribute open hardware and software. We encourage programmers to use the GNU General Public License or other licenses that allow free redistribution and use of software, and hardware developers to distribute documentation that will allow device drivers to be written for their product.

SPI was incorporated as a non-profit organization on June 16, 1997 in the state of New York. Since then, it has become an umbrella organization for projects from the community.

In 1999, the Internal Revenue Service (IRS) of the United States government determined that under section 501 (a) of the Internal Revenue Code SPI qualifies for 501 (c) (3) (non-profit organization) status under section 509 (a) (1) and 170 (b) (1) (A) (vi). This means that donations made to SPI and its supported projects should be tax deductible for the American donor.